

CHILD POVERTY NEEDS ASSESSMENT SANDWELL MBC

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THE CPNA is a work in progress and further information will be published on the [CPNA page](#) on Sandwell Trends

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Introduction

Legislative Context

[The Child Poverty Act 2010](#) fulfilled the Labour Government's commitment to enshrine in legislation their target of eradicating child poverty by 2020. The Act establishes four separate child poverty targets to be met by 2020/21, requires the UK Government to publish a regular UK child poverty strategy, establishes a Child Poverty Commission to provide advice, requires the UK Government to publish annual progress reports, and places new duties on local authorities and other 'delivery partners' in England to work together to tackle child poverty.

[The Child Poverty Act 2010 \(Part 2\)](#) places a series of statutory duties on local authorities (LAs) and named partners, such as:

- Section 21: Duty to cooperate with partners to reduce child poverty in the local area
- Section 22: Duty to prepare and publish an assessment of the needs of children living in poverty in its area ("a local child poverty needs assessment").
- Section 23: Duty to prepare a joint child poverty strategy in relation to the area, setting out the measures that the local authority and partners propose to take for the purpose of reducing, and mitigating the effects of, child poverty.
- Section 24: Include and have regard to the arrangements and actions from the previous sections in the local Sustainable Community Strategy.

Undertaking a child poverty needs assessment, as legislated in section 22 of the Act, above, is a key driver to addressing child poverty within a local area as it builds a shared understanding of the issues and demonstrates the extent and nature of the local challenge. The Coalition Government has decided not to issue formal statutory guidance on Part 2, giving local partners flexibility to meet the duties in a way that best fits their organisations and meets the needs of their local community.

Content and Structure of CPNA

The Child Poverty Needs Assessment (CPNA) for Sandwell has been aligned to [Sandwell's Anti-Poverty Strategy](#) and the building blocks that support the 2020 Vision for ending child poverty. Therefore, the data and evidence presented and analysed in the needs assessment has been structured into 5 "domains" which mirror those overarching strategies:

Child Poverty Needs Assessment	DOMAIN A Children in Sandwell	DOMAIN B Education, Health and Families	DOMAIN C Housing and Environment	DOMAIN D Skills and Employment	DOMAIN E Income and Poverty
Sandwell's Anti-Poverty Strategy	Access for All Groups	Access to Services	Neighbourhoods and Social Networks	Education and Skills into Work	Income Maximisation
Child Poverty Building Blocks	At Risk Groups	Family and Life Chances	Place and Delivery	Employment and Skills	Financial Support

Research and Information

The CPNA brings together a range of good quality data, nationally and locally, that enables local partners to build an accurate picture of child poverty in their area. Analysing the data effectively is vital in order to identify what support families need, and where best to target it so child poverty can be tackled in the long term.

Most of the data and evidence collated by the Senior Research Officer informs this document, however the CPNA will eventually consist of a series of briefings focussed on the 5 domains (see page 3) which will be published alongside the approved document. This will enable in-depth exploration and analysis of the child poverty issues from these different perspectives. As well as presenting the latest available information, the analysis will, when possible: show trends over time; make comparisons between areas within the authority, between children/households with different characteristics; and with similar authorities.

At the same time, the core data sets for this document, the approved CPNA document, the domain briefings and any other relevant information will be made publicly available on Sandwell's Local Information System (LIS), [Sandwell Trends](#).

The LIS already has a page each devoted to [Child Poverty](#) and the [Child Poverty Needs Assessment](#) through which all the relevant documents, briefings and data will be available to download.

The intelligence gathered by the CPNA can help shape strategies to address the problem both nationally and locally, and should inform evidence-based business planning within the authority.

The findings and recommendations of this document will form the basis for the refresh of the Anti-Poverty Strategy for Sandwell which will include the publication of the Sandwell Child Poverty Strategy and an action plan.

Equalities

This document has taken into account as many characteristics as possible, for instance: age, disability, new arrivals, race and ethnic origin, socio-economic status and social inclusion or exclusion.

Where possible, data has been disaggregated to identify possible equality issues, however it hasn't been possible to produce an analysis from the perspective of the Lesbian, Gay, Bisexual and Transgender (LGBT) communities for this target group.

The purpose of the CPNA is to identify where issues exist and need to be addressed. To that aim, the CPNA has succeeded in highlighting the extent of socioeconomic disadvantage for children and families in Sandwell and, when possible, has identified specific problem areas or groups.

However, after screening the document, it has been concluded that a full Equalities Impact Assessment is not appropriate at this stage. It is not the purpose of the CPNA to design or implement solutions, those will be a result of the impending Anti-Poverty Strategy refresh and business planning processes.

Understanding the implications of the CPNA and put forward appropriate actions is an issue for the local authority and the wider partnership.

SECTION I

Summary and Recommendations

This section provides a succinct [summary](#) of the key findings of the Child Poverty Needs Assessment for Sandwell, followed by recommendations for [further research](#) and suggestions for [action or future planning](#).

The full needs assessment is available in [Section II](#) of the document.

Summary

Main Findings from [Children in Sandwell](#)

Population Estimates

- The population of Sandwell, in decline since the 1970's, has increased by 3.5% since the 2001 Census. This is due mainly to natural change (more births than deaths) but also to a net gain of international in-migration, particularly from 2002 to 2007. The latest figures set the total population at 292,800.
- Sandwell has a higher percentage (21.2%) of its population in the 0-15 age band than the West Midlands or England and Wales. This means that 1 in 5 of Sandwell residents is under-16.

Population Projections

- Both numbers and proportions of the under-16s are going to increase in the borough in the next years. According to ONS projections, the number of 0-9 year olds will increase rapidly until the end of this decade, while the number of 10-19 year olds will decrease in the same period, to rise again in the 2020s. It is envisaged that, in 25 years, there will be 10,000 more people in Sandwell aged 0-19.
- However, the birth files for the past 6 years show that these estimates may be conservative. The live births recorded for women resident in Sandwell have increased 12% between 2005 and 2010, surpassing the ONS projections by almost 300 children a year. If the growth continues at the same rate as in the past 6 years, the 5,000 yearly births threshold could be crossed as early as 2012. The high numbers of children under 5 (in 2010, almost 4 in every 10 of under-16s in Sandwell) mean additional demands for childcare and nursery provision in the borough for the next 5 years.

Ethnicity and Language

- Another significant factor of demographic change is the increasing diversity of Sandwell's population. The number and proportion of people of Black and Minority Ethnic (BME) origin has increased from 21% (1 in 5) in 2001 to 26.2% (more than 1 in 4) in 2009.
- When looking at the ethnic make-up of the under-16s in Sandwell, the proportion of children from ethnic backgrounds has been increasing year on year. In January 2011, the School Census shows that 55% of Sandwell pupils are white British, whereas 45% are of BME origin (5% more than in 2010). The number and diversity of nationalities is also shown in the number of languages spoken in Sandwell schools, which has increased to 141 languages other than English in January 2011.
- All these changes indicate that the borough is well on the way to becoming a super-diverse authority, second only to Birmingham in the region in terms of the rate and range of BME population. This ethnic diversity will become even more prominent in the younger population.

Vulnerable children

- In the school census taken in January 2011, 261 three and four year olds were registered as having special educational needs; this represents 6.4% of the children attending nursery education. The proportion rises sharply for older children. In the school census of January 2011, 21.5% of pupils aged 5-11 were recorded as having special educational needs. The proportion is even higher for secondary pupils, at 29.5%, but then decreases after 16 (17.4%).
- In September 2010, there were 276 Sandwell looked after children (LACs) in the borough. Almost a third (31%) of LACs were over 16, 53% were of school age and 16% were under 5. The percentage of LACs of white British origin (63%) was close to the estimated percentage of white British population under 19 in Sandwell, but the proportion of LACs of mixed ethnic heritage was double (14%) the percentage of that borough-wide (7%). Conversely, the percentage of LAC children of Asian origin (8%) is far less than the representation of these ethnic groups in the Sandwell cohort (28%).

Main Findings from [Income and Poverty](#)

Children in Relative Poverty

- In light of the budget cuts and growing cost of living, there is a risk of child poverty increasing in the years ahead. The loss of jobs is also a key risk factor. Sandwell is one of 6 local authorities in the country where the risk is greater, being already deprived and depending greatly on public sector jobs.
- The proportion of children in relative poverty (NI 116) has risen in the borough since 2006, being 30.8% in 2008; this represents 3 in every 10 children. Sandwell now ranks 26th nationally in the list of authorities in terms of child poverty, this is within the worst decile (10%) of all authorities.
- Half of the wards in Sandwell have child poverty rates over 30.8%, with the worst rate being in Soho and Victoria, where almost half the children live in relative poverty. The data also shows that the most deprived wards are those with the highest birth rates.
- Child poverty is increasing rapidly in areas where traditionally it hadn't been identified as a priority. This seems to indicate that in-work poverty is rising.

Deprivation

- The English Indices of Deprivation 2010 rank Sandwell as the 12th most deprived authority in England. This is two places more deprived in the ranking than the position in 2007 (14th), which indicates worsening of the Borough's position in relation to other districts nationally.
- Also, both the concentration and the extent of deprivation in the borough have intensified. Sandwell is ranked now the 9th most deprived authority in England in terms of average rank and the 6th most deprived in terms of the extent of deprivation. In 2007, it ranked 10th for both. Rank of concentration (severity) of deprivation is 36th nationally (it was 47th in 2007).
- At small area level, deprivation in Sandwell has also increased both in extent (number) and concentration (severity), with 10 more (5% more) LSOAs being in the 20% most deprived nationally since 2004.
- More than half (58.8%) of all the small areas in Sandwell are within the highest deprivation quintile (worst 20%) in England.
- Although West Bromwich and Smethwick are the towns with the most acutely deprived areas (14 and 13 LSOAs respectively), deprivation is relatively worse in Smethwick and Tipton, which have the most LSOAs in the lowest percentiles.
- There is no major improvement in wards with acute and severe deprivation, which have not significantly changed their ranking since IMD 2007. Most changes in ranking are seen however in the least deprived LSOAs, with more of them being more deprived now than in 2007. Also, in some wards which are in the least deprived quartile deprivation is getting worse at a higher rate than in more disadvantaged areas, e.g.: Abbey, Newton and Old Warley.
- The levels of income deprivation affecting children have also risen slightly for the past 6 years. The patterns of deprivation are deep-rooted in traditionally deprived areas, and these figures demonstrate that there is a strong correlation between overall deprivation and child poverty.
- The only improvements regarding deprivation status seem to be linked to demographic changes brought about by new housing developments.

Household Income

- Although income figures in the UK have been increasing for the past decade, income inequality has widened, with the households in the lowest 10% income falling further behind the average, and the richest have moved further ahead.
- The high level of inflation and low income growth means that families are losing spending power, becoming poorer both in terms of disposable income and material deprivation (not able to afford commodities).
- Sandwell has a higher than average proportion of low income-households in the poorest deciles, therefore it is reasonable to suggest that more and more families, including working families, will fall behind the relative poverty threshold (60% of median income).

Workless Households

- 1 in 3 children under 5 in Sandwell live in a household in receipt of out of work benefits. The ratio is 3 in 10 for children under 15.

Main Findings from Income Maximisation - Benefits

- Child Tax Credit and Working Tax Credit**
- Of the 40,580 families with children dependents in Sandwell in 2008, more than 95% were in receipt of Child Tax Credit (CTC) or equivalent.
 - For every 10 families in Sandwell receiving CTC, 7 were in work and 3 were out of work. The distribution of worklessness matches well-known patterns of deprivation.
 - The percentage of lone parents in work in Sandwell is higher than the national average (49%).
 - The highest take-up of the childcare element of the Working Tax Credit (WTC) occurs in the most affluent areas, which seems to indicate that poor working families are losing out on this benefit.
 - Lone parents and BME parents are less likely to use formal childcare provision.
- Housing Benefit**
- At least a third of households in Sandwell are in receipt of Housing Benefit, Council Tax Benefit, or both.
 - Two thirds of more of claimants do not have children dependants, and they are mostly pensioners (60%) or on workless benefits (21%).
 - However, the vast majority (92%) of families with children receiving housing and council tax benefits are on out of work benefits, particularly Income Support (67%).
 - In 2009-10, 24,814 children lived in households in receipt of housing and council tax benefits. Most of those children were under five years of age.
 - 45% of families on housing benefits live in local authority housing, with a total 85% living in rented accommodation.
- Welfare Rights**
- The Welfare Rights Team (WRT) deals with approximately 5,000 benefit claims a year from Sandwell residents, most of those being unemployed, on low income or living in deprived areas.
 - The income generated for Sandwell residents through welfare advice is much greater than the cost of the service. Additionally, the extra income is mostly spent locally, therefore contributing to the local economy.
 - This means that the service provided by WRT can demonstrate excellent value for money as well as actively addressing financial exclusion.
 - Another major impact of benefit advice is improving the clients' overall health and wellbeing.
- Citizens Advice Bureau (CAB)**
- In 2009-10, the CAB dealt with 11,112 clients from Sandwell who raised 17,158 enquiries.
 - More than half (53%) of the CAB caseload deals with queries on benefits or debt.
 - The most deprived wards are the ones with the highest proportion of queries on benefits, but there are more enquiries on debt in wards which are not considered the most deprived, which may indicate a raise of in-work poverty.
- Debt in Sandwell**
- Single households and low-income households represent the majority of debt cases from the CAB analysed in the recent research on problem debt in Sandwell.
 - Most of the debt clients are from low-income or workless households; however those in employment and those with an average income of £1,500 or more per month are the ones with the highest levels of debt.
 - The most deprived wards have more debt clients; however those with higher debt levels tended to live in the least deprived areas.
- Impact of Reforms-Benefit System**
- Recipients of Housing Benefit and Council Tax Benefit in Sandwell are going to have their allowances reduced and their rents going up in 2011-12. This means that more families are going to be struggling financially.
 - The proposed Welfare Reform Bill, with the introduction of the Universal Credit, is going to affect mostly social tenants, working families and children with disabilities. It is believed that as many as 40,000 households in the UK may risk homelessness.

Further research

Children in Sandwell

- The collation of disability data for the vulnerable children section of the CPNA has highlighted the limitations of the current systems, where different services collect partial information that cannot be aggregated or benchmarked. There have also been issues with data quality and accuracy. There is a need for co-ordinating frontline services and standardising the way data on disability and special needs in children populations is collected and recorded to be able to plan adequate provision. It is also highly recommended to start and establish a partnership with the PCT to promote data-sharing.
- The process of inducting newly arrived children/families into the education system presents an opportunity to use it to collect information on the profile of those families and monitor demographic changes. There doesn't seem to be a system currently in place to ensure that this intelligence is collected.
- The statistics on Disability Living Allowance show a disproportionate share of claimants under 16 in 5 wards where the population is predominantly White British. Further investigations would be necessary to ascertain any equality implications.

Income and Poverty

- More in-depth research is needed on the profile of areas where deprivation has got significantly better or worse over the years in order to identify triggers for change.
- NI 116 definition is too strict to serve as performance measure for the authority, whereas the NI116 proxy measure does not capture in-work poverty. It would be advisable to research other indicators that could be used at local level.
- The current income data for Sandwell is insufficient to ascertain which households may be at risk of falling under the poverty line. More research is needed to know what is the real income in Sandwell households and how the economic downturn, high rates of inflation and loss of spending power are affecting low income working families. This includes using and applying research on Minimum Income Standard at local level.

Income Maximisation – Benefits

- The refresh of the Childcare Needs Assessment in 2011 will present an opportunity to research further the take-up of the childcare element of WTC for low income working parents and identify the barriers and the areas for positive action.
- All the research suggests that big families and lone parents are going to be the hardest hit with the proposed changes in the benefit system. The database from Revenues and Benefits could be used more thoroughly to monitor closely the impact of those changes, as well as job losses and debt, on children and families. There could also be further monitoring of the CAB caseload to identify priorities emerging.
- The information on children and families held in the Welfare Rights Team (WRT) database has proven insufficient for the purpose of this needs assessment. It is recommended to explore the options for capturing additional data on their clients.
- Also, the WRT database in its current format does not naturally link information on the people (individuals) and the income (claims). Further work is needed to design and produce reports that can join both successfully to allow for research on household income and benefit intake.
- Further joint working is needed to negotiate a successful yearly input of client and business data from Revenues and Benefits and Welfare Rights teams to the Local Information System, Sandwell Trends.

Priorities Emerging

Children in Sandwell

- The current and projected increase in numbers for children populations 0-4 is going to directly affect services in Early Years, such as maternity and family support, children centres, childcare providers, nursery education and school places. Careful planning will be necessary to ensure that services are able to cope with the predicted rise in demand and rebalance with the expected decrease in demand for secondary age provision.
- The data allows us to target the areas where the demographic growth is going to peak, which correlates with the areas of greater deprivation affecting children.
- The figures show a rapid growth of BME populations. It will seem appropriate to consider the impact in terms of equalities and access to services to cope with an increasingly more diverse population.
- Children of mixed ethnic heritage are disproportionately represented in the group of children in care (14%). This suggests that it could be effective to design specific interventions with families of mixed heritage.

Income and Poverty

- Planning new housing developments needs to take into account the impact on children, families and the economic environment of the communities, both existing and new.
- Concentration and prevalence of income-deprived children needs to be taken into account when planning services and ensure fair access to provision.
- Economic regeneration and job creation needs to include an assessment of the impact on the most deprived communities and families.
- Considering that the current coalition Government is undertaking a reform of the benefits system and changing the criteria for the entitlement to child benefit, it is likely that NI 116 will not be relevant after 2012. It seems advisable that local authorities establish alternative performance monitoring / indicators to measure their progress and impact regarding combating and/or mitigating child poverty in their area.
- The high inflation rates will increase material deprivation for low income working families. There may be a case to include the poorest working families as recipients of benefits / discounts when accessing council services, instead of only offering those to families on workless benefits.

Income Maximisation – Benefits

- Lone parents and BME parents will need specific outreach strategies to encourage higher take-up of the childcare element of working tax credits.
- The records held on families receiving Housing Benefit and Council Tax Benefit could help target those families in most need. Based on their circumstances (e.g. income, tenure, age of children, etc), we could forecast which families are going to suffer most the impact of the reforms on welfare and design tailor-made support packages.
- Likewise, if the data held by Welfare Rights were structured around families it would allow preventative action directed to the families most likely to be affected by the proposed changes in the benefit system (for instance, lone parents or families with disabled children).
- The introduction of the pupil premium in the school year 2011-12 will present an opportunity for more joint working between the School Benefits Team and the Benefits advice providers to ensure maximum take-up of the entitlement for Sandwell pupils.