



Northern Ireland
Assembly

**COMMITTEE
FOR THE OFFICE OF THE
FIRST MINISTER AND DEPUTY
FIRST MINISTER**

**OFFICIAL REPORT
(Hansard)**

Child Poverty

3 November 2010

NORTHERN IRELAND ASSEMBLY

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DEPUTY FIRST MINISTER**

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Members present for all or part of the proceedings:

Mr Tom Elliott (Chairperson)
Dr Stephen Farry (Deputy Chairperson)
Ms Martina Anderson
Mr Allan Bresland
Mr William Humphrey
Mrs Dolores Kelly
Mr Barry McElduff
Mr Francie Molloy
Mr George Robinson
Mr Jimmy Spratt

Witnesses:

Mr Fergus Cooper) Save the Children

Mrs Marie Cavanagh) Gingerbread

The Chairperson (Mr Elliot):

Our next evidence session is with the Child Poverty Alliance. I welcome Fergus Cooper from Save the Children, Marie Cavanagh from Gingerbread, Alison Loughlin from the Parents' Advice Centre, and Ross McCrea from Action for Children. I apologise for keeping you waiting.

Mr Fergus Cooper (Save the Children):

I thank the Committee for the invitation to present our recommendations for the child poverty strategy. I am the head of Save the Children in Northern Ireland but appear before the Committee today as the chairperson of the Child Poverty Alliance. Marie Cavanagh is the director of Gingerbread Northern Ireland; Ross McCrea is the public affairs manager of Action for Children; and Alison Loughlin is the director of the Parenting Forum of the Parents' Advice Centre.

Tom, I congratulate you on your recent election as leader of the Ulster Unionists and welcome your experience and leadership as the new Chairperson of the Committee. I also acknowledge the good work of the Committee following its inquiry into child poverty.

The Child Poverty Alliance would like to share with you some of its thoughts on the development of the child poverty strategy in Northern Ireland, which is required under the Child Poverty Act 2010.

The starting point for the alliance, and, indeed, for all of us, is the Child Poverty Act 2010, which places certain legal duties on the Government to reduce child poverty in the UK within agreed targets of between 5% and 10% across income measurements. The Government are required to produce a three-year child poverty strategy by March 2011 and two further strategies before 2020. The Act places a statutory obligation on all Departments to contribute to the strategy. It also places a statutory obligation to describe the measures that Departments propose to take to meet the child poverty targets. There is also a statutory duty to consult widely with children and young people, families and the organisations that represents them. Finally, it places a statutory duty to report annually, the first report being due to the Assembly in March 2012.

The Child Poverty Alliance is committed to working with OFMDFM to develop the three-year child poverty strategy. We have met the lead departmental official charged with drafting the strategy on at least five occasions since May 2010 and we participated in a consultative event in September. Members of the alliance also met departmental officials to discuss and advise on consulting with children and parents and have facilitated contacts with children and young people.

We are concerned that we are appearing before the Committee today when neither the Committee nor the alliance has viewed a first draft of the child poverty strategy. We are fearful

that, as the timetable slips, the opportunity to meet obligations to consult those most affected by the strategy — children and families in poverty — may also slip and adversely affect the quality of the consultation. Nevertheless, the alliance remains committed to working in a positive and constructive way with OFMDFM to develop the strategy, and we hope that it is specific to the needs of children growing up in poverty in this jurisdiction.

What are the levels of need? Child poverty levels were already rising here before the election of a new Government at Westminster and the introduction of a regressive Budget in June, now compounded by the announcement of the comprehensive spending review. The 2009 figures for Northern Ireland state that child poverty affects 25% — one in every four children, and more than 100,000 children in total. Persistent child poverty affects 21%, which is almost double the figure in Britain; severe child poverty affects 10%, or 43,000 children.

The Committee knows that need here is substantially greater than elsewhere in the UK and is compounded by other indicators, such as the recently published Department for Social Development fuel poverty figures, which show that fuel poverty has risen by 29% since 2006, affecting 300,000 households. That compares to an 18% fuel poverty figure in Britain.

I will turn to our suggestions for the strategy. Although the outworkings of the comprehensive spending review are being discussed by the Northern Ireland Executive, the full negative impact of the June Budget is yet to be felt by children and families living in poverty, with the 2.5% hike in VAT not due to come into effect until after Christmas. All of us have to deal with the economic realities of a reduction in the Northern Ireland block grant, and I welcome comments from OFMDFM and other Ministers as to how we might collectively mitigate the job losses that will inevitably follow cuts in budgets. That is why the alliance believes that the Northern Ireland child poverty strategy must be viewed not only as an opportunity to alleviate child poverty but as an opportunity for the Executive to better target and allocate diminishing resources.

The bottom line is that child poverty, fuel poverty, childcare, benefits, education and health inequalities are cross-cutting issues, with no single Department holding all the policy levers. If we can replace the silo mentality with genuine interdepartmental co-operation as envisaged under the Child Poverty Act 2010, coupled with a policy commitment to early intervention, we believe that we may better use the scarce resources available to us. The Child Poverty Act 2010 imposes a limited duty to collaborate, while the children's services planning model provides the

foundation for integrated planning and commissioning.

I remind the Committee that the law places on us a statutory duty to co-operate to protect a child's welfare.

To tackle persistent poverty and end intergenerational deprivation, we need to encourage a move from remedial action to early intervention when considering health inequalities or issues around differential educational attainment by the poorest children.

The alliance believes in the principle of invest to save. The New Economics Foundation and Action for Children research shows that the UK could save £486 billion over a 20-year period and dramatically improve social well-being by shifting investment in children and young people to a more preventative model.

A recent Audit Commission report estimated that the total financial cost to the economy and the Exchequer of each young person who is not in education, employment or training — NEETs — is £160,000; there are 41,000 such young people in Northern Ireland. It is crucial that those young people be included in interventions that are developed in the child poverty strategy and which are integral to addressing the cycle of intergenerational poverty.

I now turn to poverty and educational attainment. Education is identified in the Child Poverty Act 2010 as one of the key building blocks in the route out of poverty. However, when we look at the educational attainment levels of pupils in Northern Ireland, we see that in 2009 only 30% of pupils who received free school meals attained five good GCSEs, compared with 64% of their peers who did not receive free school meals.

One in five children leaves primary school having failed to achieve the basic standard — level 4 at Key Stage 2 — in literacy and mathematics. Essentially, those children are illiterate. From the inspectorate report, we note that 30% of primary schools in Northern Ireland received adverse inspection reports, yet there are no clear lines of accountability mapped out. If we look at that as an opportunity, the evidence of need is clear and the actions should be about making the earliest possible intervention. That would have the best outcome and be most cost-effective.

Educational measures in the child poverty strategy could include an extension of early-years

provision to target the poorest children; parenting support programmes to enable families to support the development and education of the child; and a refocusing on literacy and numeracy at primary level with data collected, for the first time, at Key Stage 1 and Key Stage 2 for pupils who receive free school meals.

Early-years education, childcare and measures to close the educational gap between the better-off and the poorest pupils are vital to preventing the NEETs phenomenon and to building an enterprising Northern Ireland economy.

I now turn to childcare and accessing work. Another main way of getting families out of poverty centres on access to education, training and jobs for mothers; in turn, that requires affordable, quality, accessible childcare. Childcare can cost anything from £100 to £185 a week here. Budget proposals for returning the working tax credit to its previous level of 7% mean that families that earn the minimum wage will have to pay up to £55.50 towards the childcare costs of each child. For many, that will be impossible and work for them will not pay.

Apart from the cost, provision of childcare is limited and too fragmented. We need a comprehensive, integrated childcare strategy that assigns responsibility to one Department and a statutory duty for others to contribute. Any strategy must include a map of provision and reflect gaps, including the need for more registered childcare places and places for disabled and migrant children and address the inadequate provision in our rural areas. Another obvious barrier affecting lone parents is that they have to be available for work as soon as their youngest child is seven.

We also note health inequalities. A recent report from the Royal College of Psychiatrists argues that there is no health without mental health and highlights the correlation with child poverty. It states that children from the poorest 20% of households are at a threefold greater risk of mental health problems than children from the richest 20% of households. Policies need to be in place to address the social and economic inequalities that contribute directly to poor mental health and well-being.

Since half of all mental illnesses begin by the age of 14, the Royal College of Psychiatrists is calling for government to tackle mental health problems early in life. That would improve educational attainment, employment opportunities and physical health as well as reducing

substance misuse, self-harm and suicide, family conflict and social deprivation; it would increase life expectancy, economic productivity, social functioning and the quality of life. It would also have benefits across the generations, which is a direct quotation from the report.

Disability among children is significantly higher among the poorest families. However, the additional responsibilities of raising a disabled child are such that many families struggle regardless of their income. We caution, therefore, against a child poverty and regeneration initiative that was bound strictly by geography. Indeed, we note the conclusions of the Marmot review in England, which argues for progressive universalism in addressing health inequalities.

The Child Poverty Act 2010 also addresses housing. The UK Government acknowledge that one of the building blocks necessary for eradicating child poverty relates to housing and neighbourhoods. The Government must ensure that all children can grow up free from homelessness and overcrowding and in decent homes that support their education, health and welfare; and that all children can thrive in safe and cohesive communities, with equal access to work, leisure and cultural opportunities. That will require action to improve services and space in neighbourhoods.

In the comprehensive spending review proposals and Assembly Budget debate, there is a concern that investment in sufficient new social housing, warm-homes subsidies to help to eradicate fuel poverty and in bringing sub-standard public and private homes up to decent home standards may not be prioritised. Any reduced investment will act against one of the key building blocks for eradicating child poverty.

A record 19,716 households are waiting for social housing. In 1999-2000, 4,541 families presented as homeless; a decade later, 6,122 families presented as homeless. Most will be at risk of poverty. On the assumption of a minimum of two children per family at both of the above dates, the number of children and families who are homeless and at risk of poverty has risen from 9,000 to 12,244 over a decade. In addition, the number of children aged 16 to 17 who presented as homeless in 2009-2010 was 392.

For those households, all new housing developments should provide a full range of tenures — the Department of the Environment's Planning Service should require private developers to deliver a suitable mix of tenures. Until very recently, the number of new social housing

completions that was added to the stock had been less than the number of homes sold to sitting tenants each year. The consequences of reducing housing stock are that an increasing number of households with children is at risk of poverty or of presenting as homeless. We need adequate social housing completions — approximately 5,000 a year over the medium period — to be constructed in a sustained programme.

For those in poverty, there is no equivalent alternative accommodation option to social housing. Accessing private rented accommodation places them at risk of greater poverty, as they are subject to the vagaries of the rent charged by the landlord and the limited availability of discretionary housing benefit. The Executive must lobby to prevent read-across of the proposal to replace lifetime tenure policy with fixed-term contracts: any loss of security of tenure is a regression of the human rights of householders.

I turn now to play and leisure. The legislation does not specify the right to play and leisure as one of its key building blocks; however, its importance is implied. In Northern Ireland, 21% of children do not have access to a nearby play area, 14% cannot participate in a hobby or leisure activity, and 15% cannot go to the cinema regularly. Play is central to child development, health and happiness; it challenges and informs our understanding of children. The provision of good play opportunities can help to improve quality of life and safety in neighbourhoods, tackle obesity, promote health and well-being, and support holistic development.

We recommend a review of the Children and Families (Wales) Measure 2010 to draw on key lessons learned for the development of a child poverty strategy in Northern Ireland. We would endorse a similar approach whereby play and participation provide a key measure to be assessed as part of the strategy, with local authorities required to assess the quality and quantity of play opportunities in their areas and to use that assessment to meet a new duty to secure play opportunities in their areas.

I now turn to reform. The Child Poverty Alliance is extremely concerned about the £18 billion reduction in welfare benefits, which is preceding wider benefit reform. For example, the removal of the Sure Start maternity grant for a second child, the abolition of help-in-pregnancy grants, and changes to housing benefit and tax adversely affect working families on low income.

How welfare will be compatible with the goal of ending child poverty by 2020 requires

considerable attention by the Executive and OFMDFM, as the outworking and impact of welfare reform and the comprehensive spending review is still unclear. Nevertheless, we cannot walk away from our legal obligations to end child poverty by 2020. We call upon the Committee and all elected representatives to hold Government to account on child poverty.

Although we have limited capacity here to vary welfare benefits, we can promote the uptake of entitlements. We urge the Committee and the Assembly to bring forward and support all such programmes to ensure that we maximise the uptake of benefits, which will bring considerable expenditure to the local economy. The Executive can also increasingly use its regulatory powers over service providers to ensure that services are not financially exclusive for the poorest members of society. We commend the research and work of the Consumer Council, which is a member of the Child Poverty Alliance.

Just as other strategies should reference child poverty legislation, the child poverty strategy must discuss the contribution of strategies such as early years, childcare, fuel poverty, the cohesion, sharing and integration policy, and literacy and numeracy strategies to end child poverty; they must be reflected in the Programme for Government, public service agreements, and the Budget proposals. Furthermore, in line with equality legislation, Departments must assess the potential impact of their strategies, the Programme for Government and Budget proposals on the most vulnerable sections of our community, including the disabled, Traveller and migrant children, and the children of lone parents.

We heard the First Minister and the deputy First Minister refer to an earnings disregard pilot and the possibility of delivering through a third party; we heard other discussions about funding to tackle the barriers to prosperity in communities most affected by the conflict. We urge further transparency. That is the beauty of adopting the recommendations of the Convention on the Rights of the Child observations, which include the need for children's budgeting to demonstrate that Departments are prioritising the poorest and most vulnerable children. That was introduced in the Welsh child poverty strategy; we would like to see it in the Northern Ireland one as well.

I began by talking about the 100,000 children in Northern Ireland living in poverty; I end by reframing how together we may help to lift them out of poverty.

Another way of looking at the issue is that there are approximately 35,000 families with

children in poverty; less than half those families have children who are under six. Health inequalities and differential educational attainment levels are linked and require the earliest possible interventions. Prevention is cheaper than acute or remedial interventions.

Focussing and supporting the development of the child in the family enables parents to play an active and positive role in the development and education of the child. Empowering parents leads to active communities and improves social cohesion. Active communities can positively transform their environments and so forth.

The case for early intervention and invest to save to be underlying principles in a Northern Ireland child poverty strategy are obvious. Ensuring that that happens requires genuine co-operation across the Executive, led by OFMDFM, and partnership working at a community level between statutory agencies, the community and voluntary sector and the private sector.

We thank Committee members for their expertise in that area, noting the 47 recommendations in the report of their inquiry. The Committee shares our concerns about the direction of the child poverty strategy, and we urge members to use their powers to hold the First Minister and the deputy First Minister to account, and to include the provisions of the strategy in future legislation.

The Chairperson:

Thank you very much, Fergus, for your comprehensive presentation. Many of the issues that you mentioned are cross-departmental.

The Barnardo's paper that we were sent was entitled, 'How and Why to Conduct a Review of Services Affecting Vulnerable Children in Northern Ireland'. It specifically dealt with the financial aspects of child poverty, and you expanded on the issue in your presentation, which was more wide-ranging. I was slightly concerned that the review of services affecting vulnerable children in Northern Ireland in the paper concentrated solely on financial issues; it should be about much more. What is your definition of vulnerable children?

Mr Ross McCrea (Action for Children):

I am loath to try to quote the Children Order, because I may not get it right. There is a definition of vulnerable children that the area children's and young people's committees use in putting together children's services plans. That definition includes children who are at risk and those

who are looked after. It also includes those who are in need, as defined in the Children Order, and those whose welfare or safety is jeopardised in some way.

The Chairperson:

Therefore vulnerable children are not just those who are in poverty. There is almost a conflict between the document that we were sent and the presentation: the issue of vulnerable children is not just about child poverty; it is about a wider range of issues. I assume that you accept that.

Mr R McCrea:

Poverty is a complex issue and does not have one solution; the experience of poverty and deprivation can be very complex. Some vulnerable children and families that need support live in areas that are deemed, according to various indicators, as deprived. However, there will be other groups, such as disabled children, for whom it is less useful to highlight that they are living in spatial or deprived areas when it comes to socio-economic disadvantage.

One of the calls that the alliance and the Children with Disabilities Strategic Alliance (CDSA) makes on child poverty is that certain groups may not be as visible and that spatial approaches to tackling their needs do not always work. Therefore, we need to look at solutions to help support such families.

Ms Alison Loughlin (Child Poverty Alliance):

It highlights the need for progressive universalism, which Fergus mentioned in his presentation, in tackling child poverty and in addressing the needs of the most vulnerable. Spreading services to target more families is more likely to get the people who are most in need into the services that they require to support them while reducing the stigma that is associated with targeting alone. Therefore progressive universalism is essential in family support.

Mr Humphrey:

Thank you for your attendance and your presentation. I represent North Belfast, where many of the issues that you talked about are particularly prevalent. I reassure you that, during the evidence that we have received previously and in our meetings, the Committee stressed the importance that the child poverty strategy cut across all Departments in Northern Ireland and across the national Parliament and the regional Parliaments in the UK so that a joined-up approach is taken.

Employment, education and housing are all factors. There are particular problems in my area, given that we have 21 peace walls; interface issues further complicate matters and lead to an erosion of community coherence and social structure. I welcome your presentation and have sympathy with it. I have heard people say that housing associations build in some areas and not in others. Some people are talking about the power to build houses being given to the Housing Executive in some areas. Do you think that that is a good idea?

The document from Barnardo's states:

"Barnardo's Northern Ireland is concerned that, in this context, the NI Assembly government may adopt an approach that will lead to unnecessary cuts in services that are critical for Vulnerable Children."

I appreciate that the statement uses the word "may". Is it evidence-based, or is it based on meetings or conversations?

Mr Cooper:

I cannot answer for Barnardo's, but housing associations are a big consideration. Historically, housing associations have come from a variety of community backgrounds. The Housing Executive granted powers to housing associations to do social housing builds, which tend to be quite small. Planning and the additional services are not necessarily as joined up as they would be if there were a comprehensive plan. There are complex issues, particularly in north and west Belfast, given the peace walls and the fact that housing is segregated.

I attended a seminar at Queen's University at which a professor of accounts did an analysis of housing in Northern Ireland over the past decade. It looked at how social housing has not kept pace with the overall demand and the demand that we are talking about for housing developments that are mixed socially and mixed by religion. Last year, 68% of people who responded to the household survey said that they wanted to live in such communities.

Housing associations are extremely cash-rich and have substantial assets, but, because of their limited mission in providing only social housing, they are not necessarily able to deploy their reserves to the wider neighbourhood to benefit the community. The Child Poverty Act 2010 focuses not only on housing but on entire neighbourhoods, the built environment and the services in it.

The Assembly could look at the role of housing associations to encourage them, possibly through changes in legislation, to make their capital reserves available for wider neighbourhood renewal for the benefit of everyone. That would be worth considering.

I am not sure about whether the Housing Executive should take on the full role. It gave responsibility away in the first place, and if it gets it back it will have to get its knowledge up to speed. We are looking at wider planning issues, and we also need to take on board the knowledge in Belfast City Council, which, in addition to its social and recreational responsibilities, has economic development. Belfast City Council could help in wider area planning, along with the Housing Executive.

We are not going to take a definitive view here, but we could look into housing associations' reserves and changing and broadening their mission to benefit wider neighbourhood renewal and regeneration.

The Chairperson:

I am looking at a paper that departmental officials will give a presentation on in the next witness session entitled, 'Lifetime Opportunities Monitoring Framework: Baseline Report'. It states that the rate of absolute income poverty for children has fallen from 29% to 17% in the past 10 years. Do you accept that?

Mr Cooper:

Yes; that is true in absolute terms. We enjoyed a period in which child poverty fell and has been sustained in the past three or four years. The statistics published in August 2009 showed that the rate has risen by 1%. One can only estimate the impact of the recession, higher unemployment rates and the comprehensive spending review and emergency Budget. However, we can expect the rate to rise again.

I share the Committee's concern that the child poverty strategy is going forward when we are awaiting the full impact of cuts. We know that the Budget is regressive, because the Institute for Fiscal Studies modelled it. The Treasury did not do that, even though it was required to.

I also share the concerns of the First Minister and the deputy First Minister about how we can collectively mitigate those circumstances, given that we only get a block grant, to ensure that we

keep as many people as possible in employment and do our best to alleviate the worst aspects of reductions in benefits.

We cannot vary benefits here to any great level. However, there is a set figure from the Department for Work and Pensions, and there are many discretionary benefits that people do not uptake. The Executive could come forward with more programmes to ensure greater uptake. Although you may think that small beer, it is big beer for individual families. It would also have an impact on expenditure in areas: if more money went to the poorest families through discretionary entitlements, more money would be spent in shops to the benefit of the local economy.

The Chairperson:

Thank you for your presentation and for the information that you have given us.