

# **Shelter's response to the Child Poverty Unit's Consultation –**

## **Ending child poverty: making it happen**

**From the Shelter policy library**

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# Shelter

Shelter is a national campaigning charity that provides practical advice, support and innovative services to over 170,000 homeless or badly housed people a year. This work gives us direct experience of the various problems caused by the shortage of affordable housing across all tenures. Our services include:

- A national network of over 20 advice centres
- Shelter's free advice helpline which runs from 8am-8pm
- Shelter's website which provides advice online
- The Government-funded National Homelessness Advice Service and Scottish Housing Advisory Service, which provides specialist housing advice, training, consultancy, referral and information to other voluntary agencies, such as Citizens Advice Bureaux and members of Advice UK, which are approached by people seeking housing advice
- A number of specialist services promoting innovative solutions to particular homelessness and housing problems. These include Housing Support Services which work with formerly homeless families, and the Shelter Inclusion Project, which works with families, couples and single people who are alleged to have been involved in anti-social behavior. The aim of these services is to sustain tenancies and ensure people live successfully in the community.
- A number of children's services aimed at preventing child and youth homelessness and mitigating the impacts on children and young people experiencing housing problems. These include pilot support projects, peer education services and specialist training and consultancy aimed at children's service practitioners.
- We also campaign for new laws and policies - as well as more investment - to improve the lives of homeless and badly housed people, now and in the future.

## Introduction

Shelter welcomes the opportunity to respond to the Child Poverty Unit's consultation on ending child poverty. We support the Government's vision for eradicating child poverty and agree with the four aspirations that underpin their long term plan. In particular, we are very pleased to see that an explicit link has been made between child poverty, and housing and neighbourhoods. Extensive studies have shown the profound impact that bad housing has on children's life chances. More specifically, the 'housing effect' is proven to significantly undermine each of the five Every Child Matters (ECM) outcomes.

If child poverty is to be eradicated by 2020 then housing must play an integral role in the Government's strategy at the practitioner, local and central government level and the Devolved Administrations. Effective cross-departmental policies need to be developed which must ensure that wider Government objectives do not conflict with the overall strategy to eradicate child poverty. We therefore recommend the following areas are addressed:

### Our main recommendations are:

- The Government must tackle the barriers that currently exist within the four identified 'building blocks' which conflict with the overall vision for eradicating child poverty. These include:
  - Improving access to, and the supply of better paid flexible employment
  - Reforms to current childcare provisions, including more subsidies for out-of-school childcare, and help with childcare costs through the tax credit system
  - Reforms to the housing benefit system to ease the transition into work, simplify how housing benefit is administered, address the interactions of benefits and tax credits, and mitigate the impacts of high rents and low pay
  - Greater integration of working practices between professionals working in health, education, housing, and children's services to improve services for children
  - The delivery of more affordable homes, particularly social housing to meet the back log and future housing need of families
  - Greater protection for families who are homeowners, particularly those in the sub-prime sector
- That child poverty should be measured after housing costs to capture those families who have to pay disproportionately high housing costs due to location or type of accommodation.
- That the proposal to place a duty on Government to publish a strategy to monitor and report on progress on child poverty must also be accompanied by a duty to take action if these targets and progress are not met. The Government should also be responsible for holding others to account to meet targets and report on progress.
- For the child poverty commission to be an independent body which can review and scrutinise the Government's published strategy as well as monitor their progress and actions. This must include a range of representatives from different sectors including housing.

- At a local level there needs to be more effective partnership working on the ground between children's services and local authority housing departments, social housing providers and voluntary housing organisations to address the needs of vulnerable children. This should include revisions to the Common Assessment Framework (CAF) and greater access to housing advice within Children's Centres
- A combination of the three options set out in the consultation would provide the best performance framework to ensure that all local areas take the necessary action to tackle child poverty. An indicator to address child poverty (NI 116) should also be accompanied by indicators relating to other areas of child deprivation.
- The child poverty strategy needs to develop as many opportunities as possible to promote joined up working and advocacy of good practice in relation to tackling child poverty. Two ways this could be achieved are: setting up regional child poverty boards which place a duty on local partners (including housing) to address child poverty issues; and employing active child poverty champions similar to the DCSF/CLG specialist youth homelessness advisors that have visited local authorities across England.

## The 2020 Vision

**1 a) Does the 2020 vision capture the key areas where action is required to ensure the greatest impact on reducing child poverty?**

**1 b) Are the building blocks the right ones to make progress towards 2020, including for those groups at particular risk of poverty?**

We agree with the four key aspirations and building blocks set out by the Government to achieve the eradication of child poverty by 2020. In particular, we warmly welcome the link that has been made between housing and neighbourhoods and child poverty. Children in deprived communities and from low income households are more likely to be living in overcrowded and sub-standard accommodation, or to be at risk of homelessness. Shelter research shows that 1.6 million children are living in bad housing<sup>1</sup> in Britain, and extensive studies commissioned by Shelter have shown the profound impact that bad housing has on children's life chances.

While we support the four key aspirations and associated building blocks, there are currently a number of barriers which are likely to prevent the Government from achieving its overarching vision of a fairer society where every child has the opportunity to achieve their potential. These are

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<sup>1</sup> 'Bad housing' as Shelter currently describes it, covers a wide range of issues, including homelessness, overcrowding, insecurity, housing in poor physical conditions and living in deprived neighbourhoods. Source: Rice, B. *Against the odds: An investigation comparing the lives of children on either side of Britain's housing divide*, Shelter, November 2006.

outlined below under the four areas, together with a series of policy and practical solutions to address them. It is important that strategies put in place to address the four aspirations and building blocks are successfully integrated so they do not work in isolation and will help to reduce any potential conflicts between Government departments. Given that tackling child poverty is in part a devolved issue, a coherent strategy also needs to be developed that ensures the vision and building blocks are co-ordinated and meaningful within each jurisdiction. For example, when strategy addresses the Decent Homes Standard in England it should also develop complementary policy for the Scottish Housing Quality Standards. We also feel there should be clear ownership of the actions required for each aspiration and building block at all levels (i.e. practitioner, local and central government, and Devolved Administrations).

#### Increasing employment and raising incomes: Employment and adult skills

The consultation points out that parental employment is the biggest determinant of family income, and living in a household where no adult is working puts a child at a 63 per cent risk of relative poverty. The consultation also highlights, the strong association with in-work poverty. 1.8 million children in the UK belong to families in in-work poverty<sup>2</sup>, which represents half of all children in poverty and also nearly a fifth of children in working families.

To address child poverty, changes therefore need to be made that encourage parents to enter work but also to increase the incomes of those already working. The subsequent section on financial support explores the benefits system in more detail, but it is important to acknowledge the link between barriers to entering employment or increasing pay and/or hours and the benefits system.

There are particular problems associated with lone parents taking up work. Recent research<sup>3</sup> by Citizens Advice has looked at the barriers facing lone parents when entering employment. Clients reported a lack of flexibility on the part of employers, lack of affordable childcare, fear that they will not be genuinely better off in work, and concerns about the effectiveness of the benefits and tax credit system. In addition, the research found that low paid jobs often offer the least flexible arrangements from employers; for example many required working varying shift patterns at short notice. Evidence from Citizens Advice<sup>4</sup> suggest that employers can fail in their statutory duties to provide sick or holiday pay and other employers may even suggest that they would prefer not to employ lone parents.

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<sup>2</sup> Kenway, P. *Addressing in-work poverty*, JRF, November 2008.

<sup>3</sup> Lane, K. *Barriers to work: Lone parents and the challenges of working*, Citizens Advice Bureau, October 2008.

<sup>4</sup> Ibid.

However, this is not just an issue for lone parents. As Kenway<sup>5</sup> points out, a great majority of children in in-work poverty are part of couple families, despite the lower risk of poverty for children in these families (17%) compared to lone parent families (23%)<sup>6</sup>. One potential solution which the Institute of Public Policy Research (IPPR) have developed is a Personal Tax Credit Allowance (PTCA) and increased support to low-income working families<sup>7</sup>. This would tackle working poverty among couple families by individualising the first working tax credit threshold allowing both adults in eligible families to earn up to £100 a week before their entitlement begins to be withdrawn. Under this system a family earning the minimum wage would be £36 better off a week if a second adult moved into part-time work than under the current system<sup>8</sup>.

Childcare presents one of the biggest barriers for parents entering work. The cost of childcare often means that parents are no better off in work than when they were claiming benefits. The average cost for nursery care for children aged 2 and over based on fifty hours a week is £156 for England and £200 for Inner London<sup>9</sup>. Gaining access to suitable childcare also causes problems for families. Despite an increase in the supply of childcare over recent years, the childcare costs survey found that just over two thirds (69 per cent) of Family Information Services (FIS) in England and Wales said that parents had reported a lack of childcare in their area in the last 12 months<sup>10</sup>. In addition, there can be problems with securing childcare places to match flexible working hours or at the hours needed. Some parents may also have to travel long distances to reach childminders, adding further costs.

We welcome the progress that has been made by the Government on extending free early learning and childcare places to the most disadvantaged 15 per cent of two year olds from April 2009, announced in the Children's Plan, *Building brighter futures*. However, we feel more could be done to address problems in this area to help support parents back into work. Until more provision has been made for childcare, including more subsidies and assistance with after-school care, it is unrealistic to expect some parents, particularly those likely to take up low-paid employment, to go back to work.

Even where childcare is available, some parents, particularly lone mothers, choose not to go to work, viewing their childcare responsibilities as more important than a comparatively marginal financial gain<sup>11</sup>. In qualitative interviews conducted with social tenants, Robinson highlights that attitudes towards work were not governed by economic considerations but were structured through

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<sup>5</sup> Kenway, P. *Addressing in-work poverty*, JRF, November 2008.

<sup>6</sup> Ibid.

<sup>7</sup> Cooke, G. and Lawton, K. *Working out of poverty: A study of the low-paid and the 'working poor'*, IPPR, January 2008.

<sup>8</sup> Ibid.

<sup>9</sup> Daycare Trust, *Childcare costs survey 2009*,

[http://www.daycaretrust.org.uk/mod/filemanager/files/Childcare\\_costs\\_survey\\_2009.pdf](http://www.daycaretrust.org.uk/mod/filemanager/files/Childcare_costs_survey_2009.pdf)

<sup>10</sup> Ibid.

<sup>11</sup> Shelter, *Policy briefing, Worklessness and social housing*, October 2008.

moral considerations about what was the right and responsible thing to do<sup>12</sup>. Joseph Rowntree Foundation (JRF) research on time and income poverty found that there was a concentration of children in households that had a combination of both income and time poverty; one in fifteen children (6.7 per cent) is in an income poor household in which at least one adult is also time-poor<sup>13</sup>. The study concludes that the government's welfare reform and child-poverty agendas risk freeing lone parents from income poverty only at the price of deepening their existing time poverty. This is unlikely to improve children's well-being.

The Government's welfare reform agenda and proposals set out in the 2008 White Paper<sup>14</sup> have focused on the 'obligation to work' and sent a clear message that those who don't participate will have their benefits cut as a result. We are concerned that applying benefit sanctions will bring family incomes below the poverty threshold, further damage families already living in poverty and undermine the achievement of the 2020 vision. The changes in place from November that establish an expectation on lone parents to work when the youngest child reaches 12 years old, moving down to seven years old from 2010 also raise questions in relation to the barriers we have highlighted in this section. The expectation on lone parents to move into work cannot exist in isolation; there is also a responsibility on the Government to improve childcare and the supply of suitable employment to ensure these are achievable goals and do not place more families in 'in-work' poverty.

To successfully increase employment and raise incomes the Government should:

- Work with employers to improve the access and supply of better paid part time and/or flexible work for people with caring responsibilities.
- Increase provision of subsidised out-of-school childcare for disadvantaged households, which will help support the Government's intentions of increasing employment and raising incomes.
- Carry out a fundamental review of the tax credit and benefit system. This should include exploration of the proposals from Citizen's Advice and the Daycare Trust to increase the proportion of help with childcare costs through tax credits from the current 80 per cent to 100 per cent; and to increase the maximum levels that can be claimed by region to accommodate childcare costs in high cost areas – particularly London and the South East.
- Ensure that the development of personalised employment programmes set out in the Welfare Reform White Paper genuinely supports parents back into employment. Such programmes need to take account of moral as well as economic considerations and childcare provision.

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<sup>12</sup> Robinson, D. Chapter 7: Social housing and worklessness, In Fitzpatrick, S. and Stephens, M. (eds) *The future of social housing*, Shelter 2008.

<sup>13</sup> Burchardt, T. *Time and Income poverty*, JRF November 2008.

<sup>14</sup> DWP, *Raising expectations and increasing support: reforming welfare for the future*, December 2008.

## Financial support

We agree that greater financial support must also be given to families to improve poor children's life chances. Currently there are a number of barriers within the housing benefit system which can act as a deterrent to entering work or increasing pay. For many claimants, the complex interaction of benefits and tax credits, alongside childcare and travel costs, means that households can find themselves worse off when they go into work or increase their hours. Currently the two systems work against each other, and it can be extremely time consuming for claimants to keep the two systems updated with changes in circumstances and may explain why some households entitled to small amounts of housing or council tax benefit may fail to claim<sup>15</sup>. The Department for Work and Pensions report by Lisa Harker<sup>16</sup> emphasised that underclaiming Housing Benefit and Council Tax Benefit was a significant causal factor in child poverty.

Analysis by the Joseph Rowntree Foundation has considered the extent to which work incentives are weakened by the withdrawal of means-tested benefits and tax credits<sup>17</sup>. The 2007 pre-budget report estimated that in 2009/10 more than 2.5 million working adults in Britain would have marginal deduction rates (MDRs) above 60 per cent, and some of these would have MDRs between 80 and 100 per cent<sup>18</sup>. The effects become more intensified for families paying high rents, particularly those in private rented or temporary accommodation, who become trapped in a cycle of poverty and/or unemployment. Shelter has been working with Citizen's Advice, Crisis, Child Poverty Action Group, National Housing Federation and Chartered Institute of Housing on these issues and there are four broad areas that we feel must be a priority for reform in the forthcoming housing benefit consultation:

- **Easing the transition into work.** The current four-week housing benefit run-on scheme offers some short-term security for people moving into work. We would like to see the current restrictive conditions on the scheme relaxed and for it to be expanded so that payments automatically run on for 6 months after entering work. This would give people confidence about their ability to pay the rent whilst they make adjustments to cope with the initial additional costs of moving into work.
- **Simplifying the system.** For claimants in work, particularly those who work fluctuating hours, housing benefit needs to be less sensitive to changes in circumstances to offer claimants ongoing security. This is needed to avoid claimants getting into a cycle of over and under payments of benefit which can wreak havoc with tight budgets and very often

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<sup>15</sup> Lane, K. *Barriers to work: Lone parents and the challenges of working*, Citizens Advice Bureau, October 2008.

<sup>16</sup> Harker, L., *Delivering on Child Poverty: what would it take?* A report for the DWP, November 2006.

<sup>17</sup> Adam, S., Brewer, M. and Shepherd, A. *The poverty trade-off: work incentives and income redistribution in Britain*, JRF and The Policy Press, 2006.

<sup>18</sup> HM Treasury, *Pre-budget report: Facing global challenges: Supporting people through difficult times*, November 2008.

result in rent arrears accumulating. We would like to see fixed period awards of housing benefit for people in work, whilst retaining the option for claimants to seek a reassessment if they experience a significant drop in income. This would give people greater certainty over their housing benefit income and reduce the reporting burdens they face, as well as reducing the administrative burden on local authorities. The Government should also improve advice and information to increase people's understanding of the system and to ensure that people are aware of their entitlements.

- **Making work pay - reforming the interaction of benefits and tax credits to reduce marginal deduction rates (MDR).** For many claimants, the complex nature of these interactions means they are financially little or no better off from increasing their hours of work. The withdrawal rate for housing benefit is excessively high (65 pence for every extra pound earned) and some claimants can in fact find themselves worse off once work related costs (clothing, childcare, travel etc) are taken into consideration. Whilst we welcome improvements such as the return to work and in work credits and the piloting of the better off in work credit, they all provide only a temporary boost to income and a great deal still needs to be done to ensure that once in employment people are not caught in the poverty trap. Government needs to look at different options for bringing down the MDR and providing claimants with a real incentive to move into work or increase their earned income.
- **Mitigating the impact of high rents/low pay - rolling out the principles of the Working Future project.** As well as the instability and other problems faced by claimants living in temporary accommodation, rents are often very high, which makes the transition into work even more difficult. Using the concept behind the Working Future model to allow claimants to pay lower rents would reduce the poverty trap and provide them with a greater work incentive. This model was piloted in East London as a way of reducing work disincentives for families in temporary accommodation. It enables families to pay lower rents by dividing the original rent into two blocks: one claimed from housing benefit, and one funded from DWP housing benefit resources and paid directly to the landlord. Job entry rates for households involved were 40% higher than the control group in Newham<sup>19</sup>. Shelter recommends the rolling out of the Working Futures pilot, revised in line with the lessons learnt from the pilot, across all temporary accommodation. We believe that this can be facilitated by using a block grant model to marry social housing rent levels with block grant funding of childcare costs.

#### Services for children, young people and families

We agree that it is important to improve education, health and family support services in order to tackle child poverty. However, there is a need for greater integration of these services with other

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<sup>19</sup> CESI, *Working Future Evaluation*, November 2007.

areas, particularly housing. Shelter's work with local authorities has shown that there is a lack of information sharing between housing and children's services in regard to preventing homelessness, mitigating the impact of temporary accommodation on children, and identifying additional support needs of children. Despite the existence of clear references to the need for joint assessments, close liaison and joint protocols in both the *Homelessness Code of Guidance for Local Authorities* (DCLG 2006) and *Framework for the Assessment of Children in Need* (DoH 2000), we know that such practices are inconsistently applied by local authorities. For example the recent House of Lords case 'M v Hammersmith and Fulham' makes reference to the lack of communication, information sharing and joint responsibilities between the housing department and social services in that area<sup>20</sup>.

Extensive research by Shelter has shown how bad housing<sup>21</sup> undermines each of the five ECM outcomes. Given the vital connection between housing and children's well-being, Shelter believes that there are opportunities to improve engagement between local authority children's departments and social housing providers to support the achievement of ECM outcomes and the building blocks identified in the child poverty consultation.

Shelter's research has found that temporary accommodation has a devastating impact on children's health and education. Two thirds of respondents said their children had problems at school, and nearly half described their children as 'often unhappy or depressed'. Over half the families surveyed said their health or their family's had suffered due to living in temporary accommodation<sup>22</sup>. Another Shelter research report showed that more than 60 per cent of respondents with depression said that living in temporary accommodation had worsened it<sup>23</sup>.

Shelter's Keys to the Future Service in Newham and Bristol works to keep homeless children in school and achieving. The projects address a child's emotional needs, helping to build confidence and social skills, while small group tuition sessions and homework clubs prevent children falling behind with school work. The service offers parents practical support and encourages pupils to speak to professionals about their experiences of homelessness and their needs.

To improve services for children, young people and families there needs to be greater integration of working practices between professionals working in health, education, housing, and children's services. In order to effectively engage with homeless children professionals should:

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<sup>20</sup> House of Lords, Regina (M) v Hammersmith and Fulham London Borough Council, Session 2007-08, 27<sup>th</sup> February 2008.

<sup>21</sup> Bad housing refers to homelessness, overcrowding, and housing that is in poor physical condition.

<sup>22</sup> Mitchell, F., Neuburger, J. and Radebe, D, *Living in Limbo: Survey of homeless households living in temporary accommodation*, Shelter 2004.

<sup>23</sup> Credland, S. *Sick and Tired: The Impact of Temporary Accommodation on the Health of Homeless Families*, Shelter 2004.

- Identify children living in temporary accommodation or bad housing, and once this has occurred inform all relevant teachers, local authority staff and other stakeholders working with them. The child should then be monitored and supported.
- Make contact with parents for an informal chat if they have missed parents' evenings, ensuring contact is maintained between the school and the parents.
- Provide outreach services and activities to families in temporary accommodation.
- Identify someone to take the role of lead professional to each child in temporary accommodation.

### Housing and neighbourhoods

We are especially pleased that the link between child poverty and housing and wider neighbourhoods has been made. Alongside the initiatives to reduce child poverty over the last decade, there have been a number of housing initiatives in recent years which have had a positive impact on children's lives and on tackling child poverty. For example, the Decent Homes programme has ensured that social housing meets minimum standards of thermal comfort and insulation, making a positive difference to children's health. The drive to eliminate long-term use of bed and breakfast accommodation has also improved the quality of accommodation offered to homeless families. In addition, the sustainable communities plan and focus on cohesive mixed communities has highlighted the importance of the wider living environment for children.

More recently, Government commitments to increase the supply of social rented housing – and the subsequent increase in investment to deliver this – have marked a welcome recognition of the important role of high quality, affordable and secure housing in giving children the base they need from which to grow<sup>24</sup>. Sadly, the current economic downturn has meant that these commitments are now much harder to translate into the delivery of new social housing supply, threatening a real setback in the drive to increase the number of affordable homes for those families who so desperately need them. There are also risks to existing regeneration programmes which have relied upon private investment to build housing, develop parks and play areas or support wider community initiatives such as employment and training. The Government needs to continue funding long-term regeneration activity through the recession to ensure its commitment to the social, economic and environmental progress of these areas continue to be delivered.

Given the vital connection between housing, the wider neighbourhood and children's well-being, Shelter believes that there are a number of opportunities to address the very real poverty faced by families every day through tackling the housing crisis. As outlined above, there is a need for significantly more affordable homes, particularly in the social rented sector; with the total backlog of

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<sup>24</sup> CLG, Housing Green Paper, 2007; HM Treasury, *Meeting the aspirations of the British people: 2007 Pre-Budget Report and Comprehensive Spending Review 2007*, 2007

those requiring social rented housing standing at more than 500,000<sup>25</sup>. Given the likely impact of the economic downturn on the provision of social housing, Shelter believes that Government should increase its investment in social housing and has called for extra financial investment in housing to support building 100,000 new social homes over the next two years. Only by providing more affordable housing can we meet housing need for vulnerable families. In addition to building more affordable homes, wider amenities such as good and affordable transport links, infrastructure and access to employment also need to be supplied within new and existing communities. Good transport links to centres of employment is particularly important in rural and semi-urban areas where parents are likely to have to travel longer distances to jobs and childcare provision.

## Driving progress against the vision

### **2 a) Should the measure of success be expanded beyond relative income, combined low income and material deprivation, and persistent low income to also include absolute low income?**

Shelter feels that although absolute low income would provide interesting data in analysing the extent to which families are seeing their real incomes increase, it is the measures of relative income, combined low income and material deprivation, and persistent low income that provides the most effective way of measuring success. However, we do have some concerns about the way the Government envisages they are going to define the eradication of child poverty.

We believe the target of reducing the proportion of children in relative low income should be set at 5 per cent, rather than a range of 5-10 per cent, and that this level needs to be sustained beyond 2020. The level of 5 per cent also needs to be attained in each Devolved Administration to ensure the very poorest children are monitored in every jurisdiction.

In 2003, the Government announced an important change to the way that child poverty is measured. Before this time, the main child poverty indicator was based on the incomes of the poorest families relative to the incomes of the population as a whole. For these purposes, income was measured both before and after housing costs were deducted. However, ministers decided that, in future, income would be measured on a *before housing costs* basis only. We are aware that this change is aligned with how child poverty is measured in the rest of Europe. However, it does not provide a complete picture as many families have to pay disproportionately high housing costs due to location or type of accommodation. For example, temporary accommodation in London can

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<sup>25</sup> Holmans, A., Monk, S., Whitehead, C. Research: report, *Homes for the future: A new analysis of housing need and demand in England*, Cambridge Centre for Housing and Planning Research, University of Cambridge, Shelter, November 2008.

be as high as £300 a week<sup>26</sup>. A survey commissioned by Shelter found that 2.2 million households (9 per cent) spent more than half their income on housing costs, and among those on low incomes<sup>27</sup> this proportion rose to 38 per cent<sup>28</sup>.

This decision was heavily criticised by the Work and Pensions Select Committee in a report on child poverty. The Committee argued that 'the decision to adopt only the before housing costs measure is mistaken' and recommended that:

'The next PSA target for base year 2004/05 should be derived from the 60 per cent median income after housing costs measure. Using the median income before housing costs figure would mask the true extent of poverty.'<sup>29</sup>

In 2006/07 2.9 children were counted as poor before housing costs but 3.9 million counted as poor after housing costs<sup>30</sup>. As the figures highlighted above show, child poverty rates vary significantly depending on whether they are measured before or after housing costs. This demonstrates the close link between housing costs and poverty.

While Shelter welcomes the progress the Government has made in tackling child poverty, we share the Select Committee's view that measuring incomes on a before housing costs basis only is misleading. Specifically, we believe that:

- This measure may omit significant numbers of children living in poverty from the official figures.
- Many of these children are likely to be living in families who face high housing costs but who are unable to exercise meaningful choice over where they live.
- These families are likely to be disproportionately based in southern England, especially London.

## **2 b) Will proposals to publish a strategy, informed by an expert child poverty commission, and proposals to monitor and report on progress, drive the action needed?**

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<sup>26</sup> Hills, J. *Ends and means: the future roles of social housing in England*, CASEreport 34, ESRC Research Centre for Analysis of Social Exclusion, February 2007.

<sup>27</sup> Shelter's definition of income in the survey was net (after tax and NI) household income and low income was defined as below £10,000.

<sup>28</sup> Reynolds, L., Parsons, H., Baxendale, A. and Dennison, A., *Breaking point: How unaffordable housing is pushing us to the limit*, Shelter, June 2008.

<sup>29</sup> Second report of the Work and Pensions Select Committee 2003-04; *Child poverty in the UK* [HC 85-I]

<sup>30</sup> Poverty is defined as having an income below 60 of the median income. Source: DWP Households Below Average Income: An analysis of the income distribution 1995/95 – 2006/07, *Table 4.3tr: Number of children falling below various thresholds of contemporary median income*.

We agree with proposals to use legislation to place a duty on Government to publish a child poverty strategy to 2020, which sets out how they intend to reach the 2020 goal. However, it needs to be accompanied by a duty for the Government to take action if they are not meeting their goals or making sufficient progress. The Government must also be responsible for holding others, including local authorities to account in driving forward the action needed to meet the 2020 goal. Finally, it is important that the duties for the Government to monitor progress and take action also need to correspond to the Devolved Administrations.

We think the child poverty commission provides the right platform to hold the Government to account on making progress on meeting the child poverty targets and driving action forward. For this to work effectively, the commission must be an independent body which can review and scrutinise the Governments' published strategy as well as monitor their progress and actions. The commission should be made up of a range of experts who represent the different sectors and areas that are involved in child poverty, and should include representatives from the devolved nations. Other groups that should be included are:

- Local government
- Voluntary organisations
- Housing
- Health
- Education
- Employment
- Children's services

## **Tackling child poverty in local communities**

**3 a) What are the main constraints to tackling child poverty at the local level?**

**3 b) How can central Government support local authorities in overcoming these constraints?**

There needs to be more effective partnership working on the ground between children's services and local authority housing departments, social housing providers and voluntary housing organisations to address the needs of vulnerable children. More often than not a lack of understanding of procedures and good practice on both sides can result in vulnerable children slipping through the safety net. We feel this can be achieved in a number of ways. Firstly, the Common Assessment Framework (CAF) needs to be developed so that it is a better tool for all professionals working with vulnerable children.

The CAF process is used to help early intervention with children and young people with 'additional needs', a term used in the joint working guidance to describe children and young people at risk of poor outcomes in relation to the five ECM outcome areas. The DCSF/CLG guidance published in May 2008, *Joint working between Housing and Children's Services: Preventing homelessness and tackling its effects on children and young people* rightly highlights that many children and young people under the age of 18 who come to the attention of housing authorities because they are homeless or threatened with homelessness are likely to have 'additional needs' which should trigger a CAF.

Shelter's own work with local authorities has highlighted two broad issues that prevent the CAF from being effectively implemented:

- i. Insufficient CAF training within housing services
- ii. Unsatisfactory understanding of housing procedures within children's services

Improvement in these areas could help to ensure that children and young people with 'additional needs' are better protected. For example, Shelter's Keys to the Future project in Bristol have identified good practice of implementing the CAF within Bristol City Council.

#### CAF training and housing services

Shelter's work with local authorities has shown that there is limited understanding of the CAF by housing professionals and very few local authorities have rolled out CAF training to front line housing staff. The joint working guidance places an emphasis on sharing information between children and housing services in the homelessness context, and the CAF is central to this. Despite the existence of clear references to the need for joint assessments, close liaison and joint protocols, we know that such practices are inconsistently applied by local authorities. For example, the recent House of Lords case 'M v Hammersmith and Fulham' makes reference to the lack of communication, information sharing and joint responsibilities between the housing department and social services<sup>31</sup>.

In order to improve the joint working practices between housing and children's services more explicit reference needs to be made to, and guidelines drawn up for, providing CAF training to housing options officers and other housing professionals in local authorities who are likely to come into contact with children and young people who are homeless or at risk of homelessness. This would ensure that they are aware of what the CAF is and have a full understanding of when and how to use it.

It is also important for housing teams to be involved in any locality multi-agency support planning and/or meetings. Housing is usually one of the major factors which needs to be addressed before a

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<sup>31</sup> House of Lords, Regina (M) v Hammersmith and Fulham London Borough Council, Session 2007-08, 27<sup>th</sup> February 2008.

child can successfully achieve any of the outcomes identified by the CAF; however housing staff are often not invited or participate in this process.

### Housing and homelessness targets and the CAF

Under section three of the CAF form, family and environmental, there is a subsection on housing, employment and financial considerations. In the accompanying guide to definitions used in the CAF the following questions are asked about housing:

- What are the living arrangements?
- Does the accommodation have appropriate amenities and facilities?

These questions are quite limited compared to the level of detail needed to fully establish a person's housing needs. Moreover, in Shelter's experience staff within children's services have unsatisfactory understanding of housing procedures and therefore would benefit from further guidelines on housing when making an assessment. Suggestions of other questions are set out below:

- Are there frequent housing moves?
- Is there overcrowding under the bedroom standard<sup>32</sup>? (identifies risk of young person being forced to leave the family home)
- Is the young person involved in or experiencing antisocial behaviour? (identifies risk of intentional homelessness)
- Are they or the household at risk of losing their tenancy, or have they lost their tenancy in the past?
- Are they or the household in rent arrears? (If claiming housing benefit in the private rented sector has direct payment been considered?)

As a minimum, when undertaking CAF training with children's services staff, basic housing rights and local authority housing procedures and good practice should be part of the training. This would help to ensure that children's services staff are aware of the housing options, and of the correct processes for young people who are homeless or at risk of homelessness.

Secondly, there needs to be greater access to housing advice within local children's services. Shelter strongly believes that Children's Centres are well placed to offer housing advice to families at risk and families in temporary accommodation and we feel more needs to be done to address

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<sup>32</sup> This measure has been used in Government and social research since the 1960s and is widely accepted as the 'bare minimum' a family requires. According to the standard, the following should have one bedroom: married or cohabiting couples; single people more than 21 years old; pairs of children under 10 years old, regardless of gender; pairs of children aged 10 to 21 years old of the same gender; any unpaired person aged 10 to 20 is then paired, if possible, with a child under 10 of the same sex (if that is not possible, he or she is counted as requiring a separate bedroom, as is any unpaired child).

this. Information sharing between homeless persons units and Children's Centre teams regarding families living in temporary accommodation allows staff to identify and address the specific needs of this group. However, Shelter's good practice work has identified very few areas where this takes place. In undertaking consultation with workers and parents at Children's Centres we have identified the following actions that would enable more effective engagement with homeless families and those at risk of homelessness, and would help to strengthen how services are delivered by Children's Centres:

- Ensure Children's Centre staff are trained in basic housing rights, allowing them to provide initial housing assistance, or make appropriate referrals to external organisations where necessary.
- Attend and participate in local housing and homelessness forums, ensuring that all centre staff are aware of the housing and social issues in the locality.
- Create a simple referral process so that the Children's Centre can be told about any child in temporary accommodation or at risk of homelessness.
- Establish links with housing advice services and caseworkers in order to address housing problems. Centres should be able to provide, or make referrals to, advocacy services that provide support to families in need.
- Develop links with the benefits agency, allowing Children's Centre staff to provide centre users with more information regarding benefits they may be entitled to.
- It is imperative that Children's Centres refer families to other Children's Centres when they move on to housing outside the area.

**4 ) Is the existing local performance framework sufficient to ensure that all local areas take the necessary action to tackle child poverty?**

**(i) Should a duty on local authorities and delivery partners (options one and/or two in paras 2.24 and 2.25) be introduced, in addition to the existing local performance framework to incentivise more authorities to prioritise action to tackle child poverty? If so, what form should the duty take?**

**(ii) Should the Government consider requiring all local authorities to set a specific child poverty target or a target from a 'basket of indicators' (option three in para 2.26)? If a target is set, the Government would be grateful for views on how this should be negotiated.**

We feel a combination of the three options set out would provide the best performance framework to ensure that all local areas take the necessary action to tackle child poverty. It is important for local authorities to have a duty promote action to tackle child poverty to ensure it is a priority at the local level (option 1). There should also be a duty on all public bodies to have a regard for child

poverty when exercising their functions (option 2) as some areas such as housing are no longer the sole responsibility of the local authority.

Currently only 45 local authorities have already included a child poverty indicator in their Local Area Agreement targets, which accounts for about one third of all local authorities in England. There needs to be greater incentives for all local authorities to include child poverty as an indicator and therefore we feel that option 3, requiring all local authorities to set a child poverty target would ensure this. This should include NI 116 child poverty target which is focused on the percentage of children living in families on out of work benefits. We are pleased that the Government is committed to refining this indicator to ensure that low income working families are also included in this measure. However, local authorities should also choose additional indicators to measure progress on child poverty which are relevant to their local area. We feel that local authorities may make progress on the child poverty indicator but fail to address other areas that directly impact child poverty. Other indicators could include NI 156: Number of households living in temporary accommodation; NI 117: 16 to 18 year olds who are not in education, employment or training (NEET); NI 19: Rate of proven re-offending by young offenders; NI 109 Delivery of Sure Start Children's Centres; or NI 112: Under 18 conception rate.

There needs to be an understanding by, and clear links made within each local authority department concerning their role in eradicating child poverty. From a housing perspective, this should be concerned with tackling and reducing homelessness, reducing the number of households in temporary accommodation, and addressing poor housing conditions and overcrowding. Often practitioners that may not work directly with children can lack the incentives to take action on child poverty. It is therefore important the three options set out above place a duty on local authorities to address a wide range of issues to meet the 2020 target.

**7) Are there other, more effective steps that could be taken, within or outside new legislation, to incentivise more local authorities to prioritise taking action on child poverty?**

The child poverty strategy needs to develop as many opportunities to promote joined up working and advocacy of good practice in relation to tackling child poverty. Two ways this could be achieved are:

- Create an arrangement similar to Children Trust Boards which places a 'duty to co-operate' on named relevant local partners. This could ensure child poverty is being prioritised at the local level and that a wide range of organisations are involved, which should include either a representative from the local authority housing department or a named social housing provider.

- Employ active champions on child poverty similar to the DCSF/CLG specialist youth homelessness advisors that have visited local authorities across England. Their role would be to highlight and advocate good practice across each region and assist local authorities to meet their targets and make good progress on eradicating child poverty.

## Conclusion

We are pleased that the Government has committed to eradicating child poverty through legislation and a long term strategy. We welcome the explicit links that have been made between tackling child poverty and housing and neighbourhoods. Shelter has conducted extensive research which has shown the impact of bad housing on children's life chances. Bad housing can be both a cause and consequence of poverty and therefore it is vital that any action or monitoring on child poverty addresses the housing needs of vulnerable families. To achieve this there must be a duty on the Government to publish a child poverty strategy that monitors progress, but the Government must be accountable if they miss targets or fail to make progress on the action needed. This also needs to be effectively translated to the Devolved Administrations and at the local level.

As well as local authorities there should be a duty on other relevant public bodies to take action to tackle child poverty. This must include local authority housing departments, and other social housing providers to ensure that housing issues are integral to planning and carrying out activities that tackle child poverty. There needs to be an understanding at the local level that housing organisations are part of achieving and will be supported in eradicating child poverty, for example through reducing households in temporary accommodation or levels of youth homelessness. At a national level there must be a long term commitment by the Government to building more affordable housing to help alleviate poverty among families.

### Shelter Policy Unit

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