



## NECPC briefing

### New End Child Poverty coalition local data July 2022

#### New End Child Poverty coalition local data

Along with over 70 organisations from civic society across the UK, the [North East Child Poverty Commission](#) (NECPC) is a member of the national [End Child Poverty coalition](#). End Child Poverty has today (12<sup>th</sup> July 2022) published new regional and local level child poverty data, after housing costs have been taken into account<sup>1</sup>.

These new estimates and a report, '*Local indicators of child poverty after housing costs, 2020/21*', have been produced by Dr Juliet Stone (Centre for Research in Social Policy, Loughborough University) and are available at: <https://endchildpoverty.org.uk/child-poverty/>. The figures are based on the Department for Work and Pensions' '*Children in low income families: local area statistics*<sup>2</sup> which estimate the poverty rate before housing costs. A statistical model is used to estimate child poverty after housing costs which draws on household survey data alongside local area statistics on private rent levels<sup>3</sup>.

Today's new figures complement national after housing costs child poverty data published by DWP in March 2022<sup>4</sup>, which showed that **3.9million children (27%) were living in poverty in the UK in 2020/21<sup>5</sup>** – the first year of the Covid-19 pandemic – a fall of around 400,000 from the previous year, which has been attributed to the temporary £20 a week Universal Credit uplift that was removed in October 2021<sup>6</sup>.

#### North East headlines from today's report

In 2020/21, **the North East overtook London to have the highest rate of child poverty in the UK, at 38%** - up from 37% the year before. This equates to just over 11 children in a classroom of 30.

The 2020/21 North East rise **continues a longer-term trend, with the region experiencing by far the steepest increases in child poverty in the UK in recent years**. Between 2014/15 and 2020/21 (the period covered by the DWP's latest dataset), child poverty in the North East has risen by almost one half, from 26% (just below the UK average) to 38% (the highest rate of anywhere in the country).

In previous years, two areas in the North East (Newcastle and Middlesbrough) featured in the list of the 20 local authorities with the highest child poverty rates in the UK. **For 2020/21, this list now includes Newcastle (42.4%), Middlesbrough (41.2%), Sunderland (39.7%), Redcar and Cleveland (39.3%), South Tyneside (39.1%) and Hartlepool (39.0%).**

**One third of the North East's Parliamentary constituencies now have a child poverty rate of 40% or above** – Middlesbrough (50.7%), Newcastle Central (47.8%), Gateshead (42.2%), South Shields (42.1%), Washington and Sunderland West (40.7%), Easington (40.6%), Redcar (40.6%), Sunderland Central (40.2%), and Bishop Auckland (40.0%).

<sup>1</sup> Calculating poverty levels after housing costs gives a more accurate measure of what families across the UK have available to spend on food, utilities, clothing and leisure, than looking at income alone, given the disparity of rents in different parts of the country. By contrast, a 'Before Housing Costs' model takes no account of the fact that, comparing incomes for households in different parts of the country where housing costs vary, does not produce like-for-like comparison of disposable incomes (see FAQ: <https://endchildpoverty.org.uk/child-poverty/>)

<sup>2</sup> <https://www.gov.uk/government/statistics/children-in-low-income-families-local-area-statistics-2014-to-2021>

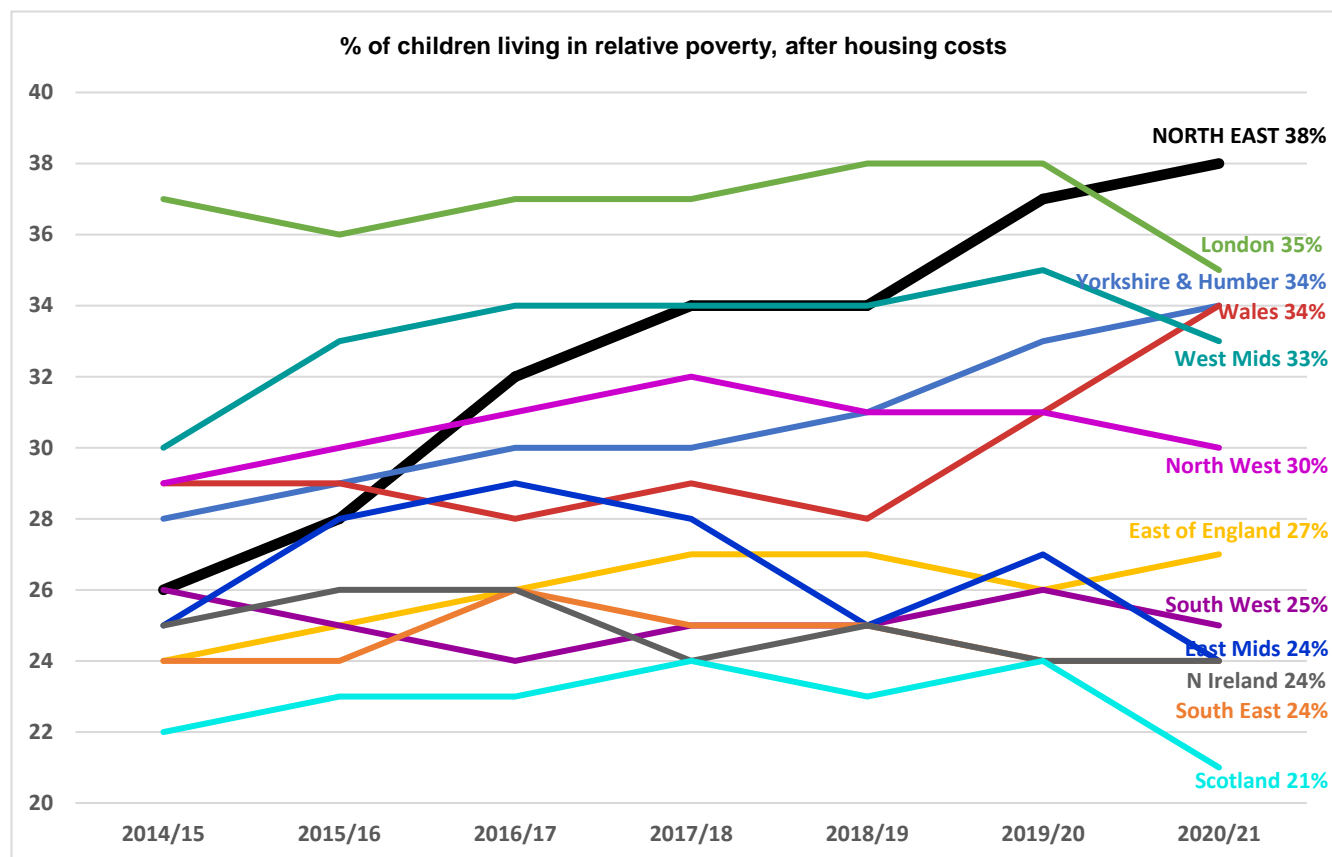
<sup>3</sup> The statistics are calibrated to regional 3-year averages from Households Below Average Income (HBAI) for the financial years 2018/19 to 2020/21. The 2020/21 HBAI figures are less reliable than earlier years due to sampling issues related to the pandemic. This should be kept in mind when interpreting the statistics released today, but the impact is lessened by the use of three-year averages for regional figures. The data for individual local authorities and parliamentary constituencies are subject to small statistical fluctuations year-on-year and should be considered within the context of the regional or the longer-term local trend.

<sup>4</sup> <https://www.gov.uk/government/statistics/households-below-average-income-for-financial-years-ending-1995-to-2021>

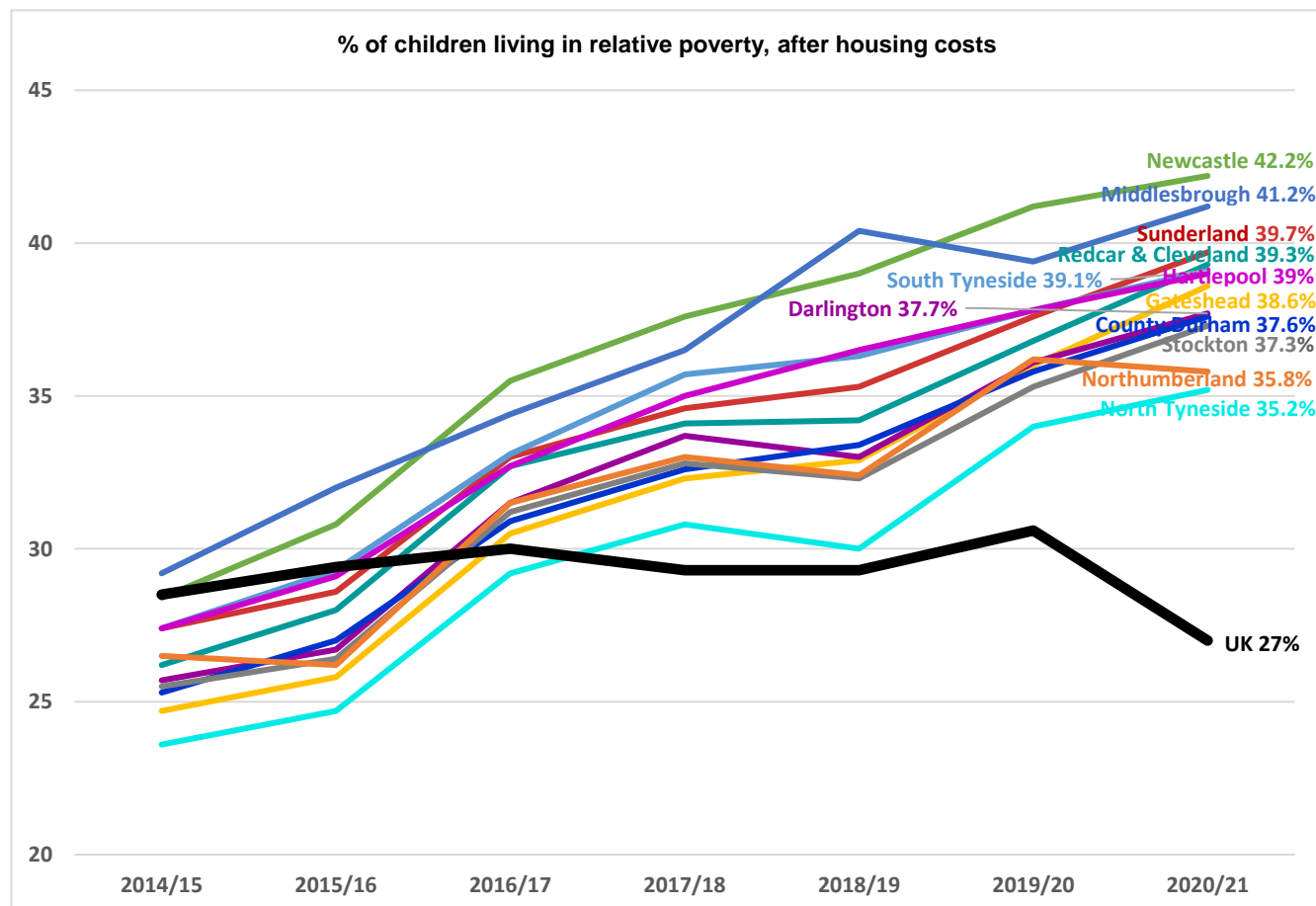
<sup>5</sup> All figures for child poverty in this briefing note refer to relative child poverty, that is the percentage of children living in families with below 60% of the median UK household income.

<sup>6</sup> <https://cpag.org.uk/news-blogs/news-listings/official-poverty-statistics-government-pulled-children-out-poverty>

## Child poverty across the UK's nations and regions 2014/15 to 2020/21



## Child poverty across the North East 2014/15 to 2020/21



Source: Local indicators of child poverty after housing costs, 2020/21 (<https://endchildpoverty.org.uk/child-poverty/>)

## **North East context**

This new data once again emphasises that **the North East urgently needs a comprehensive, credible cross-Government strategy to reduce and then end child poverty.**

Despite the Government's welcome ambition to raise living standards, increase opportunities and improve life chances in regions like ours, the inequality gap between babies, children and young people growing up in the North East and those growing up elsewhere is clearly getting even wider than before.

Indeed, today's report concludes:

**'These continued inequalities and the stark local and regional variation in child poverty rates presented in this report suggest that the government's 'levelling up' agenda has a long way to go where child poverty is concerned.'**

The report also highlights a number of factors that are likely driving high and steeply rising child poverty rates in the North East:

- Historical and ongoing patterns of economic activity and the higher need for social security, as a result of **consistently higher rates of unemployment and low wages** (with in-work poverty in the North East rising sharply from 2018/19).
- In the first year of the pandemic (2020/21), the region likely having **a higher proportion of people in receipt of legacy benefits** (and therefore being excluded from the temporary £20 a week uplift applied to Universal Credit).
- **Consistently high and rising rates of child poverty across all 12 North East local authorities** (unlike London, where very high rates of child poverty are concentrated in a smaller number of local areas, with many London boroughs having a rate lower than the UK average).

## **End Child Poverty key asks**

End Child Poverty coalition members believe that – whilst the former Chancellor's recently-announced financial package was welcome and showed Ministers understood the impact of rising costs on families – some of the measures are temporary and only remedy the recent hike in energy bills and rising prices. They do not respond to the real terms cuts to social security support families have experienced for years and, whilst the promised inflationary increase next year will be welcome, the impact of rising inflation means there isn't any significant additional income going to families.

The North East Child Poverty Commission therefore joins other End Child Poverty coalition members in calling for the UK Government **to make social security more adequate in the long term, so that every family can afford the essentials:**

- **For those on Universal Credit, reducing deductions and abolishing the benefit cap and two-child limit.**
- **Improving access to free and affordable childcare.**
- **Extending free school meals to all children in families receiving Universal Credit.**

### Local authority and constituency-level detail

In previous years, two areas in the North East (Newcastle and Middlesbrough) featured in the list of **the 20 local authorities with the highest child poverty rates in the UK**. For 2020/21, this list now includes **Newcastle, Middlesbrough, Sunderland, Redcar and Cleveland, South Tyneside and Hartlepool**.

Local authority	% of children below 60% median income, after housing costs 2020/21
<b>UK</b>	<b>27%</b>
Tower Hamlets	51.4%
Newham	49.5%
Barking and Dagenham	46.4%
Hackney	45.3%
Luton	44.6%
Waltham Forest	42.6%
<b>Newcastle upon Tyne</b>	<b>42.4%</b>
Birmingham	42.2%
Manchester	42.0%
<b>Middlesbrough</b>	<b>41.2%</b>
Greenwich	40.1%
Bradford	39.8%
<b>Sunderland</b>	<b>39.7%</b>
Sandwell	39.6%
Brent	39.5%
Oldham	39.3%
<b>Redcar and Cleveland</b>	<b>39.3%</b>
<b>South Tyneside</b>	<b>39.1%</b>
<b>Hartlepool</b>	<b>39.0%</b>
Peterborough	38.9%

**Steep increases in child poverty have taken place in every local authority area of the North East since 2014/15 – a period when there was a decrease across the UK:**

	2014/15	2020/21	percentage point change 2014/15 – 2020/21
<b>UK</b>	29%	27%	- 2.0 ppt
<b>North East</b>	26%	38%	+12.0ppt
<b>Newcastle</b>	28.4%	42.4%	+14.0ppt
<b>Gateshead</b>	24.7%	38.6%	+13.9ppt
<b>Redcar &amp; Cleveland</b>	26.2%	39.3%	+13.1ppt
<b>Sunderland</b>	27.4%	39.7%	+12.3ppt
<b>County Durham</b>	25.3%	37.6%	+12.3ppt
<b>Middlesbrough</b>	29.2%	41.2%	+12.0ppt
<b>Darlington</b>	25.7%	37.7%	+12.0ppt
<b>Stockton</b>	25.5%	37.3%	+11.8ppt
<b>South Tyneside</b>	27.4%	39.1%	+11.7ppt
<b>Hartlepool</b>	27.4%	39.0%	+11.6ppt
<b>North Tyneside</b>	23.6%	35.2%	+11.6ppt
<b>Northumberland</b>	26.5%	35.8%	+9.3ppt

One third (nine) of the North East's 29 Parliamentary constituencies now have a child poverty rate of 40% or above, with constituencies throughout the region seeing steep increases in child poverty since 2014/15 – a period when there was a decrease across the UK:

Constituency	% of children below 60% median income after housing costs		
	2014/15	2020/21	percentage point change
UK	29%	27%	- 2.0ppt
North East	26%	38%	+12.0ppt
Middlesbrough	32.0%	<b>50.7%</b>	+18.7ppt
Gateshead	26.5%	<b>42.2%</b>	+15.7ppt
Sedgefield	23.7%	39.0%	+15.3ppt
Newcastle upon Tyne Central	32.6%	<b>47.8%</b>	+15.2ppt
Easington	26.1%	<b>40.6%</b>	+14.5ppt
Redcar	26.2%	<b>40.6%</b>	+14.4ppt
North Durham	24.5%	38.7%	+14.2ppt
Middlesbrough S & E Cleveland	24.3%	38.5%	+14.2ppt
Washington & Sunderland West	26.6%	<b>40.7%</b>	+14.1ppt
Jarrow	23.8%	37.7%	+13.9ppt
Stockton North	26.0%	39.8%	+13.8ppt
Houghton & Sunderland South	25.5%	39.2%	+13.7ppt
Darlington	25.9%	39.5%	+13.6ppt
North West Durham	22.8%	36.2%	+13.4ppt
South Shields	28.8%	<b>42.1%</b>	+13.3ppt
North Tyneside	24.1%	37.0%	+12.9ppt
Blaydon	20.3%	33.2%	+12.9ppt
Wansbeck	25.7%	37.8%	+12.1ppt
Sunderland Central	28.2%	<b>40.2%</b>	+12.0ppt
Hartlepool	27.6%	39.4%	+11.8ppt
Berwick-upon-Tweed	24.6%	35.9%	+11.3ppt
Newcastle upon Tyne East	27.1%	38.3%	+11.2ppt
Bishop Auckland	29.4%	<b>40.0%</b>	+10.6ppt
City of Durham	22.1%	32.7%	+10.6ppt
Newcastle upon Tyne North	21.5%	31.6%	+10.1ppt
Stockton South	22.9%	32.3%	+9.4ppt
Tynemouth	20.2%	28.4%	+8.2ppt
Hexham	18.4%	23.7%	+5.3ppt
Blyth Valley	33.5%	38.2%	+4.7ppt

## About us

The [North East Child Poverty Commission](#) (NECPC) is a regional, cross-sector stakeholder network which believes child poverty in the North East of England is not inevitable and ending it is worth working for, together. NECPC is hosted by – but independent of – Newcastle University. NECPC is ambitious for **every** baby, child and young person in the North East, with a shared vision of all growing up in our region not just healthy and secure, but having the best start in life: able to fully participate and thrive in education and extra-curricular activity; to pursue the things they love, with exciting futures ahead of them; and able to benefit from everything our beautiful region has to offer. However, we know that growing up in poverty makes it much more difficult to enjoy that inclusive childhood; restricting choices, opportunities and the ability to participate fully in society. Far too many children and young people across the North East are consequently being prevented from fulfilling their potential, an injustice which in turn is holding our region back.

[End Child Poverty](#) is a national coalition of over 70 organisations from civic society, including children's charities, child welfare organisations, social justice groups, faith groups, trade unions and others, united in our vision of a UK free of child poverty.

For further information, please contact Amanda Bailey (NECPC Director) [amanda.bailey@ncl.ac.uk](mailto:amanda.bailey@ncl.ac.uk)