West Sussex Annual Public Health Report 2011

TACKLING CHILD POVERTY in West Sussex 2011-2014
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This document is also available on the following websites:
- [www.westsussex.nhs.uk](http://www.westsussex.nhs.uk)
- [www.westsussex.gov.uk](http://www.westsussex.gov.uk)
Poverty is about more than income, it is about a lack of opportunity, aspiration and stability. The aims of the Child Poverty Act will not be achieved through simply throwing money at the perceived symptoms. A new approach is needed which places the emphasis on tackling the powerful drivers that keep the most disadvantaged families from leaving poverty behind.

Iain Duncan Smith, Secretary of State for Work and Pensions. A new approach to child poverty: Tackling the causes of disadvantage and transforming families’ lives. HM Government, April 2011
Foreword

Working with vulnerable families to turn their lives round for the better is a key priority for West Sussex County Council and its many partner organisations. Our ‘Think Family’ initiative is about working with families before they reach crisis point to help avoid the need for more costly and intensive intervention later on.

The potential benefits for our children as they grow and develop as adults and for the wider community are enormous.

That’s why I am particularly pleased that such a high profile is being given in this report to the issue of child poverty because of its enormous implications for society in general.

The report brings together the research and statistics that have contributed to the development of the ‘Think Family’ initiative.

Thanks to the backing of the West Sussex Co-operative¹, multi-agency support is already being given to a number of Early Intervention projects including Family Nurse Partnerships and Family Intervention Projects.

Our Director of Public Health has supported the Co-operative every step of the way and provided compelling evidence for the development of ‘Think Family’.

I hope that her fascinating report will demonstrate clearly the scale of the challenge we are facing as we respond to the Government’s strategy to tackle child poverty, as well as the determination that exists to make a real and lasting difference.

¹The West Sussex Co-operative replaced the Public Service Board as the countywide strategic partnership in December 2010. Its role is to identify the key strategic priorities across all organisations and seeks to work together to improve services for residents.
Introduction

I have focused on tackling childhood poverty in my public health report this year because of the impact childhood experiences have in laying the foundations for health and social outcomes throughout adult life. Some children who experience poverty will grow up to achieve their full potential but there is plenty of evidence that they will have many barriers to face, both in the home and society. These barriers will prevent them making the most of opportunities to reach their full potential as adults within their community.

Children growing up in poverty are more likely to experience a poorer quality of life, both as a child and later as an adult. The impact of poverty includes poor health throughout life, including dying younger than expected; low educational achievement; lower levels of employment and income; living in poorer housing and community environments; long term financial and social exclusion; and can lead to behavioural problems including a high risk lifestyle.

We know that poverty is often hereditary, in the sense that children who grow up in poverty are more likely to be poor as adults. Breaking the cycle of poverty will not only improve the life chances of the current generation, but also help them to pass on the benefits to their own children.

In 2010 the government passed the Child Poverty Act that enshrines in legislation their commitment to eradicate child poverty by 2020. The Coalition strategy ‘A new approach to child poverty; tackling the causes of disadvantage and transforming families’ lives’ was published in April 2011. This sets out challenging targets for the reduction of child poverty by 2020 as well as identifying three ‘building blocks’ for intervention to support families move out of poverty:

- improving family support and children’s life chances;
- supporting families to achieve financial independence;
- improving neighbourhoods to transform lives.

These key areas form the basis for the commissioning challenges I have set out in Chapter 5 to tackle child poverty in West Sussex.

This work is also supported by the social mobility strategy published by the government in March 2011. In addition, the Government has set up reviews on child poverty and early interventions, chaired by Frank Field MP and Graham Allen MP, to provide detailed information on how the objectives in the Child Poverty Act can be achieved.

This report

Producing a Child Poverty Needs Assessment and Strategy is a requirement for upper tier Local Authorities. Other public sector agencies such as Primary Care Trusts, Police and District and Borough Councils, have a statutory duty to co-operate. This report will provide the needs assessment and framework for West Sussex, presented as my 2011 public health annual report.

West Sussex Co-operative has already identified family welfare and early intervention as a key issue in West Sussex and a number of actions have been set out in the Children and Young People’s Plan as part of the ‘Think Family’ initiative. They include improving parenting support, housing and educational attainment. It is intended that this framework to reduce child poverty will build on the work that is already underway and help ensure our work with families will achieve the best possible outcomes.

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Introduction continued

Poverty is a dynamic concept rather than a fixed state for families, although it can be difficult to get out of a cycle of poverty. A reduction in material income alone may not necessarily lead to immediate poverty. Many individuals possess other financial resources such as savings. Conversely, an increase in income may not initially have an impact on any hardship the family is experiencing if they have debts.

A strategy to reduce child poverty that only increases income for families will have a limited impact, especially on the most vulnerable families with multiple problems. It is important to take account of inter-related risk factors and to address them in an holistic way.

The aims of this report are to:

- Provide a framework for actions to be taken by organisations which will reduce child poverty in West Sussex in order to reach the national target of no more than 10% of children living in households with relative low income by 2020.
- Articulate the policy direction on child poverty for West Sussex so that there is clarity across organisations. The intention is not to re-state existing strategies and plans but to ensure they are aligned to tackle an issue that is multi-faceted.
- Provide a coherent approach to prioritisation, investment and delivery that can be used across organisations to reduce duplication and maximise benefits.
- Place the Child Poverty Needs Assessment and Framework for West Sussex within the local context of the ‘Think Family’ approach agreed by West Sussex Co-operative and West Sussex County Council, and within the national context of the requirements of the Child Poverty Act 2010.

The first four chapters of this report give an overview of the information we have about children and families living in poverty in West Sussex. They provide a description of the main risk factors and drivers of child poverty and its consequences across the county. They will form part of the West Sussex Joint Strategic Needs Assessment and should be used to underpin relevant policies and plans across organisations and sectors in the county.

Chapter 5 offers recommendations for action and effective interventions for mitigating the effects of child poverty and improving outcomes for families and the community.
Executive summary

Tackling child poverty is a key strand of the ‘Think Family’ approach developed by West Sussex Co-operative and the Children’s Trust, set out in the Children and Young People’s Plan. This framework sets out the issues for West Sussex with recommendations for actions to be taken across organisations to reduce the numbers of children living in poverty and mitigate the impact poverty has on our children in West Sussex.

CHAPTER 1
How many children in West Sussex are living in poverty?

There is no single measure that reflects all important aspects of the complex nature of child poverty. Nationally, four indicators will be used but only one, relative poverty, is available at a local level. This is defined as families below 60% of median weekly income and has been used in this report to show how poverty is distributed in the West Sussex population and trends in poverty over time. Nationally, rates of child poverty have been improving slowly since 1998 but it has been estimated that they will rise again over the next few years as tax and benefit reforms are implemented.

The Child Poverty Act 2010 sets a target to reduce child poverty rates to below 10% nationally by 2020. In 2009 nearly 20,000 children under 16 in West Sussex were living in relative poverty. At a rate of 13.8% the county is well below the national rate of 21.3% but this masks the variation between districts which ranges from 19% in Crawley to 8.6% in Mid Sussex. Within that variation, there are some small areas of deprivation with more than 1 in 3 children living in poverty.
CHAPTER 2
Risk factors for child poverty

Family circumstances are likely to be associated with child poverty although direction of causality may be difficult to establish. The key risk factors include non-traditional family structures, unemployed adults, teenage parent, sick or disabled child, children under 5 and large families. Acting to reduce risk factors is likely to help some families to avoid poverty, reduce the time spent in poverty or mitigate its effects.

CHAPTER 3
Drivers of child poverty

Drivers are the mechanisms by which families who have fallen into poverty can improve their circumstances, or conversely the mechanisms which compound their problems. The key drivers in West Sussex are education and employment. The West Sussex economy underperforms relative to the South East average. It is divided into three areas with distinct characteristics: the Gatwick Diamond (Crawley, Horsham, East Grinstead), the rural economy (the market towns and rural areas in the districts of Chichester, Horsham and Mid Sussex) and Coastal West Sussex (from Shoreham to the Manhood Peninsula). Wage levels are higher in the Gatwick Diamond area than in Coastal West Sussex, which also have higher rates of people claiming out-of-work benefits. In-work poverty is increasing as people, although employed, are earning less as more people work part-time and opportunities for work decreases. The underperforming economy creates a significant barrier for families in poverty seeking to improve their situation. Jobs are scarce locally and the population has poorer skills levels than the regional average. Moving to areas with higher wages is difficult where housing costs are high and benefits are reducing.

CHAPTER 4
The impact of child poverty

Families living in poverty are more likely to be facing a range of problems in addition to material deprivation. These factors may act independently of each other but are also likely to interact. There is good evidence that persistent poverty in childhood is associated with a range of adverse outcomes for children from lower educational attainment, poorer job prospects to shorter life expectancy. Poverty also affects a child’s quality of life and access to enriching experiences such as school trips and leisure activities such as holidays. In addition, the next generation will also have poorer life chances. Child poverty is an issue for the whole of society, not just those affected by it. There is a cost to society as families with multiple problems are greater users of publicly funded services, and individuals who do not fulfil their potential represent lost earnings, affecting Gross Domestic Product (GDP). The family is the most important determinant of poverty but schools and neighbourhoods are also important. They can exacerbate the problems by normalising low aspirations and high risk behaviours or they can mitigate the effects by providing supportive social networks alongside effective early intervention and prevention programmes. Improving the social and living environment of families in deprived areas should be part of a strategy to address child poverty.

CHAPTER 5
Commissioning Challenges

The chapter sets out a framework and detailed recommendations for action across organisations to tackle the complex and inter-related problems associated with child poverty. There are three building blocks within the framework:

- Improving family support and children’s life chances.
- Supporting families to achieve financial independence.
- Improving neighbourhoods to transform lives.
How many children in West Sussex are living in poverty?

The Child Poverty Act 2010 uses four indicators to define child poverty:

- **relative low income** – whether children live in households whose income is 60% or below the national median for the financial year, after adjusting for household size. The national target is less than 10% by 2020 (this is the only target indicator available at county level).

- **combined low income and material deprivation** – a combination measure of children in low income households and found to be materially deprived. For example, whether a child has somewhere outside to play, can swim once a month, can go on school trip once a term. The national target is less than 5% by 2020.

- **absolute low income** – which measures median income compared to fixed baseline year (base year for the Act refers to April 2010). The national target is less than 5% by 2020.

- **persistent low income** – low income persisting for three out of the last four years. The national target is to be finalised once data are available.

The thresholds for relative poverty are further complicated because they take account of family size and housing costs. For example, a couple with two children aged 5 and 14 would need at least £379 per week before housing costs and £346 after housing costs to be classified as being in relative poverty, for a single parent the thresholds would be £297 and £256 respectively (Table 1.1).

The overall trend in rates of child poverty has been downwards since 1998. This has been more marked in measures that capture income levels only than in measures that look at material deprivation and persistent low income (Figure 1.1). This is probably because changes to benefits systems over the last decade have resulted in more families being lifted out of poverty. But some families have more complex problems and their level of income may be only one issue: for example families with a disabled child or an adult with learning difficulties may need a more holistic support.

The Institute for Fiscal Studies has calculated that Coalition reforms to the benefits system will result in a higher rate of child poverty than would have been expected without the changes (Figure 1.2). However, the rate is projected to fall substantially between 2008 and 2010 before levelling off, then rising slightly by 2013.

### Table 1.1

<table>
<thead>
<tr>
<th>Median and 60% of median weekly income for different family sizes, before and after housing costs</th>
<th>Before housing costs</th>
<th>After housing costs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UK 2009/10</strong></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>Median</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Couple with no children</td>
<td>413</td>
<td>356</td>
</tr>
<tr>
<td>Single with no children</td>
<td>276</td>
<td>207</td>
</tr>
<tr>
<td>Couple with two children aged 5 and 14</td>
<td>631</td>
<td>577</td>
</tr>
<tr>
<td>Single with two children aged 5 and 14</td>
<td>495</td>
<td>427</td>
</tr>
<tr>
<td><strong>60% of median</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Couple with no children</td>
<td>248</td>
<td>214</td>
</tr>
<tr>
<td>Single with no children</td>
<td>166</td>
<td>124</td>
</tr>
<tr>
<td>Couple with two children aged 5 and 14</td>
<td>379</td>
<td>346</td>
</tr>
<tr>
<td>Single with two children aged 5 and 14</td>
<td>297</td>
<td>256</td>
</tr>
</tbody>
</table>

*Source: Households Below Average Income 2009/10, DWP*
FIGURE 1.1

Trends in Child Poverty before housing costs
UK 1998/99 - 2009/10

- Absolute low income
- Relative low income
- Persistent low income
- Low income and material deprivation

Source: Households Below Average Income 2009/10, DWP

FIGURE 1.2

Child poverty projections after housing costs with and without the Coalition Government’s tax and benefit reforms UK 2008 to 2013

- With reforms
- Without reforms

Source: Brewer M and Joyce R. Child and working age poverty from 2010 to 2013. Institute of Fiscal Studies Briefing Note 115 2010
Data for the last three national indicators are not available below national level so the measure used for analysis within West Sussex is relative low income. Data have been released by HM Revenue and Customs (HMRC) for years 2006, 2007, 2008 and 2009. In West Sussex in 2009 14.3% of children under 16 years old and 13.8% of all children lived in relative low income households, where the household income was 60% or less of median income before housing costs. This means over 22,000 children in West Sussex were living in relative low income in 2009.

No local authority in West Sussex had a rate higher than England. In 2009, Adur, Arun, Crawley and Worthing had percentages above the regional rate while rates in Horsham and Mid Sussex are already below the national target of 10% (Table 1.2 & Figure 1.3). Rates from 2006 to 2009 were fairly stable with changes at district level not likely to be statistically significant. Local authority level information may mask higher concentrations within wards and specific estates and neighbourhoods. At ward level the rate varies from 2.5% in East Grinstead Imberhorne (Mid Sussex) to 36.1% in Ham (Arun).

<table>
<thead>
<tr>
<th>TABLE 1.2</th>
<th>Children living in relative low income households in West Sussex and the South East 2006 to 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Under 16</td>
</tr>
<tr>
<td>West Sussex</td>
<td>13.4%</td>
</tr>
<tr>
<td>Brighton and Hove</td>
<td>23.3%</td>
</tr>
<tr>
<td>East Sussex</td>
<td>18.3%</td>
</tr>
<tr>
<td>Hampshire</td>
<td>12.3%</td>
</tr>
<tr>
<td>Surrey</td>
<td>10.4%</td>
</tr>
<tr>
<td>South East</td>
<td>15.3%</td>
</tr>
<tr>
<td>England</td>
<td>21.8%</td>
</tr>
<tr>
<td>Adur</td>
<td>17.9%</td>
</tr>
<tr>
<td>Arun</td>
<td>16.5%</td>
</tr>
<tr>
<td>Chichester</td>
<td>12.6%</td>
</tr>
<tr>
<td>Crawley</td>
<td>18.1%</td>
</tr>
<tr>
<td>Horsham</td>
<td>8.8%</td>
</tr>
<tr>
<td>Mid Sussex</td>
<td>8.5%</td>
</tr>
<tr>
<td>Worthing</td>
<td>15.3%</td>
</tr>
</tbody>
</table>

*All children relates to young people under the age of 20 living at home and either in full time education or unemployed. Source: HMRC
FIGURE 1.3

Trend in child poverty by district
West Sussex 2006 to 2009

TABLE 1.3

Lower Super Output Areas with levels of child poverty above 33%: West Sussex 2009

<table>
<thead>
<tr>
<th>Lower Super Output Area</th>
<th>Ward</th>
<th>District</th>
<th>Children living in relative low income</th>
</tr>
</thead>
<tbody>
<tr>
<td>E01031429</td>
<td>Ham</td>
<td>Arun</td>
<td>47.1%</td>
</tr>
<tr>
<td>E01031427</td>
<td>Ham</td>
<td>Arun</td>
<td>45.7%</td>
</tr>
<tr>
<td>E01031450</td>
<td>Pevensey</td>
<td>Arun</td>
<td>43.1%</td>
</tr>
<tr>
<td>E01031558</td>
<td>Broadfield South</td>
<td>Crawley</td>
<td>41.6%</td>
</tr>
<tr>
<td>E01031819</td>
<td>Northbrook</td>
<td>Worthing</td>
<td>39.9%</td>
</tr>
<tr>
<td>E01031779</td>
<td>Broadwater</td>
<td>Worthing</td>
<td>39.7%</td>
</tr>
<tr>
<td>E01031404</td>
<td>Bersted</td>
<td>Arun</td>
<td>39.4%</td>
</tr>
<tr>
<td>E01031790</td>
<td>Central</td>
<td>Worthing</td>
<td>36.4%</td>
</tr>
<tr>
<td>E01030341</td>
<td>Churchill</td>
<td>Adur</td>
<td>39.1%</td>
</tr>
<tr>
<td>E01031752</td>
<td>Haywards Heath, Bentswood</td>
<td>Mid Sussex</td>
<td>34.2%</td>
</tr>
<tr>
<td>E010331473</td>
<td>Yapton</td>
<td>Arun</td>
<td>34.0%</td>
</tr>
<tr>
<td>E01031347</td>
<td>Eastbrook</td>
<td>Adur</td>
<td>34.0%</td>
</tr>
<tr>
<td>E01031371</td>
<td>Southlands</td>
<td>Adur</td>
<td>33.7%</td>
</tr>
<tr>
<td>E01031552</td>
<td>Broadfield North</td>
<td>Crawley</td>
<td>33.3%</td>
</tr>
<tr>
<td>E01031436</td>
<td>Marine</td>
<td>Arun</td>
<td>33.2%</td>
</tr>
</tbody>
</table>

Source: HRMC
the map above shades each Lower Super Output Area in West Sussex according to the percentage of children living in poverty (Figure 1.4). The red areas have the highest concentrations of poverty (1 child in 3 living in relative poverty) and are mainly in the Local Neighbourhood Improvement Areas (LNIA) in Crawley, Adur, Arun and Worthing (Table 1.3). In the yellow areas 1 child in 4 is living in poverty, and rates are above the national average. All the districts in the county have some yellow areas. In the grey areas rates of child poverty are below the national rate but above the national target of 10%. The green areas have already met the national target.

**Conclusion**

Child poverty is a complex issue and families in need of help cannot be identified using measures of income alone. However, the only indicator of poverty that is available at a local level is ‘relative low income’, which identifies the percentage of families living in a geographical area who have an income which is below 60% of the national median. The overall rate of relative low income in West Sussex is 13.8%, well below the national average of 21.3% but above the national target of 10% by 2020. While many of these families will find a way out of poverty themselves, a minority will have persistent problems and will need support from a number of agencies. The overall rate for West Sussex masks considerable variation within the county. While many areas already have rates below 10% there are 15 smaller neighbourhoods with rates above 1 child in 3 living in poverty. These are mainly located within Local Neighbourhood Improvement Areas and families living in these areas are likely to have less resilience and be unable to move out of poverty without help.
Risk factors are the circumstances in which families are living that research has shown are likely to be associated with child poverty. Not all families with risk factors will be living in poverty, and not all will go on to do so in future. However an understanding of the risk factors is helpful for two reasons: it allows services to identify families likely to benefit from additional support, and allows policy makers to ensure that the prevalence of risk factors in the county is minimised in order to reduce the number of families falling into poverty.

A national survey on child poverty collects data not only on incomes but also on the specific background characteristics of households, with questions relating to material deprivation. Demographic studies show that families are more likely to be poor when they have the following characteristics (Table 2.1):

- Non-traditional structures, for example, lone parents or parents in reconstituted families.
- No adult is in employment in the household.
- Headed by a teenage parent.
- Have a sick or disabled child.
- Have a child or children under five.
- Have a large number of children.

From this information it is clear how important parental employment is in relation to risk, but also the likelihood of being in poverty for families living in social housing, larger families and lone as opposed to couple households.

### West Sussex family structure

There is little recent data detailing family structure at a local level. Table 2.2 uses data from the 2001 census. In 2001 in West Sussex 18.3% of children lived in lone parent families but this varied across the county with 22% of children in Crawley compared with 13.7% in Horsham; and differences were greater when comparing ward by ward level data.

Using Child Benefits statistics it is possible to identify families as opposed to numbers of children or family size. There were approximately 162,300 children living in 92,200 families in receipt of child benefit in West Sussex in 2008 (Table 2.3). The average family size is 1.8 children. This is very similar to the England figure. In West Sussex 43% of families have one child, and 3% of families have four or more dependent children.

Of the 92,200 families in receipt of child benefit, 65,500 (71%) were also in receipt of tax credit. Of those 65,500 in receipt of Tax Credits, 54,400 (83%) are ‘in work’ families. Of the 54,400 in work families in receipt of Tax Credits 12,400 (23%) are lone parent families. Of the 11,100 out of work families 8,700 (77%) were lone parent families.

<table>
<thead>
<tr>
<th>Table 2.1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rates of child poverty by risk factor</strong></td>
</tr>
<tr>
<td><strong>United Kingdom: 2008/09</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>All children</td>
</tr>
<tr>
<td>Children with lone parents</td>
</tr>
<tr>
<td>Children living with couples</td>
</tr>
<tr>
<td>Children in large families (3 or more children)</td>
</tr>
<tr>
<td>Children of Pakistani/ Bangladeshi ethnicity</td>
</tr>
<tr>
<td>Children living in social rented housing</td>
</tr>
<tr>
<td>Children in households in receipt of housing benefit</td>
</tr>
<tr>
<td>Children in families with no disabled parent but one or more disabled child</td>
</tr>
<tr>
<td>Children in families with both a disabled adult and child</td>
</tr>
<tr>
<td>Children without a parent in work</td>
</tr>
<tr>
<td>Children in couple household - both in full time work</td>
</tr>
<tr>
<td>Children in lone parent household - in full time work</td>
</tr>
</tbody>
</table>

Source: Households Below Average Income 2008/9, DWP
### TABLE 2.2

**West Sussex family structure by district**

<table>
<thead>
<tr>
<th>District</th>
<th>Total number of dependent children 0 to 18</th>
<th>Total in lone parent households</th>
<th>Total married couple households</th>
<th>Co-habiting couples</th>
<th>Not in a family</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adur</td>
<td>12,496</td>
<td>20.4%</td>
<td>66.0%</td>
<td>12.4%</td>
<td>1.2%</td>
<td>100%</td>
</tr>
<tr>
<td>Arun</td>
<td>26,742</td>
<td>20.7%</td>
<td>67.1%</td>
<td>11.4%</td>
<td>0.9%</td>
<td>100%</td>
</tr>
<tr>
<td>Chichester</td>
<td>20,938</td>
<td>18.0%</td>
<td>72.1%</td>
<td>9.2%</td>
<td>0.6%</td>
<td>100%</td>
</tr>
<tr>
<td>Crawley</td>
<td>23,623</td>
<td>22.0%</td>
<td>66.4%</td>
<td>10.8%</td>
<td>0.9%</td>
<td>100%</td>
</tr>
<tr>
<td>Horsham</td>
<td>27,038</td>
<td>13.7%</td>
<td>77.4%</td>
<td>8.3%</td>
<td>0.5%</td>
<td>100%</td>
</tr>
<tr>
<td>Mid Sussex</td>
<td>28,412</td>
<td>14.7%</td>
<td>76.7%</td>
<td>8.2%</td>
<td>0.4%</td>
<td>100%</td>
</tr>
<tr>
<td>Worthing</td>
<td>19,686</td>
<td>21.1%</td>
<td>66.4%</td>
<td>11.3%</td>
<td>1.1%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>West Sussex</strong></td>
<td><strong>158,935</strong></td>
<td><strong>18.3%</strong></td>
<td><strong>70.9%</strong></td>
<td><strong>10%</strong></td>
<td><strong>0.8%</strong></td>
<td><strong>100%</strong></td>
</tr>
<tr>
<td><strong>South East</strong></td>
<td><strong>1,762,412</strong></td>
<td><strong>18.4%</strong></td>
<td><strong>70.3%</strong></td>
<td><strong>10.5%</strong></td>
<td><strong>0.8%</strong></td>
<td><strong>100%</strong></td>
</tr>
<tr>
<td><strong>England</strong></td>
<td><strong>11,006,702</strong></td>
<td><strong>22.8%</strong></td>
<td><strong>65.2%</strong></td>
<td><strong>10.9%</strong></td>
<td><strong>1.1%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Census 2001 Standard Theme Table TT001

### TABLE 2.3

**Child benefit statistics in West Sussex by district: 2008**

<table>
<thead>
<tr>
<th>District</th>
<th>Total number of families by size</th>
<th>Number of children in these families by age</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>One child</td>
<td>Two children</td>
</tr>
<tr>
<td>Adur</td>
<td>6,960</td>
<td>3,135</td>
</tr>
<tr>
<td>Arun</td>
<td>15,915</td>
<td>7,150</td>
</tr>
<tr>
<td>Chichester</td>
<td>12,140</td>
<td>5,095</td>
</tr>
<tr>
<td>Crawley</td>
<td>13,275</td>
<td>6,010</td>
</tr>
<tr>
<td>Horsham</td>
<td>15,405</td>
<td>6,305</td>
</tr>
<tr>
<td>Mid Sussex</td>
<td>16,395</td>
<td>6,725</td>
</tr>
<tr>
<td>Worthing</td>
<td>12,075</td>
<td>5,505</td>
</tr>
<tr>
<td><strong>West Sussex</strong></td>
<td><strong>92,170</strong></td>
<td><strong>39,925</strong></td>
</tr>
</tbody>
</table>

Source: DWP child benefit statistics 2008

### TABLE 2.4

**Uptake of Free School Meals in maintained schools in West Sussex: January 2010**

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of Pupils on roll</th>
<th>Number of children taking up free school meal</th>
<th>%</th>
<th>Number of children eligible for free school meal</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nursery and primary pupils</td>
<td>56,916</td>
<td>3,763</td>
<td>6.6</td>
<td>4,155</td>
<td>7.3</td>
</tr>
<tr>
<td>Secondary aged pupils</td>
<td>45,322</td>
<td>2,196</td>
<td>4.8</td>
<td>2,831</td>
<td>6.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>102,238</strong></td>
<td><strong>5,959</strong></td>
<td><strong>5.8</strong></td>
<td><strong>6,986</strong></td>
<td><strong>6.8</strong></td>
</tr>
</tbody>
</table>

Source: West Sussex Maintained Schools
Free School Meals (FSM)

Free School Meals are available to children living in families receiving benefits such as Job Seekers Allowance or Tax Credits. Children who are eligible for free school meals are likely to be living in relative poverty. Data are only available for children who attend maintained schools in West Sussex: they exclude children who are resident in West Sussex but attend school elsewhere, and include those who live outside the county but attend school here. Overall 6.8% of children attending West Sussex schools are eligible for free school meals but uptake is only around 5.8% (Table 2.4). This may be because of stigma associated with claiming this benefit.

Housing pressures

The number of people accepted by Local Authorities in West Sussex as being homeless and in priority need has been rising recently (Figure 2.1). Changes to housing benefit that are being phased in from April 2011 are likely to have an impact on poorer families in the county. The changes are complex but will mean that benefits are capped at a lower level for all types of accommodation. Figure 2.2 shows the maximum level of benefit payable for a three bedroom house in January 2011 and August 2011. For larger families the reduction in maximum benefit is even greater. A family living in a five bedroom house in Adur the amount has reduced by £105 per month. This will mean additional financial pressures for many families and may result in more tenancies breaking down and increases in Local Authority waiting lists. Figures for 2009 show that across all age groups, accommodating the waiting list would require an additional 45% of all social housing across the county.

**FIGURE 2.1**

Trend in homeless acceptances by quarter: West Sussex 2007 to 2010

Source: DCLG homelessness statistics

**FIGURE 2.2**

Maximum housing benefit for a three bedroom house by Broad Market Rental Areas (BRMA) covering West Sussex: January and August 2011

Local Housing Allowance (LHA) rates set the maximum amount of benefit that can be paid in different local rental markets. The Broad Market Rental Area (BRMA) is the geographical area used to determine the LHA rate and the boundaries of the BRMA do not necessarily match those of local authorities.

4 ‘Priority Need’ is a legal definition. You are in priority need if you: are responsible for dependent children usually under 16 or under 19 if they are in full-time education, you or your partner is pregnant; are homeless as a result of an emergency such as fire, flood or other disaster; are suffering from mental illness, disabled or vulnerable for another reason.

If you are homeless and in a priority need group, the council will: find you somewhere to stay while they investigate the circumstances of your homelessness; find somewhere permanent for you to live if you did not deliberately make yourself homeless and they have not been able to prevent you becoming homeless.
Conclusion

Families with several risk factors are those that are most likely to need support. For many of the risk factors the mechanism that connects them with child poverty is clear, for example unemployment or large families. For others it may not be so obvious. For example, rates are higher among Pakistani and Bangladeshi communities because they have migrated from countries with very high levels of poverty, and among gypsy and traveller communities because they face significant barriers to services and employment.

Many of the risk factors for child poverty vary considerably between areas and local knowledge is important in interpreting the data. Government policy to reduce some benefits for poor families alongside housing shortages in West Sussex is likely to increase the number of families who have difficulty maintaining their tenancy and may create further pressure on social housing. Identifying those families at greatest risk allows services to intervene early and provide support to prevent the potential adverse effects of persistent poverty rather than waiting until the family is in crisis.
Drivers of poverty are the mechanisms by which families who have fallen into poverty can improve their circumstances, or conversely the mechanisms that compound the problems. They include access to fair employment, educational attainment and financial inclusion.

Characteristics of the West Sussex economy

The characteristics of both national and local economies will impact on whether or not families are able to escape from poverty and some of its associated features such as poor quality housing. Some characteristics of the West Sussex economy are likely to make it difficult for people in low paid, low skilled jobs to improve their income and career prospects, especially those living in the coastal area and parts of Crawley where there is considerable reliance on low skilled jobs associated with Gatwick airport. Close proximity to London with good transport connections gives higher skilled residents an opportunity to commute daily which contributes to high housing and other living costs across the county in general. The economy of West Sussex has three quite distinct areas: the area in the north which is part of the Gatwick Diamond (Crawley, Horsham and East Grinstead), the rural economy (the market towns and rural areas in the districts of Chichester, Horsham and Mid Sussex) and Coastal West Sussex (from Shoreham to the Manhood Peninsula).

Coastal West Sussex may have less economic resilience than the other two parts of the county due to the overall low skills base and poorer transport connections. This may mean that families are more likely to be affected by poverty. Some areas of Coastal West Sussex also experience higher than average levels of deprivation.

Businesses

Within West Sussex 383,500 working age residents are economically active from a total working age population of 485,800. West Sussex is the location for 37,535 businesses providing 333,000 jobs. Approximately 86% of organisations employ 10 or fewer employees and 73% fewer than 5. There are proportionately more large firms in Horsham, the Gatwick Diamond and Mid Sussex than in the coastal areas, although Chichester does have a significant number of individual companies overall (Figure 3.1).

Educational attainment

The higher an individual’s level of educational attainment, the more likely they are to be in employment as an adult. In 2008 in West Sussex, people qualified to at least NVQ level 4 or equivalent had an employment rate of 88% compared with 79% for those with qualifications up to level 1, and 57% for those with no qualifications. Overall skill levels in West Sussex are poorer than the South east average and the national rate, 29% compared with 34% and 31% respectively. However there is variation across the county (Figure 3.2). Thirty-seven percent of the population of Mid Sussex has a level 4 qualification or better compared with 22% in Crawley.

![Figure 3.1: Numbers of businesses by district: West Sussex 2009](image)

<table>
<thead>
<tr>
<th>District</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADUR</td>
<td>2285</td>
</tr>
<tr>
<td>CRAWLEY</td>
<td>3865</td>
</tr>
<tr>
<td>WORTHING</td>
<td>4170</td>
</tr>
<tr>
<td>ARUN</td>
<td>5695</td>
</tr>
<tr>
<td>CHICHESTER</td>
<td>6895</td>
</tr>
<tr>
<td>MID SUSSEX</td>
<td>7235</td>
</tr>
<tr>
<td>HORSHAM</td>
<td>7395</td>
</tr>
</tbody>
</table>

Source: Inter Departmental Business Register 2009

---

5 Gatwick is one of eight South East Diamonds for Investment and Growth defined in the South East Economic Development Agency’s Regional Economic Strategy 2006–2016 as ‘sub regional functional areas’ with the greatest potential for significant contributions to economic growth in the south east.

6 Inter Departmental Business Register (IDBR) 2009

7 Annual Business Inquiry (ABI) 2008

8 HND, Degree and Higher Degree level qualifications or equivalent
Youth unemployment in West Sussex has increased faster than rates for older people, with young men disproportionately represented. The numbers of young people not in education, employment or training (NEETs) is increasing, especially in deprived areas. Unemployment did not increase during the recession as much as anticipated, however this is partly due to an increase in part-time employment, with people having more than one job to maintain income levels.

Public sector cuts will disproportionately affect female workers, and many will not be reflected in unemployment figures because their household contains another wage earner. Reduced incomes are likely to mean that families will have increasing difficulties in paying housing costs which may result in more pressures on housing, and there is potential for housing benefit changes to have a particularly detrimental effect on the circumstances of larger families.

Within West Sussex, 383,500 working age residents are economically active from a total working age population of 485,800. West Sussex has a higher employment rate than the South East average. Mid-Sussex has the highest employment rate of 81%. Crawley and Arun has the lowest rates of employment at 73.8% and 77% respectively.

However the unemployment rate, which is modelled quarterly in arrears, shows higher levels of unemployment. Figures for the year ending December 2010 (Table 3.1) show that 22,700 people across the county were unemployed, giving a rate of 5.5% which is significantly larger than the claimant rate of 2.3% for jobseekers allowance (Figure 3.3). It is lower than the South East rate of 6.0% and the national rate of 7.7%.

Performance of the economy and employment trends

The economy in West Sussex under performs with overall productivity and wage levels below the regional average (Table 3.2). Gross Value Added (GVA) is used as a measure of economic activity for a geographic area. GVA in West Sussex was £19,300 per head compared with £19,400 for the UK and £20,200 for the South East as a whole. There is a north-south divide in wage levels within the county, with workers in each district in Coastal West Sussex earning less than the county average and those in the Gatwick Diamond districts earning more.

Unemployment rates by district: West Sussex
January to December 2010

<table>
<thead>
<tr>
<th>District</th>
<th>Numbers unemployed</th>
<th>Unemployment rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adur</td>
<td>2,000</td>
<td>6.5%</td>
</tr>
<tr>
<td>Arun</td>
<td>4,700</td>
<td>6.7%</td>
</tr>
<tr>
<td>Chichester</td>
<td>2,500</td>
<td>4.2%</td>
</tr>
<tr>
<td>Crawley</td>
<td>4,300</td>
<td>7.4%</td>
</tr>
<tr>
<td>Horsham</td>
<td>3,400</td>
<td>5.0%</td>
</tr>
<tr>
<td>Mid Sussex</td>
<td>2,900</td>
<td>4.2%</td>
</tr>
<tr>
<td>Worthing</td>
<td>3,400</td>
<td>6.5%</td>
</tr>
<tr>
<td>West Sussex</td>
<td>22,700</td>
<td>5.5%</td>
</tr>
</tbody>
</table>

Source: nomis official labour market statistics

The Office for National Statistics (ONS) has released estimates for the period 2000 to 2007, at sub regional level for GVA in their report: ‘Regional Gross Value Added’ December 2009.
Crawley has approximately 122 jobs for every 100 working age residents. Adur and Arun have fewer jobs: approximately 54 and 56 respectively per 100 residents of working age. This would suggest weak local economies and the need for residents to commute elsewhere to find work. This may be a significant problem for people on low wages. Horsham averages 75 jobs per 100 working age population but average earnings are high.

### The role of benefits

Whilst work is a recognised route out of poverty, it is not necessarily the case that moving off benefits and into work will result in increased income. The claimant count is the measure of people receiving Job-seekers allowance (JSA) and does not capture all types of economic inactivity. In June 2011, 11,094 residents were registered in receipt of job seekers allowance. This equates to 2.3% of the working age population.

An analysis of out-of-work key benefits shows that JSA claimants make up a relatively small proportion of the total of out-of work benefit claimants. JSA claimants account for 26% of those on out-of-work benefits in West Sussex (Figure 3.3). In November 2010, 41,330 people in West Sussex were in receipt of key out of work benefits. This is equivalent to 8.5% of the resident working age population, which is on a par with the rest of the South East but lower than the national rate of 12.2%.

Since the early 1990s when there was a peak in JSA claimants, the number of claimants in West Sussex fell until the late 1990s and then plateaued until the recession in 2008. It then rose until February 2010, following the national trend, and now appears to be falling again. However the numbers claiming incapacity benefits has grown. In West Sussex there are about three times as many incapacity benefit claimants as JSA claimants whereas for Great Britain the rate is about double. The number of lone parents receiving income support has fallen steadily over the past decade as government policy has increasingly required lone parents to look for work (Figure 3.4).

### TABLE 3.2

**Median hourly pay for full-time workers by West Sussex district of residence 2010**

<table>
<thead>
<tr>
<th>District</th>
<th>Males</th>
<th>Females</th>
<th>All workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adur</td>
<td>£10.76</td>
<td>£10.15</td>
<td>£10.58</td>
</tr>
<tr>
<td>Arun</td>
<td>£12.31</td>
<td>£9.49</td>
<td>£11.02</td>
</tr>
<tr>
<td>Chichester</td>
<td>£12.78</td>
<td>£10.54</td>
<td>£11.75</td>
</tr>
<tr>
<td>Crawley</td>
<td>£13.42</td>
<td>£11.18</td>
<td>£12.69</td>
</tr>
<tr>
<td>Horsham</td>
<td>£16.27</td>
<td>£12.54</td>
<td>£15.18</td>
</tr>
<tr>
<td>Mid Sussex</td>
<td>£16.67</td>
<td>£12.86</td>
<td>£14.38</td>
</tr>
<tr>
<td>Worthing</td>
<td>£11.98</td>
<td>£10.40</td>
<td>£11.67</td>
</tr>
<tr>
<td><strong>West Sussex</strong></td>
<td><strong>£13.63</strong></td>
<td><strong>£11.10</strong></td>
<td><strong>£12.64</strong></td>
</tr>
<tr>
<td><strong>South East</strong></td>
<td><strong>£15.13</strong></td>
<td><strong>£12.29</strong></td>
<td><strong>£13.98</strong></td>
</tr>
<tr>
<td><strong>Great Britain</strong></td>
<td><strong>£13.24</strong></td>
<td><strong>£11.75</strong></td>
<td><strong>£12.65</strong></td>
</tr>
</tbody>
</table>

Source: nomis official labour market statistics

10 Key out-of-work benefits include Job Seekers Allowance (JSA), Employment and Support Allowance (ESA) and incapacity benefit, lone parents and others on income-related benefits.
Impact of the recession

The growth in unemployment as a result of the recent recession has been lower than expected so far and lower than in the two previous recessions. However, research\(^\text{11}\) suggests that there has been a significant increase in ‘in-work’ poverty, that is, poverty in families where one or more adult is in full or part-time work. Part of the explanation for this could be the way in which employers, staff and unions have worked together to avoid lay-offs, by agreeing pay freezes and reductions in working hours. These deals have the effect of lowering earnings, and could push some people into ‘in-work’ poverty. A recent study by the Shelter\(^\text{12}\) housing charity found that 2 million households were regularly using credit cards to pay for housing costs.

The recent recession has heightened the financial exposure experienced by low earners. Compared with those who are already largely dependent on state benefits, low earners have been more at risk of a fall in work income and more likely to have outstanding credit commitments. Compared with those who live in households with above median income, low earners have been less likely to be able to draw on a safety net of savings and insurance and less likely to be in a position to return rapidly to employment following redundancy.\(^\text{13}\)

Conclusion

The relatively underperforming local economy along the coastal strip creates significant barriers for families in poverty seeking to improve their situation. Jobs are scarce locally, low levels of skills restrict choice of better paid work, moving to areas where there are more jobs is difficult where housing costs are high and benefits are reducing, and the cost of commuting out including transport and additional childcare can be prohibitive.

We need to ensure that the Local Enterprise Partnership (LEP) and other initiatives create the right kind of jobs in West Sussex, alongside policies that attract people with higher skill levels to the coastal strip by emphasising the excellent quality of life of the residents.

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\(^\text{11}\) In-work Poverty in the Recession, Institute for Public Poverty Research 2010.


\(^\text{13}\) The low earners audit, March 2010 update: low earners’ finances, The Resolution Foundation
While there is strong evidence linking poverty to poor outcomes for children, there is also evidence that many parents living in poverty are remarkably resilient and possess strong coping skills in the face of adversity. However, families living in poverty are more likely than affluent families to be facing problems in addition to material deprivation. These factors may act independently of each other but are also likely to interact, so that disaggregating the effect on outcomes for children or establishing the direction of causality is difficult.

If we do nothing about child poverty, what will happen in West Sussex? Table 4.1 provides data on what we would expect to happen to babies born in West Sussex during 2010 if nothing changes. Poverty will impact on some children all through their life course, increasing their risk factors for a range of adverse outcomes, reducing their ability to improve their circumstances, finally leading to premature death. It will also reduce the life chances for the next generation.

<table>
<thead>
<tr>
<th>Impact of poverty for babies born to mothers resident in West Sussex in 2010 (n=9,024)</th>
<th>Local neighbourhood improvement areas</th>
<th>Rest of the county</th>
</tr>
</thead>
<tbody>
<tr>
<td>Living in a lone parent family</td>
<td>26%</td>
<td>16%</td>
</tr>
<tr>
<td>No adult in employment</td>
<td>18%</td>
<td>9%</td>
</tr>
<tr>
<td>Living with a parent who smokes</td>
<td>47%</td>
<td>31%</td>
</tr>
<tr>
<td>Household living in poverty</td>
<td>22%</td>
<td>11%</td>
</tr>
<tr>
<td>Living in social housing</td>
<td>29%</td>
<td>14%</td>
</tr>
<tr>
<td>Living in overcrowded housing</td>
<td>13%</td>
<td>7%</td>
</tr>
<tr>
<td>Attain 5+ GCSEs including English and Maths</td>
<td>38%</td>
<td>58%</td>
</tr>
<tr>
<td>NEETs</td>
<td>9%</td>
<td>4%</td>
</tr>
<tr>
<td>Routine or semi-routine or manual job</td>
<td>21%</td>
<td>13%</td>
</tr>
<tr>
<td>Unemployed</td>
<td>3.7%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Life expectancy</td>
<td>77.7 years</td>
<td>80.8 years</td>
</tr>
</tbody>
</table>

Source: Public Health, West Sussex

Health
Children born into low-income households are more likely to experience health problems from birth and accumulate health risks as they grow older. In addition, they are less likely to access healthcare. The relationship between poverty and ill-health is bi-directional: poverty contributes to ill-health and ill-health contributes to poverty.

Infant and maternal mortality are higher in more deprived households. After birth, poverty is associated with postnatal depression and lower rates of breastfeeding.

Children from low-income households are more likely to be obese and suffer from anaemia, diabetes, asthma, cancer, lead-poisoning, neuro-developmental problems, mental health problems and poor dental health in childhood.

As well as healthcare spending, poor health creates costs for the economy through sickness absence and lower productivity.

Housing
Households living in poor housing are more likely to suffer from a range of health problems including poorer mental health and cognitive development. Those growing up in the poorest households are more likely to suffer enduring physical and mental health problems in adulthood and have increased risk of severe, long-term and life-limiting illness.

There is strong evidence that poor housing conditions are associated with educational underachievement, with children in better quality homes gaining greater numbers of GCSEs, ‘A’ levels and degrees, and therefore having greater earning power. Purely based on differences in GCSE results, Ecotec (now called Ecorys UK) calculate the bill amounts to £14.8 billion pounds across the UK in lost earnings forecast for this generation living in poor housing.

In addition, the cost of treating medical conditions associated with poor housing conditions, based on estimates of costs of GP consultations, associated treatments, hospital in-days and hospital out-day referrals (where it was assessed that a prime causative factor for the ailment was housing related) is nearly £2.5 billion per annum. This excludes loss of earnings and any other related forms of treatment or therapy, for example, treatment at drug or alcohol rehabilitation schemes.

Education
There is a large body of evidence linking childhood poverty with poor educational outcomes: family background is the most important predictor of academic success. Children from low-income households are more likely to require remedial help or special educational needs assistance than their better-off peers.

There is lower participation in pre-school education amongst lower-income families. Even with free entitlement for all 3 and 4 year olds, and some free entitlement for 2 year olds in the most disadvantaged areas, the take up of pre-school education by families in areas of disadvantage is lower than that in other parts of the county. In West Sussex, in 2010, while 56% of children were assessed as having a good level of development (at least 78 points and 6+ points in all personal, social and emotional development and communication, language and literacy measures), only 35% of children eligible for free school meals achieved this, suggesting that children living in poverty are already disadvantaged by the age of five.

Educational outcomes are mediated by the home environment and parental influence. Young people from low-income households are likely to leave school earlier and are around six times more likely to leave without qualifications. This is reflected in local GCSE achievement where those children eligible for free school meals attain significantly fewer A to C grades, (Table 4.2).

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### TABLE 4.2

**Percentage of pupils at the end of key stage 4 achieving five or more A* to C including English and Mathematics**

3 years combined data. (Aggregated information from 2007/8, 2008/9 and 2009/10)

<table>
<thead>
<tr>
<th>Pupils eligible for a Free School Meal</th>
<th>Pupils not eligible for a Free School Meal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adur†</td>
<td>20%</td>
</tr>
<tr>
<td>Arun</td>
<td>17%</td>
</tr>
<tr>
<td>Chichester</td>
<td>30%</td>
</tr>
<tr>
<td>Crawley</td>
<td>24%</td>
</tr>
<tr>
<td>Horsham</td>
<td>27%</td>
</tr>
<tr>
<td>Mid Sussex</td>
<td>26%</td>
</tr>
<tr>
<td>Worthing</td>
<td>21%</td>
</tr>
<tr>
<td><strong>West Sussex</strong></td>
<td><strong>23%</strong></td>
</tr>
</tbody>
</table>

† Due to small numbers, 2008/9 information for pupils resident in Adur has been suppressed by DfE; therefore data for Adur relate to 2007/8 and 2009/10 only. Source: DfE

---

Progression of pupils to Higher Education is measured nationally for the top three socio-economic groups and the bottom four socio-economic groups. The gap between the two groups is then calculated. Nationally the gap is reducing due to a fall in the higher groups as well as a rise in the lower four (Table 4.3).


16 Pregnancy and complex social factors: a model for service provision for pregnant women with complex social factors. Royal College of Obstetricians and Gynaecologists September 2010.

18 Social impact of poor housing. Ecotec 2010
At a West Sussex level we measure the progression to higher education (aged 18 or 19) of pupils who had been eligible for free school meals (eligible at age 15) compared with those not eligible. This is a different measure from the national one above so cannot be compared but gives us an insight into our local gap which was 22.4% in 2006/7 – an increase from 20.8% in 2005/6.

Leaving education aged 16 into NEET status (not in education, employment or training) has been linked to later criminal activity, early parenthood, long-term unemployment and substance misuse.

Educational disadvantage of parents is likely to be repeated in the next generation, with the children of low-skilled parents vulnerable to low educational attainment. A workforce with lower skill levels, lower educational attainment and limited aspirations is likely to reduce productivity and economic growth.

### Employment

A priority for reducing child poverty is to help parents into work. In that context one of the most significant outcomes of child poverty is the negative impact on later employment. The relationship between employment and childhood poverty persists even when educational outcomes and background are controlled for. Most people remain in the same quarter of the income distribution as their parents, so a childhood spent in poverty increases the likelihood of being poor in later life.

### The Poverty Premium

It has been estimated that the poorest people on average pay nearly £1,300 extra a year for financial services. This is called the ‘poverty premium’. The experience of financial exclusion is wider than just having a low income. The Office of Fair Trading (OFT) recently conducted an in-depth survey of how various markets, (food, energy, financial services, transport and internet provision) interact with low income families. The percentage of low income households that do not have a bank current account is almost double the national average. A number of factors can inhibit the opening of accounts – risk of incurring high charges, self-exclusion, lack of financial competency, mistrust of financial institutions and barriers to access can all play a part.

Positively, the number of households without access to transactional banking services continues to decrease steadily although the experience of banking services for poorer households has been mixed. While they have made savings on services and retail purchases, they have also been financially penalised through bank fees. The remaining individuals unbanked are generally living in the poorest and the most deprived households.

Low income households, particularly those living in social housing, have a lower than average take up of home contents insurance with many saying that it is not affordable. Premiums both for home and car insurance tend to be higher in low income areas because of the increased risk of claims. Insurance products may not be well suited to the needs of people on low incomes.

### Behaviour

The association between childhood poverty and behavioural outcomes is evident from an early age. Those growing up in low-income households have a greater likelihood of parent-reported behaviour problems, to be excluded from school, take risks, be aggressive, be involved in crime and to self-harm.

Most children raised in poverty do not get involved in committing crimes but people living in disadvantaged areas are more likely to become victims of and to fear crime. The social impacts of crime are substantial and far-reaching. They include financial, emotional and time cost to victims, costs to the youth justice system and the school system, as well as short and long term consequences for the perpetrator.

### Family and personal relationships

Support from family and friends can mitigate the impact of poverty, while poor relationships can exacerbate it. However the relationships between poverty, parenting and social networks are complex. Family stress can disrupt parenting, which in turn leads to poor outcomes. Children can be both stressors or buffers during a crisis.
The persistence of poverty and low achievement through generations is more complex than material deprivation alone, suggesting that focusing exclusively on raising income may have little impact. Breaking the culture of poverty by changing parenting attitudes and style may have the greatest impact. However, parenting practices alone may not reduce the gap in life chances between poor and affluent families: we need to ensure that all families have equity in accessing available services and support.

**The influence of neighbourhoods**

The family is the primary socialising unit for children but neighbourhoods also play an important role. There are several ways in which communities can help to determine outcomes. Young people may copy or learn antisocial behaviour from other people in the area so that poor behaviours are normalised. The relative deprivation theory states that individuals judge their position in society in relation to their neighbours so growing up in a deprived neighbourhood often leads to lower aspirations.

**The impact of child poverty on the economy**

Child poverty is costly to society in West Sussex, not just for those who experience it directly. For society as a whole the costs fall across two strands: the money the government and other agencies spend in trying to counter the effects; and the economic costs of children failing to reach their potential. It is difficult to calculate these costs precisely. Estimates are necessarily based on past patterns of behaviour such as uptake of benefits although clearly patterns may change with changes in government policy.

The Joseph Rowntree Foundation estimated in 2008 that public spending to deal with the impact of child poverty is about £12 billion per year in the UK, 60% of which goes on personal social services, school education and police and criminal justice (Table 4.4). They concluded that child poverty at 2008 levels (30.5% after housing costs) costs the Exchequer at least £25 billion per year. This equates to at least £32 million in West Sussex.

The annual cost of below-average employment rates and earnings levels among adults who grew up in poverty is about £13 billion, of which £5 billion represents extra benefit payments and lower tax revenues. The remaining £8 billion is lost earnings to individuals, affecting Gross Domestic Product.

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**TABLE 4.4**

<table>
<thead>
<tr>
<th>Expenditure attributed to child poverty*</th>
<th>Amount</th>
<th>% of spend in each area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>Personal social services</td>
<td>£2,414m</td>
<td>£2,414m</td>
</tr>
<tr>
<td>Acute healthcare</td>
<td>£1,009m</td>
<td>£1,007m</td>
</tr>
<tr>
<td>Primary healthcare</td>
<td>£730m</td>
<td>£730m</td>
</tr>
<tr>
<td>School education</td>
<td>£2,300m</td>
<td>£2,300m</td>
</tr>
<tr>
<td>New social housing</td>
<td>£527m</td>
<td>£1,166m</td>
</tr>
<tr>
<td>Housing benefit and Council Tax benefit</td>
<td>£0m</td>
<td>£3,757m</td>
</tr>
<tr>
<td>Decent homes programme</td>
<td>£0m</td>
<td>£1,477m</td>
</tr>
<tr>
<td>Police and criminal justice</td>
<td>£1,060m</td>
<td>£2,502m</td>
</tr>
<tr>
<td>Fire and rescue</td>
<td>£724m</td>
<td>£724m</td>
</tr>
<tr>
<td>Local environment</td>
<td>£338m</td>
<td>£675m</td>
</tr>
<tr>
<td>Area-based programme</td>
<td>£405m</td>
<td>£405m</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£9,506m</strong></td>
<td><strong>£17,159m</strong></td>
</tr>
</tbody>
</table>

*Lower and higher estimates reflect uncertainty about the extent to which extra costs should be associated with child poverty. Source: Joseph Rowntree Foundation
Conclusion

It is very difficult to disaggregate the effects of poverty and determine which factors cause which outcomes as they all interact. For a small proportion of families in poverty there will be a range of adverse outcomes that can be seen throughout life, from being born in a lone parent family through to a shorter life expectancy. Many of the risk factors and impacts of poverty are replicated in the next generation.

Because of its long term and serious impact child poverty is an issue for the whole of society, not just those directly affected by it. Purely in economic terms, there is clearly a cost to the individual but there is also a cost to society as families with multiple needs are heavier users of services such as the criminal justice system, health and social care. It is estimated that the cost to the public purse in West Sussex is at least £32 million per year. In addition, individuals who do not fulfil their potential represent lost earnings which affects GDP.

The family is the most important determinant of poverty but schools and neighbourhoods are also important: they can exacerbate the problems by normalising low aspirations and high risk behaviours or they can mitigate the effects by providing supportive social networks alongside effective early intervention and prevention programmes. Improving the social and living environment of children living in deprived communities should therefore be an important part of a strategy to address child poverty.
Chapter 5

Commissioning challenges

A framework for action

The need for co-ordinated action across organisations to tackle the complex and inter-related problems associated with child poverty has already been recognised by the members of West Sussex Co-operative and the Children’s Trust. The development of a ‘Think Family’ approach across services is a key priority in the Children and Young People’s Plan. All services aimed at individual children and parents should consider the needs of the whole family and the impact of the family’s actions on the individual family member.

The life chances of children growing up in poverty can be changed if the right support is available to them and their families. In West Sussex ‘Think Family’ is aiming to improve family life and children’s life chances through early intervention but there is more we can do to enable families to achieve financial independence and improve neighbourhoods to transform lives.

There are many services already in place and nearly all will be effective to some extent in reducing child poverty and improving the quality of life for children and families. However, in the current climate where resources in the public sector are being significantly reduced, it is important that we align the resources already committed to this issue within a shared framework to ensure they deliver the best possible outcomes for West Sussex families. It is also necessary to identify gaps in services, to prioritise prevention and early intervention services that are not only the most cost-effective but also give the best results for families, and to integrate our efforts at strategic and operational levels.

There are three ‘building blocks’ within this framework:

1. Improving family support and children’s life chances.
2. Supporting families to achieve financial independence.
3. Improving neighbourhoods to transform lives.

This framework and the specific recommendations set out in this chapter are intended for all agencies working in West Sussex to support our most vulnerable families and in particular for the West Sussex Co-operative which has identified this issue as a partnership priority. The Thematic Partnerships, in particular the Children’s Trust and the Economic Partnerships, also need to be fully engaged.

Improving family support and children’s life chances

West Sussex Co-operative has already identified Think Family: Early Intervention as one of its key priorities. Gaps in holistic family services for the most vulnerable families in West Sussex have been identified. This has led to the implementation of Early Intervention programmes including the Family Nurse Partnership working with teenage mothers and the Family Intervention Project, working with families with complex and multiple needs. A wide range of initiatives and projects are already underway within individual organisations or in partnership.

Nationally there has been a shift in policy over the last decade or so towards prevention and early intervention for families with complex needs. There is a growing body of UK based research on the effectiveness and cost effectiveness of various service models and the outcomes that can be delivered. It is very important that we take account of this new knowledge base as we develop local services so that we can be sure that the services we resource will deliver the outcomes we expect. Statutory and non-statutory agencies in West Sussex are already investing significant resources in a wide range of services. Many of these services have been in existence for years and are based on home grown rather than evidence based service models. There may be opportunities to improve the way some of these services are structured to provide better outcomes.

We need to review current services in a systematic way, identifying gaps and developing holistic local services within a shared framework. This needs to be undertaken in partnership with commitment from all agencies, at both local and county level. Current and new services should be reviewed against agreed criteria which should include: improved access and equity; proven to work; addresses local and national priorities; meets identified needs of the population; focuses on prevention rather than crisis; realistic and achievable; improves quality of life for target population and wider community; politically acceptable; and offers better value for money than other options.

We need to focus on maternal health, early years especially 0-2 year olds, readiness for school, parenting support, mentoring and peer support.

Recommendations

1. West Sussex Co-operative should maintain its focus on the Think Family: Early Intervention initiative and should develop a shared framework for early intervention services to ensure that everyone understands their contribution and to make the most effective use of scarce resources.

2. West Sussex Co-operative needs to agree a mechanism to ensure that everyone understands their contribution and to make the most effective use of scarce resources.

3. All agencies need to take a flexible and responsive approach to local service development that will allow emerging national and local evidence to be taken into account in a timely way.
4. West Sussex Co-operative needs to tackle poor educational attainment to enable children from poorer families to achieve their full potential. There should be effective evidence-based support programmes available for families with children at every stage of development: early years, school years and the transition to adulthood. Consistency in programmes across schools and areas would help families who move within the county or between schools, and would provide economies of scale for providers.

5. The Joint Commissioning Unit should ensure that the additional capacity for support to families due to the recruitment of additional health visitors is an opportunity to shift the focus of the service away from crisis intervention towards prevention and early intervention.

6. District and Borough Local Strategic Partnerships need to implement the West Sussex Health Inequalities Strategy through their local action plans to reduce the impact of poverty on the health and wellbeing of children.

7. Agencies and commissioners need to address specific barriers facing the most disadvantaged groups of children who are at risk of child poverty, such as some ethnic groups and lone parent families.

8. Clinical Commissioning Groups need to ensure that socially excluded groups have good access to health and social care.

**Supporting families to achieve financial independence**

Having one or both parents in work can contribute to eroding intergenerational cycles of poverty. There is a strong positive association between parents’ occupational status and the probability that their children gain A-level qualifications. Around 65% of all parents in poverty who enter work will move out of poverty. This does vary by work pattern: 46% for part-time work and 80% for full-time work.

Locally, the recently established Local Enterprise Partnership (LEP), Coast to Capital, is committed to create 20,000 new jobs across the Gatwick Diamond area in West Sussex, Croydon and Brighton and Hove over the next 5 years. We need to focus on improving educational achievement, individual employability, and an economy that offers a wide range of employment to meet the needs of the diverse community in West Sussex.

**Recommendations**

9. That the LEP job creation initiative is aligned with the Child Poverty Strategy to ensure jobs are created where they are most needed, and that the type of jobs created will support families out of poverty.

10. The LEP should ensure that its policies and investments address inequalities by engaging with harder-to-reach communities to develop entrepreneurial skills and increase employment rates.

11. Area Economic Partnerships should ensure they have appropriate action plans in place to develop skills in people living in the worst affected areas in order to increase their chances of finding employment. Support should be targeted at those in most need, such as those who have left school without basic literacy and numeracy skills.

12. Area Economic Partnerships should continue to support and develop awareness of Credit Unions to reduce the debt burden on families living in poverty and work with commissioners, the Third Sector and other providers to ensure that people living in deprived areas have good access to debt counselling.

13. Area Economic Partnerships should continue to work with the Adult Learning Service to consider how to improve financial competency.

14. Employers should develop family friendly working environments that facilitate an increase in hours for part-time staff to maximise family income and reduce in-work poverty.

15. West Sussex agencies need to use national initiatives to help people back into work after a period of unemployment as well as developing local initiatives such as getting back to work sooner after physical and mental illness.

16. The Joint Commissioning Unit should commission drug and alcohol treatment and rehabilitation services with the aim of ultimately finding employment for clients, which can contribute to a sustained recovery.

17. Employers need to support those affected by drug and alcohol dependence back into work, as many live in conditions of poverty and social exclusion.

18. Local agencies need to consider closer working and improving service integration. For example there is some evidence that providing Jobcentre Plus support through Children and Family Centres and schools is an effective means of engaging with parents.

**Improving neighbourhoods to transform lives**

Communities and neighbourhoods are an important influence on children and families. In West Sussex there are differences in need between the most affluent and the most deprived areas and different approaches are needed.

Affluent areas are likely to have more access to community resources in terms of people, skills and physical assets. Big Society style initiatives will therefore probably be more successful in those areas. In deprived areas it may be necessary to fund community development.
workers in order to build social capital and the local skills base to underpin local programmes.

Disadvantaged neighbourhoods with poorer outcomes and higher levels of anti-social behaviour can normalise low achievement and compound the problem. District level Health and Wellbeing Partnerships and Community Safety Partnerships, with their detailed local knowledge, are likely to be best placed to determine the most appropriate approach for their neighbourhoods. There is good evidence of effectiveness and cost-effectiveness for a range of programmes delivered in the public, private and 3rd sectors.

Effective and innovative services can improve the resilience of vulnerable groups within local communities. It is important that the public sector provides a nurturing infrastructure for such grass roots led approaches. Skills development and the use of community assets such as buildings need to be co-ordinated and supported across the county.

We need to focus on community cohesion, improving housing and the built environment, use of green spaces and other community assets, and reducing the fear of crime.

**Recommendations**

19. West Sussex county council, through its engagement with Local Strategic Partnerships, should ensure that there is a coherent infrastructure to support and co-ordinate the development of grass roots projects to improve the resilience of deprived communities.

20. Local partnerships need to agree on priority outcomes for their deprived communities.

21. District and Borough Local Strategic Partnerships should develop a programme of neighbourhood needs and assets assessments to underpin strategy development and delivery.

22. District and Borough Local Strategic Partnerships should regularly review local services to ensure there is a shared framework for investment of public funding based on up-to-date knowledge of local needs rather than historic patterns.

23. Public sector organisations need to be open to pooling or aligning budgets where it would enable more flexible or innovative approaches or result in the more effective use of scarce funding.

24. Public sector commissioners should use Social Return on Investment (SROI) analysis to understand the longer term impacts of new approaches.

25. Districts and Boroughs need to continue to improve the living environment including housing, green spaces and community safety, focusing initially on geographical areas with higher rates of child poverty.

**Characteristics of successful early intervention programmes**

- Programmes that work with one population may not work so well with another. It is important that the target population has the same characteristics as the populations the programme has been tested on. There must be clearly defined, measurable criteria for entry to the programme.
- Intensive programmes with a high number of hours of input from appropriately qualified and trained staff work best.
- The intervention must be clearly defined – practitioners should only have flexibility within agreed parameters. Programmes should be monitored to ensure compliance with process.
- Programmes should focus on behaviour, not set out to be punitive or a deterrent.
- The whole family must be included not just one member.
- There must be clarity on expected outcomes and they should be monitored.
- There must be multi-agency commitment at all levels.
- There must be a robust evidence base that defines the target population, the intervention and the outcome. It can often be difficult to measure outcomes locally, especially with small specialist programmes. Compliance with an evidence-based model gives the best guarantee that outcomes will be delivered.

**Barriers to implementing successful early intervention programmes**

- An emphasis on crisis intervention, which is fuelled by the media, makes it difficult to shift funding to prevention and early intervention.
- Working across professional, departmental and organisational boundaries is difficult and is facilitated by good relationship management. Instability in structures and frequent reorganisations can result in reduced effectiveness of local networks.
- Staff and service users who have a good experience of an existing service and believe in its efficacy can be resistant to change.
- Several factors contribute to short term horizons in service planning including lack of long term funding commitments nationally, local authority elections, staff career progression.
- The difficulty in evidencing local benefits of services within short timescales.

26 West Sussex County Council. Social Impact Assessment. 2011
**Appendix A**

**Performance framework**

A performance framework needs to be developed as part of the Strategy and Action Plan. It should include measures on process that ensure compliance with the evidence base as well as indicators of outcomes in the short and longer term. The Department of Health is currently developing an Outcomes Framework for public health and the local framework should be developed by the Health and Wellbeing Board within that context.

The performance framework should reflect the multi-faceted nature of child poverty, and should include indicators of risk factors, drivers and impact.

**Examples of potential performance indicators**

- Numbers of NEETs
- Unemployment rate
- Number of children living in workless households
- In-work poverty rates
- Percentage of low birth weight babies
- School readiness
- Attainment gap between children receiving free school meals and the rest of the population at Key Stages 2, 4 and at GCSE.
- Progression of pupils to higher education
- Teenage pregnancies
- Number of young people aged 10-17 years receiving their first reprimand, warning or conviction.

**Appendix B**

**Partnerships and Committees engaged during the development of this framework**

- **Local Strategic Partnerships**
  - Adur and Worthing • Arun • Chichester in Partnership • Crawley Together • Horsham • Mid Sussex
- **Community Safety Partnerships**
  - Adur and Worthing • Arun • Chichester • Crawley • Horsham • Mid Sussex
- **Health and Wellbeing Partnerships**
  - Adur and Worthing • Arun • Chichester • Crawley • Horsham • Mid Sussex
- **West Sussex Co-operative**
- **West Sussex Children’s Trust Strategic Board**
- **West Sussex Children’s Trust Parenting and Families Steering Group**
- **West Sussex County Council Youth Cabinet**
- **West Sussex County Council Cabinet**
- **West Sussex Strategic Community Safety Partnership**
- **West Sussex Better Health for All Group**
- **West Sussex District and Borough Children’s Leads Group**

**Appendix C**

**Glossary**

- **ABI** Annual Business Inquiry
- **BMRA** Broad Market Rental Area
- **DFE** Department for Education
- **DWP** Department for Work and Pensions
- **ESA** Employment and Support Allowance
- **FSM** Free school meals
- **GDP** Gross Domestic Product
- **GVA** Gross Value Added
- **HBAI** Households Below Average Income
- **HMRC** Her Majesty’s Revenue and Customs
- **HWB** Health and Wellbeing Board
- **IDBR** Inter Departmental Business Register
- **IFS** Institute for Fiscal Studies
- **IPPR** Institute for Public Policy Research
- **JCU** Joint Commissioning Unit
- **JSA** Job Seekers Allowance
- **LEP** Local Enterprise Partnership
- **LHA** Local Housing Allowance
- **LNMIA** Local Neighbourhood Improvement Area
- **LSOA** Lower Super Output Area
- **LSP** Local Strategic Partnership
- **NEET** Young person Not in Education Employment or Training
- **nomis** Official labour market statistics from ONS
- **NPD** National Pupil Database
- **NS-SEC** National Statistics Socio Economic Classification
- **ONS** Office for National Statistics
- **PCT** Primary Care Trust
- **SEEDA** South East Economic Development Agency
- **WSCC** West Sussex County Council