

Child Poverty: An overview for Devon

Child poverty is an important issue for public health, with evidence suggesting it can lead to premature mortality and poor health outcomes in subsequent adulthood. In 2013, it was estimated that child poverty costs the country around £25 billion per year. This cost relates to lower productivity and higher risk of employment in adults who grew up in poverty and additional public spending required to address social problems resulting from high levels of child poverty.

This paper seeks to provide an overview of child poverty in Devon.

Definition

In the Public Health Outcomes Framework children poverty (also known as children living in low income families) is classified as the percentage of all dependent children in relative poverty.

Relative poverty is defined as living in households where income is less than 60 per cent of median household income before housing costs. Therefore, it is a **relative measure** of the gap between the poorest and the middle rather than the poorest and the richest.

Experience of child poverty

The experience of poverty can be summarised into three groups¹:

- **Persistent poor** – experience of relative low income for a sustained period
- **Recurrent poor** – experience a cycle of in and out of poverty
- **Transient poor** – experience relative low income for a short period of time

Determinants of child poverty

There are many factors which influence each experience of child poverty. Those who experience recurrent and persistent poverty tend to have circumstances or factors which may be influenced by additional factors known as the **'causes of causes'**.

For example, income levels may be a factor contributing to child poverty but the 'causes of causes' may be the level of skills and qualifications of the parent, their health status, caring responsibilities, or sectoral composition of the job market in certain areas.

Equally children who live in poverty tend to experience poorer outcomes into adulthood which can increase the risk of the poverty cycle.

Figure 1: The Poverty Cycle

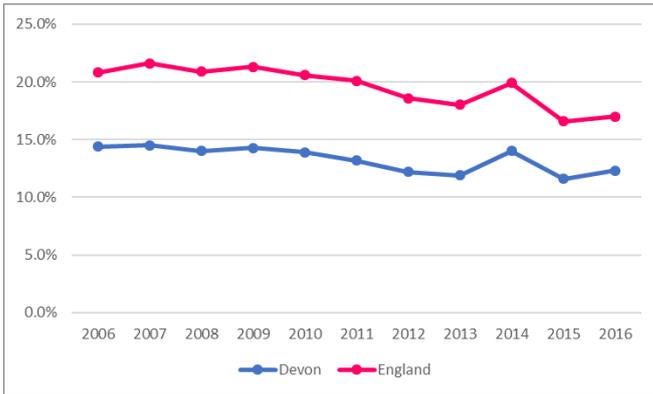


¹ Tri-Borough Joint Strategic Needs Assessment - https://www.jsna.info/sites/default/files/Child%20Poverty%20JSNA%20-%20April%202014_0.pdf

Trend

In Devon, children in low income families has continued to follow a downward trajectory below the national figure. Recent data for 2016 show that 12.3% of children in Devon are in low income families compared to 17% for England (figure 2).

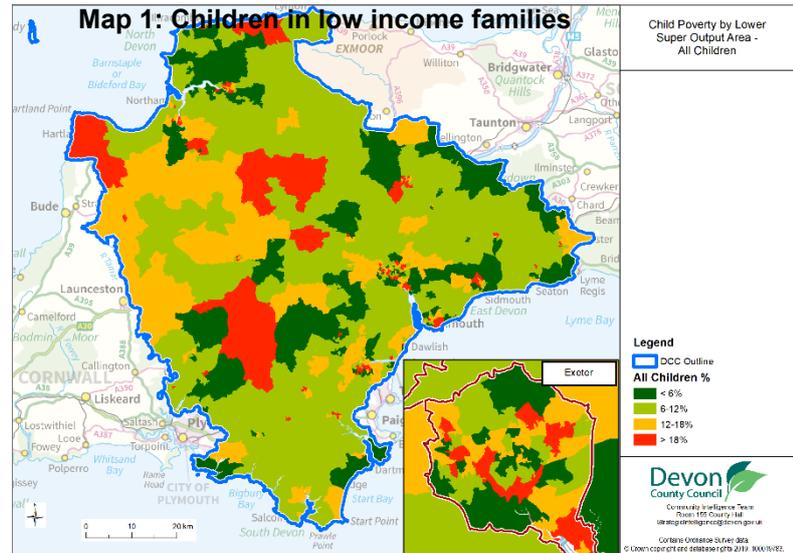
Figure 2: Children in low income families



Source: Public Health Outcomes Framework, 2019

While the overall Devon figure represents an encouraging trend, data at lower geographical areas shows the disparity between different areas across Devon as a whole.

There are areas across Devon that have around **1 in 3 children living in low income families** (Barnstaple – Forches avenue area LSOA 33.3%) compared to areas in Teignmouth with 1.1% of children living in low income families. Map 1 illustrates how child poverty disproportionately affects different areas across Devon.



Source: HM Revenue and Customs, 2019
Note: Lower super output area (LSOA) approximately 1,500 population

Changes over time

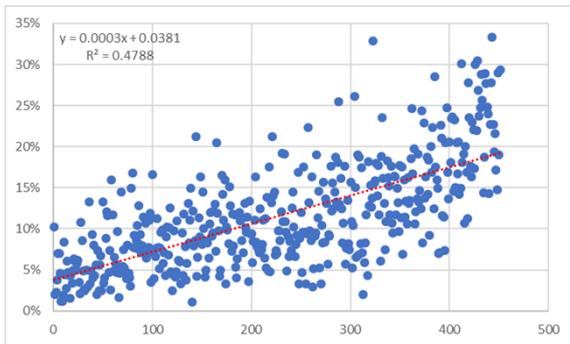
Comparing child poverty rates between 2013 and 2016 shows that the majority of small areas within each of the local authority districts have had changes in child poverty rates. Most changes are generally marginal, however areas such as Longbridge, Bovey, College, Upper Yeo, Topsham and Exmouth Withycombe Raleigh have increased in rates of child poverty (between 10 to 13 percentage points).

Areas with the largest reductions in child poverty rates are Teignmouth East, and Dartmouth and Kingswear (-14 and -12 percentage points).

Deprivation

There is an association between child poverty and deprivation where higher rates tend to be in the most deprived compared to the least deprived areas. Additionally, as deprivation increases, an increased risk in child poverty is observed (figure 3, overleaf).

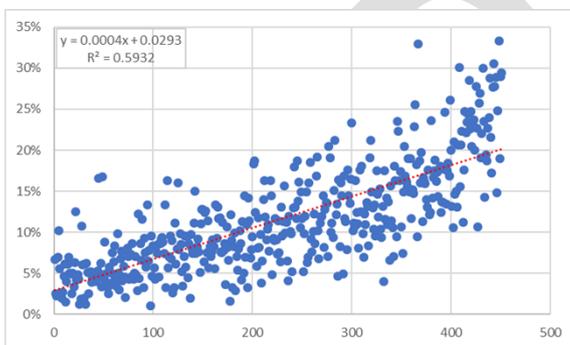
Figure 3: Indices of Deprivation by child poverty (LSOA)



Source: Indices of Multiple Deprivation

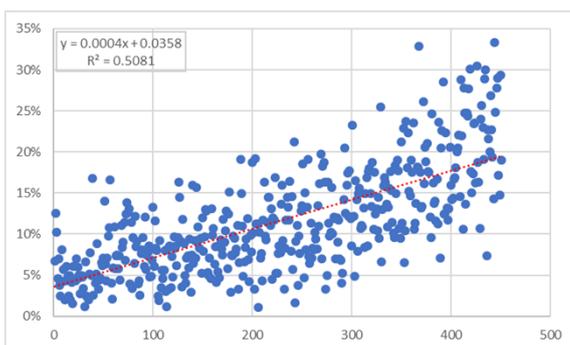
Similarly, for income and employment there are higher child poverty rates in areas that are more income and employment deprived (figure 4). This is not unusual given that the child poverty measure is mainly economically driven.

Figure 4: Income deprivation by child poverty (LSOA)



Source: Indices of Multiple Deprivation

Figure 5: Employment deprivation by child poverty (LSOA)



Source: Indices of Multiple Deprivation

Economic profile

Data suggests that the economy in Devon has recovered since the financial crisis in 2008, however an instability remains and there are residual effects on some measures that have yet to return to their pre-crash level.

Devon has a higher than average skilled workforce compared to England which suggests there is a potential to yield higher earnings, yet it is unclear whether these skills are being poorly matched with jobs on offer or due to the sectoral composition of Devon which creates low earning and low productivity job opportunities.

Claimant count (Job Seekers Allowance and Universal Credit) rates across Devon are higher in urban areas such as Exeter, Barnstaple and Ilfracombe, though overall it is lower compared to the England average.

Areas with higher claimant rates tend to also have higher child poverty rates which is not unusual given that the child poverty measure is based mainly on data around DWP benefits and tax credits.

Social segmentation

Experian Mosaic is a social segmentation tool which synthesises UK demographic, lifestyles, preferences and behaviours data to form distinct segments of the population. Mosaic segments the national population into 15 Groups and 66 different Types. Locally Groups and Types are allocated based on household or postcode.

Areas with higher child poverty rates in Devon have been profiled using Experian mosaic and this shows that the most common types of population with higher rates of child poverty in Devon include **'M55 Families on a Budget'** and **'M56 Solid Economy'**.

Generally, these households tend to be families living in council housing with an average household income of less than £15,000 per annum. The average age of people within these types are between 18 and 30 years. The top channel preference for 'Families on Budgets' and 'Solid Economy' is mobile call or text message.

Current work

European social fund

There are several European Social Fund (ESF) projects that cover Devon, Plymouth and Torbay which aim to progress skills and improve employment opportunities. Families with children living in poverty are not a specifically targeted group, however there are a range of projects available through the ESF which may impact upon these groups.

Economic strategy

Devon County Council Economic strategy is currently in development. While children in poverty is not a specific priority identified, poverty in general is captured within the strategy.

Joint Health and Wellbeing strategy

Tackling child poverty across Devon is a priority identified in the new Joint Health and Wellbeing strategy 2020-25.