





## NORTH EAST

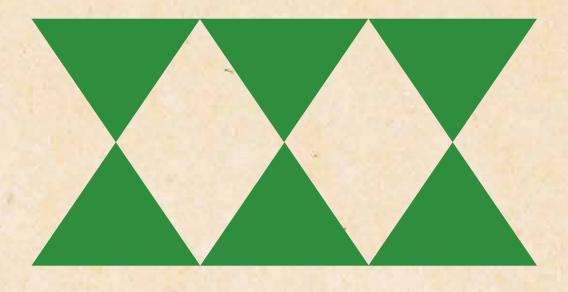
# COMMISSION

**The North East Child Poverty** Commission (NECPC) is a regional, cross-sector network which believes child poverty in the North East of **England is not inevitable and ending** it is worth working for, together. We are hosted by - but independent of - Newcastle University.

As a network, 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.

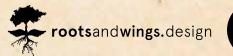
However, we know that growing up in poverty makes it much more difficult to enjoy that inclusive childhood; restricting choices, opportunities and the ability to participate fully in society.

Far too many children and young people across the North East are consequently being prevented from fulfilling their potential, an injustice which is holding the whole of our region back.



#### If you have any questions about this report, please contact AMANDA.BAILEY@NCL.AC.UK

This report and associated content have been designed by Roots and Wings C.I.C., the only not-for-profit design company in the North East, and a Living Wage Employer.











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The North East Child Poverty Commission (NECPC) would like to thank the Millfield House Foundation, Newcastle University's Social Justice Fund, Karbon Homes and IPPR North for helping to facilitate this project – and remains grateful to the Millfield House Foundation and Newcastle University (both Living Wage Employers) for their ongoing support for our wider work.







The author would especially like to thank **Baroness Hilary Armstrong**, for chairing the cross-sector advisory group which helped to shape and inform this project - as well as **Anna Turley** who instigated this piece of work during her time as NECPC's Chair, and **Luke Myer** at IPPR North for his help in delivering it - alongside all other advisory group members:

Rt Revd Paul Butler (NECPC Patron) Michele Deans (NECPC Interim Chair) Karen Davison Professor Greta Defeyter Alison Dunn Kevin Franks Haleem Ghafoor Kerry Nesbitt Satty Rai Professor Tracy Shildrick Jane Streather Penny Thompson Kate Williams Sally Young Chris Zarraga

We are extremely grateful to **Youth Focus: North East** for facilitating our engagement with young people for this research – alongside the voluntary and community organisations that played a role in enabling and/or hosted the listening sessions we held with parents and carers across the region: **Children North East, East Durham Trust**, **Rosie's Corner Kids' Bank**, **Thrive Teesside**, **Wallsend Children's Community**, **West Northumberland Food Bank** and **Voices of Hartlepool** 





The author is additionally very thankful to colleagues in several organisations that have provided data analysis, support, advice and insights throughout the course of this project: Action for Children, Child Poverty Action Group (CPAG), End Child Poverty Coalition, **Greater Manchester Poverty Action**, Joseph Rowntree Foundation, Living Wage Foundation, Policy in Practice, The Sutton Trust and 4in10 – London's Child Poverty Network. Particular thanks are owed to **Dr Juliet Stone** at Loughborough University for her assistance with this research (and her patience with the author).

We would also like to thank the large number of people across the region that took the time to host, facilitate or attend policy roundtables; took part in one-to-one interviews and listening sessions; or have shared their advice and insights with the author at any point during the last year to feed into this research, with the organisations they work for named overleaf.

The views and recommendations in this report are not necessarily endorsed by any individual named in this section, nor the organisations they work for.





#### We would like to thank staff from the following North East-based organisations that have contributed to, informed or supported this work in any way:

Action for Children Association of Colleges North East Association of Directors of Children's Services **North East** Association of Directors of Public Health North East **Auckland Youth and Community Centre** Balmoral Learning Trust, Sunderland Barnardo's Bede Academy, Blyth believe housing **BFAWU Bishop Auckland College** British Association of Social Workers (BASW) Catalyst Stockton-on-Tees Children in Need **Children North East Citizens Advice Gateshead Citizens Advice Middlesbrough Citizens Advice Newcastle Citizens Advice Northumberland Citizens Advice Stockton Citizens Advice Sunderland Community Foundation Tyne & Wear and** Northumberland **County Durham Community Foundation County Durham Sport** Cragside Primary School, Newcastle **CREST (Compact for Racial Equality South Tyneside**) **Darlington Borough Council Derwentside College Disability North Durham County Council Durham University** East Durham College **East Durham Trust Education Partnership North East Education Training Collective** Elswick Community Leisure Centre Family Action, Stockton-on-Tees

**Family Fund Family Gateway** Family Hubs Northumberland **Feeding Families** Footprints in the Community Gateshead College **Gateshead Council Gateshead Health NHS Foundation Trust** Halo Project Hartlepool Baby Bank Hartlepool Borough Council Hartlepool College of Further Education Hartlepool TUC Healthworks Newcastle Heathfield Primary School, Darlington Hospitality and Hope Hudson Road Primary School, Sunderland International Community Organisation of Sunderland Investing in Children **IRIS Learning Trust Karbon Homes** Life Science Centre Love, Amelia **Members of the Youth Parliament** (from Gateshead, Hartlepool, Middlesbrough, North Tyneside, Redcar & Cleveland, Stockton and Sunderland) Middlesbrough College Middlesbrough Council Mortal Fools National Lottery Community Fund **NEU Northern Regional Council & NEU members New College Durham Newcastle Building Society** Newcastle City Council Newcastle College Newcastle Foodbank Newcastle Hospitals NHS Foundation Trust Newcastle TUC Newcastle University Nexus

**NE Youth** 

**NHS Sunderland** 

No. 28 Community House Hexham North East and North Cumbria Children Health and Wellbeing Network North East and North Cumbria ICB North East and North Cumbria ICS North East Chamber of Commerce North East Child Poverty Trust North East Family Hubs Forum North East Youth Alliance North of Tyne Combined Authority North of Tyne Poverty Truth Commission North Tyneside Carers Centre North Tyneside Citizens Advice North Tyneside Council **Northern Housing Consortium** Northern TUC Northumberland Church of England Academy Trust Northumberland County Council Northumbria Healthcare NHS Foundation Trust Northumbria University Outwood Academy Ormesby Pallister Park Youth Club (Youth Focus: North East) Public Health South Tees Rape and Sexual Abuse Centre County Durham and Darlington (RSACC) **Redcar and Cleveland Borough Council Redcar Area Foodbank RISE North East Riverside Community Health Project** Rosie's Corner Kids' Bank Royal Grammar School, Newcastle Safe Space Creative Wellbeing Group, Gateshead (Youth Focus: North East) Schools North East SMART Multi Academy Trust, Newcastle Shildon Alive Society Matters cic South Tyneside Citizens Advice South Tyneside Council South Tyneside Homes

Stockton-on-Tees Borough Council StreetGames North East Success4All Sunderland City Council **Sunderland** Culture Sunderland TUC **Teesside University Tees Valley Combined Authority Tees Valley Education The Angelou Centre** The Children's Foundation The Fort: Mental Health cic The Glasshouse International Centre for Music (formerly Sage Gateshead) The Key The Prince's Trust **The Teesside Charity** The Trussell Trust **Thirteen Group** Thorntree Youth Club (Youth Focus: North East) **Thrive Teesside** Throckley Youth Club (NE Youth) **Together for Children** Together Middlesbrough and Cleveland Transforming Communities Together Tyne to Tweed **Transport North East** Turn2us, Buttle UK and Smallwood Trust Middlesbrough Collaboration Tyne and Wear Citizens Tyne and Wear County Association of Trades Councils Unison University of Sunderland Voices of Hartlepool Voluntary Organisations' Network North East (VONNE) Wallsend Children's Community Ways to Wellness West End Children's Community West Northumberland Food Bank YMCA North Tyneside Young Asian Voices Youth Focus: North East







It has been my privilege to act as Patron to the **North East Child Poverty Commission** for the past few years. It is an honour to write a foreword, as I retire as Bishop of Durham, to this excellent, but deeply concerning report.

The rise in child poverty, particularly in working households, and where there is a person with a disability, is very disturbing.

The call for a response from national Government is right. Equally, though it is right to act locally as much as is possible, this needs to be done across the region by all the local authorities working together. The mayoral system offers a fresh opportunity for this.

Child poverty is a scourge. Social, spiritual and economic poverty all restrict the opportunities for the children of our region. We all want the very best for every child. We all long for there to be truly equal opportunity for every child to flourish. Sadly, poverty in childhood restricts this.

I hope this report, and its sound proposals will be heeded locally and nationally.

#### **Rt Revd Paul Butler**

Bishop of Durham and Patron, North East Child Poverty Commission



This report contains some shocking truths. But let's never forget that they are only new to those of us who read them as a part of a wider picture. For the families and young people involved in this research, they don't need a report to tell them their life chances are affected by persistent low income and hardship. It's a set of daily fears and anxieties in their lives.

Our collective responsibility now is to go beyond being shocked, and ensure we all take action towards making the situation outlined by this research better. Of course, national Government has to change its policies and I will continue to work on this! But, what about us, here in the North East?

Take just two issues from this report. Firstly – the impact of low income on children and young people's health and development. The Integrated Care Board for our region recognises the importance of their future and has a goal of 'giving children and young people the best start in life'. Just how strategic are the NHS and other organisations in the region prepared to be to really improve the proportion of children who are healthy and ready to learn at school, and what resources will they put into those goals?

Second, the challenge of endemic low pay across the North East, including for families with children. Many of our biggest employers in the region are public sector organisations or receive the majority of their funding from the public purse. They buy billions of pounds of goods and services from the private sector, so how are they leveraging the North East public pound to ensure that the public's own money is paying real living wages?

Being overwhelmed by the facts and evidence set out in this report is just not good enough. This research lays on all of us a responsibility to work together, and particularly with those on the lowest incomes, to help improve their lives. This in turn will improve the prospects of the whole region and everyone in it.

**Rt Hon Baroness Hilary Armstrong of Hill Top** Chair, North East Child Poverty Commission project advisory group



More than one third (35%) of babies, children and young people are growing up in poverty across the North East. Indeed, our region has experienced the country's steepest increases in child poverty over much of the last decade.

This is not only limiting the opportunities, life chances and outcomes of tens of thousands of children and families across the North East, and their ability to benefit from everything this fantastic part of the world has to offer - it is holding the whole of our region back.

Whilst the UK Government continues to hold the most important levers available to tackle child in poverty in England – and we desperately need a national child poverty strategy – we have a new opportunity in our region to begin to turn the tide on this defining challenge for the North East through the vehicle of expanded and existing devolution. We must seize it together.

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In this report, we make the case for using the vehicle of devolution to take a 'public health approach' to tackling the structural drivers and impacts of child poverty in, and on, our region – convened, co-ordinated and driven forward by our mayoral combined authorities, but a collective effort in which organisations across all sectors, and particularly our anchor institutions, must pull together and play their part. Until we do so, we will never achieve the economic and social outcomes we all want for the North East.

BABIES, CHILDREN AND YOUNG PEOPLE GROWING UP IN POVERTY ACROSS OUR REGION DESERVE BETTER – AND THEY DON'T HAVE TIME TO WAIT.

#### The evidence base >

Our research seeks to provide the evidence base for this co-ordinated, regional action, having held extensive conversations right across the region with a broad range of people and cross-sector organisations many of whom are working tirelessly to support families in poverty, or dealing with the impacts of hardship every day - as well as listening to parents, carers and young people themselves.

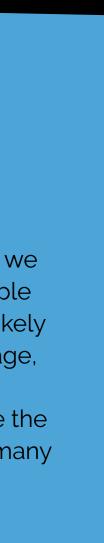
This report explores and provides new North East (and, wherever possible, local and combined authority-level) data and insights into:

- The extent of child poverty across our region and how this has grown over most of the last decade;
- The depth of poverty for North East children, and how this has changed in recent years;
- The scale of inequality that exists across geographies within the North East;
- The key drivers of higher child poverty rates and hardship in our region – including low pay, insecure work, out-of-work poverty, the demographics of our region, and what are described as 'work-constrained families'; and
- The significant impacts of poverty (both immediate and longer-term) for North East children and families.

#### A targeted approach >

Using new analysis, and based on our extensive conversations for this research, we highlight the babies, children, young people and families in our region who are more likely to be in poverty or experience disadvantage, to ensure that our collective efforts and limited resources are focussed to achieve the most possible impact - recognising that many will fall into more than one, if not several, of these groups:

- Families with children under-5
- Single parent families
- Families where someone has a disability
- Minority ethnic families
- Families with 3 or more children
- Out-of-work families
- Care-experienced young people, and children and young people in kinship families
- Families with younger parents



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## PRIORITIES FOR THE NORTH EAST: A BLUEPRINT FOR ACTION

And we set out a blueprint for what an ambitious, solutions-focussed programme of co-ordinated, cross-sector, regional action to tackle child poverty could look like - based on four strategic priorities for the North East that are grounded in our evidence base and the conversations we have held for this work:

### MAXIMISING FAMILY INCOMES NOW, THROUGH:

- Proactive, combined authority-wide take-up campaigns
- Expanding the reach of income maximisation and making it the norm
- Making better use of data
- Reducing costs and barriers to services for families
- Using our collective purchasing power to 'disrupt' the status quo

## MAKING WORK A ROUTE OUT OF POVERTY, THROUGH:

- Making the North East and Tees Valley combined authority areas Living Wage Places
- Strengthening and expanding the reach of 'good work' commitments
- Expanding existing anti-poverty work with employers
- Funding tailored employment support programmes for parents and carers
- Mapping and filling childcare gaps

## THE BEST START IN LIFE FOR THE NEXT GENERATION, BY:

- Addressing the shortfall in the 2-year-old early education offer
- Expanding the Baby Box scheme across the region
- Widening the reach of the Holiday Activities and Food (HAF) programme
- Creating a North East and Tees Valley 'Youth Guarantee'
- Establishing Mayor's Funds to support this work

## SECURING A REGION-WIDE ANTI-POVERTY COMMITMENT, THAT INVOLVES:

- Adoption of the Socioeconomic Duty by organisations across the region
- Taking all decisions through an anti-poverty lens
- Making poverty prevention and reduction 'everybody's business'
- A collective agreement to do things differently here
- Elected mayors vocally advocating for North East children and families



PRIORITY 1:



OVERARCHING PRIORITY:

• Ensuring all communities can benefit from economic opportunities, inward investment and good work

• Expanding free school and college meals to all families receiving Universal Credit or legacy benefits



## INTRODUCTION

The North East of England has enormous strengths, incredible potential, with many exciting economic opportunities ahead – and can be the most fantastic place to grow up and raise a family.

However, more than one third (35%) of all babies, children and young people in our region are living in poverty – with the North East having experienced the country's steepest increases in child poverty over much of the last decade.<sup>1</sup>

AS WE EVIDENCE THROUGHOUT THIS REPORT, THIS IS NOT ONLY LIMITING THE LIFE CHANCES AND OUTCOMES OF TENS OF THOUSANDS OF CHILDREN AND FAMILIES ACROSS THE NORTH EAST – AND THEIR ABILITY TO BENEFIT FROM EVERYTHING THIS PART OF THE WORLD HAS TO OFFER – IT IS HOLDING THE WHOLE OF OUR REGION BACK. Whilst the UK Government continues to hold the most important levers available to tackle child in poverty in England, and we desperately need a joined-up national child poverty strategy - which this research should help to inform - we have a real opportunity in the North East to begin to turn the tide on this defining challenge, through the vehicle of expanded and existing devolution.

From May 2024 all parts of the region will, for the first time, be covered by a mayoral combined authority. The new devolution deal agreed for the northern part of the North East commits the soon-to-be-created mayoral combined authority to tackle child poverty, as well as to undertake a programme of public service reform.<sup>2</sup>

We also have a well-established mayoral combined authority covering Tees Valley, many parts of which have some of the highest child poverty rates in the country.<sup>3</sup>

Our health and care system has a relatively new Integrated Care Board (ICB) – with strategic commitments to reduce longstanding inequalities and poor health outcomes in our region, including for children and young people.<sup>4</sup> And we have a long history of organisations working closely together across the whole of the North East, including through networks representing the business community, schools, colleges, frontline advice providers, voluntary and community organisations, health professionals, housing organisations, trade unions and the youth sector – all of whom have willingly contributed their time and invaluable insights to inform this piece of work.

Following previous research published by the North East Child Poverty Commission (NECPC), exploring why our region has experienced a steeper increase in child poverty rates than the rest of the country and particularly amongst our youngest children,<sup>5</sup> this project began with the question: what should a child poverty strategy for the North East Look like?

This report seeks to provide an answer, underpinned by **extensive quantitative data analysis** – undertaken with the support of several organisations – detailing the extent of child poverty across our region and how this has grown over most of the last decade; the depth of poverty for North East children, and how this has changed in recent years; and the scale of inequality that exists across geographies *within* the North East. We further explore the key drivers of higher child poverty rates and hardship in our region – including low pay, insecure work, out-of-work poverty, the demographics of our region, and what are described as 'work-constrained families'; the significant impacts of poverty (both immediate and longer-term) for North East children and families – as well as identifying which children, young people and families in our region are more likely to be impacted by poverty and disadvantage.

This new analysis is brought to life and reinforced by wide-ranging qualitative research we have undertaken throughout the region over the best part of a year including through semi-structured interviews with all local authorities, combined authorities and several other organisations across the region; a series of in-person and online roundtables hosted for us by a broad range of cross-sector organisations across the North East; listening sessions we held with parents and carers with the invaluable support of several community-based organisations; in-person and survey engagement with young people facilitated by Youth Focus: North East; as well as NECPC's regular conversations with stakeholders throughout the region and the insights provided by the cross-sector advisory group we established for this project. Unless cited otherwise, all anonymised quotes included throughout this report have come from the vast number of conversations we have held for this research.

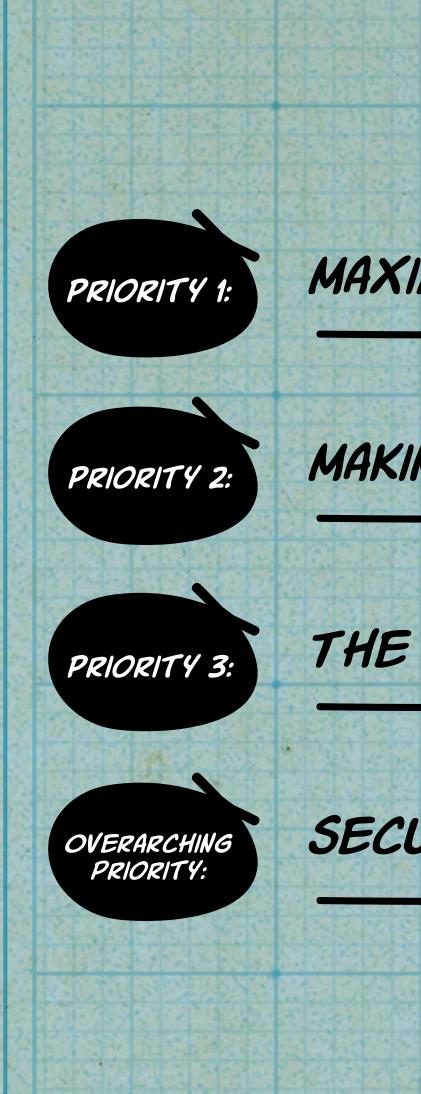


And - based on of all of this work -

WE MAKE THE CASE FOR USING DEVOLUTION TO TAKE A 'PUBLIC HEALTH APPROACH' TO TACKLING THE STRUCTURAL DRIVERS AND IMPACTS OF CHILD POVERTY IN, AND ON, OUR REGION – CONVENED, CO-ORDINATED AND DRIVEN FORWARD BY OUR MAYORAL COMBINED AUTHORITIES, BUT A COLLECTIVE EFFORT IN WHICH ORGANISATIONS ACROSS ALL SECTORS, AND PARTICULARLY OUR ANCHOR INSTITUTIONS, MUST PULL TOGETHER AND PLAY THEIR PART.

Pooling efforts and resources in this way is ever more important after over a decade of cuts to the social and economic fabric of our region, the impacts of which are still being felt, and implemented, today.

We set out a **blueprint for what an ambitious, solutions-focussed programme of co-ordinated, cross-sector, regional action to tackle child poverty could look like** – based on **four strategic priorities for the North East** that are grounded in our evidence base and the conversations we have held for this work.



## MAXIMISING FAMILY INCOMES NOW

## MAKING WORK A ROUTE OUT OF POVERTY

## THE BEST START IN LIFE FOR THE NEXT GENERATION

## SECURING A REGION-WIDE ANTI-POVERTY COMMITMENT



Within these priorities, we suggest **a series of complementary, actionable recommendations** - several of which build upon the enormous amount of activity to tackle poverty that is already taking place, at different levels and in different parts of the North East. These recommendations include:

Proactive, combined authority-wide take-up campaigns and significantly ramping up the reach of income maximisation work, to ensure every family is receiving the support they are entitled to - **based on our new finding that the annual value of unclaimed benefits and social tariffs across the North East is a staggering £1.33 billion.**  Making the North East and Tees Valley combined authority areas Living Wage Places – based on our analysis of the scale and impact of in-work poverty in the region, and research finding that **if just a quarter of people paid below the real Living Wage in the North East were uplifted to this rate, it would put an additional £75 million back into the region's economy.** 

WITH RELENTLESSLY-FOCUSED LEADERSHIP, VISION AND DETERMINATION - WE BELIEVE OUR PROPOSED PROGRAMME OF WORK IS ACHIEVABLE, DRAWING UPON OUR COMBINED COMMITMENT, CAPACITY AND RESOURCES AS A REGION.

It is undoubtedly ambitious, but we **should** be ambitious for every baby, child and young person growing up across the North East. Until we adopt this whole systems approach to tackling the structural drivers of child poverty and its wide-ranging impacts in, and on, our region, we will never achieve the economic and social outcomes we all want to see.

BABIES, CHILDREN AND YOUNG PEOPLE GROWING UP IN POVERTY ACROSS OUR REGION DESERVE BETTER - AND THEY DON'T HAVE TIME TO WAIT.

Expanding free school meals as an immediate priority to all children and young people in families receiving Universal Credit or legacy benefits - **based on our new analysis finding this would benefit around 75,000 primary, secondary and college students at most need of receiving this additional support across the North East.** 

#### A note on our region's political geography

Throughout this report, we refer to '**the North East**' by which we always mean the North East *region*, incorporating the twelve local authority areas of Northumberland, Newcastle, North Tyneside, Gateshead, South Tyneside, Sunderland, County Durham, Hartlepool, Stockton-on-Tees, Middlesbrough, Darlington, and Redcar and Cleveland.

We also reference the **North of Tyne Combined Authority** - a mayoral combined authority, which has operated with an elected mayor across the Northumberland, Newcastle and North Tyneside areas since 2019. This body will cease to exist in May 2024.

We further refer throughout to the **Tees Valley Combined Authority** (TVCA) - which has operated with an elected mayor across the Hartlepool, Stockton-on-Tees, Middlesbrough, Darlington, and Redcar and Cleveland areas since 2017 - and to the soon-to-be-created **North East Mayoral Combined Authority** (NEMCA). NEMCA will be formally established in May 2024, with a newly-elected mayor, to incorporate the Northumberland, Newcastle, North Tyneside, Gateshead, South Tyneside, Sunderland, and County Durham areas - meaning that, for the first time, all parts of our region will be covered by a mayoral combined authority.

The North East and North Cumbria Integrated Care Board (ICB) - additionally referenced in this report has covered the whole of the North East *region*, alongside the North Cumbria area (the latter of which is outside the scope of our work) since it was created in 2022.



'INDIVIDUALS, FAMILIES AND GROUPS IN THE POPULATION CAN BE SAID TO BE IN POVERTY WHEN THEY LACK RESOURCES TO OBTAIN THE TYPE OF DIET, PARTICIPATE IN THE ACTIVITIES AND HAVE THE LIVING CONDITIONS AND AMENITIES WHICH ARE CUSTOMARY, OR AT LEAST WIDELY ENCOURAGED AND APPROVED, IN THE SOCIETY IN WHICH THEY BELONG.'





# CHILD POVERTY:

Unless stated otherwise, the term 'child poverty' is used throughout this report to denote what is known as **relative child poverty**; that is the percentage and/or number of children living in households with below 60% of contemporary UK median household income, equivalised – or adjusted – for the size of the household.

Whilst not a perfect measure of low income, deprivation or hardship – no one single metric is – Stewart et al and CPAG (2023) explain that relative poverty is 'the standard way to measure child poverty in the UK and across the European Union', and that it is a 'transparent and consistent indicator that allows us to make meaningful comparisons over time (especially over the medium and longer term), and to identify groups most at risk.'<sup>7</sup> Importantly, it most closely reflects Peter Townsend's 'core definition' of the relative nature of poverty and its impacts,<sup>8</sup> which remains very widely used, understood and almost half a century since being published sadly entirely relevant to the experience of millions of babies, children and young people growing up in poverty across the UK today, including tens of thousands in the North East.

As the North East Child Poverty Commission has repeatedly argued, the relative child poverty measure is also particularly important for any Government committed to reducing geographical inequalities, raising living standards and improving opportunities across all parts of our country, as this measure compares household incomes of children across the UK today with those of their contemporaries, not with those of their almost fifteen years ago (as per the 'absolute' child poverty measure, with its reference point of 2010/11).<sup>9</sup>



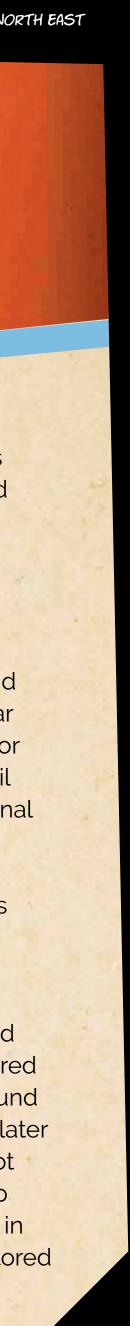
And, wherever possible, we use the relative child poverty measure, **after housing costs**. This provides a more accurate picture of the disposable income families have available to spend on other items like food, utility bills, clothing and leisure activities, after accounting for housing costs like rent<sup>10</sup> (which can be very different in different parts of the UK and 'are often driven by factors beyond a family's control').<sup>11</sup> The after housing costs child poverty measure therefore also allows for the fact that large parts of the North East have typically lower housing costs, across all housing tenures, than many other parts of the UK.<sup>12</sup>

It is important to highlight, however, that the huge increases we have seen in the cost of other household essentials since the end of 2021 – most notably for food and energy bills – are not reflected in this headline poverty measure. Whilst we know that people already on the lowest incomes have been hardest hit by the **'cost of living crisis'**, as they tend to spend a larger share of their budgets on these core items,<sup>13</sup> official poverty figures will likely

underestimate the number of households that have been experiencing hardship and financial insecurity as a result of inflation, which is calculated to have most acutely affected families with children.<sup>14</sup>

#### The time lag in child poverty data

published by the Department for Work and Pensions, which is always at least one year out of date (figures for the year 2022/23, for example, are not due to be published until March 2024), also requires local and regional policy makers to monitor a range of other relevant, more 'real time' information reflecting families' financial circumstances and levels of hardship in their area. These include food bank use, free school meal eligibility, the number of children in households receiving Universal Credit, and demand for discretionary schemes delivered locally, such as the Household Support Fund or crisis support. However, as we explore later in this report, even these measures will not provide a true picture of levels of hardship given the vast amount of need being met in ways that are not necessarily being monitored or recorded at any level.





## THE EVIDENCE BASE: OUR REGIONAL CONTEXT

#### CHILD POVERTY IN THE NORTH EAST

We know that child poverty in our region is not inevitable, because the North East saw the largest fall in the proportion of children living below the poverty line of any English region between 1999 and 2013 - a reduction of 13 percentage points.<sup>15</sup> However,

BETWEEN 2014/15 AND 2021/22, THE PERCENTAGE OF CHILDREN LIVING IN RELATIVE POVERTY, AFTER HOUSING COSTS ACROSS THE NORTH EAST ROSE BY NINE PERCENTAGE POINTS, FROM 26% TO 35% - THE STEEPEST INCREASE EXPERIENCED BY ANY UK NATION OR REGION DURING THAT TIME, WITH THE NORTH EAST CURRENTLY HAVING THE SECOND HIGHEST CHILD POVERTY RATE OF ANYWHERE IN THE COUNTRY.

Research by the North East Child Poverty Commission (NECPC) has previously explored the reasons for this steeper increase in our region, which primarily took place in the years leading into the Covid-19 pandemic, finding a combination of economic trends and demographic factors helped to explain this.

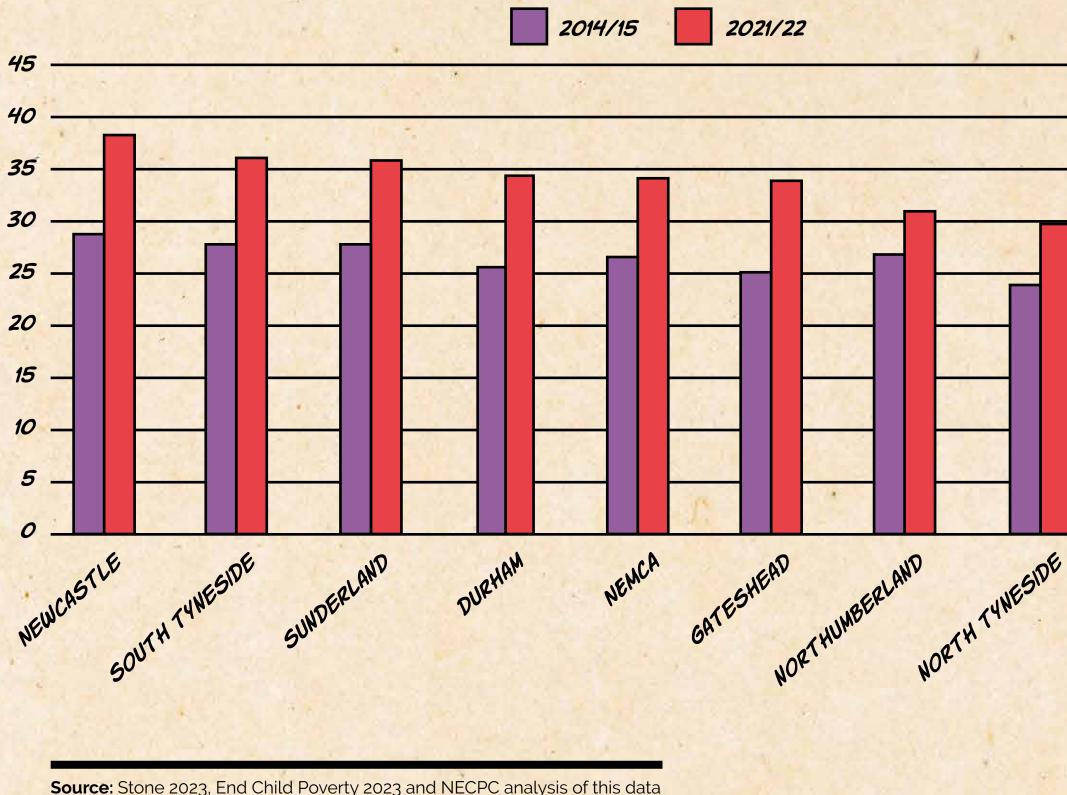
These included:

- The North East experiencing a much steeper increase in in-work child poverty than that observed across the UK, and a real terms fall in household earnings for families with
- children (over a period when they rose across the country);
- The region not seeing the fall in out-of-work child poverty observed across the UK;
- The North East seeing a larger rise than the UK in the proportion of families who are much less likely to be in a position to work 4 without the right support in place (and may therefore be 'economically inactive'); and
- The North East having the highest proportion of children (or higher than the UK average) in a number of groups of families who are much more likely to be in poverty. These included families where someone has a disability; single parent families; families with parents aged under 25; and families in rented homes.

Our previous research further concluded that the combination of these factors has meant that North East families - whether in or out of work - have been disproportionately impacted by the erosion of our national social security safety net over the last decade.<sup>16</sup>



FIGURE 1: Percentage of children in the NEMCA area and UK living in relative poverty (after housing costs), 2014/15 and 2021/22



Source: Stone 2023, End Child Poverty 2023 and NECPC analysis of this data

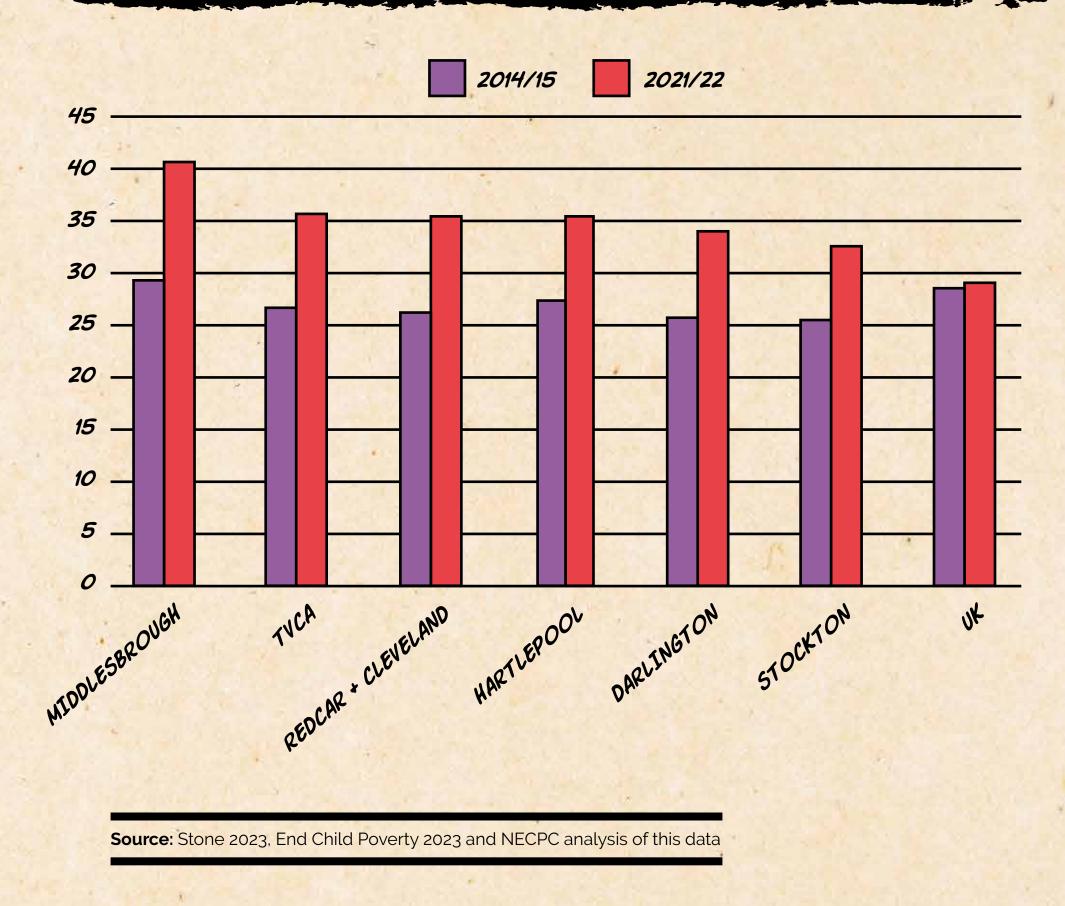
Figure 1 (North East Mayoral Combined Authority area) and Figure 2 (Tees Valley Combined Authority area) show how child poverty rates at both the local and combined authority level in the North East have changed between 2014/15 (the first year for which this local data is published) and 2021/22 (the latest year for which this data is available), and compare these changes with the national average. Both illustrate how child poverty has risen at a much steeper rate than the UK average in every part of our region over much of the last decade.

Across the North East Mayoral Combined Authority (NEMCA) area, there were around 134,000 (33.8%) children living in poverty in 2021/22, up from 26.2% in 2014/15. From figure 1, we can see that all seven local authorities across this geography had a child poverty rate below the national average of 28.5% at the start of this period, and all had a rate above the national average (29.1%) by the end - some markedly so. At a local authority level, child poverty is highest in the NEMCA area in Newcastle, at an estimated 37.9%, and lowest in North Tyneside at 29.4% - which begins to illustrate the significant variation in child poverty rates across the new combined authority's footprint.17

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FIGURE 2: Percentage of children in the TVCA area and UK living in relative poverty (after housing costs), 2014/15 and 2021/22



Across the TVCA area, there were around **54,000 (35.5%)** children living in poverty in 2021/22, up from **26.7%** in 2014/15 - with figure 2 showing that all but one of the five Tees Valley local authorities had a child poverty rate below the national average at the start of this period, and - again - all had a rate above the national average by 2021/22. At a local authority level, child poverty in the TVCA area ranges from an estimated **40.6%** of all children in Middlesbrough to **32.6%** across Stockton-on-Tees.<sup>18</sup>

This not only illustrates the child poverty gap that exists between the North East region and the UK average (and therefore with several other UK nations and regions), it alludes to the stark inequalities that exist *within* the North East – that are masked by regional, combined authority and even local authority-level child poverty figures, and which are discussed later in this report. And the extent to which national policy decisions on social security continue to disproportionately matter to children across our region - for example, around its adequacy, reach, conditionality requirements and the way in which this support is administered - is illustrated by figure 3, with

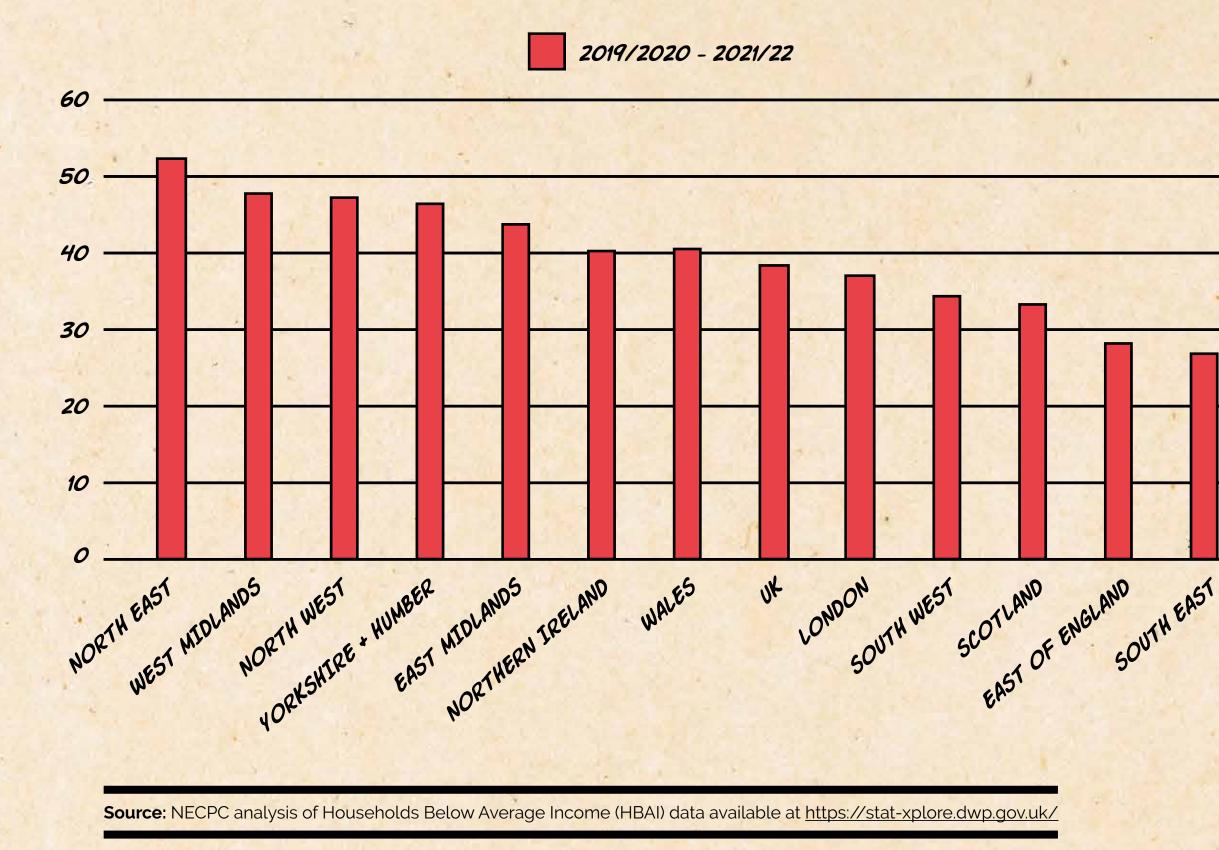
OUR ANALYSIS FINDING THAT 53% OF ALL BABIES, CHILDREN AND YOUNG PEOPLE IN THE NORTH EAST ARE LIVING IN FAMILIES IN RECEIPT OF UNIVERSAL CREDIT OR LEGACY BENEFITS.

This compares to a national average of 39% and is the highest proportion of any UK nation or region.<sup>i</sup>

<sup>i</sup>The lowest level at which these estimates can be produced is regional, and we have used a multi-year average to ensure they are as robust as possible (a two-year average for the years 2019/20 and 2021/22 due to Households Below Average Income (HBAI) data collection issues during the Covid-19 pandemic).



FIGURE 3: Percentage of all children in UK nations and regions living in households in receipt of Universal Credit or equivalent legacy benefits, 2019/20 to 2021/22



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#### DEPTH OF POVERTY FOR NORTH EAST CHILDREN

Thus the latest available data indicates that an average of 35% - almost 190,000 - babies, children and young people in the North East region were growing up in poverty in the period 2019/22<sup>ii</sup>. This means that they were living in households with less than 60% of UK median household income after housing costs, and compares to 30% of children across the UK over the same timeframe.

However, this information alone tells us nothing about the depth or intensity of poverty for North East children - that is, how far below the poverty line they are living - and the likely levels of hardship they and their families are experiencing, given 'those who are furthest from the relative poverty line face the hardest struggle to make ends meet'.<sup>19</sup> Neither does it indicate the scale of intervention or change required to lift children out of poverty in our region, nor the number of children who are in most need of support.

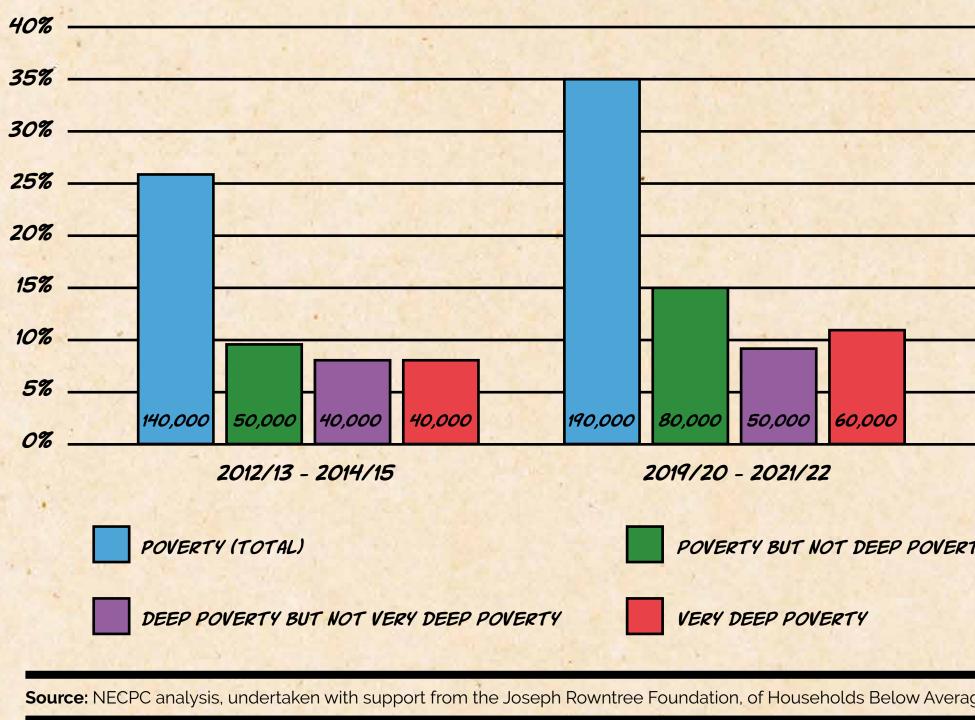
With assistance from the Joseph Rowntree Foundation, we have therefore sought to estimate the number and proportion of children in the North East living in **poverty** (in households with <60% of UK median household income), in **deep poverty** (<50%) and in **very deep poverty** (<40%).

 $^{\rm ii}$  A two-year average for the years 2019/20 and 2021/22 for the reasons set out in footnote  $^{\rm i}$ .



FIGURE 4: Estimated percentage and number of all children in the North East living in poverty, deep poverty and very deep poverty, 2012/13 – 2014/15 and 2019/20 – 2021/22 80,000 50,000 60,000 50,000 40,000 190,000 40,000 40,000 2012/13 - 2014/15 2019/20 - 2021/22 POVERTY (TOTAL) POVERTY BUT NOT DEEP POVERTY VERY DEEP POVERTY DEEP POVERTY BUT NOT VERY DEEP POVERTY Source: NECPC analysis, undertaken with support from the Joseph Rowntree Foundation, of Households Below Average Income (HBAI) data

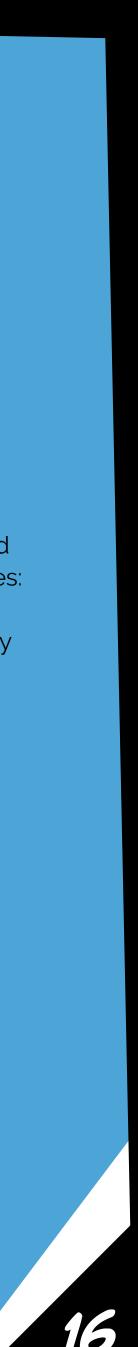
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Note: These estimates are rounded to the nearest 10,000 which can mean the estimated breakdowns do not sum to the total number.

Figure 4 shows the total number and percentage of all children in the North East living below the poverty line, and also provides an estimated breakdown of these total figures: for those living in poverty (but not deep poverty); those in deep poverty (but not very deep poverty); and those in very deep poverty - and illustrates how these figures have changed between the period 2012/13-2014/15 and 2019/20-2021/22.<sup>iii</sup>

<sup>iii</sup> Again, the lowest level at which these estimates can be produced is regional, and we have used a three-year average for the years 2012/13-2014/15 and a two-year average for the years 2019/20 and 2021/22.



From figure 4, we can see that across the region, between 2012/13-2014/15 and 2019/20-2021/22, the total number of children living in poverty rose by c.50,000, from around 140,000 to around 190,000 (an increase from 26% of all children to 35%), within which:

- The number of children living just below the poverty line rose by c.30,000, from around 50,000 to around 80,000 (an increase from 10% of all children in the North East to 15%);
- The number of children living in deep poverty, but not very deep poverty, rose least (and by less than one percentage point to 9% of all children); and
- The number of children living in very deep poverty rose by c.20,000 – from around 40,000 to 60,000 (an increase from 8% of all children in the region to 11%).

This suggests that, of the marked rise in child poverty we have experienced in the North East over much of the last decade, the majority of those *increases* are represented by children living just below the poverty line that is, in poverty (<60% of median household income) but not deep poverty (<50%). Whilst we clearly would not advocate for a 'bean-counting approach' to poverty reduction that seeks to lift children living just below the poverty line to just above it, this does indicate that a small number of significant actions could make a material difference to the lives of a relatively large number of children and young people in the North East.

OF GRAVE CONCERN, HOWEVER, IS THE FACT THAT THE NUMBER OF CHILDREN LIVING IN FAMILIES ATTEMPTING TO GET BY ON INCREDIBLY LOW INCOMES HAS RISEN BY WELL OVER 20,000 SINCE 2014/15 - SUCH THAT ONE IN FIVE (OVER 100,000) OF ALL BABIES, CHILDREN AND YOUNG PEOPLE GROWING UP IN THE NORTH EAST ARE NOW LIVING BELOW THE DEEP POVERTY LINE. THIS INCLUDES THE MORE THAN ONE IN TEN (C.60,000) OF ALL NORTH EAST CHILDREN LIVING IN VERY DEEP POVERTY.

Shockingly, we know this will come as little surprise to the many hundreds of organisations throughout the North East that are now supporting families with basic essentials for their children - including the large number of organisations working across different sectors we spoke with for this research.

And, to put these figures in context, the Joseph Rowntree Foundation has recently set out what living in deep poverty and very deep poverty means in financial terms. Across the country, between 2019/20 and 2020/21, a couple family with two primary-school-aged children in deep poverty would have needed their income to increase by an average £9,100 a year to move out poverty completely, whilst an equivalent family in very deep poverty would need to more than double their income (with an additional £12,800 per year) just to reach the poverty line.<sup>20</sup>

It is important to note that, whilst the North East has an overall child poverty rate that is higher than the national average (and the second highest in the country), the region is not an outlier in terms of the proportion of all children that are living below the deep poverty line (20%) and the very deep poverty line (11%) - as these two figures are almost identical to the UK averages. However,

GIVEN THE CENTRAL ROLE THAT HIGHER HOUSING COSTS CAN PLAY IN DRIVING RATES OF VERY DEEP POVERTY FOR FAMILIES<sup>21</sup> - AND THE OFTEN SIGNIFICANTLY LOWER HOUSING COSTS ACROSS ALL TENURES LARGE PARTS OF THE NORTH EAST HAVE THAN MANY OTHER PARTS OF THE COUNTRY - THE SCALE OF DEEP AND VERY DEEP POVERTY FOR CHILDREN IN OUR REGION MUST ACT AS AN URGENT CALL TO ACTION FOR POLICY MAKERS AT ALL LEVELS.



#### INEQUALITIES WITHIN OUR REGION

There is rightly significant attention paid to the stark inequalities for children that exist between the North East of England and the national average on a range of measures (and therefore between the North East and several other UK nations and regions), some of which are explored later in this report.

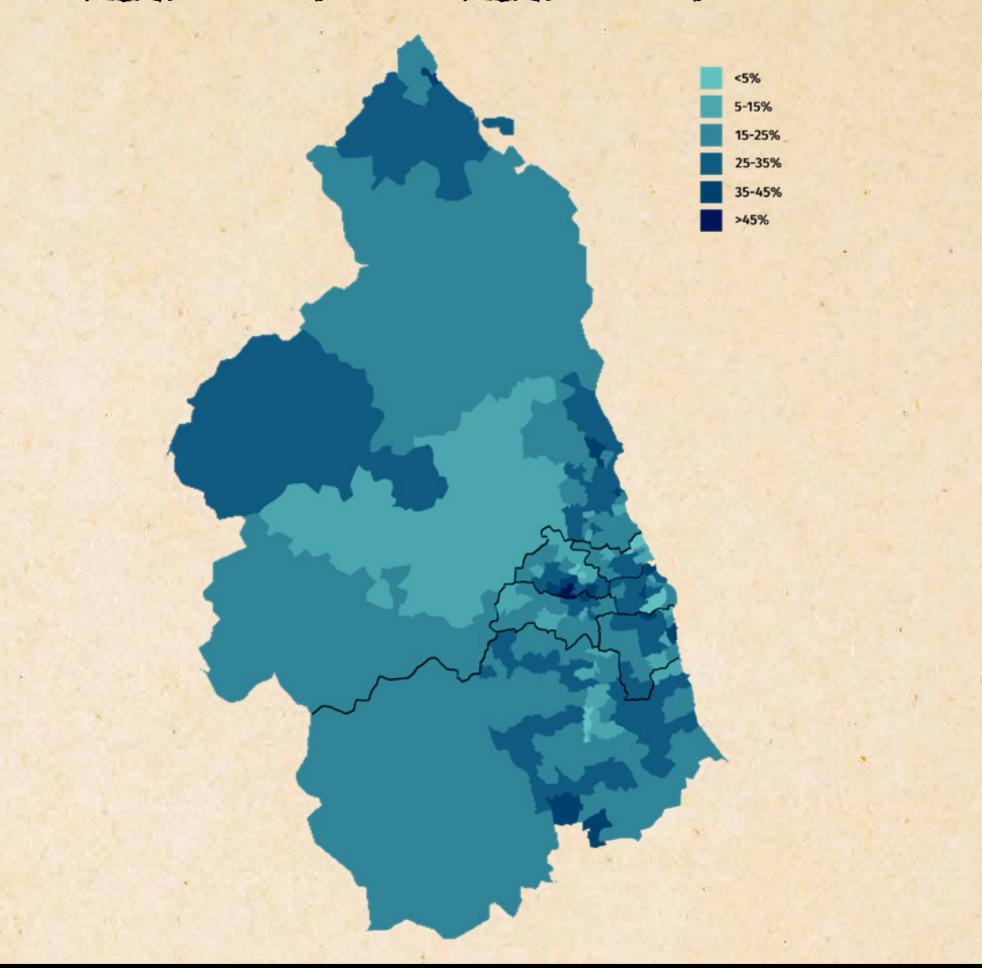
Equally important for local and regional policymakers to address are the substantial differences in poverty rates *within* our region for babies, children and young people growing up here, the scale of which can be masked by regional, combined authority and even local authority-level data.

To illustrate this (including the level of inequality that exists for children living within the same local authority areas), figures 5 and 6 show the proportion of children living in relative poverty at a local authority ward level, across the NEMCA and TVCA areas, in 2021/22, with local authority boundaries delineated. It is important to emphasise that the ward-level figures referred to in this section of our report are for *before* housing costs child poverty rates (as sufficiently robust housing costs data does not exist at a ward level to make after housing costs estimates), and the former are almost always lower than the latter.

Thus, whilst a likely underestimate of the proportion of children in each ward living below the poverty line after housing costs have been taken into account, figures 5 and 6 are nonetheless an important illustration of just how significant the variation in child poverty rates can be within relatively small geographical areas - and where children and young people in most need of support are more likely to live across the North East (with the obvious caveat that not all children in low income families live in neighbourhoods with higher child poverty rates).



Percentage of children in each local authority ward across the NEMCA area living in relative poverty (before housing costs), 2021/22



**Source:** Map created by IPPR North using DWP (2023), Children in low income families: local area statistics 2014 to 2022: <a href="https://www.gov.uk/government/statistics/children-in-low-income-families-local-area-statistics-2014-to-2022">https://www.gov.uk/government/statistics/children-in-low-income-families-local-area-statistics-2014-to-2022</a>

Note: Ward boundaries are not necessarily delineated, where areas with similar child poverty rates sit alongside each other.



As is evident from figure 5, the child poverty 'gaps' between those parts of the NEMCA area with the highest and lowest child poverty rates is huge, including within the same local authorities. Indeed, the two wards now with the very highest and lowest (before housing) child poverty rates across the whole of the NEMCA area are both in Newcastle: Elswick at 57%, and North Jesmond at 2% - a difference of 55 percentage points.

The child poverty gaps in other NEMCA local authorities currently stand at:

- 37 percentage points in South Tyneside (between Beacon & Bents and Cleadon & East Boldon)
- 35 percentage points in County Durham (between Neville's Cross and Shildon & Dene Valley)
- 34 percentage points in Northumberland (between Ponteland South with Heddon, and both Croft and Berwick East)
- 34 percentage points in Sunderland (between Fulwell and Hendon)
- 30 percentage points in North Tyneside (between St Mary's and Chirton)
- 29 percentage points in Gateshead (between Low Fell and Bridges)

And 224 out of 240 wards across the NEMCA area saw an increase in child poverty rates between 2014/15 and 2021/22, with most of the largest increases taking place in areas that already had particularly high proportions of children living below the poverty line. Of the 16 wards that saw a decrease in before housing costs child poverty (most of which were a reduction of less than one percentage point), these were all in areas that already had some of the region's very lowest child poverty rates at the start of this period.23

Again, figure 6 shows us how large the child poverty 'gaps' are within the TVCA area, including within the same local authorities. These currently stand at:

- 56 percentage points in Middlesbrough (between Nunthorpe and Newport)
- 43 percentage points in Darlington (between Mowden and Northgate)
- 31 percentage points in Redcar and Cleveland (between Wheatlands and Grangetown)
- 31 percentage points in Stockton-on-Tees (between Yarm and Stockton Town Centre)
- 27 percentage points in Hartlepool (between Rural West and Victoria)

FIGURE 6:

Percentage of children in each local authority ward across the TVCA area living in relative poverty (before housing costs), 2021/22

Source: Map created by IPPR North using DWP (2023), Children in low income families: local area statistics 2014 to 2022: https://www.gov.uk/government/statistics/children-in-low-income-families-local-area-statistics-2014-to-2022

Note: The areas depicted in this map relate to the ward boundaries as they stood in 2021/22 (the period covered by this data). Ward boundaries are not necessarily delineated, where areas with similar child poverty rates sit alongside each other.



<5%

>45%

Just one ward out of 102 across the whole of the TVCA area saw a reduction in its before housing costs child poverty rate (and of less than one percentage point) between 2014/15 and 2021/22 – and, again, almost all of the areas that saw the steepest increases were those wards that already had some of the very highest child poverty rates across Tees Valley at the beginning of this period.

Across the whole of the TVCA area, the gap between the ward with the very highest proportion of children living in poverty before housing costs (Newport in Middlesbrough, at 66%) and the lowest (Mowden in Darlington, at 4%) is now a staggering 62 percentage points.<sup>24</sup> DEVOLUTION MUST ACT AS AN OPPORTUNITY FOR US TO DETERMINE AS A REGION THAT THIS LEVEL OF INEQUALITY WITHIN THE NORTH EAST IS SIMPLY UNACCEPTABLE, AND TO COLLECTIVELY COMMIT TO DO SOMETHING ABOUT IT -ENSURING THAT THE BENEFITS OF DEVOLUTION AND ANY IMPROVEMENTS IN LIVING STANDARDS AND PROSPERITY IT BRINGS ARE FELT IN PARTICULAR BY CHILDREN AND YOUNG PEOPLE GROWING UP IN COMMUNITIES THAT FOR TOO LONG HAVE BEEN UNDER-SERVED AND CUT OUT OF MEANINGFUL ECONOMIC OPPORTUNITIES.

'THERE'S SIGNIFICANT INEQUALITY WITHIN [OUR AREA], WITH FAMILIES AND YOUNG PEOPLE SEEING THINGS THEY CAN'T TOUCH OR HAVE ALL THE TIME. THIS IS INCREDIBLY DEMORALISING AND DISEMPOWERING.'

NORTH EAST LOCAL AUTHORITY OFFICER



'THE BEST ROUTE OUT OF POVERTY IS THROUGH WORK, AND THE BEST WAY TO ENSURE THAT CHILDREN DO NOT GROW UP IN POVERTY IS TO ENSURE THAT THEY DO NOT GROW UP IN A WORKLESS HOUSEHOLD.'

PRIME MINISTER RISHI SUNAK25

"I FEEL LIKE I HAVE AN ALRIGHT JOB... BUT WHY DO I HAVE MY HEAD IN MY HANDS EVERY MONTH WORRYING ABOUT HOW I'M GOING TO MANAGE THE COSTS OF EVERYTHING? WHY DO WE KEEP LOOKING AT A BARE FRIDGE? WE CAN USUALLY JUST ABOUT MANAGE, BUT YESTERDAY WE WERE LIKE 'WHAT CAN WE COBBLE TOGETHER?'...BECAUSE IT'S PAY DAY TOMORROW.'

NORTH EAST MUM (WITH PARTNER ALSO IN WORK)



#### IN-WORK CHILD POVERTY

For the best part of a decade, reducing parental 'worklessness' has been the Government's primary strategy to tackle child poverty, which Ministers explain 'is based on clear evidence about the importance of employment particularly where it is full-time in substantially reducing the risks of child poverty and in improving long-term outcomes for families and children.'27

It is therefore worth exploring how effective that approach has been for children in our region in recent years, and equally important for local, regional and national policymakers to understand the challenges around relying on work (and particularly full-time work) to provide a viable route out of poverty for many families in the North East, whether immediately or longer-term.

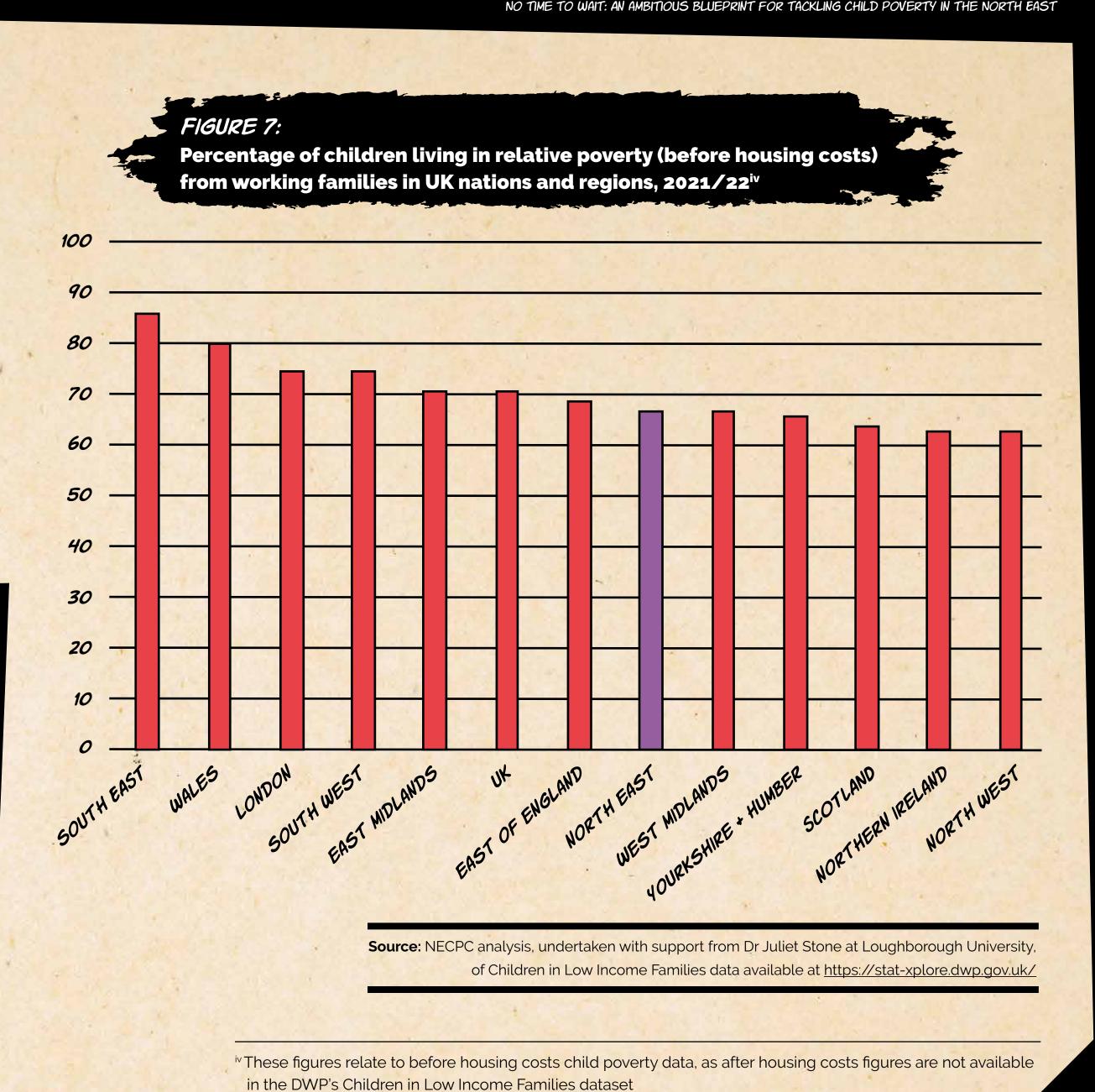
It is certainly the case that children growing up in 'workless' households - that is, in homes where no adult is in *paid* work - are more likely to be living below the poverty line than those in working families, including in the North East. In our region, 64% of children living in a household where no adult is in paid employment are in poverty, compared with 27% of children with at least one parent or carer in work. This compares with 63% and 25% across the UK respectively.28

However, it is an inescapable fact that along with the UK average -

THE PROPORTION OF CHILDREN IN THE NORTH EAST GROWING UP IN POVERTY FROM WORKING FAMILIES HAS RISEN MARKEDLY OVER MUCH OF THE LAST DECADE, SUCH THAT TWO THIRDS (67%) OF ALL CHILDREN LIVING BELOW THE POVERTY LINE IN OUR REGION NOW HAVE AT LEAST ONE PARENT OR CARER IN WORK.

FIGURE 7:

from working families in UK nations and regions, 2021/22<sup>iv</sup>



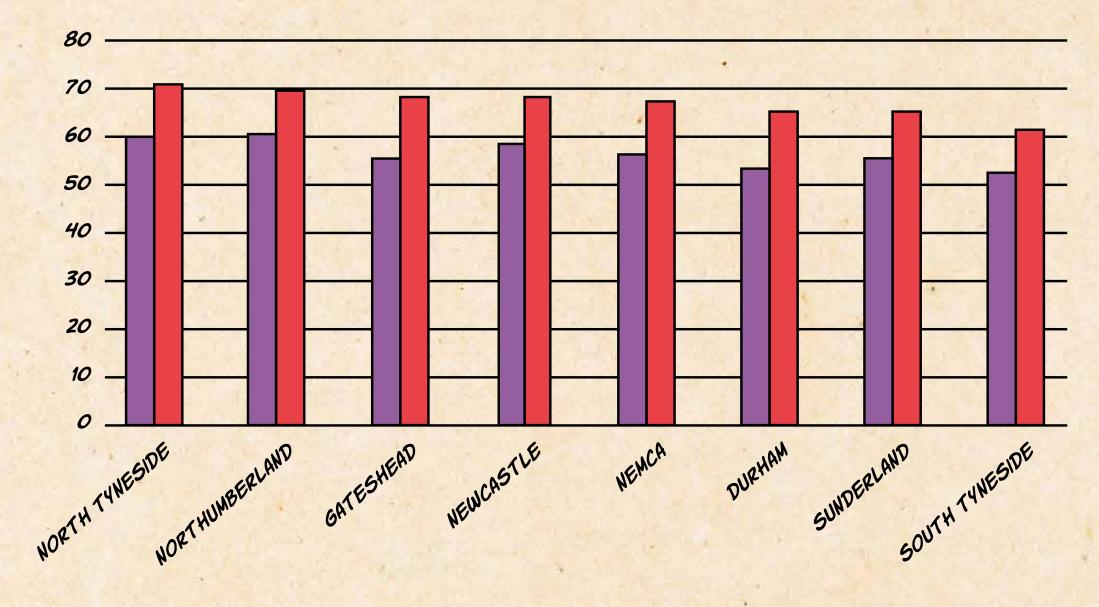
As illustrated by figure 7, this proportion is lower than the UK average (c.71%), and lower than several other UK nations and regions – which is a reflection of our still higher rates of children living in 'workless' households, an issue explored in the next section of this report.

Nonetheless, the increase experienced in the North East in the proportion of children in poverty that are in working families has been steeper than that for the national average, and that experienced by most other parts of the UK, rising in our region from 56% in 2014/15 to 67% by 2021/22.<sup>29</sup>

As explored previously, regional child poverty-related data can mask real variations within the North East and this is reflected again in figures 8 and 9, which show the proportion of children living in poverty that are from working families, across the NEMCA and TVCA areas, and how this has changed since 2014/15.

FIGURE 8

Percentage of children living in relative poverty (before housing costs) from working families across the NEMCA area, 2014/15 and 2021/22



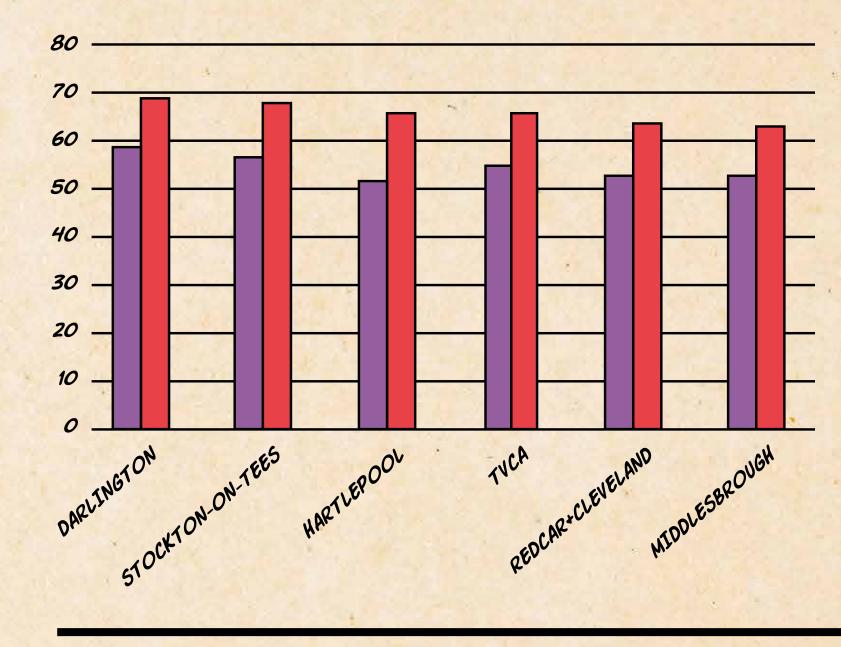
2021/22

2014/15



FIGURE 9

Percentage of children living in relative poverty (before housing costs) from working families across the TVCA area, 2014/15 and 2021/22



**Source:** NECPC analysis, undertaken with support from Dr Juliet Stone at Loughborough University, of Children in Low Income Families data available at <a href="https://stat-xplore.dwp.gov.uk/">https://stat-xplore.dwp.gov.uk/</a>



Figures 7 to 9 indicate that parental employment alone has increasingly not been the answer to poverty for tens of thousands of children and families across the North East and of particular concern for our region is the high rate of poverty for children in households where **all** adults are in work.

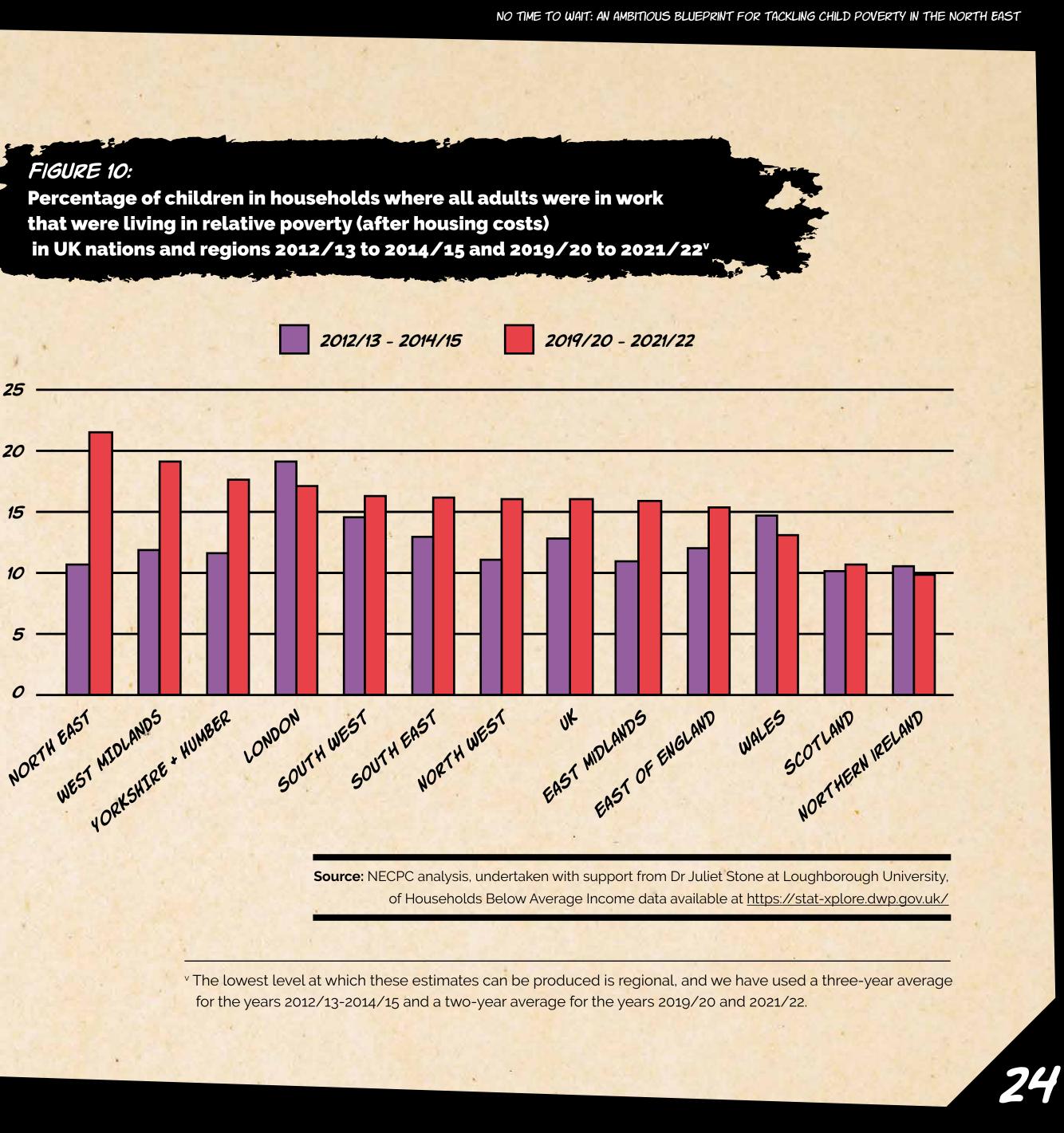
From Figure 10, we can see that:

MORE THAN ONE IN FIVE (21.5%) OF CHILDREN IN THE NORTH EAST LIVING IN HOUSEHOLDS WITH ALL ADULTS IN WORK WERE GROWING UP IN POVERTY BETWEEN 2019/20 AND 2021/22.

This is the highest rate of anywhere in the country, and compares to a national average of 16.1% - with the North East experiencing by far the steepest increase on this measure of any UK nation or region, the proportion having doubled since the three years to 2014/15.30

The fact that work is failing to provide a route out of poverty for growing numbers of families across the North East even in households where all adults are in employment is unsurprising, given the well-documented prevalence of low pay in our region.

The North East continues to have the lowest weekly median pay for full-time employees of any UK nation or region (at £614 per week in 2023, £68 a week less than the UK average),<sup>31</sup> and the Joseph Rowntree Foundation has noted that workers in the North East - alongside the West Midlands and Yorkshire and Humber – are 'more likely to be working in 'routine occupations', which tend to be lower-paid roles'.32



This is reflected by the most-recently published analysis from the Living Wage Foundation<sup>vi</sup>, which found that - whilst the proportion of jobs paid below the 'real', or voluntary, Living Wage in our region has fallen over the last decade alongside the rest of the country - 14.8% of all employee jobs (c.155,000) in the North East were paid below this voluntary rate in 2022, the second highest proportion of any UK nation or region behind Yorkshire and Humber (15.8%).33

The Living Wage Foundation explains that the real Living Wage 'is the only UK wage rate based on the cost of living'.<sup>34</sup> Separate from the Government's statutory Minimum Wage (currently for under-23s) and National Living Wage (for over-23s), the real Living Wage 'provides a benchmark for employers that voluntarily commit to go further than paying government-set minimum wages, ensuring their staff earn a wage they can live on,' at rates which are independently calculated annually by the Resolution Foundation and overseen by the Living Wage Commission.<sup>35</sup>

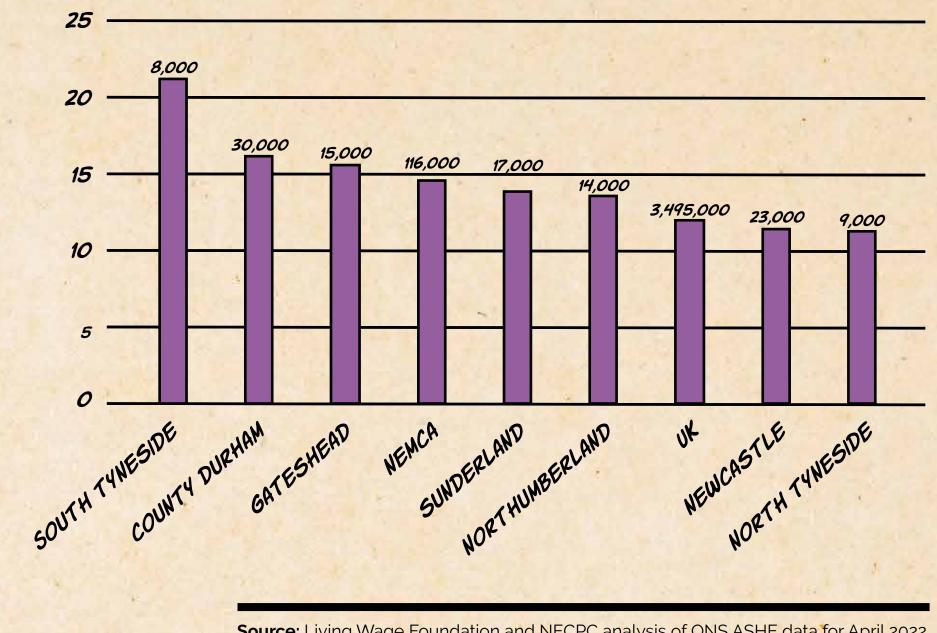
Working with the Living Wage Foundation, we have been able to break down what the low pay picture looks like across our region, with figures 11 and 12 showing the number and proportion of employee jobs in the NEMCA and TVCA areas paying below the real Living Wage (based on ASHE 2022 data). From figures 11 and 12, we can see that, within the NEMCA area, low paid work is a particular challenge in South Tyneside - with 21.8% of all employee jobs paid below the real Living Wage in 2022. In the TVCA area, Redcar and Cleveland had the highest proportion of jobs paid below this rate at 24.0%.

It is important to note that these figures relate to employee jobs located in each area, rather than the jobs held by people who live there. This is perhaps best highlighted by Newcastle, which - in the NEMCA area - has the highest rate of child poverty, but one of the lowest proportions of jobs paid below the real Living Wage on this data (and indeed a lower proportion than the UK average).

Whilst there is undoubtedly a significant number of people who both live and work within the same area in our region, this emphasises how pressing it is for action to tackle the scourge of low pay to be taken across local authority boundaries in the North East.

#### FIGURE 11:

Percentage and number of employee jobs paying below the real Living Wage in the NEMCA area and UK, April 2022



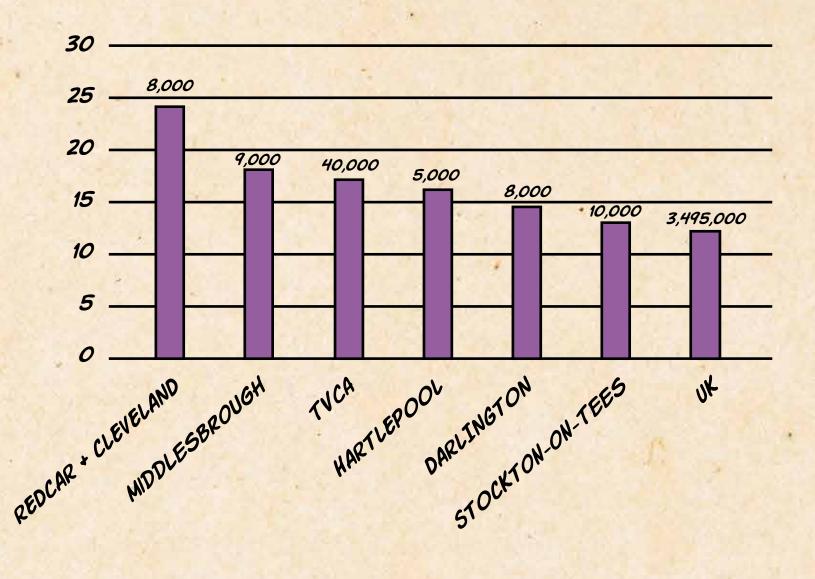
Source: Living Wage Foundation and NECPC analysis of ONS ASHE data for April 2022

<sup>vi</sup> Usually published annually by the Living Wage Foundation in November, based on data from the Office for National Statistics' (ONS) Annual Survey for Hours and Earnings (ASHE). There has been a delay in updating this analysis due to the relevant ASHE data for April 2023 not being published by ONS until late January 2024. The most recently-published analysis was therefore based on April 2022 ASHE data, when hourly Living Wage rates were £9.90 across the UK and £11.05 in London. From October 2023, hourly Living Wage rates have been £12.00 across the UK, and £13.15 in London.



FIGURE 12:

Percentage and number of employee jobs paying below the real Living Wage in the TVCA area and UK, April 2022



Source: Living Wage Foundation and NECPC analysis of ONS ASHE data for April 2022

And, alongside all other parts of the UK, it is also clear that low pay continues to disproportionately impact women in our region, with 12.5% of employee jobs held by men in the North East paid below the real Living Wage compared with 16.9% held by women. Again, this is unsurprising – but no less concerning – when, on the latest published analysis of the data, 29.4% of part-time employee jobs in the North East were paid below the real Living Wage, and 75% of all people in part-time employment in the region are women.<sup>36</sup> As the One Million Women and Girls campaign (which aims to 'maximise the potential of women and girls' in the NEMCA area) explains, low paid, part-time employment is one of the key factors behind women being 'more likely to live in poverty, with fewer assets and lower incomes over their lifetimes.'37

As well as looking at overall rates of low pay in the region, in the child poverty context it is clearly also important to understand what household earnings look like for families with children. Previous research published by NECPC found that, whilst median household earnings rose by 11% (in real terms) for families with children across the UK in the years leading into the Covid-19 pandemic (2014/15 to 2019/20), they fell by over 4% in the North East over the same period. This helped to drive a steeper increase in in-work child poverty for our region, as the North East did not see the growth in earnings experienced across the UK to partially mitigate the cuts to the value and reach of in-work social security that have taken place.<sup>38</sup>

Concerningly, more recent data suggests that the North East has continued to lag behind on any earnings growth experienced across the country. Whilst average (mean) weekly earnings for all full-time employees rose in the UK by 21% between January-March 2020 and April-June 2023 - equating to no real wage growth, given CPI inflation of 21% over the same period - they rose by just 5% in our region. This was the lowest increase of any part of the country by some margin, and has meant a significant real terms fall in earnings for people across the North East.<sup>39</sup>

And, whilst lower pay is a critical factor in explaining lower household earnings for families in our region, as NECPC's earlier research has highlighted, low hours are also important (which can be due to a number of factors including childcare, and the availability of sufficient work - that is the availability of work which enables parents and carers to work the hours they want/need).<sup>40</sup>



Equally important, and particularly for families with children, is the security and predictability of work. The Work Foundation explains that it defines insecure work - the routes out of which can be limited, and particularly for certain workers including those from minority ethnic groups, disabled people and women<sup>41</sup> - 'through a single holistic measure' which combines:

- Contractual insecurity, where people are not guaranteed future hours or future work - such as jobs in the gig economy, zero contract work or part-time work;
- Financial insecurity, where people have unpredictable pay or their pay is simply too low to get by; and
- Lack of access to employment rights and protections.

Given the harms that people in insecure work can experience to their 'health, living standards and future job prospects',<sup>42</sup> it is deeply concerning how prevalent this type of employment is in parts of our region. Almost one in four (24%) of the workforce in the TVCA area are described as being in 'severely insecure' work. This is the highest rate of any English 'city region' and compares with an England-wide average of 19.8%. The 'severely insecure' figure rises to 29.8% of the workforce in Middlesbrough, and Work Foundation analysis indicates that 'women, workers from ethnic minority backgrounds, disabled people and younger workers are most likely to be in severely insecure work' than other workers in the TVCA area.<sup>43</sup>

At 19.7%, the NEMCA area has a marginally lower rate of 'severely insecure' work than the English average (19.8%), and this peaks at 23.9% in Sunderland. It is, however, wholly unacceptable that almost one in five of the NEMCA workforce are in this type of employment – which the Work Foundation finds has a particular impact on women, workers from ethnic minority backgrounds, and workers aged 16-24 in this part of the region.<sup>44</sup> 'I'M HAVING TO RELY ON MY PARENTS, WHO BOTH WORK, AND MY SISTER WHO ALSO WORKS - AND MY HUSBAND, WHO ALSO WORKS - TO HELP ME WITH CHILDCARE, SO THAT I CAN GO OUT TO WORK. BUT THE PROBLEM IS, NONE OF THEM GET SET DAYS OR TIMES OR HOURS FOR THEIR WORK, SO THEN I DON'T HAVE SET DAYS OR TIMES OR HOURS THAT I KNOW I CAN WORK.'

NORTH EAST MUM

'I'VE GOT ONE FAMILY WITH FIVE CHILDREN, WHOSE PARENTS BETWEEN THEM HAVE SEVEN DIFFERENT ZERO HOURS CONTRACTS, AND THEY ARE LIVING HAND TO MOUTH.'

NORTH EAST EDUCATION LEADER



#### OUT-OF-WORK CHILD POVERTY

A combination of persistently lower pay, the quality of work available to many parents and carers, and cuts to the value of in-work social security has therefore been a key driver of steeper increases in poverty for babies, children and young people growing up in our region over much of the last decade.

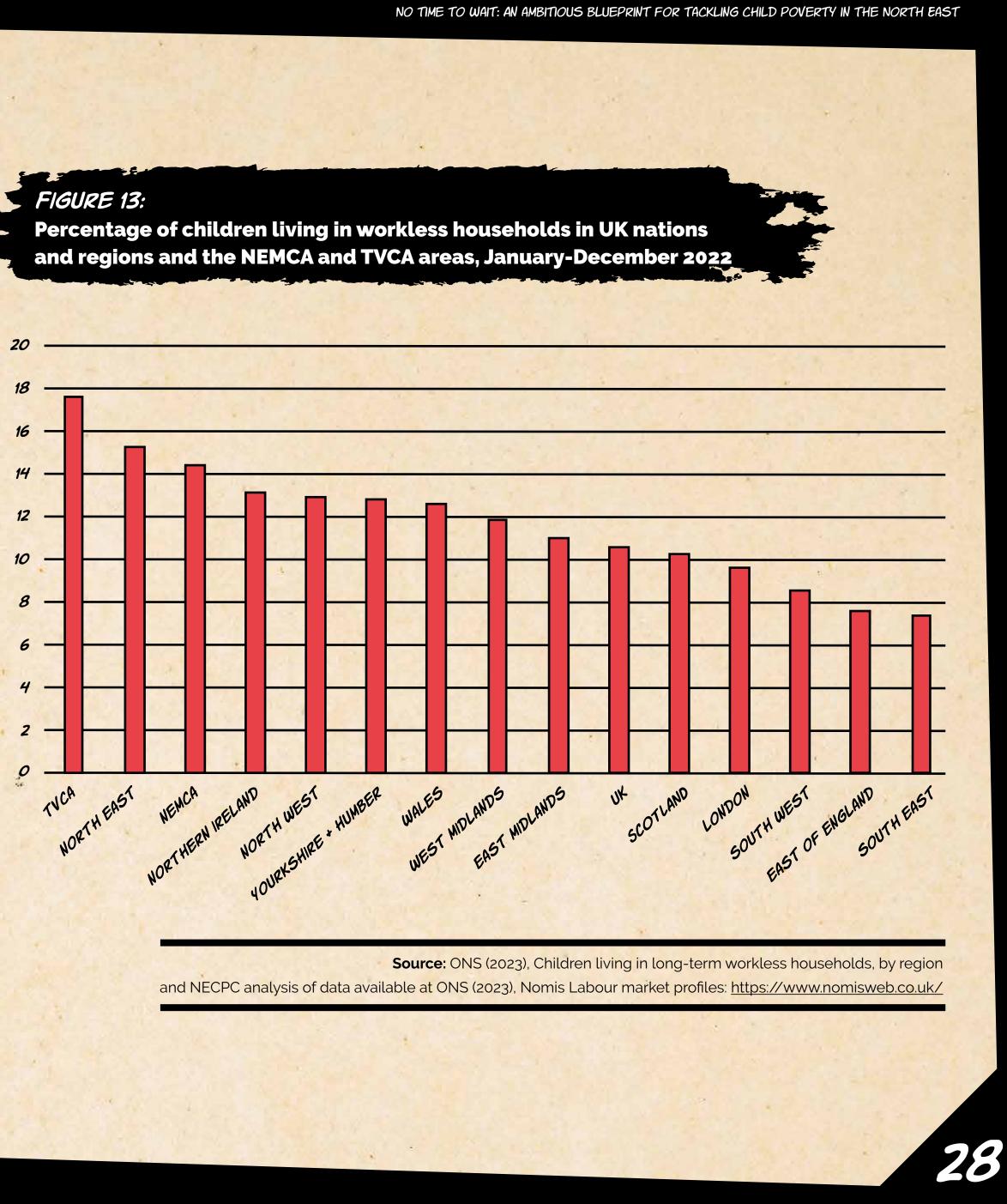
That the proportion of North East children living in poverty and from working families has risen from 56% to 67% in the space of eight years (2014/15 to 2021/22)<sup>45</sup> underlines why a focus on increasing parental employment rates alone is insufficient as a child poverty strategy for our region.

As touched upon earlier in this report, previous NECPC research has also found that a further key driver of steeper child poverty increases in the North East has been our region not experiencing the sustained fall in out-of-work child poverty that was observed across the UK from 2014/15 to 2019/20 - with the number of children in out-of-work poverty in the North East staying fairly constant, at around 70,000 over that period.46

The most recent available (2021/22) data indicates that this pattern has continued, with the number of children in out-of-work poverty continuing to fall across the country - whilst the number in the North East has remained fairly static.<sup>47</sup> This again explains why children in our region have continued to be disproportionately impacted by the erosion of our national social security safety net.

That out-of-work poverty remains a challenge for our region is unsurprising when we look at the share of children living in what are known as 'workless' households across the UK (that is, children with parents and carers who are classed as 'unemployed' and therefore actively seeking paid employment; or those who are described as being 'economically inactive' and not actively participating in the labour market). Economic inactivity accounts for the overwhelming majority of people not in paid work, both in the North East and across the country, and most commonly includes people not participating in the labour market because of disability, ill health or caring responsibilities.

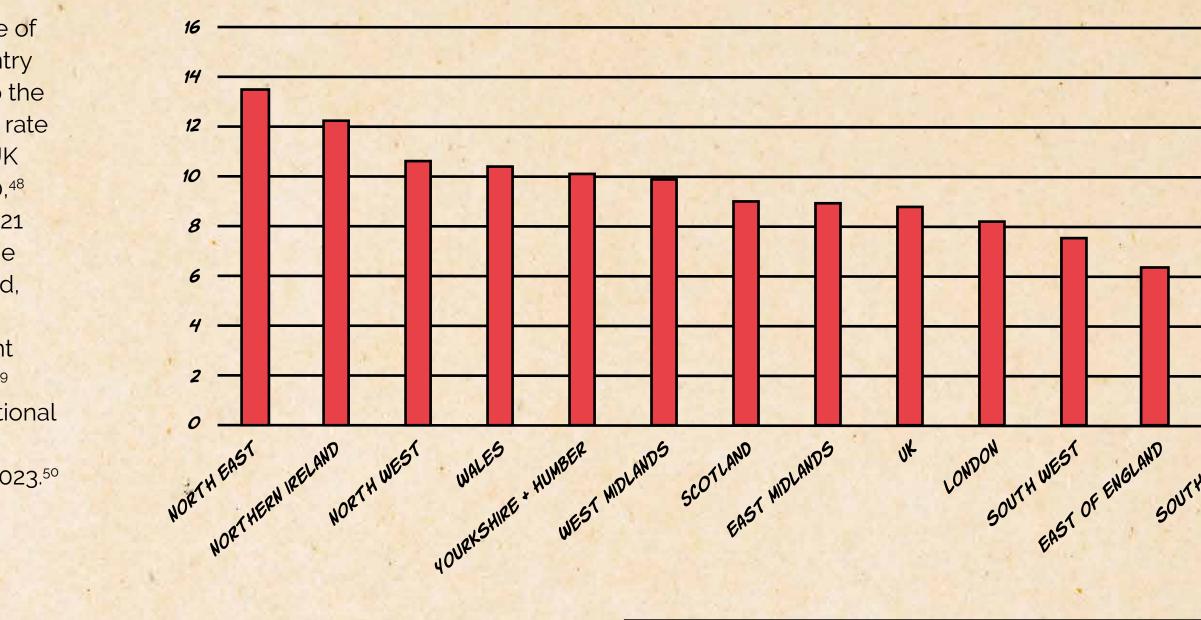
From figure 13, we can see that the North East had the highest proportion of children living in 'workless' households of any UK nation or region on the latest available ONS data, at 15.2%, which was almost one and half times the national average of 10.5%. The rate was higher still across the TVCA area, with 17.6% of children living in what are described as 'workless' households.



#### And, from figure 14, we can see that **the North** East also had the highest proportion of children living in long-term 'workless'

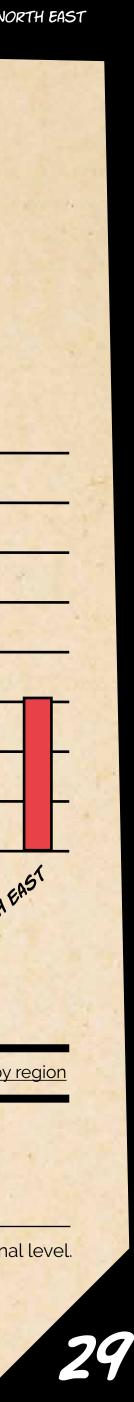
**households** - that is, children living in a household where no working-age adult has been in paid work for more than a year whether unemployed and actively seeking work, or 'economically inactive'. At 13.5%, this was again around one and half times the national average of 8.8%.<sup>vii</sup>

Whilst we cannot break down the proportion of children living in a 'workless' household either as a result of unemployment or as a result of economic inactivity from this data, it is unlikely that this notably higher rate of children in the North East living in both 'workless' and 'long-term workless' households than across the UK can be accounted for by unemployment. Although our region had the highest rate of unemployment of anywhere in the country for the whole of the decade leading into the Covid-19 pandemic, the unemployment rate fell by more in the North East than the UK average in the years 2014/15 to 2019/20,<sup>48</sup> and then fell fairly steadily from early 2021 onwards - including throughout 2022, the year depicted in figures 13 and 14. Indeed, while there has been some uncertainty around the robustness of unemployment data being published in recent months,<sup>49</sup> the gap between the North East and national unemployment rates appeared to have closed completely towards the end of 2023.<sup>50</sup> FIGURE 14: Percentage of children living in long-term workless households in UK nations and regions, January-December 2022



Source: ONS (2023), Children living in long-term workless households, by region

<sup>iv</sup> It is only possible to break down this information to a regional level



What we can see from figure 15, however, is that - of the children living in a 'workless' household across the North East - 89% have been living in a household that has been 'workless' for more than one year, the second highest proportion of any UK nation or region behind Northern Ireland.

This suggests that there are longer-term issues acting as barriers to employment, or preventing work from being a route out of poverty, for many families in our region barriers which, for those that *are* able to work with the right support, can become even harder to break down as a result of the hardship that very low income brings.

As the Joseph Rowntree Foundation has highlighted, 'the basic rate of support from our social security system has hit historic lows, which has been a significant driver of people going without essentials like food, a warm home or showers. An inadequate safety net that allows incomes to fall so low can add to the challenges people face and make it harder for them to get back into work.'<sup>51</sup>

#### Why 'workless' or 'economically inactive' can mean anything but

Throughout this section we have used the words 'workless' and 'economically inactive' some of the official terms used to describe people who are not in paid employment.

It is important to understand what this can mean in practice, and how inappropriate or inadequate these terms can be in recognising the significant amount of unpaid work and enormous contributions being made by people across our region who fall into these official categories.

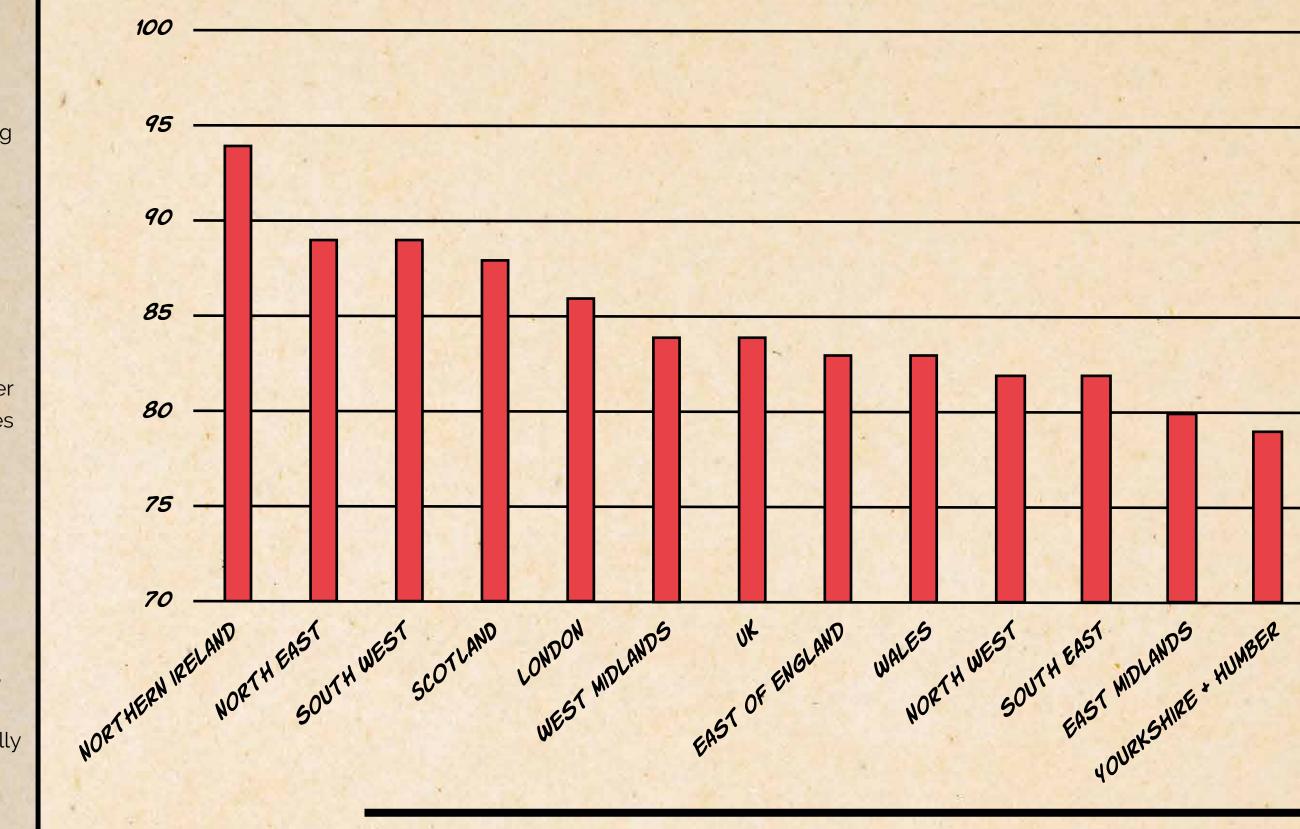
Linda\* is just one of the women from our region who took part in, and made an invaluable contribution to, this research. In her early 60s – and therefore affected by changes to the State Pension age – she is a kinship carer with legal custody of her two grandchildren. She is also the main carer for her severely disabled adult son. In the very limited spare time she has available, she volunteers at a community project which makes low cost, fresh food available to local people. She described her responsibilities as being '24/7'. Linda officially falls into the category of being 'workless' and 'economically inactive', yet she is clearly anything but.

\*not her real name

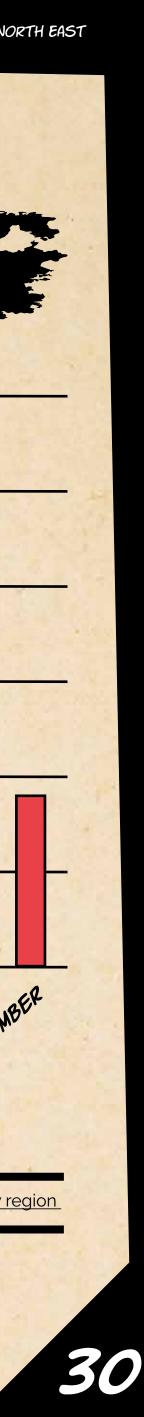
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FIGURE 15:

Percentage of children living in a workless household that has been workless for more than one year in UK nations and regions, January-December 2022



Source: NECPC analysis of data available at ONS (2023), Children living in long-term workless households, by region



#### WORK-CONSTRAINED FAMILIES

Action for Children has explained that 'we often hear that the best way to tackle poverty and hardship is through work. But this obscures a far more complex reality' - and this is not solely a result of the low paid, often insecure work that is available for many families, including here in the North East.

Analysing the then latest available Family Resources Survey and Households Below Average Income data, Action for Children have previously estimated that half (50%) of children living in poverty in the UK - up to 1.95 million - were living in families that face at least one significant barrier to work or taking on extra work, described as 'work-constrained families'.

These barriers meant that, nationally:

- 444,000 children were in poverty despite their parent(s) working full-time;
- An additional 641,000 children were in poverty where at least one parent in the family was disabled;
- A further 232,000 children were in poverty where at least one child in the family was disabled;
- An extra 500,000 children were in poverty where there was at least one child in the family aged under 2; and
- An additional 137,000 children in single parent families were in poverty where the parent was working part-time, with a child aged 3-10.52

It is important for local, regional - and indeed national - policymakers to understand what work constraints exist for families within the North East, and how many of the children living in poverty in our region are likely to be living in families that are 'very obviously constrained from boosting their income through work.'53

WORKING WITH ACTION FOR CHILDREN, WE HAVE BEEN ABLE TO ESTIMATE THAT - OF THE C.184,000 CHILDREN GROWING UP IN POVERTY ACROSS THE NORTH EAST BETWEEN 2017 AND 2022 VIII, AN AVERAGE OF 63% - OR 116,000 -WERE LIVING IN 'WORK-CONSTRAINED' FAMILIES, WHO THEREFORE FACED AT LEAST ONE SIGNIFICANT BARRIER TO BOOSTING THEIR INCOME THROUGH WORK OR BY TAKING ON EXTRA WORK.

Action for Children emphasise that, across the country, 'when it comes to supporting families in financial distress, work is simply not the silver bullet it is often presented as.'54

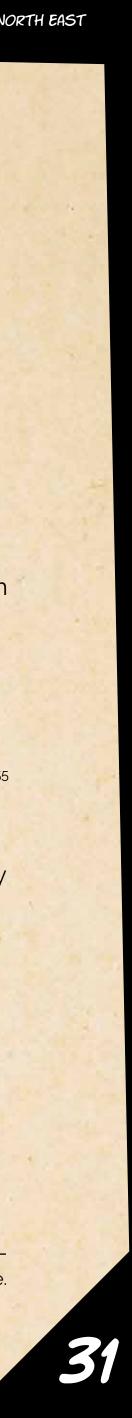
As our new analysis suggests, this is even more the case for families in the North East - a fact policymakers at all levels must acknowledge and respond to.

These findings are, however, unsurprising given the prevalence of low paid work in the North East, combined with what we know about the demographics of our region. As already set out in this report, more than one in five (21.5%) of children in the North East living in households with all adults in work were growing up in poverty between 2019/20 and 2021/22 - the highest rate in the country.

As we will return to in a later section, the North East now also has the UK's highest proportion of children living in a family where someone has a disability at 42% (compared with a UK average of 35%), and the second highest proportion of children living in a family with a disabled child, at 22% (the UK average is 17%).55

And census data indicates the North East has the largest proportion of people providing: any amount of unpaid care (10.1%, compared with 8.9% across England); providing 20-49 hours of unpaid care a week (2.3%, compared with 1.8% across England); and providing 50+ hours of unpaid care a week (3.4%, compared with 2.7% in England).56

<sup>viii</sup> This longer multi-year average is used to ensure this new, regional-level estimate is as robust as possible.



Importantly, as Action for Children explain, there are many other potential barriers to work for parents and carers than those already set out in this section - as their analysis is limited to what can be determined from Government income and poverty data and, 'consequently, the actual number of children in poor families that face barriers to work is likely higher than our overall estimate suggests.'57

#### Based on our conversations for this research with people and organisations across the North East, these additional barriers are very likely to include a lack of access to affordable, reliable and joined-up public transport services in large parts of our

region - given the 'significant disconnection between residential areas and key employment sites' identified by Karbon Homes in their work on 'left behind places', which they explain 'presents a major barrier to opportunity' (not least because the already 'slim' advantages of taking on better paid work - due to flaws, or unintended consequences, in the tax and benefits system - may be 'completely eroded by transport costs').58

This is an issue also recognised by Transport for the North, which has previously calculated that the risk of what it describes as 'Transport-Related Social Exclusion' (TRSE) is higher, by some margin, in the North East than in any other English region, with 31.5% of people in the North East living in areas at 'high risk' of TRSE, compared with 18% of residents across England.

Across the NEMCA area, 31% (c.622,000) of the population are living in areas at high risk of Transport-Related Social Exclusion, with the biggest challenges in South Tyneside (54.6%), County Durham (52.8%) and Northumberland (42.2%). In the TVCA area, 33% (c.220,000) of residents are at high risk, with Transport-Related Social Exclusion being a particular concern for Hartlepool (66.4%) and Redcar and Cleveland (63.5%).59 NORTH EAST MUM



NORTH EAST DAD

NO TIME TO WAIT: AN AMBITIOUS BLUEPRINT FOR TACKLING CHILD POVERTY IN THE NORTH EAST

'WE'VE GOT A TRAIN STATION, BUT THE TRAIN LITERALLY GOES PAST YOU BECAUSE IT'S FULL, BECAUSE IT ONLY EVER HAS TWO CARRIAGES!

THEY KEEP PULLING BUSES OFF AND CHANGING ALL THE ROUTES. MY DAUGHTER GOES TO [NAME OF COLLEGE] AND THE OTHER MORNING, SHE WENT OUT FOR THE BUS AND THEY CANCELLED THREE - ONE AFTER THE OTHER SO SHE WAS THREE HOURS LATE.'

NORTH EAST MUM

'MY DAUGHTER WORKS AT [NAME OF PLACE] BUT SHE'S 17 SO SHE'S PAID ±5.20 AN HOUR AND SHE COULDN'T GET IN TO WORK SO SHE HAD TO PAY FOR AN UBER, WHICH WAS MORE EXPENSIVE THAT WHAT SHE EARNED THAT NIGHT.'

ONE OF MY FRIENDS HAS REALLY STRUGGLED SHE HAS TO CONSTANTLY RING UP WORK AND SAY, 'I CAN'T GET IN'. SHE'D BEEN STOOD ONE MORNING AT A BUS STOP FOR AGES, AND THEN WHEN A BUS TURNED UP IT JUST DROVE PAST HER BECAUSE IT WAS FULL. SHE CAN'T AFFORD TAXIS, SO HOW IS SHE SUPPOSED TO GET INTO WORK?"

NORTH EAST PARENT

THE OTHER DAY I HAD TO GO TO THE HOSPITAL, AND IT TOOK ME ONE AND HALF HOURS TO GET THERE ON THE BUS.' [A JOURNEY OF LESS THAN FIVE MILES]

'I THINK IT LOOKS LIKE WE HAVE A LOT OF TRANSPORT LINKS...IT'S JUST THAT THE BUS JUST DOESN'T TURN UP. SO, WHEN YOU'RE STANDING AT THE BUS STOP WITH YOUR THREE CHILDREN AND THEY'RE FREEZING BECAUSE IT'S WET, AND YOUR BUS IS SUPPOSED TO BE DUE IN THREE MINUTES - AND YOU'RE ON THE LIVE TRACKER ON YOUR PHONE ... IF YOU CAN AFFORD TO PAY FOR THE INTERNET ON YOUR PHONE THAT IS... IT JUST SAYS 'BUS CANCELLED'. AND THE NEXT ONE'S IN FORTY MINUTES. SO THEN, YOU THINK WHAT DO I DO? DO WE AT LEAST START WALKING TO KEEP THE KIDS WARM? WHATEVER HAPPENS, WE'RE GOING TO BE LATE FOR SCHOOL!

NORTH EAST MUM



## WHY THIS MATTERS: IMPACTS OF POVERTY FOR NORTH EAST CHILDREN

'Decades of research have shown the damage poverty does to family life and to children's growth and development. Poverty means a lack of healthy food and homes that stay cold in winter - problems that have worsened sharply over recent months as food inflation and fuel costs have soared. If children arrive at school cold and hungry, they are less able to respond to even the best efforts to improve their education. Poverty means parents forgoing essentials while debts increase, creating anxiety and stress which profoundly affects family wellbeing. All these factors impede children's progress at school and cause their physical and mental health to fall steadily below that of children in better-off families.'

#### Stewart et al and CPAG, 2023

Stewart, K., Millar, J., Marsh A., and Bradshaw, J. for Child Poverty Action Group (2023)

Ending child poverty: Why and how: https://cpag.org.uk/policy-and-campaigns/briefing/ ending-child-poverty-why-and-how

'We know that poverty has a wide range of negative consequences. It restricts the options and opportunities available to people and limits their access to things that are mostly taken for granted. Poverty at any stage of life can lead to later adverse consequences. Poverty constrains a person's ability to afford to buy what they need and participate in the activities that others in society routinely undertake. Low incomes also reduce financial resilience to unexpected expenses, such as car repairs or a faulty washing machine, and lead to households falling behind with bills for utilities, Council Tax or other essentials. Money worries in turn contribute to low-income adults and their children being much more likely than wealthier adults and children to suffer from depression or anxiety. Poverty can also affect the prospects of children, who may fail to reach the same level of educational attainment as those from wealthier families. This in turn can make escape from poverty even harder when they become adults.'

Joseph Rowntree Foundation, 2024

#### UK Poverty 2024.

https://www.jrf.org.uk/uk-poverty-2024-the-essentia l-guide-to-understanding-poverty-in-the-uk

Being born into, growing up in and entering adulthood in poverty can have a significant impact - both immediately and longer-term - on babies, children and young people right across the country. These consequences are very evident in the North East, and the effects are felt daily by tens of thousands of children and families throughout our region.

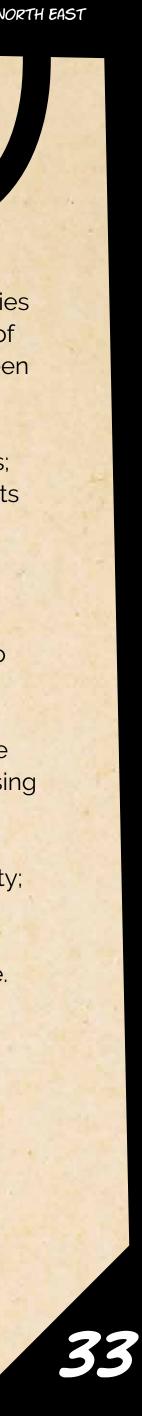
Action for Children explain that 'material deprivation is another way of thinking about and measuring poverty', with the UK Government collecting data on this each year, 'by asking families whether they can afford 21 basic items and activities that are considered to be necessities by the general population; things like fresh fruit and vegetables, a warm winter coat or going on school trips.' Their recent analysis of the latest available data (2019-22) indicates that

THE NORTH EAST HAS THE HIGHEST PROPORTION OF CHILDREN LIVING IN MATERIAL DEPRIVATION OF ANY UK NATION OR REGION, AT 27%

High levels of material deprivation for families with children are very evident in the types of items that Household Support Fund has been used to provide in the North East – such as winter coats and suitable footwear for children identified by schools and nurseries; bedding; safe sleeping equipment for infants and other safety-related items; support towards school uniform costs; and fridges, cookers and washing machines.<sup>61</sup>

The impact of material deprivation was also repeatedly raised during the conversations held with young people for this project through Youth Focus: North East, with those taking part in face-to-face sessions discussing the amount of money 'people have to take care of themselves'; being cold and not having enough money for gas and electricity; housing issues, including worrying about being evicted or becoming homeless; as well as anxieties about personal hygiene.

(compared with 18% across the country).<sup>60</sup>



'WE DON'T REALLY PUT THE HEATING ON, ONLY VERY QUICKLY BEFORE THE KIDS GET BACK IN TO TAKE THE CHILL OFF AND THEN I HAVE TO SWITCH IT OFF AGAIN AS SOON AS THE OVEN GOES ON. BUT THE OVEN HELPS TO KEEP US WARM.'

NORTH EAST PARENT

'I'M QUITE LUCKY BECAUSE I GREW UP IN A FAMILY WHERE EVERYTHING WAS HARD... SO I DON'T MIND NOT BEING ABLE TO HAVE A NICE CHRISTMAS, BECAUSE I NEVER HAD ONE AS A CHILD. IT JUST WASN'T A VIABLE OPTION FOR MY FAMILY, SO I DON'T MISS IT.'

'IT'S REALLY, REALLY TRICKY TO SHIELD YOUR CHILD FROM THIS. HOW DO YOU TELL YOUR CHILD, 'MAM REALLY, REALLY WANTS TO PUT YOU IN A SWIMMING LESSON. IT'S NOT THAT MAM DOESN'T WANT TO. BUT MAM JUST CAN'T AFFORD TO,' WITHOUT THEM WORRYING ABOUT THINGS?'

NORTH EAST MUM

NORTH EAST PARENT

'I'M ALREADY STRUGGLING WITH MY ENERGY BILLS, DESPITE THE TOP-UP [COST OF LIVING PAYMENTS] – I REALLY DON'T KNOW HOW I'M GOING TO COPE WHEN THAT STOPS.'

NORTH EAST PARENT

'I AM JUST SO GRATEFUL THAT MY KIDS DON'T MIND GOING TO CHARITY SHOPS.'

'I HAVEN'T PUT MY METER READINGS IN FOR AGES BECAUSE I'M SO SCARED ABOUT WHAT THEY'RE GOING TO TELL ME I OWE...I'VE ALREADY CANCELLED MY DIRECT DEBIT BECAUSE ONE TIME THEY TOOK OUT NEARLY \$200 AND LEFT ME WITH ABSOLUTELY NOTHING. I CAN'T AFFORD FOR ANYONE TO JUST TAKE THAT AMOUNT OF MONEY OUT OF MY BANK ACCOUNT!

NORTH EAST MUM

'I'M UNDER A LOT OF PRESSURE AT THE MOMENT WITH RISING COSTS – FOOD, GAS, ELECTRIC – ALL OF IT ADDS MASSIVE PRESSURE. IT'S JUST WORRY, CONSTANT WORRY ABOUT WHAT YOU CAN ACTUALLY EVEN DO TO MAKE ANYTHING BETTER.'

NORTH EAST MUM

NORTH EAST MUM

The impact of persistently low and inadequate income for North East families means that the large majority of children across our region are living in families with very little - if any - financial buffer to protect them from economic shocks or unexpected bills - with new NECPC analysis finding that

69% OF ALL NORTH EAST CHILDREN WERE IN FAMILIES WITH ZERO OR LIMITED ({±1,500) SAVINGS IN 2019-22. Again, this is the highest rate of anywhere in the country and compares with 56% nationally<sup>62</sup> - helping to explain why the cost of living crisis experienced across the country since towards the end of 2021 has been quite so devastating for large numbers of households in the North East.

> 'THE WORRY IS JUST CONSTANT. THE WORRY ABOUT BILLS, THE WORRY ABOUT THE FOOD SHOP, AND THEN WHEN YOUR KIDS BRING A LETTER HOME FROM SCHOOL – TELLING YOU TO PAY THIS, AND PAY THAT...'

'WE REALLY SUFFER AT THE END OF THE MONTH....YOU KNOW, THAT LAST WEEK OF THE MONTH...WITH OUR SHOPPING...THE COST OF LIVING IS REALLY, REALLY BAD.'

NORTH EAST PARENT

'THE SITUATION IS HARD. IT IS HARD, AND IT GETS HARDER EVERY WEEK. EVERY WEEK. I WORK OUR MEALS OUT FOR EACH DAY AND ONCE I'VE BOUGHT THAT FOOD, THAT'S IT. THERE'S NO ROOM FOR TREATS. THERE'S NO ROOM FOR THINGS FOR THE KIDS. I CANNOT AFFORD A BAG OF SIX CRISPS FOR THE KIDS. I FEEL LIKE ALL I'M SAYING TO THEM IS 'NO'. IT'S HARD. AND IT'S NOT LIKE I LIVE A FANCY LIFESTYLE...IT'S REALLY BASIC...JUST AS LONG AS MY KIDS HAVE GOT SOME FOOD. I'M BEHIND ON MY BILLS QUITE A BIT.'

NORTH EAST PARENT

NORTH EAST PARENT

'THERE'S LOTS OF PEOPLE WORSE OFF THAN ME...EVEN THOUGH FEEL LIKE I HAVE TO PULL IN EVERY SINGLE PURSE STRING AND I REALLY STRUGGLE WITH MY MENTAL HEALTH...BECAUSE IT IS GETTING HARD...THE GOVERNMENT NEEDS TO REALISE THAT THERE'S A LOT OF PEOPLE REALLY STRUGGLING. NOT JUST ME...EVERYONE HERE...THEY NEED TO REALISE THIS.'

NORTH EAST KINSHIP CARER



Indeed, taking out debt to cover what should be everyday costs - and the constant stress this causes - was a recurring theme of our conversations with parents and carers, with people repeatedly discussing 'always being on the backfoot', or 'in a hole' as a result of being in debt every month to cover essential items for their children or other households bills. This replicates previous findings by National Energy Action and Citizens Advice Newcastle who have described the scale of fuel debt in our region as an 'energy debt timebomb'.<sup>63</sup> 'WHEN YOU BUDGET SO WELL, BUT THEN A SCHOOL TRIP COMES UP, OR WHEN THE KIDS' SHOES ARE FALLING OFF THEIR FEET - YOU CAN'T JUST PULL OUT MONEY FOR A PAIR OF BOOTS BECAUSE THE SCHOOL INSISTS IT HAS TO BE THIS TYPE, OR THAT TYPE - SO IT HAS TO GO ON A CREDIT CARD.'

NORTH EAST MUM

'YOU'RE JUST CONSTANTLY THINKING, I'LL NOT PAY THAT ONE THIS WEEK – AND I'LL NOT PAY THE OTHER ONE NEXT WEEK. IT'S JUST A VICIOUS CIRCLE.'

NORTH EAST KINSHIP CARER

'I HAVE GOT DEBT, BUT IT'S LOTS OF LITTLE DEBTS...SO IT'S CONSTANTLY THINKING ABOUT 'I NEED TO PAY THIS, AND I NEED TO PAY THAT.'

NORTH EAST PARENT

'WE'RE GETTING FURTHER AND FURTHER INTO DEBT TO PAY FOR THINGS LIKE SCHOOL TRIPS...ANYTHING OUTSIDE OF THE NORMAL WEEK-TO-WEEK GOES ON A CREDIT CARD, BECAUSE I DON'T PHYSICALLY HAVE ANY MONEY LEFT.' 'SOME PEOPLE ARE REALLY, REALLY STRUGGLING WITH SCHOOL UNIFORM COSTS. I DID – MY FAMILY MEMBERS HAD TO BUY HALF OF IT, AND IT STILL PUT ME INTO DEBT.'

NORTH EAST PARENT

NORTH EAST MUM

'THERE'S NOTHING ON OUR CREDIT CARDS THAT WASN'T A SCHOOL TRIP, THAT WASN'T SCHOOL SHOES, THAT WASN'T A CHRISTMAS PRESENT...THERE'S NOTHING ON THERE WHERE WE'VE GONE ON ANYTHING LIKE A HOLIDAY. WE HAVEN'T BEEN ANYWHERE SINCE 2018.'

NORTH EAST PARENT

'I BUDGET FOR ABSOLUTELY EVERY SINGLE THING. EVERY MONTH I HAVE WRITTEN DOWN HOW MUCH EVERYTHING COSTS, AND HOW MUCH I HAVE TO GIVE BACK TO MY MAM BECAUSE I'VE HAD TO BORROW MONEY OFF HER – WHICH I BORROW FROM HER, GIVE IT BACK, AND THEN BORROW IT STRAIGHT BACK OFF HER AGAIN. AND I AM SO LUCKY THAT I HAVE MY MAM TO DO THAT.'

NORTH EAST PARENT

Higher numbers of families struggling to afford life's basic essentials - or the means to travel to access affordable, nutritious food are reflected in Government figures on 'food security', which the Department for Work and Pensions explains is a measure of 'whether households have sufficient food to facilitate an active and healthy lifestyle'.<sup>64</sup> The latest available data (2021/22) indicates that

one in ten of all North East households are 'food insecure' – the highest rate of any UK nation or region – with one in twenty households in the region having 'very low food security'.<sup>65</sup>



Even more concerningly, given the potential immediate and lifelong health implications, our analysis of this data finds that

THIS RATE IS PARTICULARLY HIGH FOR CHILDREN IN OUR REGION, WITH 18% – ALMOST ONE IN FIVE – CHILDREN IN THE NORTH EAST LIVING IN HOUSEHOLDS THAT ARE FOOD INSECURE, AGAIN THE HIGHEST PROPORTION OF ANYWHERE IN THE COUNTRY.<sup>66</sup>

Whilst an imperfect measure which significantly underestimates the scale of the problem, food bank data evidences the growth in food insecurity for families with children across our region - with almost 60,000 emergency food parcels provided to North East children via the Trussell Trust's food bank network alone in 2022/23 - up from around 24,000 in 2017/18, just five years earlier.<sup>67</sup> 'HUNGER' **'STARVING' 'LACK OF FOOD'** 'MY FAMILY STARVING. MY FAMILY GETTING EVICTED'

YOUNG PEOPLE'S SURVEY RESPONSES ON THE IMPACT OF POVERTY (UNDERTAKEN FOR THIS PROJECT BY YOUTH FOCUS: NORTH EAST)

> '[THE BREAD AND BUTTER THING] IS TOTALLY OVERSUBSCRIBED HERE. WE'VE GOT 600 PEOPLE ON OUR LIST AND WE CAN ONLY PACK 80 BAGS. AND THAT'S SEPARATE TO THE FOOD BANK THAT'S ALSO HERE.'

NORTH EAST MUM AND VOLUNTEER

'BY THE TIME YOU'VE PAID YOUR BILLS WHEN YOU ARE ON UNIVERSAL CREDIT, THERE IS JUST NOTHING LEFT. WITHOUT THE FOOD BANK AND [COMMUNITY PROJECT] I DON'T KNOW WHAT WE WOULD DO. I WOULD HAVE HAD TO GIVE UP EVERYTHING.'

NORTH EAST DAD

'THIS WEEK WE ARE GOING TO BE ON BARE BASICS. I'VE GOT ±80 TO FEED THE FOUR OF US UNTIL THE END OF THE MONTH [ALMOST 3 WEEKS AWAY]. THAT ±80 HAS TO LAST ME UNTIL MY HUSBAND GETS PAID AGAIN. AND I'LL PROBABLY NEED TO DIP INTO THE FOOD BANK WHERE I VOLUNTEER.'

'I CAN'T WAIT FOR THE DAY WHEN I CAN GO FOOD SHOPPING AND NOT HAVE TO WRITE THE PRICE NEXT TO EVERYTHING ON MY SHOPPING LIST, AND NOT HAVE TO GO ROUND PUTTING STUFF BACK.'

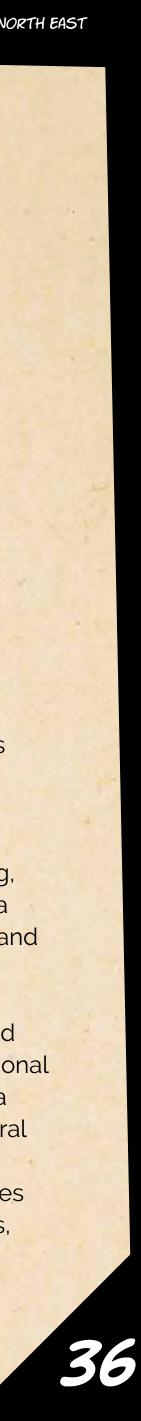
NORTH EAST MUM

'I WOULD SAY WE'RE JUST ABOUT MAKING ENDS MEET, BUT IT'S DEFINITELY GETTING HARDER EVERY MONTH. YOU GO TO THE SUPERMARKET AND YOU HAVE THE SAME SHOP EVERY WEEK, BUT YOU HAVE NO IDEA HOW MUCH IT'S GOING TO COST THAT WEEK.'

NORTH EAST PARENT

#### NORTH EAST MUM

There is a clear evidence base on the links between low income, food insecurity and inequalities for children, with a report produced for the All-Party Parliamentary Group (APPG) Child of the North explaining, 'research shows that children experience a range of immediate, as well as long-term and life-changing harms from a poor diet and broader experiences of food insecurity, including: lower life-expectancy, weakened immunity, poorer mental health and emotional wellbeing, poorer physical health (across a range of health outcomes, including general health ratings, more emergency visits, asthma), [and] poorer educational outcomes (including lower reading and maths scores, more days absent from school).68



And these health inequalities are indeed stark for children growing up in our region, with more than one in ten (11.3%) North East children starting reception either obese or severely obese, the highest rate in England (the England-wide rate is 9.2%). By Year 6, this rises significantly to more than one in four (25.8%) North East children being considered obese or severely obese, again the highest rate in the country (the England average is 22.7%).

Children in our region are also being let down on a range of other childhood health measures – having, for example, either the highest or second highest rates in England for: **A&E attendances; emergency hospital admissions; hospital admissions for asthma; hospital admissions for diabetes; and hospital admissions for dental caries in 0-5 year olds**<sup>69</sup> – all of which are associated with higher rates of deprivation.

The link between family income and educational attainment (and therefore future employment prospects) is also clear – this starts in the early years, continues throughout the primary stage and becomes particularly evident at secondary age, with the IFS Deaton Review setting out (in 2022) that 'a 16-year-old's family income is more than four times as strong a predictor of GCSE attainment as their local authority of residence', and that, across England, 'there has been virtually no change in the 'disadvantage gap' in GCSE attainment over the past 20 years. Whilst GCSE attainment has been increasing over time, 16-year-olds who are eligible for free school meals are still around 27 percentage points less likely to earn good GCSEs than less disadvantaged peers.'<sup>70</sup>

This is a particular challenge for the North East, when - as explored earlier in this report every one of our region's local authority areas has experienced marked increases in child poverty over much of the last decade, such that all twelve now have a child poverty rate higher than the national average (and several by some margin). And, whilst not a reliable proxy for poverty or 'disadvantage' due to the now wholly inadequate eligibility criteria, the North East also has the country's highest proportion of pupils known to be eligible for free school meals - with around three in ten (30.4%) of all students in the region registered for this support - compared with an England average of 23.8%. Despite a 2023 increase in the proportion of GCSE students in the region achieving a higher grade (7+) than pre-Covid (2019), the North East has the lowest share of students in England receiving these higher GCSE grades, at 17.6% (compared with 22.4% nationally).72

Indeed, alongside all other parts of the country, the education 'disadvantage gap' within the North East is at its very widest at the end of the secondary stage, with what are described as 'disadvantaged pupils' some 21.6 months behind their peers in the region by the time they take their GCSEs. This is higher than the England average (18.8 months) and the second largest gap in the country at this stage – but perhaps of most concern is the fact that the disadvantage gap between attainment at the end of primary and at the end of secondary school widens more within the North East than within any other part of England.<sup>73</sup>

UNTIL WE DO MORE, TOGETHER, TO TACKLE THE UNDERLYING, STRUCTURAL DRIVERS OF THE EVERYDAY IMPACTS OF POVERTY AND UNACCEPTABLE INEQUALITIES FOR CHILDREN AND YOUNG PEOPLE ACROSS THE NORTH EAST, WE WILL NEVER ACHIEVE THE ECONOMIC AND SOCIAL OUTCOMES WE ALL WANT FOR OUR REGION.



Unsurprisingly, given the number of organisations, parents, carers and young people that have taken part in this project in some way, Some were raised time and again, including:

KEY THEMES FROM OUR CONVERSATIONS

- Universal Credit and other means-tested benefits their inadequacy and the punitive way in which this support can be administered;
- Food insecurity and the enormous impact this has on people's bandwith to deal with other things;
- The impact of the cost of living crisis particularly for those already with no financial buffer;
- Mental health and the overwhelming effect persistent low income can have on people's wellbeing, for both parents/carers and young people;
- In-work poverty and precarious employment;
- How expensive it is to be poor and the trap that poverty creates;
- Physical ill health and disability and the significant additional costs that families with disabled children face;
- Unreliable and unaffordable public transport, which is substantially limiting people's ability to access opportunities or essential services;
- The often dilapidated state of the local environment, and the impact this has on people's quality of life;
- Housing most particularly poor quality, unaffordable private rented sector housing, waiting lists for social housing and the ongoing impact of the 'bedroom tax';
- Childcare, wraparound care and holiday provision;
- School-related costs namely school meals, uniform and trips; and
- to many young people (with the need for schools to design their curriculums with the impact of poverty in mind<sup>74</sup>).

# a large array of issues were raised during all of the conversations we held to inform this research - many of which are explored throughout this report.

• Wider concerns around the education system - including the transition from primary to secondary; attendance; home-schooling; and how the current GCSE curriculum can feel irrelevant



'THERE'S TOTAL LACK OF GIVE IN THE [UNIVERSAL CREDIT/DWP] SYSTEM, WHICH IS RESULTING IN PERSISTENT POVERTY AND PEOPLE LIVING IN A PERMANENT STATE OF STRESS AND ANXIETY. PERSISTENT POVERTY IS BECOMING A FUNDAMENTAL PART OF PEOPLE'S LIVES.'

NORTH EAST LOCAL AUTHORITY OFFICER

'AND THEY WONDER WHY EVERYONE'S GOT MENTAL HEALTH PROBLEMS...WHY EVERYONE IS SO ANXIOUS ALL THE TIME, AND UP A HEIGHT.'

NORTH EAST PARENT

'EVERY TIME I FEEL LIKE...I'M GOING TO BEAT THIS...I'M NOT GOING TO BE A VICTIM OF MY CHILDHOOD AND SPEND MY WHOLE LIFE IN POVERTY, I FEEL LIKE I JUST KEEP BEING DRAGGED BACK DOWN OVER AND OVER AGAIN.'

NORTH EAST MUM

'MY BRAIN IS IN CONSTANT OVERLOAD. BECAUSE EVERY MORNING I WAKE UP AND THINK, WHAT'S TODAY GOING TO BRING?' EVERY DAY IT'S THE SAME S\*\*T, JUST ON A DIFFERENT DAY.'

NORTH EAST MUM

'YOU JUST KEEP LOOKING AT THE SITUATION AND THINKING, 'THIS IS IMPOSSIBLE -WHAT DO I DO? WHAT ON EARTH DO I DO?'



There were also four consistent themes that emerged throughout all of these conversations:

#### THE VAST AMOUNT OF TIME, ENERGY, CAPACITY AND RESOURCES NOW FOCUSSED ON DEALING WITH THE IMPACTS OF POVERTY

It was clear from all of our discussions for this research that there is a vast amount of valuable time, energy, capacity and resources in our region focussed every day on dealing with the impacts of poverty and hardship on a growing number of children, young people and families. This includes by organisations specifically set up to do this (such as food banks and baby banks); those whose work is being exacerbated by the impacts of life on a very low income (including social workers, health services, voluntary and community groups and local authorities); or those whose ability to focus on their 'core' business is being undermined or made more challenging by poverty (such as schools, colleges, youth provision and sports groups).

Beyond the immeasurable human costs of poverty for individual children and families, the costs of failing to tackle the underlying drivers of this issue are increasingly being borne by already overstretched organisations in our region, as we heard throughout the research for this project – whether the primary schools now washing and drying school uniforms for their pupils over the weekend, regularly buying children's shoes from their budgets or providing extensive assistance to families through Family Support Workers; the colleges buying beds for their students, providing free toiletries or subsidising FSM funding so that young people can also access a free breakfast; the sports clubs making their shower facilities open access to families, so that they are able to get washed more than once a week; the Family Hubs providing free community meals; or the youth clubs that now offer free food at every activity to ease the burden on parents and carers and ensure young people are being fed. The mental health - indeed 'traumatic' - impacts of dealing with rising levels of hardship on a daily basis for many organisations' staff were frequently raised during our conversations.

It also became apparent that the scale of hardship in our region is being masked, because much of this work is being undertaken by individual organisations, on their own initiative, using their own increasingly limited budgets – all of whom are clearly acutely aware of the resource and capacity they are now allocating to addressing the issue – but this is not generally being collectively measured or recorded anywhere across systems, or even within the same systems, either in the region or nationally.

'IT'S VERY EASY JUST TO TALK ABOUT EMERGENCY FOOD PARCELS AS A MEASURE OF HARDSHIP – BUT THE MAJORITY OF FOOD BANKS ARE PROVIDING A LOT MORE THAN THAT. WE'RE ALL PROVIDING PREPAYMENT METER VOUCHERS AND HARDSHIP AWARDS, AND SHOPPING VOUCHERS. AND PEOPLE ARE BEING SUPPORTED FOR MONTHS ON END.'

'WE CAN'T JUST KEEP DOUBLING THE AMOUNT OF HARDSHIP SUPPORT [VOUCHERS FOR ENERGY, FOOD, BEDS, SCHOOL UNIFORMS] WE ARE GIVING OUT EVERY YEAR, JUST TO BE IN THE SAME POSITION AT THE END OF IT.'

#### NORTH EAST CHARITY

'THIS ISN'T A COST OF LIVING CRISIS, THIS IS A COST OF AUSTERITY CRISIS. WE HAVE BECOME A FOURTH EMERGENCY SERVICE.'

NORTH EAST FOOD BANK

'COLLEGES ARE VERY ROOTED IN OUR COMMUNITIES, AND PROVIDING A VAST AMOUNT OF SUPPORT TO THEIR STUDENTS...BUT IT DOES FEEL THAT NO MATTER WHAT WE DO, WE ARE JUST SWIMMING AGAINST THE TIDE.'

NORTH EAST YOUTH ORGANISATION

NORTH EAST COLLEGE LEADER

'WE ARE HAVING TO SUPPORT FAMILIES BECAUSE, IF THEY'VE NOT SLEPT, IF THEY'RE NOT FED, IF THEY'RE NOT WARM, THEY'RE NOT GOING TO BE ABLE TO LEARN.'



## THE EXTENT TO WHICH PARENTS AND CARERS AFFECTED BY POVERTY ARE SUPPORTING THEIR COMMUNITIES

It is evident that a further hidden layer of activity to tackle the impacts of poverty takes place day in and day out across our region, by groups of incredibly resilient and resourceful (usually) women who are working hard to improve their communities and make life better for their friends and neighbours. They are an enormous asset to our region, and we need to do much more to recognise the volume and value of this largely unpaid labour (which is often providing a significant saving to national or local government), and support them to maximise their skills.

Through the listening sessions we held for this research, we heard about parents and carers - themselves in often incredibly challenging financial circumstances establishing food banks, organising toy swaps for Christmas presents, setting up their own holiday provision, cooking for neighbours whose electricity has been cut off, sourcing community venues to hold free coffee mornings, regularly feeding neighbours' children, raising funds to organise free day trips, delivering food parcels, running school uniform banks and even establishing their own charities.

Whilst providing invaluable support to local communities, this again is very likely masking the scale of hardship being experienced by families across the North East for the reasons set out above.

NORTH EAST MUM

TRY AND VOLUNTEER AND HELP AS MUCH AS I CAN BECAUSE I'D HATE TO THINK OF ANYONE BEING STUCK IN THE POSITION I WAS IN A COUPLE OF YEARS AGO (HEAVILY IN DEBT), AND NOT KNOW WHERE TO GO, OR WHO TO GO TO ASK FOR HELP OR ADVICE."

'THERE SHOULD BE MORE OF PEOPLE LIKE US...[GROUP OF PARENTS ATTENDING THE SESSION] BECAUSE WE'RE ALL VERY SIMILAR, AND WE ALL REALLY LIKE TO TRY AND HELP BRING THE COMMUNITY TOGETHER OR EVEN JUST HELP SOMEONE ELSE'S DAY FEEL THAT TINY LITTLE BIT BETTER. BECAUSE WE'VE ALL BEEN THROUGH S\*\*T. WE'VE ALL HAD SOME SORT OF TRAUMA OR ISSUES. WE'VE ALL HAD THINGS HAPPEN TO US. BUT IF WE CAN HELP ONE PERSON, I THINK THAT'S GOOD ENOUGH FOR ME.'

NORTH EAST MUM

WE'VE ALL GOT PROBLEMS, BUT WE ALL UNDERSTAND EACH OTHER SO WE ALL GET ALONG. ANYONE'S WELCOME TO COME (TO COMMUNITY-BASED FOOD BANK) AND THERE'S ALWAYS SOMEONE THERE TO HELP THEM. WE JUST TRY BECAUSE WE KNOW HOW HARD THINGS ARE.'

'I FEEL LIKE I'M PUT IN A POSITION WHERE I'M MAKING A DECISION ABOUT PEOPLE'S LIVES ... IF I DON'T HELP THEM, SOONER OR LATER SOMEONE [IN SOCIAL SERVICES] IS GOING TO PICK UP ON IT, SO I'M GOING TO HAVE TO ACT BECAUSE THEY'VE GOT NO BEDDING, THEY'VE GOT NO HEATING, THEY'VE GOT NO LIGHTS, THEY'RE LIVING IN A HOUSE THAT'S FREEZING .... PEOPLE WILL MESSAGE YOU AND SAY 'MY KIDS HAVE GOT NOTHING TO EAT', OR 'I'VE GOT NO HEATING'.



## THE WAY IN WHICH FAMILIES ON LOW INCOMES CAN BE TREATED BY 'THE SYSTEM', AND THE LACK OF UNDERSTANDING FOR PEOPLE'S CIRCUMSTANCES

Despite the immense amount of work taking place across our region to support low income children and families, including by Government agencies, a *clear* message from our conversations with parents and carers was the lack of dignity, respect and understanding for their circumstances with which they feel they can often be treated by services they access or 'the system' - this was most particularly the case for agencies they have little choice but to engage with.

However, enormous value was placed by every parent and carer we spoke with on the trusted local spaces and community-based (usually VCS) services they accessed - whom they felt should get much more recognition and support, and be funded on a much more sustainable basis. 'IT IS DEGRADING. I HATE GOING IN TO THE JOB CENTRE. YOU ARE TARRED WITH A BRUSH, AND EVERY TIME I GO IN, I HAVE TO TELL THEM 'I DO WORK. I AM WORKING,' BECAUSE IT'S ALMOST LIKE IF YOU'RE NOT WORKING YOU'RE SOMETHING ON THE BOTTOM OF THEIR SHOE. AND THE PEOPLE WHO AREN'T WORKING HAVE REASONS WHY THEY'RE NOT.'

NORTH EAST MUM

'IT FEELS LIKE YOU'VE GOT TO BE AT ROCK BOTTOM, AND REALLY AT BREAKING POINT, BEFORE THEY'LL STEP IN. THEY'LL GIVE YOU A SANCTION AND THEN YOU GET TO BREAKING POINT. AND THEN THEY'LL SAY, 'OK WE'LL TAKE AWAY YOUR SANCTION AND WE'LL GIVE YOU A WARNING INSTEAD.' AND THIS HAPPENS IN FRONT OF YOUR KIDS, WHICH CAUSES MORE ANXIETY AND AFFECTS YOUR HOME LIFE. IT'S REALLY DEBILITATING AND DEGRADING.'

NORTH EAST PARENT

'I FEEL VERY RESTRICTED AND HELD BACK DUE TO CIRCUMSTANCES WHICH ARE ALL OUTSIDE OF MY CONTROL. HAVING A SENSE OF CONTROL OVER YOUR LIFE IS IMPORTANT AND I FEEL THE SYSTEM TAKES THAT AWAY FROM SINGLE PARENTS MASSIVELY.'

'I HAD A TEXT MESSAGE AT 9 O'CLOCK AT NIGHT ON MONDAY TELLING ME I'VE GOT AN APPOINTMENT AT THE JOB CENTRE TODAY (WEDNESDAY) AT TEN TO 4 DURING SCHOOL RUN TIME WHEN I HAVE THREE CHILDREN TO PICK UP FROM THREE DIFFERENT PLACES, WHICH THEY KNOW. IT'S AN APPOINTMENT WITH MY WORK COACH...EVEN THOUGH I DON'T HAVE TO WORK UNTIL MY YOUNGEST CHILD IS 3...AND I DO WORK! I'VE ASKED FOR TELEPHONE APPOINTMENTS BECAUSE IT WOULD BE SO MUCH EASIER. AND I'VE BEEN DOWN THREE TIMES NOW – TWICE IN THE SUMMER HOLIDAYS – WHEN, IN THE TIME I'VE TRAVELLED FROM MY HOUSE WITH MY KIDS TO THE JOB CENTRE, THEY'VE CANCELLED MY APPOINTMENT!

NORTH EAST MUM



'WE HAVE SOME AMAZING PLACES LOCALLY THAT PROVIDE INCREDIBLE SUPPORT. THEY ARE A LIFELINE FOR FAMILIES, BUT THEY GET NO RECOGNITION, NO GUARANTEE OF FUNDING. THEY SPEND ALL THEIR TIME HAVING TO PROVE WHAT THEY'RE DOING, BUT THE GOVERNMENT DOESN'T HAVE TO PROVE ANYTHING. THE THREAT OF THAT SUPPORT BEING TAKEN AWAY IS REALLY WORRYING.'

NORTH EAST MUM

'I WOULDN'T BE HERE TODAY IF IT WASN'T FOR [NAME OF COMMUNITY PROJECT].'

NORTH EAST PARENT

'IT'S NOT EASY TO RAISE KIDS NOW. IT REALLY DOES TAKE A VILLAGE TO RAISE YOUR KIDS, BUT THE WHOLE VILLAGE ISN'T REALLY WORKING TOGETHER AT THE MOMENT. THE INDEPENDENT COMMUNITY PLACES LIKE THIS [COMMUNITY CAFÉ] ARE, BUT WE REALLY NEED TO GET GOVERNMENT TO TAKE SOME OF THE BARRIERS AWAY FOR PEOPLE.' 'I'M PART OF [NAME OF] COMMUNITY CENTRE, WHICH HAS BEEN A MASSIVE THING FOR ME. IT GIVES ME SOMEWHERE TO GO, AND I'M PART OF A VOLUNTEER GROUP.'

NORTH EAST PARENT

'BEING A STAY-AT-HOME PARENT, ESPECIALLY IF YOU'RE ON YOUR OWN, IS ISOLATING. AND IF YOU CAN'T ACCESS GROUPS LIKE THIS AND COMMUNITY SUPPORT, THEN YOU'RE ON A SLIPPERY SLOPE TO A BAD PLACE – WHICH AFFECTS YOUR CHILDREN AND MAKES IT EVEN HARDER TO GET BACK INTO WORK.'

NORTH EAST MUM

'I USE [NAME OF COMMUNITY CENTRE] QUITE A LOT. WE GO THERE ON A THURSDAY AND I'M A VOLUNTEER THERE AS WELL. WE'RE ABLE TO HAVE SOMETHING TO EAT THERE. AND [NAME OF WORKER] GOES TO FEEDING FAMILIES AND COLLECTS BOXES OF FOOD AND I HELP DISTRIBUTE THEM.'



## A COLLECTIVE AGREEMENT THAT TACKLING CHILD POVERTY MUST BE A REGIONAL PRIORITY

And it was an almost universal message from all of the conversations we held for this research that we must make tackling child poverty a strategic *regional* priority and that we need to move away from crisis and charitable responses to hardship and deprivation, which (whilst playing a hugely important role in supporting families now) are in danger of becoming a fully-entrenched part of life in our region. There was significant agreement that children, young people and families in the North East deserve better, and that current levels of poverty are holding the whole of our region back.

It was also recognised that working on this issue more strategically, by refocussing energy and resources on tackling the underlying drivers of child poverty - whilst also still having to do 'the crisis stuff' - is incredibly challenging, with often increasingly limited resources available at a local level and an unsustainable reliance on goodwill. BUILDING A SENSE OF HOPE THAT THINGS CAN AND WILL GET BETTER - FOR ORGANISATIONS, PARENTS AND CARERS AND YOUNG PEOPLE ALIKE - IS PROFOUNDLY IMPORTANT.

This will therefore require a pooling of resources and information-sharing at a regional, or combined authority, level and co-ordination of efforts - with all pulling together towards the same collective vision to maximise impact.

People and organisations of all sizes and across sectors are incredibly willing and able to shape and be part of this work, including many of the parents, carers and young people we spoke with who want a meaningful seat at this table - and their skills, expertise and contributions equally valued. If solutions to poverty are to be appropriate and work, they need the active input and involvement of those they are intended to support. 'AFTER A WHILE YOU DO BECOME SO DISILLUSIONED AND TRAPPED [BY POVERTY] THAT IT DOES AFFECT YOUR SELF-ESTEEM AND...EVEN YOUR WILL TO LIVE. THE ONLY WAY I CAN SEE OUT OF THIS IS ONCE THE KIDS ARE GROWN UP, IN REALITY. IT'S DIFFICULT TO STAY FOCUSSED WHEN YOU ARE AGAINST SO MANY ODDS.'

NORTH EAST SINGLE MUM



# A TARGETED APPROACH

We have so far explored the evidence on the extent and depth of poverty for children growing up in the North East; the key drivers of higher child poverty rates in our region; the scale of inequality that exists within this part of the country; and some of the significant impacts of poverty (both immediate and longer-term) for North East children and families - all of which came up repeatedly in our conversations with young people, parents and carers, and the wide variety of organisations we spoke with for this research.

In the next section, we will set out a blueprint for what an ambitious programme of co-ordinated, cross-sector, regional action to tackle this defining challenge for the North East could look like based on this evidence and our extensive conversations for this research. In doing so, we recognise that resources (including time) remain inadequate and limited (not least after over a decade of punitive funding cuts, rising cost pressures and levels of need) - even with the additional funding that devolution, and expanded devolution, brings.

It is therefore important for local and regional policymakers to understand which babies, children and young people in our region are more likely to be in poverty - and in many cases *much* more likely to be in poverty - than others, and that the inequalities that exist for children in our region are not based on geography alone.

This is not about putting children and families into 'boxes', nor indeed advocating for a 'tick-box' approach to the design and delivery of policy. Neither do we suggest that children and families that do not fall into certain groups or family types are not in need of assistance. It is, however, vital we ensure that our collective efforts and limited resources are focussed on achieving the most possible impact, by delivering *more* for the children and families likely to be in most need of support – an approach which will of course benefit the whole of our region, both socially and economically. This is akin to the concept of 'proportionate universalism' first set out over a decade ago by The Marmot Review, which urged that action to tackle [health] inequalities be taken 'with a scale and intensity that is proportionate to the level of disadvantage.'75

#### **Approaches in the devolved nations**

There has been no national child poverty strategy encompassing England since 2017, as the UK Government's Child Poverty Strategy 2014-17 was not renewed or replaced after this period. When published, this strategy stated that 'the Government remains firmly committed to the goal of ending child poverty in the UK by 2020'a - a goal that was enshrined in legislation by the Child Poverty Act 2010, passed at the time with cross-party support, but effectively abolished by the Welfare Reform and Work Act 2016.

However, national poverty strategies have continued to exist in other parts of the UK - most notably in Scotland (with the Scottish Government now implementing its second Tackling Child Poverty Delivery Plan, for the period 2022-2026)<sup>b</sup> and Wales (the Welsh Government's updated Child Poverty Strategy for Wales was published in January 2024)°. The Northern Ireland Child Poverty Strategy, which expired in 2022, has not been replaced in the absence of a Northern Ireland Executive<sup>d</sup>.

All three of these strategies have recognised that children in certain groups of families are more likely to experience poverty or disadvantage, whilst both iterations of the Scottish Government's Tackling Child Poverty Delivery Plans have gone further and identified what are described as 'six priority family types at greatest risk of poverty', focussing its efforts to ensure that 'actions make the difference needed'. Several of these 'family types' overlap with what we set out for the North East.

<sup>a</sup> HM Government (2014) *Child Poverty Strategy 2014-17*: https://assets.publishing.service.gov.uk/media/5a7dd383e5274a5eb14e76c6/Child\_poverty\_strategy.pdf

<sup>b</sup> Scottish Government (2022) Tackling Child Poverty Delivery Plan 2022-2026: https://www.gov.scot/news/tackling-child-poverty-delivery-plan-2022-26/

<sup>c</sup> Welsh Government (2024) *Child Poverty Strategy for Wales 2024*: https://www.gov.wales/child-poverty-strategy-wales-2024-html

<sup>d</sup>Northern Ireland Executive (2016) Child Poverty Strategy: https://www.communities-ni.gov.uk/publications/child-poverty-strategy



We have therefore drawn upon our evidence base, what we know about the demographics of our region, and the conversations we have held as part of this research - alongside new NECPC analysis of the children most likely to be in poverty in the North East on the latest available data to propose a number of 'groups' of families or children and young people on whom we believe collective, regional efforts to reduce, prevent and mitigate child poverty should be focussed for maximum impact.ix

They are not listed in any order of 'priority', not least because - as is clear from the figures set out in this section - many babies, children and young people will of course fall into more than one, if not several, of these groups. It is important to consider how these intersect with, or can compound, each other. Unsurprisingly, there is also close alignment with the groups of families identified earlier in this report as likely to be 'work-constrained' - that is, families that face at least one significant barrier to work or taking on extra work.

#### FAMILIES WITH CHILDREN AGED UNDER-5

Experiencing poverty at the very start of life and in early childhood – a child's most formative years – can be particularly damaging, resulting in early disadvantages 'which can go on to affect children's cognitive skills and their physical, social and emotional development throughout childhood and adulthood.'76 It is therefore deeply concerning that 45% of children living in families with an under-5 across the North East were growing up in poverty in the years 2019-22 - this is the highest rate of any UK nation or region (and compares with a UK average of 34%). Indeed, we estimate that - of all the babies, children and young people growing up in poverty in our region - 56% were in families with an under 5-year-old. Again, this is far higher than the proportion across the UK, which stands at 48% of all children in poverty. This cannot be explained by the region having a higher proportion of children living in a household with an under-5, as the North East rate (43%) is the same as the UK average.

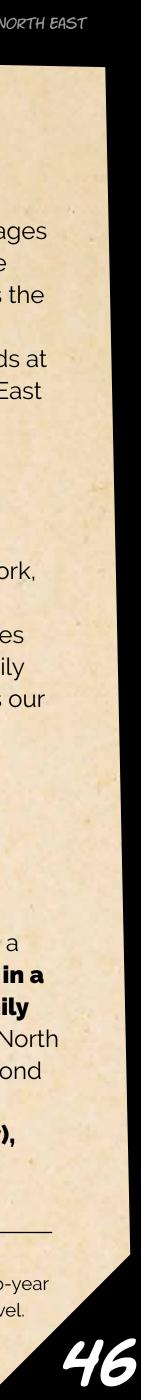
#### SINGLE PARENT FAMILIES

Across all parts of the country, children in single parent families are more likely to be living in poverty than those in couple parent families, including those in work, as they are 'by definition single-earner households, and therefore have less scope to increase their income by increasing their working hours.'77 Around 46% of children living in a single parent household in the North East were in poverty in 2019-22<sup>78</sup> - this is slightly higher than the UK average of 44%, and compares with 31% of children in couple families in the North East and 25% of children in couple families nationally. Thus the risk of being in poverty in a single parent family compared to a couple family is somewhat smaller in the North East than across the UK, however, the overall rate is still very significant – and this is important as our region has the second highest proportion of children living in a single parent household of anywhere in the UK at 29% of children (compared with the national average of 23%). We estimate that - of all the babies, children and young people growing up in poverty across the North East - 38% are living in single parent families. Across the country, around 90% of single parents are women.<sup>79</sup>

#### FAMILIES WHERE SOMEONE HAS A DISABILITY

Across the UK, poverty rates are higher for disabled people (both adults and children) than for non-disabled people, and for those who live in a household with a disabled adult or child - and they are especially high in families where there are both disabled adults and children.<sup>80</sup> In the North East, 46% of children living in a household where someone (adult or child) has a disability were in poverty in 2019-22 (the rate is 36% nationally) - and 40% of children living in a family with a disabled child were in poverty over the same period (compared with 35% across the UK). Again, this is particularly important for our region, as the North East now has the UK's highest proportion of children living in a family where someone has a disability at 42% (compared with a UK average of 35%), and the second highest proportion of children living in a family with a disabled child, at 22% (the UK average is 17%). We estimate that - of all the babies, children and young people growing up in poverty in across the North East - 56% are living in a household where someone has a disability (compared with 42% nationally), and 25% are in a family where a child has a disability (the rate is 20% across the UK).

\* Unless cited otherwise, all of the information set out in this section is based on NECPC analysis of data from the Department for Work and Pensions' Households Below Average Income (HBAI) dataset available via: https://stat-xplore.dwp.gov.uk/. We have used a multi-year average to ensure our estimates are as robust as possible (a two-year average for the years 2019/20 and 2021/22 due to data collection issues during the Covid-19 pandemic). It is only possible to break down this information to a regional level.



#### MINORITY ETHNIC FAMILIES, INCLUDING ASYLUM-SEEKING FAMILIES

Across the country, poverty rates are notably higher for children from minority ethnic families than those from families where the head of the household is White - with 48% of children from Black and minority ethnic groups living below the poverty line compared with 25% of White children across the country. Whilst Census 2021 data indicates the North East remains the least ethnically diverse part of England (with 90.6% of the population identifying as White: English, Welsh, Scottish, Northern Irish or British - compared with 74.4% across England and Wales).<sup>81</sup> **almost two thirds (64%) of the children from minority ethnic groups in the region were estimated to be in poverty in 2019-22 - the highest rate of anywhere in the country for children in this group - compared with 33% of White children in the North East.<sup>82</sup> Indeed, we estimate that - of all the babies, children and young people growing up in poverty across our region - around 13% are children from minority ethnic families, and it is evident that the two North East local authority areas that are - by some margin - the most ethnically diverse (Middlesbrough and Newcastle) also have the very highest child poverty rates in the North East.<sup>83</sup> The need to better support children from asylum-seeking families and the communities in which they live was also repeatedly raised during our conversations for this research, particularly given the North East has welcomed one of the highest numbers of asylum seekers per 10,000 population of anywhere in the UK, with rates being highest in Newcastle, Middlesbrough, Hartlepool, Gateshead, Stockton and South Tyneside.<sup>84</sup>** 

#### FAMILIES WITH 3 OR MORE CHILDREN

Across the UK, the poverty rate is higher for children in 'larger families' - that is, those with three or more children - with 42% of children in a larger family growing up in poverty, which is predicted to rise nationally to 51% by 2028/29.<sup>85</sup> We estimate that this rate is already notably higher in the North East, with **more than half (57%) of children living in a larger family in our region growing up in poverty in 2019-22**. A significant driver of this is the 'two-child limit' policy introduced by the Government in April 2017 for Universal Credit and Child Tax Credits, which - on the latest available data - impacts around one in ten children nationally, rising to one in eight children across the North East.<sup>86</sup> And - **of all the babies, children and young people growing up in poverty in our region - half (50%) are in larger families** (compared with 47% across the UK). These variations cannot be explained by the North East having a higher proportion of all children living in a larger family, as the North East rate (31%) is the same as the UK average.

#### FAMILIES IN RENTED HOMES

Across the country, there is a link between the type of housing people live in and poverty rates.<sup>87</sup> This is also the case for families with children in the North East - with **more than half (53%)** of children living in rented homes in our region growing up in poverty in 2019-22. This breaks down to 50% of all North East children living in social housing (the rate is 53% across the country), and 56% of all children in the private rented sector (48% across the UK). It also compares with 17% of children in the North East in owner occupied homes (this rate is 14% nationally). Indeed, we estimate that of **all the babies, children and young people living in poverty across our region – just over three quarters (76%) are living in rented accommodation:** 42% in socially-rented homes and 34% in the private rented sector. This higher proportion of children living in social housing is accounted for by the fact that 29.2% of all children in our region live in this type of home (the highest share of anywhere in the UK), which - combined with 21.4% of North East children living in the private rented sector - means our region has the highest proportion of all children living in rented accommodation (50.6%) of anywhere in the UK, outside London.



#### OUT-OF-WORK FAMILIES

We know that - whilst the large majority of children living in poverty across the North East are from working families (with at least one parent or carer in work) - the *risk* of poverty for children in out of work households remains much higher than for children in our region from working families, with **64% all children in the North East from a family where no adult was in paid employment living in poverty in 2019-22** (compared with 27% for those from a family in work). And, **of all the babies, children and young people growing up in poverty in the North East, one third (33%) are in out of work households** (compared with 29% across the country). As set out earlier in this report, the North East has the country's highest proportion of children living in both 'workless' (15.2%) and 'long-term workless' (13.5%) households, the drivers of which are also explored throughout this research.

#### CARE-EXPERIENCED YOUNG PEOPLE, AND CHILDREN AND YOUNG PEOPLE IN KINSHIP FAMILIES

A concern consistently raised throughout our conversations for this research was the need to better support care-experienced young people in the North East, and children and young people in kinship families, across all aspects of their lives. Whilst nationally there is a lack of official data on poverty levels for care-experienced young people (18-25), the Association for Young People's Health (AYPH) has highlighted the inequalities and barriers they can face, including in relation to their financial circumstances, housing, education and training, employment, health and access to services<sup>38</sup> In addition, the national charity Kinship explains that 'kinship care and experiences of poverty are inextricably linked. Kinship families are more likely to live in deprived areas...kinship carers are more likely to have lower incomes than any other group raising children, and kinship households are more likely to include people who are economically inactive and to be deprived across all measures: employment, education, health and disability, and housing.<sup>19</sup>

This is of particular relevance to the North East, as **the most recent available data shows we have the highest proportion of looked after children of any English region, at 113 per 10,000** children (compared with 74 per 10,000 across England). Rates are highest in the NEMCA area in Gateshead (134 per 10,000), Newcastle (108), County Durham (107) and South Tyneside (104). In the TVCA area, all five local authorities are in the twenty areas with the highest rates of looked after children in England: Hartlepool (160 per 10,000), Middlesbrough (150), Redcar & Cleveland (147), Darlington (144) and Stockton (131).<sup>90</sup> And Census 2021 data indicates that **the North East has the highest proportion of kinship care households of any English region**, with 2.3% of all households with children aged 0-17 in the North East containing kinship care arrangements (compared with 1.5% across England). Indeed, six of the ten local authorities in England with the highest proportions of households containing kinship care arrangements are in our region – Hartlepool (3.2%), Middlesbrough (3.1%), Redcar and Cleveland (3%), Sunderland (2.8%), Stockton (2.6%) and South Tyneside (2.4%). Across the NEMCA area, we have been able to estimate that 2.2% of all households with children aged 0-17 have kinship care arrangements, and this rises to 2.8% across the TVCA area.<sup>91</sup>

#### FAMILIES WITH YOUNGER PARENTS

Previous research has highlighted the higher risk of poverty for children with a younger parent (aged under 25), with **52% of young children with a younger parent estimated to be in poverty across the UK just before the Covid-19 pandemic.**<sup>92</sup> As we have highlighted in previous research,<sup>93</sup> this is unsurprising given analysis finding that people in this age group are two and half times more likely to be in 'severely insecure work' than those in the middle of their working lives (43% of 16-24 year olds, compared to 17% of 25-65 year olds);<sup>94</sup> they receive 20% less in the standard allowance of Universal Credit than those aged over 25 (this *even* applies to care leavers, despite being 'expected to be financially independent from the age of 18')<sup>95</sup>; and they are entitled to a lower National Minimum/Living Wage rate if they are aged under 23 (falling to 21 from April 2024). Whilst the North East has had a higher proportion than the national average of children with younger parents for the whole of the decade prior to 2021/22, it appears that this gap has closed such that, in both the North East and across the UK, around 3% of children were living in a family with a parent under the age of 25 on the latest available data.<sup>96</sup>



'IT'S NOT ABOUT THROWING OUT ALL OF THE THINGS WE ARE DOING ... BUT ... WE'RE STILL NOT REALLY GETTING ANYWHERE. NOTHING IS CHANGING. THE NUMBERS KEEP GOING UP. WHAT ON EARTH CAN WE DO THAT WILL AT LEAST TRY TO MAKE SOME SIGNIFICANT DIFFERENCE?'

'IT'S THE DEFINITION OF INSANITY -DOING THE SAME THING OVER AND OVER AGAIN, AND EXPECTING DIFFERENT RESULTS. WE HAVE TO TRANSFORM AND REVOLUTIONISE OUR OFFER TO THESE BAIRNS AND THEIR FAMILIES, OTHERWISE WE'RE NEVER GOING TO SEE A CHANGE."

NORTH EAST EDUCATION LEADER

'[MUCH OF THE WORK BEING DONE AT A LOCAL LEVEL] IS REALLY GREAT, BUT IT IS REMEDIAL -AND SOMETIMES BARELY REMEDIAL, IF WE'RE BEING BRUTALLY HONEST. THEY ARE AN IMPORTANT LIFELINE, A REALLY IMPORTANT BACKSTOP. BUT THEY'RE NOT GOING TO SOLVE THE PROBLEM - AND THE REAL LEVERS FOR SOLVING THE PROBLEM LAY OUTSIDE OF ONE LOCAL AUTHORITY'S CAPABILITIES."

NORTH EAST LOCAL AUTHORITY OFFICER

WE JUST HAVE TO USE DEVOLUTION AS AN OPPORTUNITY TO SHIFT THE DIAL ON THIS ISSUE!

NORTH EAST LOCAL AUTHORITY OFFICER

NORTH EAST PUBLIC HEALTH OFFICER



# PRIORITIES FOR THE NORTH EAST: A BLUEPRINT FOR ACTION

Having explored the evidence base on child poverty and its main structural drivers in the North East and which groups of children and families in our region are most likely to be impacted by poverty and disadvantage - we now set out a blueprint for what a programme of co-ordinated, cross-sector regional action - or 'public health approach' to tackle this challenge could look like, based on our findings from this research.

We have identified four strategic priorities this work should encompass, setting out within them a series of complementary, actionable recommendations - several of which build upon the enormous amount of activity to tackle poverty that is already taking place, at different levels and in different parts of the North East, including by many of our local authorities. Whilst ambitious - with relentlessly-focused leadership, vision and determination - we believe this proposed programme of activity is achievable, drawing upon our combined commitment, capacity and resources as a region.

Crucially, this work needs to be properly resourced - it cannot, as too often is the case with anti-poverty activity or programmes rely on a very small number of highly-dedicated and overstretched individuals, given the overlapping nature of much of this work, the level of co-ordination this will require, and the scale of the challenge in front of us.

Many of these recommendations will therefore require our combined authorities to creatively pool their resources, information and expertise with those of other key anchor institutions in the region, such as local authorities, NHS organisations, housing providers, universities, schools and colleges, and other major employers - as well as with those of funders and social investors in the North East. Other recommendations apply to several organisations' roles as employers, service providers, procurers and commissioners - and how these should be collectively marshalled to support this work.

It is certainly the case that some of what we set out could and should be done at a national level - but we should be bold enough to pioneer it here not only for the benefit of our region, but also so that we can provide the evidence base for 'what works' to support future national implementation.

Much of this work is also undoubtedly complex - and only some of the recommendations we set out will produce the 'quick wins' we all want to see. Others will take time, patience, the building of relationships and a laser focus on implementation that whilst regionally co-ordinated and funded should be delivered bespoke to local areas' needs.

We also need to be brave and acknowledge that some of these proposals may not work or produce the outcomes we hoped for - but we have to be prepared to 'fail' sometimes in order to identify what works, or works best. Ongoing evaluation, refining and adaption of this work - underpinned by robust, cross-sector governance - is therefore absolutely key, with the views of low income children, young people and families centred in how it is designed, delivered and its success is measured. It is clear that qualitative research is as important as the statistics and figures in understanding whether we have made a difference to people's lives.

Our combined authorities and regional partners should also work together to decide what the 'targets' and timelines for measuring the outcomes of this work should be recognising the *central* role that national policy plays in the headline child poverty rates and other measures of inequality for our region. However, we must at least set ourselves the ambition that - through our joint efforts - we can bring levels of poverty and disadvantage for babies, children and young people across the North East much closer to the national average, having targeted our combined resources in a way that seeks to maximise their impact.



'REDUCING HARDSHIP FOR FAMILIES IS ABSOLUTELY KEY, AND WOULD HAVE BOTH IMMEDIATE AND LONG-TERM IMPACT. WE HAVE TO TAKE THE PRESSURE OFF HOUSEHOLDS NOW, SO THAT THEY AND THEIR CHILDREN CAN SEE AND ACCESS OPPORTUNITIES - AND CAN DREAM BIG ABOUT THEIR FUTURES.'

NORTH EAST LOCAL AUTHORITY OFFICER

'WE MUST DO WHAT WE CAN TO BRING SOME SENSE OF STABILITY TO PEOPLE'S LIVES, BEFORE WE CAN ENABLE THEM TO PLAN FOR THE FUTURE.'

NORTH EAST LOCAL AUTHORITY OFFICER



# MAXIMISING FAMILY INCOMES NOW

Money matters, and there is strong evidence which shows that when parents in poverty experience an increase in income, they spend it on their children and things that will achieve better outcomes for them,97 including before birth.98

PRIORITY 1:

There is also growing evidence that very low, inadequate income can itself act as a barrier to employment, adding to the challenges people face and making it harder for them to get into work - with one of the community-based organisations we spoke with for this research emphasising that poverty itself is one the single biggest barriers to growth our region faces.

IT IS CLEAR FROM THE INFORMATION SET OUT IN THIS REPORT, AND FROM OUR EXTENSIVE AND ONGOING CONVERSATIONS WITH YOUNG PEOPLE, PARENTS, CARERS AND ORGANISATIONS ACROSS THE REGION, THAT WE MUST PULL EVERY LEVER AVAILABLE TO US -TOGETHER - TO MAXIMISE FAMILY INCOMES AS AN IMMEDIATE PRIORITY.

This will not, on its own, lift substantial numbers of children out of poverty in the North East, not least given how inadequate recent research shows our national social security safety net has become.<sup>100</sup> We know that there will be many families receiving their full entitlements, and still struggling to make ends meet. It is, however, imperative that we do what we can to reduce the significant levels of hardship and depth of poverty being experienced across our region - which would have immediate and longer-term benefits, both for individual children and families and for local economies. This work should be shaped in partnership with appropriately recompensed parents and carers on low income - 'Experts by Experience'<sup>101</sup> - alongside community-based organisations, and should incorporate:

#### PROACTIVE, COMBINED AUTHORITY-WIDE TAKE-UP CAMPAIGNS

We must ensure that everyone in the North East is aware of, and supported to receive, what they are entitled to. Policy in Practice has previously calculated that, across the UK, the annual value of unclaimed means-tested support, and social tariffs (for utilities like broadband and water), is around £19 billion.<sup>102</sup> An additional estimate of the value of unclaimed Attendance Allowance brings this national figure up to £24 billion per year.<sup>103</sup> Facilitated by Karbon Homes, we asked Policy in Practice to produce calculations of what the value of unclaimed support looks like across our region.

#### Policy in Practice finds that:

Further breakdowns of these amounts across each area are available in a paper we have published with Policy in Practice to sit alongside this report. It is important to note that 'the total amount of unclaimed support in the North East is likely to be considerably higher...because [this calculation] excludes a number of other discretionary support schemes and disability benefits' (for which it is not possible to make defensible estimates).104

And whilst this new analysis finds the North East has a much higher take-up rate of water social tariffs (47%, compared to 17% nationally) with Northumbrian Water making proactive use of data to promote this support, this could clearly be improved alongside take-up of other social tariffs, for example for energy companies and mobile phone contracts. Of particular concern, given our region's higher levels of digital exclusion<sup>105</sup> and the fundamental role that digital inclusion now plays in being able to access services, education and fully participate in society, is the Policy in Practice estimate that more than £36 million a year in broadband social tariffs is unclaimed annually across the North East.

## THE TOTAL ESTIMATED VALUE OF UNCLAIMED INCOME-RELATED BENEFITS AND SOCIAL TARIFFS IN OUR REGION IS A STAGGERING ±1.33 BILLION A YEAR - WHICH BREAKS DOWN TO AROUND ±986 MILLION PER YEAR ACROSS THE NEMCA AREA, AND AN ESTIMATED ±339 MILLION IN TEES VALLEY.



CO-ORDINATED BY OUR COMBINED AUTHORITIES, ORGANISATIONS ACROSS THE REGION SHOULD POOL RESOURCES TO DELIVER AMBITIOUS, PROACTIVE TAKE-UP CAMPAIGNS - TO ENSURE PEOPLE ARE AWARE OF WHAT THEY ARE ENTITLED TO (INCLUDING SOCIAL TARIFFS); ARE ACTIVELY CONTACTED, ENCOURAGED AND SUPPORTED TO APPLY; AND TO REMOVE ANY STIGMA FROM DOING SO.

Securing just a fraction of this estimated value of unclaimed benefits and social tariffs would put a significant amount of much-needed additional support into low income families' pockets across the North East - and would increase the money available within our region to spend with local businesses and shops.

This work should focus - wherever possible - on the groups of families, children and young people we have identified in this report as being more likely to experience poverty and disadvantage in the North East. It should seek to learn from successful existing work in the region to drive up take-up rates (for example, for the Healthy Start scheme for pregnant women and families with young children - which now has a take-up rate of 80% across the region, peaking at 87% in Hartlepool<sup>106</sup> - or the Social Navigators scheme in South Tyneside).<sup>107</sup> And this work should be underpinned by qualitative research to better understand the potentially different reasons for non-take up in different parts of our region.



## EXPANDING THE REACH OF INCOME MAXIMISATION - AND MAKING IT THE NORM

Extensive work is already taking place across the region, through local authorities, housing providers, voluntary and community organisations, faith groups and others, to provide welfare rights, income maximisation and debt advice to North East families - but, given the scale of the estimated underclaim of support, levels of hardship being experienced and the gateway to other forms of support it can provide, investment in this work should be ramped up and its reach must be significantly expanded into our region's communities. We heard throughout our research that - usually as a result of budgetary and staffing pressures - this type of support can too often involve families being 'signposted' (with no guarantee there is anything at the end of the signpost), repeated referrals, needing to pay to travel to access face-to-face advice, being directed to a website or given a telephone number to call (which is not always answered).

#### To avoid duplication,

COMBINED AUTHORITIES, IN PARTNERSHIP WITH LOCAL AUTHORITIES AND OTHER ADVICE PROVIDERS, SHOULD MAP THE EXTENT OF FACE-TO-FACE 'ADVICE DESERTS' ACROSS THEIR AREAS, COMMIT ADDITIONAL INVESTMENT TO FILL THESE GAPS – AND THEN CO-ORDINATE AND POOL RESOURCES WITH THOSE OF OTHER ORGANISATIONS ACROSS THE REGION, TO MAKE IT THE NORM FOR LOW INCOME FAMILIES TO BE ABLE TO ACCESS INCOME MAXIMISATION AND (VERY IMPORTANTLY) DEBT ADVICE, FACE-TO-FACE, AND IN TRUSTED SPACES WITHIN THEIR COMMUNITIES.

Crucially, this must also include additional resources for organisations - often small community groups - who support families through the process of challenging incorrect decisions about their entitlements.

Bringing this support closer to parents and carers is already happening in our region through the North of Tyne Combined Authority's Child Poverty Prevention Programme, which has funded this type of work being provided in or through schools across Northumberland, Newcastle and North Tyneside.<sup>108</sup> It is also taking place in schools through a National Lottery Community Fund-supported project being delivered jointly by local Citizens Advice offices in Newcastle, South Tyneside, Stockton and Middlesbrough. And there are several examples of the success of this type of work in other parts of the country, notably the Financial Inclusion Support Officer in Schools (FISO) project in Glasgow (funded by Glasgow City Council),<sup>109</sup> Greater Manchester Poverty Action's Money Matters scheme (funded by Kellogg's),<sup>110</sup> and work delivered by Child Poverty Action Group in London (commissioned by the Greater London Authority).<sup>111</sup>

This work should be significantly expanded through schools across our region - working in close partnership with other forms of school-based support such as school nurses and family support workers (and - very importantly - in a way that lifts, not adds to, pressures on overstretched school staff) - and should become a regular feature in other trusted local places that families frequently access, such as Family Hubs, early years settings, community centres, health facilities, Holiday Activities and Food (HAF) programme venues, or via 'pop-ups' in community spaces.



'WHEN YOU TRY AND RING CITIZENS ADVICE, YOU CAN'T GET THROUGH AND IT BECOMES A BIG EFFORT. IT'S EASIER TO ACCESS WHEN YOU KNOW THEY'RE GOING TO BE THERE AT THE SCHOOL YOU'RE GOING TO ANYWAY. IT TAKES THE STRESS AWAY.'

NORTH OF TYNE POVERTY TRUTH COMMISSION MEMBER 112

'IT'S REALLY IMPORTANT THAT SCHOOLS AREN'T LEFT ON THEIR OWN TO DEAL WITH ALL OF THIS. [BEING INVOLVED WITH THE NORTH OF TYNE CHILD POVERTY PREVENTION PROGRAMME] IS THE FIRST TIME WE'VE FELT THAT WE ARE WORKING WITH PEOPLE WHO ARE SUPPORTING US WITH ALL OF THIS. THAT'S FELT GREAT.' 'THE JOB CENTRES DON'T REALLY TELL YOU ABOUT ANYTHING - UNLESS YOU ASK, AND YOU KNOW WHAT TO ASK ABOUT.'

NORTH EAST PARENT

PRIMARY HEADTEACHER



THIS WORK SHOULD ALSO EXPLORE HOW, WITH THE RIGHT SUPPORT AND TRAINING, PARENTS AND CARERS CAN BE ACTIVELY INVOLVED IN PROMOTING INCOME MAXIMISATION

(alongside other family support services) to other parents, friends and neighbours given the experience of organisations undertaking this type of work in schools has been that 'word of mouth' has been one of their most effective marketing tools. This would help to boost engagement with, and promote take-up in, under-served (or what are sometimes described as 'hard to reach') communities. whilst providing parents and carers with opportunities to gain new skills and experience - which they should then be supported to maximise as a route into paid, or better paid, employment. The Parent Champions programme, developed in 2007 by Coram Family and Childcare, provides a proven model through which this could take place - but is currently only operating in the North East in a recently-established scheme in Sunderland.<sup>113</sup> This could equally take place through well-embedded community-based networks in the region, such as the Wallsend Children's Community in North Tyneside and the West End Children's Community in Newcastle.

NORTH EAST MUM

'NOBODY TELLS YOU ABOUT IT [UNIVERSAL CREDIT SUPPORT TOWARDS CHILDCARE COSTS]. I JUST HAPPENED TO BE TALKING TO A FRIEND WHO HAD HEARD ABOUT IT, AND THEY ASKED ME IF I'D THOUGHT ABOUT IT. I FOUND OUT ABOUT IT BY CHANCE."

'IT'S HARD TO FIND OUT WHAT SUPPORT IS AVAILABLE - YOU DON'T FIND THINGS OUT. YOU JUST DON'T HEAR ABOUT A LOT OF THINGS, UNLESS IT'S BY WORD OF MOUTH'.

NORTH EAST MUM

'WE DIDN'T EVEN KNOW UNTIL RECENTLY THAT WE WERE ENTITLED TO RECEIVE UNIVERSAL CREDIT, SO WE'VE ONLY JUST STARTED CLAIMING IT WHICH HAS HELPED US OUT MASSIVELY ... BECAUSE THIS TIME LAST YEAR WE WERE IN A REALLY BAD PLACE. THIS TIME LAST YEAR WE WERE STRUGGLING TO AFFORD ABSOLUTELY ANYTHING. IF WE'D KNOWN ABOUT IT LAST YEAR, THINGS WOULD HAVE BEEN A HELL OF A LOT DIFFERENT FOR US - BECAUSE MY MENTAL HEALTH SEVERELY DROPPED. THE DIFFERENCE THAT'S MADE THIS YEAR HAS BEEN UNBELIEVABLE."

> NORTH EAST PARENT, WITH PARTNER IN WORK (ENCOURAGED TO APPLY BY ANOTHER PARENT)



#### MAKING BETTER USE OF DATA

In the absence of national Government using the data it already holds in order to automatically enrol eligible families for the support they are entitled to - for example, free school meals or the Healthy Start scheme - our combined authorities should co-ordinate and drive forward this type of proactive work within our region.

The most recent available Government estimate (albeit not updated since 2012/13) suggests that, of the pupils and students that are eligible to receive means-tested free school meals (FSM), around one in ten are not registered for this support<sup>114</sup> - which not only means that children and families are missing out, but also that their school does not receive the additional Pupil Premium funding that free school meal registration attracts. Based on this registration rate, it has previously been estimated that the combined cost to families and schools of under-registration in 2021/22 exceeded £23 million in the North East alone.<sup>115</sup> Policy in Practice's more recent estimate suggests this may exceed £35 million.<sup>116</sup> **Either way, it is clear that North East families and schools are missing out annually on tens of millions of pounds of support as a result of under-registration.** 

OUR COMBINED AUTHORITIES SHOULD WORK WITH NORTH EAST COUNCILS NOT ALREADY DOING SO TO ENSURE THE DATA THEY HOLD IS USED TO IMPLEMENT A PROACTIVE FSM AUTO-ENROLMENT, OR AUTO-AWARD, PROGRAMME

(from which families can opt out), along the lines pioneered by Sheffield City Council since 2016, which to date has registered an additional 6,000+ children for free school meals and secured almost £4 million extra Pupil Premium funding for local schools. This work is now being successfully piloted and evaluated (primarily across Yorkshire and several London boroughs) as part of an action research project led by the FixOurFood project and the University of York.<sup>117</sup>

### NORTH EAST COMBINED AND LOCAL AUTHORITIES SHOULD ALSO ENSURE THIS WORK REACHES STUDENTS IN FURTHER EDUCATION

as we heard during our research for this project about the significant bureaucratic barriers that colleges can face in identifying and registering eligible students for free college meals, with very limited - if any - support provided to them for this process. Our combined and local authorities should also explore other forms of support for which existing, locally-held data could be used to drive improved take-up.



#### REDUCING COSTS AND BARRIERS TO SERVICES FOR FAMILIES

Low and inadequate incomes do not only limit families' ability to afford household costs, they can also act as a significant barrier to being able to access, or fully engage in, essential services such as education and healthcare or to take part in cultural and leisure activities that are vital for people's health, wellbeing and enrichment. Work to address this issue has been undertaken in our region and elsewhere for around a decade by the charity Children North East through their Poverty Proofing the School Day programme<sup>118</sup>, which has more recently been expanded to healthcare settings and cultural venues.<sup>119</sup>

The Poverty Proofing model explores the - often inadvertent - barriers to access or inclusion for low income families, by speaking with children, young people, parents and carers, as well as an organisation's staff, to understand what these barriers are, the impact they have, and to put a plan in place to break them down. This has been funded for schools in a number of parts of the region, for example by individual local authorities and through the North of Tyne Child Poverty Prevention Programme.

As part of a North East and North Cumbria Child Health and Wellbeing Network project (Tackling Inequalities for Children), Poverty Proofing has also been supported by several charitable funders across a number of healthcare settings (sexual health, general practice, paediatric diabetes, speech and language therapy, CAMHS, paediatric outpatient departments and dentists),<sup>120</sup> as well as being implemented by several cultural organisations in the region, including the Baltic Centre for Contemporary Art, Tees Valley Museums, Northern Stage and The Glasshouse International Centre for Music (formerly Sage Gateshead).<sup>121</sup> Durham County Council has also developed its own 'Cutting the Cost of the School Day' programme - which is being expanded into early years settings, recognising the particular impact of poverty for families with the youngest children.<sup>122</sup>

WITH THE ACTIVE ENCOURAGEMENT OF OUR COMBINED AUTHORITIES, ALL ORGANISATIONS ACROSS THE REGION WORKING WITH, OR PROVIDING SERVICES AND SUPPORT TO, CHILDREN AND FAMILIES SHOULD COMMIT TO ADOPTING THIS TYPE OF APPROACH – TO BETTER UNDERSTAND THE IMPACTS OF POVERTY AND HOW COSTS AND BARRIERS TO ACCESS CAN BE REDUCED, WITH FUNDING BEING MADE AVAILABLE BY COMBINED AUTHORITIES AND OTHER ANCHOR ORGANISATIONS TO FACILITATE THIS WORK.



#### USING OUR COLLECTIVE PURCHASING POWER TO 'DISRUPT' THE STATUS QUO

Significant challenges require bold, collective action and often necessitate doing things differently. Anchor organisations across the region have considerable purchasing power which - if co-ordinated by our combined authorities - could be collectively mobilised to 'disrupt' the status quo, in order to reduce some of the major costs families face.

WE URGE OUR COMBINED AUTHORITIES TO WORK WITH OTHER ANCHOR INSTITUTIONS IN THE NORTH EAST TO EXPLORE HOW THEIR COLLECTIVE PURCHASING POWER COULD BE LEVERAGED ACROSS SYSTEMS FOR THE BENEFIT OF LOCAL FAMILIES.

This could include: improving access to a dignified choice of affordable, nutritious food in local areas - and particularly in what are known as 'food deserts' - through an expanded network of not-for-profit community shops and social supermarkets; as well as reducing the cost of food provided by all education institutions (from early years through to FE colleges) and thereby making this more affordable and/or expanding the food available beyond lunch; or bulk purchasing other high-cost items, such as school uniform.

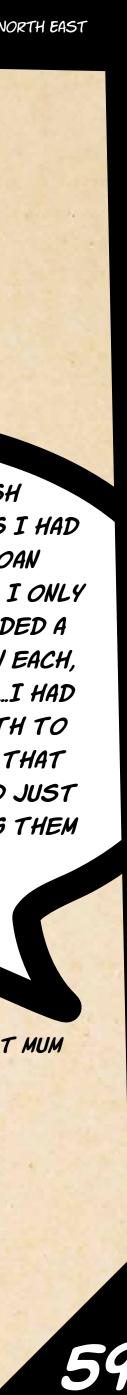
This would allow limited incomes to go further, whilst helping us move away from charitable, crisis responses to persistent low income, like food banks, which - although playing a critical role in supporting families in hardship now across the North East - are in danger of becoming a fully entrenched part of life in our region. If focussed on local suppliers providing decent work, it would also boost the regional economy and contribute to the overall goal of reducing poverty in the North East.

### WORK SHOULD ADDITIONALLY BE UNDERTAKEN TO EXPLORE HOW OUR COMBINED AUTHORITIES AND PARTNERS CAN COLLECTIVELY ADDRESS OTHER POVERTY PREMIUMS FACED BY HOUSEHOLDS IN OUR REGION

('the extra costs people on low incomes and in poverty pay for essential products and services'), which research indicates disproportionately impact households in the North East<sup>123</sup> - and which can make being poor incredibly expensive - as well as exploring additional costs for North East families, such as higher energy standing charges in our region than in other parts of the country.124



'I GOT MYSELF IN THE SAME POSITION WITH CASH GENERATOR - I TOOK THE KIDS' [NAME OF TOY] IN, AS I HAD NO GAS AND ELECTRIC...I DIDN'T WANT TO GET A LOAN BECAUSE I KNEW THERE'D BE MASSIVE APR ON IT ... AND I ONLY NEEDED A FEW POUNDS, IT'S NOT AS THOUGH I NEEDED A LOT - I JUST NEEDED TO SPLIT IT AND PUT HALF ON EACH, THE GAS AND ELECTRIC. WHAT I DIDN'T REALISE WAS... I HAD TO PAY MORE MONEY ON TOP OF WHAT IT WAS WORTH TO GET IT BACK - AND THE NEXT MONTH I DIDN'T HAVE THAT EXTRA MONEY. SO, I HAD TO PAY \$16.50 - WHICH I DID JUST ABOUT HAVE - SO I WOULDN'T LOSE IT. I WAS PAYING THEM TO HOLD AN ITEM THAT'S MINE, ALL BECAUSE I NEEDED SOME GAS AND ELECTRIC."



'LOCAL PEOPLE WILL ULTIMATELY JUDGE THE SUCCESS OF THE MAYORAL MODEL ON WHETHER WE CAN DEAL WITH LOW PAY, IN-WORK POVERTY AND LOW PRODUCTIVITY BETTER THAN OFFICIALS IN WHITEHALL.'

BEN HOUCHEN, TEES VALLEY MAYOR 125

'PEOPLE IN WORK NOW MAKE UP ONE IN FOUR OF OUR REFERRALS. WE USED TO SUPPORT ABOUT TWO OR THREE WORKING FAMILIES A MONTH, NOW IT'S OVER ONE HUNDRED.'

NORTH EAST BABY BANK



# MAKING WORK A ROUTE OUT OF POVERTY

As already explored in this report and despite it being the Government's primary strategy for tackling child poverty - work is not providing the route out of hardship it should for thousands of families across the North East.

PRIORITY 2:

WHEN MORE THAN ONE IN FIVE CHILDREN ACROSS OUR REGION WITH ALL PARENTS IN WORK ARE LIVING BELOW THE POVERTY LINE, SOMETHING HAS GONE BADLY WRONG. WE MUST WORK TOGETHER TO PUT IT RIGHT.

A recurring theme from the conversations we have held across the region is the significant increase in working families turning to charity or community groups for support, often to provide what are basic essentials for their children. Much of this has undoubtedly been a result of the huge increases we have seen in the cost of household goods in recent years, but it also points to an underlying lack of financial resilience for large numbers of North East families following years of endemic low pay and the erosion of in-work support - which, as set out earlier, means that seven in ten children across our region are living in families with zero or little savings to shield them from economic shocks. And - whilst we have a higher proportion of children living in families for whom work may not be possible longer-term - we must ensure that we better support those parents and carers who (either now or in the future) want to move into employment or gain better work that is both fairly paid, secure, with pathways for progression, and fits around the responsibilities of family life. Until we do so, our region's economy will continue to miss out on a huge, incredibly resourceful, talent pool and the North East is not going to achieve its collective potential.

Tackling these issues must be a relentless focus for our combined authorities, working closely with other anchor institutions, and employers of all sizes across the region. Again, this work should be shaped in partnership with appropriately recompensed 'Experts by Experience', and should incorporate:

#### MAKING THE NORTH EAST AND TEES VALLEY COMBINED AUTHORITY AREAS LIVING WAGE PLACES

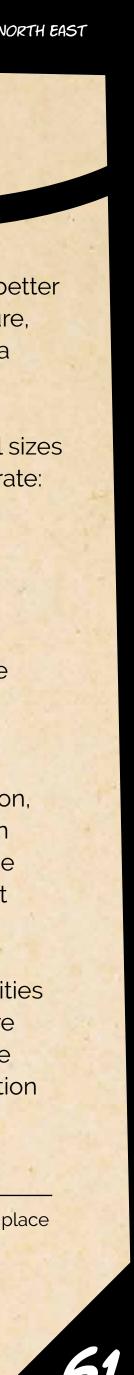
Committing to pay all directly-employed - and regularly contracted - staff the voluntary Living Wage is one of the single most meaningful steps *any* employer can take to tackle the structural causes of high rates of child poverty in our region, and thereby improve the living standards and life chances of children growing up across the North East. Well-intentioned strategies to tackle poverty, reduce inequalities and create 'inclusive economies', on their own, are not enough.

Extensive advocacy has taken place in our region to grow the Living Wage - a rate independently calculated annually by the Resolution Foundation, providing 'a benchmark for employers that voluntarily commit to go further than paying government-set minimum wages, ensuring their staff earn a wage they can live on'.<sup>126</sup> Led by Tyne and Wear Citizens since they were founded as a local chapter of Citizens UK in 2015, this work has seen the number of North East accredited Living Wage employers quadrupling in that time to almost 300, resulting in 10,500 employees receiving an uplift to the voluntary Living Wage rate.<sup>×</sup>

Notable accreditations in recent years include Sunderland City Council and Newcastle City Council (the only accredited Living Wage local authorities in the region); Newcastle University and the University of Sunderland (the only universities); Newcastle United (the only football club); Baltic Centre for Contemporary Art and Tyneside Cinema (two of six accredited arts organisations in the North East); Newcastle College Group and Derwentside College (the only colleges); and the Newcastle Hospitals NHS Foundation Trust – joining Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust to make just two NHS Trusts accredited as Living Wage employers across the whole of the North East.

\* Becoming an accredited Living Wage employer requires organisations to commit to paying all directly employed staff the voluntary Living Wage, and to have a plan in place to ensure all regularly contracted staff (for example, those providing outsourced cleaning, security and catering services) will be paid the Living Wage within 2-3 years. Information on the number of North East Living Wage employers and pay uplifts provided by the Living Wage Foundation.





These have all been big 'wins' - both for their lowest paid staff and of course for organisations themselves, given the research on the benefits of paying the Living Wage for employers<sup>127</sup> - but, unacceptably, one in seven jobs across our region are still paid below the real Living Wage rate.<sup>128</sup> Stepping up the growth of the Living Wage in the North East must therefore be a priority, not least because it would also provide a significant economic boost – with previously published research undertaken by the Smith Institute for the Living Wage Foundation estimating (in 2022) that, **if just a quarter of people paid below the real Living Wage in our region were uplifted to this rate, the increase in wages, productivity and spending would put an additional £75 million back into the North East economy.<sup>129</sup>** 

ALONGSIDE OTHER PUBLIC SECTOR (AND PUBLICLY-FUNDED) ANCHOR INSTITUTIONS IN THE REGION, BOTH THE NEW NORTH EAST AND EXISTING TEES VALLEY COMBINED AUTHORITIES MUST LEAD THE WAY ON LOW PAY - BY ACCREDITING AS LIVING WAGE EMPLOYERS, AND THEN COMMITTING TO WORK RELENTLESSLY WITH OTHER LOCAL EMPLOYERS AND CIVIL SOCIETY TO MAKE THE NEMCA AND TVCA AREAS LIVING WAGE PLACES.

Organisations in different sectors across Sunderland and Newcastle are already working hard on this agenda, with the former achieving 'Living Wage City' status in 2022,<sup>130</sup> and Newcastle committed to achieving this.<sup>131</sup> Our evidence clearly indicates how important and urgent it is we expand the reach of this work across the region – but unless we set ourselves this ambitious goal and develop a concrete plan together to make it happen, we will never eradicate inadequate levels of pay in the North East. 'I WENT BACK TO WORK WHEN MY DAUGHTER WAS SEVEN MONTHS OLD, AND I WAS HAVING TO WORK TWO JOBS JUST TO GET BY - AND MY PARTNER WAS WORKING 60-HOUR WEEKS.'

'WE DID A VERY QUICK SNAPSHOT OF LOW PAY IN OUR AREA – JUST ONE IN 16 PEOPLE WE SPOKE TO WERE EARNING THE REAL LIVING WAGE AND ONLY BY 10P AN HOUR.'

NORTH EAST MUM

NORTH EAST FOOD BANK



#### STRENGTHENING AND EXPANDING THE REACH OF 'GOOD WORK' COMMITMENTS

There are various descriptions of what constitutes 'good work', but - as the Local Government Association explains - the most commonly identified features include pay, working conditions, progression, work life balance and employee voice.<sup>132</sup> As evidenced in the Work Foundation analysis discussed earlier in this report, 'good work' is not the experience of a large proportion of those in paid employment across our region, which can be particularly corrosive for family life.

Several members of the North East Chamber of Commerce have recently set out what they are doing to promote inclusive employment for our region, and the benefits of this for organisations and staff alike.<sup>133</sup> Alongside a number of mayoral combined authorities across England, the existing North of Tyne Combined Authority has also established a 'Good Work Pledge', explaining that 'if more people had access to work that's reliable, pays a decent wage, encourages wellness and development, more people could live a more fulfilling life.' Since its launch in 2020, 150 employers of all sizes and across all sectors have signed up to the scheme which has five broad 'pillars of criteria': valuing and rewarding your workforce; promoting health and wellbeing; effective communications and representation; developing a balanced workforce; and 'a social responsibility'.<sup>134</sup> A similar scheme does not exist in the Tees Valley Combined Authority area.

Given how acutely important secure, predictable and fairly paid work is for families with children,

## WE WOULD URGE THE NEW NORTH EAST COMBINED AUTHORITY TO ADOPT THE GOOD WORK PLEDGE, BUT TO WORK WITH EMPLOYERS AND EMPLOYEES TO STRENGTHEN IT:

to unambiguously align with the recommended commitment to make the NEMCA area a Living Wage 'city region'; to be much more explicit about the importance of offering family-friendly employment, including to those parents and carers who may face particular barriers to work (for example, disability); to emphasise the importance of secure, predictable and fairly paid part-time work (particularly for women, who make up three quarters of our region's part-time workforce); and to clarify that strategies, policies and processes to promote equality and diversity must include measures to address the inequalities that result from low income and deprivation (often referred to as 'socioeconomic disadvantage' - an issue we return to in our final section).

CRUCIALLY, GIVEN WORK FOUNDATION ANALYSIS FINDING THAT ALMOST ONE IN FOUR OF THE WORKFORCE IN THE TEES VALLEY AREA ARE IN 'SEVERELY INSECURE' WORK - THE HIGHEST OF ANY ENGLISH 'CITY REGION' WE URGE TVCA TO DEVELOP A SIMILARLY ROBUST GOOD WORK PLEDGE, OR CHARTER, AS A PRIORITY. 135

NO TIME TO WAIT: AN AMBITIOUS BLUEPRINT FOR TACKLING CHILD POVERT

WE SHOULD ALL BE BETTER OFF FOR GOING TO VORK – PHYSICALLY, MENTALLY AND FINANCIALLY – BUT BECAUSE WE'RE SO STRESSED OUT ABOUT JUST KEEPING OUR KIDS ALIVE EACH DAY, IT'S IMPOSSIBLE TO JUGGLE IT ALL. WORK SOMETIMES FEELS LIKE THE LAST THING YOU WANT TO DO, BECAUSE MOST OF IT ISN'T SUPPORTIVE, IT'S NOT FLEXIBLE AROUND YOUR CHILDREN, AND IT DOESN'T PAY ENOUGH FOR YOU TO GET BY!



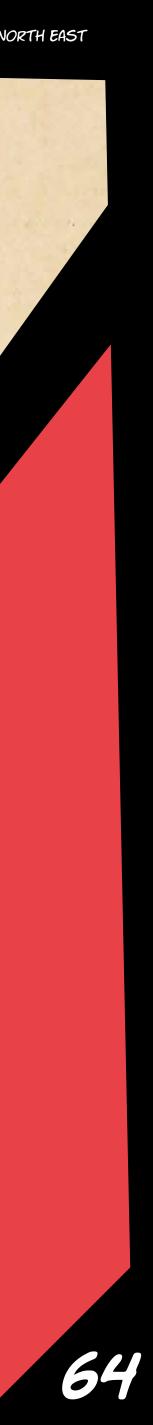
#### ENSURING ALL COMMUNITIES CAN BENEFIT FROM ECONOMIC OPPORTUNITIES, INWARD INVESTMENT AND GOOD WORK

The North East has incredible economic opportunities ahead, with real and emerging strengths in the Net Zero sector, marine engineering, health and life sciences, advanced manufacturing, digital and data, automotive innovation, the creative sector, and the chemical and process industry. The thousands of existing jobs these sectors support - and the new jobs they will create - are fundamental to strengthening our region's economy, improving productivity and growing the prosperity of the North East, as is the inward investment that underpins many of these opportunities.

The challenge is ensuring that all communities in our region can benefit from this, when - as Karbon Homes have argued - 'increasing the number of well-paid employment opportunities in an area may help support improvements in overall prosperity, but the economic gains rarely 'trickle down' to left behind places...Poor connectivity, and failures in other social and physical infrastructure, mean people in left behind places are rarely able to take up these opportunities.<sup>136</sup> Job creation and economic growth on their own are no guarantee of poverty reduction, unless we make a collective effort to ensure they contribute to this goal.

## OUR COMBINED AUTHORITIES AND OTHER ANCHOR INSTITUTIONS SHOULD THEREFORE MAKE POVERTY REDUCTION AN EXPLICIT AIM OF ECONOMIC DEVELOPMENT, INWARD INVESTMENT, JOB CREATION AND SKILLS STRATEGIES,

including by securing clear commitments from businesses being supported by public bodies to create jobs and invest in our region, on how they will contribute to this collective ambition - and by regional bodies no longer promoting 'low wages' as a 'benefit' for employers moving to the North East.<sup>137</sup> This should include an expectation that employers will sign up to an expanded (or newly-created) robust good work pledge/charter. It could also incorporate establishing 'Community Jobs Compacts', along the lines of that established in the Cardiff Bay area by Citizens Cymru Wales, which has seen major employers adopt more inclusive employment and recruitment practices to open up opportunities to people from less represented local areas.<sup>138</sup> And it should include a clear ask of business on what they will collectively contribute to investing in children and young people in our region, an issue we will return to in the next section.



#### EXPANDING EXISTING ANTI-POVERTY WORK WITH EMPLOYERS

Actively engaging organisations from all sectors in a co-ordinated programme of regional action on child poverty - and helping them to understand their role in this collective effort - is critical, if we are to achieve the step-change on this issue children and young people in the North East need. Whilst contemplating the term 'poverty' in relation to their workforce may be uncomfortable for many employers, it is important that organisations develop a better understanding of the financial challenges facing their employees - and therefore the immediate and longer-term impact this may be having on their families - and take proactive measures to address them.

Through its Child Poverty Prevention Programme, the North of Tyne Combined Authority has partnered with Society Matters cic to deliver a programme of engagement with employers and their staff - working most intensively with 25 organisations in the programme's first phase, with a combined total of more than 14,000 employees. This work has included fully-funded awareness raising and training sessions for senior leaders and confidential 'Making Ends Meet' surveys for employees, the results of which shape a tailored report for each organisation with a series of actionable recommendations for alleviating financial pressures for their staff taken from Society Matters' 'toolkit'. These suggestions have included offering interest free crisis loans; partnering with external organisations to enable staff to access energy advice in the workplace; offering subsidies towards the cost of meals and drinks at work; and introducing Bike to Work schemes to reduce travel costs.

Many of the responses to the employees' survey featured in Society Matters' Phase One project summary are deeply concerning - and, again, reiterate not only that work is not the route out of hardship it should be in our region, but also the profound lack of financial resilience experienced by thousands of families across the North East, including those in paid employment, and the impact this has on people's quality of life. 20% of those responding to the survey said they could not afford essentials each month, whilst 22% had 'nothing left' after paying for essentials. 16% said they found it difficult to feed their families.<sup>139</sup>

Research conducted by Teesside University on in-work poverty has also found it can have profound effects on employees and their ability to function properly both at home and at work, with participants highlighting 'the cognitive burden' or 'extra layer' of mental processing that constantly planning and strategising finances brings, described as 'a continuous juggling act of mitigating financial and practical barriers'.<sup>140</sup>

THE NEW NORTH EAST COMBINED AUTHORITY SHOULD THEREFORE EXPAND AND SCALE-UP THIS WORK WITH EMPLOYERS ACROSS THE NEMCA AREA TO REACH SIGNIFICANTLY MORE ORGANISATIONS AND EMPLOYEES – AND THE TEES VALLEY COMBINED AUTHORITY SHOULD INTRODUCE A SIMILAR PROGRAMME OF WORK WITH EMPLOYERS IN THEIR AREA.

Both organisations should explore how this activity can, in particular, reach employers that are not already undertaking a relatively broad range of work to support their staff – including those in sectors where low pay and precarity are particularly prevalent.



'I'M RARELY EATING ANYTHING AND NOT TAKING MY MEDICATION EVERY DAY SO IT LASTS TWO MONTHS INSTEAD OF ONE MONTH.'

'I SUPPOSE IT'S RATHER DEPRESSING. BEING UNABLE TO AFFORD ANY TYPE OF "FUN" JUST MEANS THAT MY LIFE IS ESSENTIALLY JUST WORKING TO PAY FOR MY EXISTENCE TO CONTINUE TO WORK.'

> 'IT'S A CONSTANT LOOP OF TRYING TO FIND MONEY TO PAY BILLS AND ESSENTIALS. I GO WITHOUT MEALS MYSELF SOMETIMES TO ENSURE MY KIDS HAVE WHAT THEY NEED AND ARE FED. I NEVER HAVE MONEY LEFT AT THE END OF THE MONTH AND HAVE TO BORROW UNTIL NEXT PAYDAY. IT'S OVERWHELMING AND CAUSES ANXIETY AND ALL THAT ENTAILS.'

'MY DAUGHTER STARTS HIGH SCHOOL IN SEPTEMBER AND I DON'T KNOW IF I CAN AFFORD UNIFORM.'

> EXAMPLES OF MAKING ENDS MEET SURVEY RESPONSES RECEIVED BY SOCIETY MATTERS FROM PEOPLE IN WORK 141



#### FUNDING TAILORED EMPLOYMENT SUPPORT PROGRAMMES FOR PARENTS AND CARERS

A key theme from our conversations for this research was the need to provide more tailored support for parents and carers who want to secure paid work - that not only provides employability support, but understands and seeks to address the multiple barriers that many can face in being able to take this step successfully, and without the ever-present threat of sanctions (a threat which has intensified since conditionality rules were ramped up from summer 2023 for all primary carers of children in families receiving Universal Credit, including those with one parent in work).<sup>142</sup>

The 'Your Work Your Way' pilot was designed and delivered by Child Poverty Action Group (CPAG) in Bury, Coventry, Luton and Taunton Deane between 2020 and 2023 with funding from the Barclays LifeSkills programme. Its aim was to holistically support mothers and other potential second-earners in low income couple families to enter into employment or self-employment. A bespoke package of support was provided, usually for around 12 months, with three key features including Personal Support Coaches in each area, providing one-to-one personalised support to participants 'to enhance their motivation, self-esteem, and well-being; develop job search and employability skills; and facilitate training opportunities.' Welfare Rights Advisers were also embedded into teams to help participants maximise their income and understand the financial impacts of moving into work or self-employment.

And - perhaps the most innovative part of the programme - participants were provided with a personal budget of up to £2,000 to spend on training, equipment or wider support needs such as transport or childcare, which an evaluation of the pilot found 'played a significant role in supporting clients into work and contributed to a sense of empowerment and control over their own learning and employability journeys. Participants with low incomes and limited family budgets would not have been able to access these opportunities without the support of the project' - with the personal budgets being used to pay for items such as training courses and qualifications; laptops to facilitate job searches, enhance IT skills and access online learning; equipment to enable self-employment; and driving lessons, travel and childcare costs (when participants attended interviews or studied). Despite all participants facing significant barriers to work, within a 6-12 month period, 54% had moved into paid work and 49% achieved sustained work for 6 months or more.<sup>143</sup>

We have been able to estimate that around 42% of North East children living in a household with one, but not all, adults in work were living in poverty in 2019-22 - this is slightly lower than the UK average of 46%, but still very significant and indeed, of all the babies, children and young people growing up in poverty in the North East over that period, 26% - more than one in four - were in such a family.<sup>144</sup>





WE THEREFORE URGE BOTH COMBINED AUTHORITIES IN OUR REGION TO FUND TAILORED YOUR WORK YOUR WAY-STYLE EMPLOYMENT SUPPORT PILOTS FOR POTENTIAL SECOND EARNERS IN THE NORTH EAST - AND TO SUPPLEMENT THIS WITH A SIMILARLY BESPOKE PROGRAMME OF EMPLOYMENT SUPPORT FOR SINGLE PARENT FAMILIES WANTING TO MOVE INTO WORK AND FACING BARRIERS TO DOING SO

given their higher rates of poverty, and the higher proportion of children living in single parent families in the North East. This should also incorporate a 'safety net' of support for parents and carers *after* employment has been secured, similar to the New Start programme established by HENNE (Housing Employment Network North East),<sup>145</sup> which in turn has built on employability support work undertaken by believe housing.<sup>146</sup> Both could dovetail neatly with our recommended expanded provision of income maximisation and debt advice in schools and other community-based settings.

'PEOPLE ARE BEING MOVED INTO WORK, BUT IT'S JUST 'LET'S SHOVE YOU IN TO THE JOB CENTRE, LET'S GET YOU BACK INTO WORK AS FAST AS POSSIBLE, BUT WE DON'T CARE ABOUT HOW YOU COPE WITH IT AND HOW IT FITS WITH EVERYTHING ELSE YOU'VE GOT GOING ON.'

NORTH EAST PARENT

WE NEED PEOPLE WHO CAN COMPASSIONATELY HELP MUMS INTO WORK. PEOPLE WHO CAN SIT DOWN WITH YOU AND ASK, 'HOW CAN WE HELP YOU? WHAT CAN WE DO TO SUPPORT YOU?' WHO LET PEOPLE KNOW ALL THE SUPPORT THEY'RE ENTITLED TO. THERE'S NOBODY REALLY LIKE THAT.'



#### MAPPING AND FILLING CHILDCARE GAPS

High quality, affordable childcare - whether early education and care, holiday provision, or wrapround support during school term times (breakfast and after-school clubs - which could also take the form of youth clubs) - is vital economic infrastructure that should feature highly on the agenda of any combined authority committed to supporting the delivery of a genuinely inclusive economy. It can also play a significant role in children's development and their ability to achieve their potential. Many of the mothers we spoke with for this research could not envisage how they could return to employment without being financially worse off (after factoring in childcare, transport and other work-related costs) - calculating that they would effectively be 'paying to go to work'.

The most recent (2023) annual childcare survey of local authorities undertaken by Coram Family and Childcare indicated that the North East had - by some margin - the highest sufficiency of childcare places of any English region, including for all of the currently funded entitlements (100% for under-2s; 100% for the 15 hour a week offer for 'disadvantaged' 2-year-olds; 100% for the 15 hour a week offer for all 3- and 4-year-olds; and 90% for the 30 hour a week offer for 3- and 4-year-olds from eligible working families).

Based on this survey, although the rates are considerably lower, the North East also had the highest sufficiency of places across almost all other categories (40% for 5-11s after school; 30% for 12-14s after school; 80% for parents working full-time; 40% for parents working atypical hours; and 75% for families in rural areas). However, our region has just 20% childcare sufficiency for disabled children - which is concerning given the North East has the country's second highest proportion of children living in a family with a disabled child (22%).<sup>148</sup>

Sufficiency rates drop even further for holiday childcare across the North East (33% for 4-7s; 22% for 8-11s; 11% for 12-14s; 33% for parents working full-time; 11% for parents working atypical hours; 25% for families in rural areas - and just 11% for disabled children). And, even where it is available, holiday childcare can be prohibitively expensive with the average North East cost being £152 per child per week.<sup>149</sup>

However, as we have explored earlier in this report, regional-level data can mask significant differences within the North East - and:

WE WOULD THEREFORE URGE BOTH COMBINED AUTHORITIES IN OUR REGION TO WORK WITH THEIR LOCAL AUTHORITIES TO UNDERTAKE A COMPREHENSIVE MAPPING EXERCISE OF THE CHILDCARE SYSTEM ACROSS THEIR AREA, TO BETTER UNDERSTAND WHERE THE GAPS ARE; THE BARRIERS THEY MAY BE CREATING TO SECURING OR SUSTAINING EMPLOYMENT; AND THE SCALE OF THE INTERVENTION REQUIRED TO FILL THEM.

This is particularly pressing given the impending rollout of expanded Government-funded childcare hours for eligible working families from April 2024 (and concerns around whether existing provision will be able to meet demand for this), combined with increased work requirements for all primary carers of children in families receiving Universal Credit. This mapping exercise should also measure the prevalence of low pay and poor career progression within this sector, as well as seeking to understand the scale of informal childcare taking place across the region, and the extent to which this is masking inadequacies within our childcare system.

'AT MY KIDS' SCHOOL, THE BREAKFAST CLUB IS ±9 AND THE AFTER-SCHOOL CLUB IS ±9 AND I'VE GOT TWO KIDS. SO, IT WOULD COST ME NEARLY ±40 A DAY JUST TO GET TO WORK ON TIME!











THIS WORK SHOULD ADDITIONALLY ASSESS THE GAPS IN GOVERNMENT SUPPORT TOWARDS CHILDCARE COSTS, AND HOW THESE IMPACT LOW INCOME FAMILIES IN OUR REGION - AGAIN TO UNDERSTAND THE SCALE OF ANY INTERVENTION THAT MIGHT BE REQUIRED TO ADDRESS THEM.

These gaps will certainly include:

- The remaining (at least) 15% of childcare costs for those in work and in receipt of Universal Credit (which, despite the monetary value of this support being significantly increased in summer 2023, can still only cover up to 85% of childcare costs). On the latest available figures, this support has a take-up rate by eligible parents of just 10% across the North East<sup>150</sup>;
- The fact that Universal Credit support towards childcare cannot be claimed to enable parents to attend interviews or take part in training;
- The extra costs that parents can face, even if only accessing funded hours (currently for 2-, 3- and 4-year olds), such as for activities, food, nappies and other consumables - which may result in 'childcare deserts', in areas where parents are less able to subsidise the inadequate funding received by providers for this 'free' offer; and
- The Government's Holiday Activities and Food (HAF) programme being primarily funded only for children in receipt of means-tested free school meals, an issue this report returns to in the following section.

Of particular concern for our region is the potential number of 3- and 4-year-olds that are excluded from the current 30 hour a week offer for eligible working families, either because they do not have all parents in work, or their parents are in work and on very low incomes (earning less than the equivalent of 16 hours a week at the statutory National Living Wage), or because a parent is in full-time education or training. Previous research by The Sutton Trust has found that this disadvantages North East children, with a greater proportion of families less likely to be able to access this support (which is additional to the universal 15 hour a week offer for all 3- and 4-year-olds).<sup>151</sup>

Camden Council has sought to plug this gap with the Camden Enhanced Offer, which expands 30 hours a week early education and care to 3and 4-year olds from less advantaged families.<sup>152</sup> However, accurately mapping the scale of this gap for our region - and the size of intervention required to bridge it - will be challenging, when the Government itself states that it is unable to make this calculation<sup>153</sup> (and is therefore unable to understand the likely disproportionate impact of this policy on children in different parts of England). Given the vital role that early education and care can play in children's development, this lack of understanding is even more concerning when the same eligibility criteria will be used to implement the Government's planned expansion of childcare support, which - by September 2025 - should offer 30 hours of funded early education and care a week, to infants aged 9 months to 2 years from 'eligible' working families.<sup>154</sup>

NO TIME TO WAIT: AN AMBITIOUS BLUEPRINT FOR TACKLING CHILD POVERTY IN THE NORTH EAST

'MY SON'S ONLY DOING TWO DAYS A WEEK [AT NURSERY] AND I'M PAYING NEARLY \$500 IN CHILDCARE A MONTH. I NOW WORK NIGHT SHIFTS IN [NAME OF SUPERMARKET] BECAUSE I JUST HAD TO GET BACK TO WORK, BUT IT'S THE ONLY JOB I CAN DO WHERE I CAN WORK AROUND CHILDCARE AND NOT HAVE TO SPEND EVEN MORE THAN \$500. BUT I'VE GOT HEALTH CONDITIONS, SO DOING NIGHTSHIFTS IS REALLY HARD."

> MUM OF TWO CHILDREN, RECEIVING UC SUPPORT TOWARDS CHILDCARE COSTS (WHICH VARIES EVERY MONTH)



'WE SHOULD START FROM THE POSITION OF ASKING OURSELVES, WHAT DO CHILDREN AND YOUNG PEOPLE NEED TO BE ABLE TO LIVE THEIR CHILDHOODS WELL?'

NORTH EAST LOCAL AUTHORITY OFFICER

'CHILD POVERTY ISN'T ALWAYS ABOUT WHAT CHILDREN AND FAMILIES HAVEN'T GOT - IT'S ALSO ABOUT WHAT ISN'T EVEN OUT THERE FOR THEM TO ACCESS IN TERMS OF OPPORTUNITIES AND SERVICES' 'I WANT EVERY CHILD AND YOUNG PERSON IN THIS TOWN TO REALLY BELIEVE THAT ANYTHING IS POSSIBLE FOR THEM – AND THEN TO MAKE SURE IT IS.'

NORTH EAST LOCAL AUTHORITY OFFICER

NORTH EAST LOCAL AUTHORITY OFFICER



# SUPPORTING THE BEST START IN LIFE FOR THE NEXT GENERATION

We all only get one childhood, and what happens during this crucial period can shape our outcomes for the rest of our lives. Investing in babies, children and young people today not only helps to mitigate the wide-ranging and immediate impacts of living in poverty, it also enables the parents and carers - and workforce - of tomorrow to have the opportunities they need to fulfil their potential, thereby reducing their risk of being in poverty as adults.

PRIORITY 3:

Supporting the best start in life for children and young people growing up in our region should therefore be a central concern of our combined authorities. Ever-growing numbers of children and young people going to school today too hungry to learn, or to college too tired to concentrate, are unlikely to be able to participate in the exciting economic opportunities of tomorrow that our combined authorities are seeking to create. We should be ambitious for **every** baby, child and young person growing up in the North East with a collective vision that no child in our region will held back by the limitations and obstacles poverty brings. Devolution provides us with a vehicle to work creatively together across systems to begin to make this happen. This work should be shaped in partnership with children and young people, and should incorporate:

# EXPANDING FREE SCHOOL AND COLLEGE MEALS TO ALL FAMILIES RECEIVING UNIVERSAL CREDIT OR LEGACY BENEFITS

As explored earlier in this report, food insecurity is a significant issue for families across our region, with 18% - almost one in five - of North East babies, children and young people growing up in households that are 'food insecure', the highest rate of anywhere in the UK. Children and young people in our region experience some of the worst health inequalities in England, and we have the lowest educational attainment at secondary level. Devolution offers us the opportunity to knit some of these interconnected issues together and pool resources across systems to tackle them. Expanding the 'nutritional safety net' of free school (and college) meals is one of the main ways we could do this, whilst at the same time reducing cost pressures for families and supporting our region's school food system.

Indeed, the urgent need to expand free school and college meals was raised in almost every conversation we held for this research, whether with young people, parents and carers, or the broad range of cross-sector organisations that took part. It is increasingly clear that the current eligibility criteria for this support are wholly inadequate and failing to reach a significant proportion of children and young people who need it, across all stages of education<sup>xi</sup> - whether the primary pupils that we were told are bringing in a small packet of cookies as a 'packed lunch', or the colleges that have seen a marked increase in the amount of food being stolen from their student cafés.

In an ideal world, given the potential education, future employment, health and economic benefits,<sup>155</sup> we would want to see free school and college meals funded for all children and young people in full-time education by national Government. However, the current Government remains of the position that it 'does not have any plans to further extend provision at this time'.<sup>156</sup> We also recognise that meeting the cost and step-change in delivery that universal provision would require would be a likely leap beyond the resources we have in the region.

<sup>xi</sup> For families in receipt of Universal Credit, the threshold is a net annual household income of £7,400 before benefits, regardless of how many children are in the family. This threshold has not changed since 2018.



With the support of Child Poverty Action Group (CPAG), we have therefore sought to estimate the cost of alternatives to expanding free school and college meals to all pupils and students in full-time education (which we calculate to be around £70 million per year across the region), focussing instead on the cost of expansion to all primary age pupils (which is being rolled out in other parts of the UK, including Scotland, Wales and London); and the cost of expansion to all pupils and students in families receiving means-tested benefits. As set out in Table 1, both alternative options are actually estimated to carry the same cost as each other, in both the NEMCA and TVCA areas.

	NEMCA	TVCA	North East Total
Universal FSM for all in full-time education	£50 million	£20 million	£70 million
Universal primary FSM	£20 million	£10 million	£30 million
Expansion of FSM to all pupils/students in full-time education (up to 18) from families in receipt of Universal Credit or legacy benefits	£20 million	£10 million	£30 million

### Table 1: Estimated annual cost of expanding free school/college meals (FSM) in the North East

**Source:** Calculations undertaken by Child Poverty Action Group (CPAG), which do not include any capital costs and are based on the Government's current per pupil funding rate for free school meals.

Whilst logistically it may be easier to deliver an expansion of universal free school meals at primary age, this is extremely difficult to justify given the need to maximise the impact of our limited resources, the levels of hardship we heard about during our research from secondary schools and colleges in the region - and the particular challenge we have in the North East with the significant widening of the 'disadvantage gap' at secondary level. Expanding free school meals to all children and young people from families in receipt of Universal Credit and equivalent legacy benefits - at primary school, secondary school and college - would be the simplest and most effective way of ensuring that *all* children and young people impacted by poverty and food insecurity in our region have access to this vital support. And, in many local areas, expanding free school and college meals in this way would equate to close to universal provision given our higher proportion of children in families receiving means-tested benefits, whether in or out of work.

AS AN IMMEDIATE PRIORITY, WE THEREFORE URGE OUR COMBINED AUTHORITIES TO POOL RESOURCES WITH OTHER ORGANISATIONS ACROSS THE REGION TO FUND A PILOT EXPANSION OF FREE SCHOOL AND COLLEGE MEALS, TO ALL CHILDREN AND YOUNG PEOPLE IN FULL-TIME EDUCATION FROM FAMILIES IN RECEIPT OF MEANS-TESTED BENEFITS

- which we estimate would benefit around 50,000 children and young people across the NEMCA area, and around 25,000 in Tees Valley.157



# This should include a significant contribution from the North East and North Cumbria Integrated Care Board

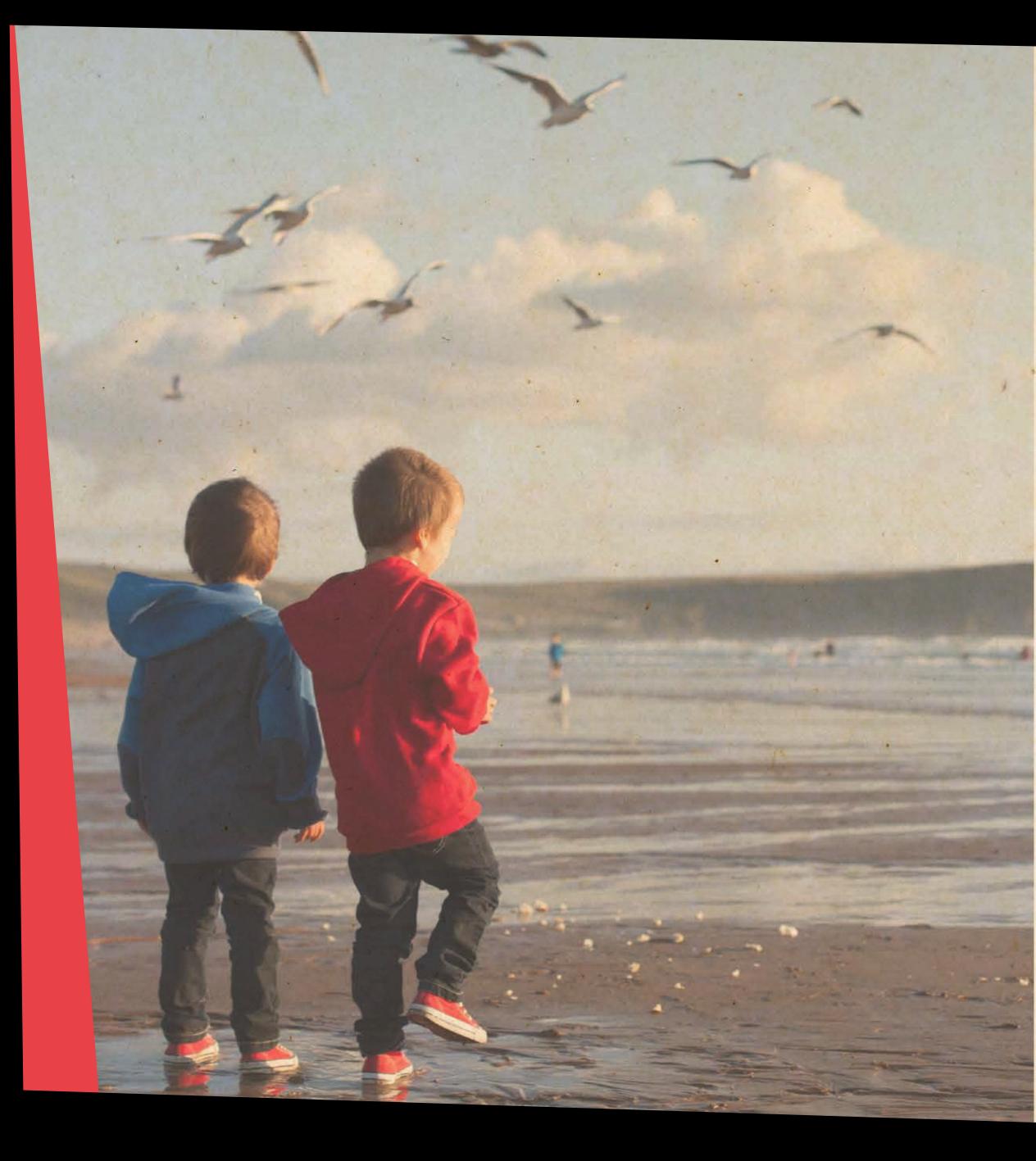
(ICB)/Integrated Care Partnership (ICP), given their commitments to being 'an active partner in advocating for economic and social development'; 'to work in partnership with a broad coalition of services that have a positive impact on health'; and 'to find improved ways to support children, young people and adults to have good nutrition' - alongside three of their four strategic goals being 'longer, healthier lives for all', 'fairer health outcomes for all', and 'best start in life for our children and young people'. As the Integrated Care Partnership (ICP) itself recognises, 'educational attainment is the strongest correlative factor in health outcomes, and employment, particularly in better paid roles, is a protective factor for health and wellbeing.'<sup>158</sup>

This is an opportunity for our Integrated Care Board to take bold and ambitious action, in partnership with our combined authorities, local councils, schools and colleges, to implement these important strategic aims – in a way that best meets the most pressing needs of our region, and in a way that the health, educational and economic benefits of doing so can be robustly evaluated at scale, to provide an evidence base for action by national Government. Additional funding for the provision of school and college food must be ring-fenced for this purpose, and regional partners will want to consider whether these meals should be funded at a higher rate than that currently provided by Government (as is happening with the roll out of universal primary meals in London, and with the further expansion to all secondary pupils in receipt of Universal Credit through 'healthy meal bundles' in the London borough of Southwark).<sup>159</sup> Other important considerations include the potential costs of additional kitchen equipment that may be required and how this is funded.

And, as part of this work, we would encourage combined authorities and local partners to explore the viability of a further expansion of this support to children in early years settings in receipt of means-tested benefits (where they are being charged for food), given the particularly high rates of poverty for children in this age group across our region; to undertake some research with children and young people to better understand the reasons behind the non-take up of this support by those registered, which could result in the co-design of menus with pupils and students; to explore the extent to which eligible children and young people with disabilities or additional needs are currently able to actually take up their FSM entitlement; and - particularly importantly to work with schools, colleges and local authorities to quantify the scale of school meal arrears across our region and to consider writing this debt off for families, as has happened in several local authority areas across Scotland,<sup>160</sup> and which the Scottish Government has recently committed to do for all families.<sup>161</sup>

'SCHOOL MEALS SHOULD DEFINITELY BE EXPANDED. YOU CAN SCRIMP AND SAVE ON YOUR MEALS AT HOME - BUT SCHOOL MEALS HAVE A SET PRICE AND YOU CAN'T SAVE ON THOSE. AND SENDING IN A PACKED LUNCH IS MUCH MORE EXPENSIVE NOW.'





# ADDRESSING THE SHORTFALL IN THE 2-YEAR-OLD EARLY EDUCATION OFFER

As touched on earlier in this report, there is a confusing plethora of support currently available for families towards the cost of early years education and childcare in England, with five different schemes introduced at different times, and for different reasons.

This includes a 15 hour a week offer for 'disadvantaged' 2-year-olds; a 15 hour a week offer for all 3- and 4-year-olds; and a 30 hour a week offer for 3- and 4-year-olds from eligible working families (with hours for these three schemes being available during term times only, or with fewer hours stretched across the calendar year). In addition, there is support for *up to* 85% of childcare costs for those in work and in receipt of Universal Credit, as well as the Tax-Free Childcare scheme (both of which can be used throughout the year).

The current 15 hour a week offer for disadvantaged 2-year-olds was introduced by the Coalition Government in 2015, building on a previous pilot introduced by then Labour Government in 2006, both of which were established with the aim of improving school readiness. Eligibility for this scheme depends on families being in receipt of means-tested benefits and on a very low income, for example Universal Credit with a net *household* income of less than £15,400 a year before benefits (or children meeting other criteria such as being a care leaver, or having an Education, Health and Care Plan).<sup>162</sup>

When the current scheme was introduced in 2015, 38% of 2-year-olds across England were deemed eligible for this support. However, as the IFS has highlighted, eligibility rates have dropped across the country dramatically - as a result of the transition from legacy benefits to Universal Credit; the erosion of working-age social security; and the impact of wages rising whilst **the eligibility thresholds for the disadvantaged 2-year-old offer have been frozen in cash terms since it was introduced**<sup>163</sup> - meaning that only 28% of 2-year-olds across England qualified for the offer in 2023.<sup>164</sup>



Following responses to Freedom of Information requests, we are able to illustrate in figures 16 and 17 by how much the proportion of 2-year-olds eligible for this offer has also fallen within the North East since 2015 - a period during which child poverty has risen more steeply in our region than in any other part of the country, and most particularly for families with the youngest children<sup>165</sup> - such that **the proportion of all 2-year-olds entitled to access this support across the North East region fell from 46% in 2015 to 37% in 2023.** 

FIGURE 16 Proportion of all 2-year-olds in the NEMCA area eligible for the disadvantaged 2-year-old offer, 2015 and 2023

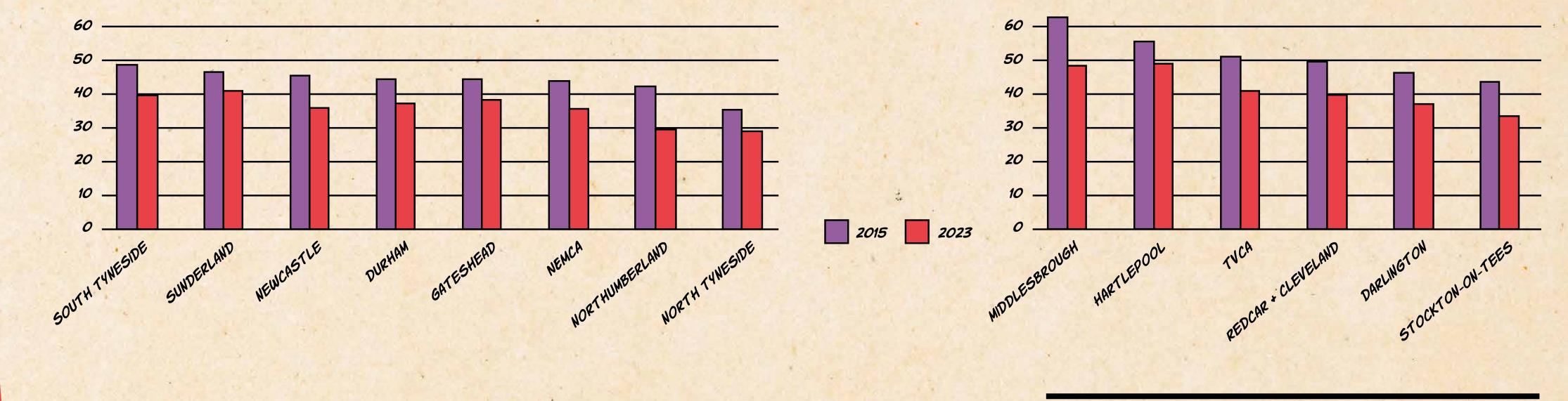


FIGURE 17 Proportion of all 2-year-olds in the TVCA area eligible for the disadvantaged 2-year-old offer, 2015 and 2023

Source: NECPC analysis of data received from DfE via Freedom of Information requests



Importantly - unless the income threshold for this offer changes nationally - The Sutton Trust emphasises that a further group of children will be cut out of the Government's planned expansion of early years education and childcare support being rolled out from April 2024, explaining that 'at age two there will now be a group of families who are not disadvantaged enough to access the existing 15 hour offer, but who do not qualify for the new 30 hour offer for some working families, with those children receiving no time in funded early years provision.'<sup>166</sup>

Alongside Universal Credit, another qualifying benefit for the disadvantaged 2-year-old offer is Child Tax Credit - with families required to have an annual *household* income below £16,190 before tax (also frozen in cash terms since the scheme was introduced), in order to access this support. It has been calculated that, had this threshold grown in line with average weekly earnings, it would now stand at almost £22,500.<sup>167</sup>

Given the importance of high quality early years education for children's development and likely future outcomes,

OUR COMBINED AUTHORITIES SHOULD THEREFORE WORK WITH LOCAL AUTHORITIES, USING THE DATA THEY HOLD, TO EXPLORE HOW MANY 2-YEAR-OLDS IN THEIR AREAS FALL INTO THIS GAP (BETWEEN THE CURRENT ELIGIBILITY THRESHOLD AND WHERE IT WOULD BE NOW BE HAD IT KEPT PACE WITH EARNINGS), TO UNDERSTAND THE SIZE OF INTERVENTION REQUIRED IN ORDER TO FILL (OR AT LEAST PARTIALLY FILL) THIS IN OUR REGION.

There is clearly appetite across the North East to access this support, given the take-up rate by families that *are* eligible is much higher in the region than nationally - standing at an estimated 85% in January 2023, compared with around 74% across England (it is around 83% across the NEMCA area, and 87% in Tees Valley).<sup>168</sup> We should build on this high level of engagement to expand this offer to as many low income 2-year-olds as possible.



## EXPANDING THE BABY BOX SCHEME ACROSS THE REGION

Through a fundraising campaign, the regional charity The Children's Foundation has piloted the rollout of a North East 'Baby Box', based on the original Finnish model.<sup>169</sup> Starting initially in Newcastle and Gateshead, this scheme has provided around 110 'vulnerable' first time families with a box of items developed in partnership with parents, midwives, health visitors and family nurses. The Baby Box has a particular focus on babies' development - including several stimulating toys and books - alongside essential items such as a blanket, changing mat, bath towel, thermometer and health-related advice for babies, which expectant parents register for at 20-28 weeks of pregnancy through their community midwife, receiving the box at around 32 weeks.

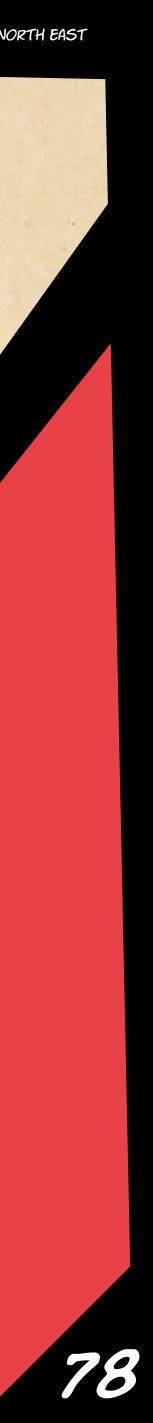
The Children's Foundation hopes to be able to roll this support out across the region, and recently-announced funding from the North of Tyne Combined Authority will significantly grow the reach of this work, with Baby Boxes being provided to 750 first time parents across Newcastle, Northumberland and North Tyneside from January 2024.<sup>170</sup> Given the particularly high rates of early childhood poverty in our region,

WE WOULD URGE BOTH THE NEW NORTH EAST AND EXISTING TEES VALLEY COMBINED AUTHORITIES TO POOL RESOURCES WITH NHS PARTNERS TO FUND AN EXPANSION OF THIS SUPPORT TO EVEN MORE PARENTS ACROSS THE REGION, TO ROBUSTLY TEST THE IMPACT OF THIS INITIATIVE – FOR BOTH PARENTS AND INFANTS – AT SCALE.

#### To dovetail with this work,

WE ALSO RECOMMEND THAT REGIONAL PARTNERS EXPLORE THE VIABILITY OF POOLING RESOURCES TO INTRODUCE A PILOT REINTRODUCTION OF THE HEALTH IN PREGNANCY GRANT, FOCUSSED ON LOW INCOME EXPECTANT MOTHERS IN THE NORTH EAST TO EVALUATE IT IMPACTS.

Between 2009 and 2011, this national grant provided a one-off payment of £190 (equivalent then to three months of Child Benefit), to all women from 25 weeks of pregnancy. Recently-published research on the impact of this relatively small sum of support has found that it had a positive effect on increasing birth weights and reducing the incidence of low birth weight - with younger mothers, particularly those living in 'deprived' areas benefiting the most - improvements which research suggests 'cannot be explained by antenatal health attendance, nutrition, or smoking', with the hypothesis being that reduced prenatal stress contributed to these outcomes.<sup>171</sup>



# WIDENING THE REACH OF THE HOLIDAY ACTIVITIES AND FOOD (HAF) PROGRAMME

Since 2021, the Government has provided funding to all local authorities in England to deliver a Holiday Activities and Food (HAF) programme, following a three-year pilot which funded this support to a small number of English local authorities (including Newcastle and Gateshead) between 2018-2020. Some of the evidence base for the wide-ranging benefits of this provision came through the 'A Day Out, Not a Handout' project in summer 2017, established by the North East Child Poverty Trust, delivered by the charity Children North East, funded by the Big Lottery Fund and evaluated by Northumbria University's Healthy Living Lab.<sup>172</sup>

The HAF programme (the current funding settlement for which is due to end at the end of 2024) has had a significant, positive impact on thousands of children, young people and families taking part across the North East, widening access to structured, safe and enriching activities and healthy food - as well as on the large number of community-based organisations that now help to deliver the scheme across our region. However, whilst 15% of the funding provided by Government can be allocated by local authorities to any children and young people they believe could benefit from attending, the lion's share is restricted to families eligible for means-tested free school meals - the threshold for which, as explored earlier in this report, is wholly inadequate. We heard repeatedly in our conversations for this research how demand for this type of holiday provision is outstripped by supply and the level of funding available, and that far more children and young people should be able to access it - particularly from low income families in work.

A number of local authorities in our region have worked hard to expand what they are funded to provide - for example, by several ensuring this support is also available during half terms (Government funding only covers the Easter, summer and Christmas holidays); using public health funding in Sunderland to increase the number of families it can reach; or accessing charitable grants to widen it in way that works for the needs of their area - as Northumberland County Council has been able to do, with Lottery funding secured through the North East Child Poverty Trust to enable a much more expansive, community and youth-led programme delivered by Leading Link and its innovative Young Leaders programme.<sup>173</sup> Throughout this research, we heard how many voluntary and community organisations - and even parents themselves - are also supplementing the HAF offer by going beyond what they are funded to deliver, or organising and funding their own provision. And Gateshead Council has piloted a 'HAF+' scheme, co-designed by older young people for their peers with Northumbria University, and delivered in summer 2023 with the support of a broad range of partners, including Nexus (public transport authority), Greggs and the Newcastle United Foundation.<sup>174</sup>

As part of our proposed programme of co-ordinated regional action to tackle child poverty – and based on the assumption that HAF funding from Government will continue beyond 2024 -

OUR COMBINED AUTHORITIES SHOULD WORK WITH LOCAL COUNCILS, NHS AND PUBLIC HEALTH PARTNERS, VCS ORGANISATIONS – AND BUSINESS – TO BRIDGE THE CLEAR GAPS IN EXISTING HOLIDAY PROVISION, TO ENSURE MANY MORE CHILDREN AND YOUNG PEOPLE (INCLUDING THOSE WITH ADDITIONAL NEEDS) CAN BENEFIT FROM ENRICHING, AGE-APPROPRIATE ACTIVITIES AND HEALTHY FOOD, INCLUDING THOSE FROM LOW INCOME WORKING FAMILIES

- and particularly those who are not able to work from home, for whom the school holiday period can be exceptionally challenging.

This work should also consider how more children and young people – who may have shown a particular talent for an activity they have been able to try through HAF – can be supported to pursue these throughout the year, and not just during the school holidays, particularly given research finding that 'children growing up in the North East are granted fewer [enrichment] opportunities' outside of school. 'When ranked nationally, the North East is bottom for music participation, sixth (out of 12 regions) for art, 11th for dance and 10th for sport.'t



'THE HOLIDAY [HAF] PROGRAMME HAS BEEN A MASSIVE HELP. PEOPLE HAVE BEEN DYING FOR SUPPORT LIKE THIS DURING THE SCHOOL HOLIDAYS, AND I HOPE THIS AND THE FOOD VOUCHERS CONTINUE. THEY'VE BEEN SUCH A MASSIVE HELP TO PARENTS, AND HAVE REALLY REDUCED STRESS.'

NORTH EAST MUM

WE'VE HAD [HAF] PROVIDERS RING US UP AND SAY, 'I'VE GOT A FAMILY HERE, AND MUM'S CRYING ... SHE'S GOT NOWHERE TO PUT HER CHILD...OR...SHE CAN'T AFFORD TO FEED HER CHILD.' YOU DON'T TURN THEM AWAY.'

LOCAL AUTHORITY OFFICER

NO TIME TO WAIT: AN AMBITIOUS BLUEPRINT FOR TACKLING CHILD POVERTY IN THE NORTH EAST

'THE HOLIDAY [HAF] SCHEME HAS BEEN GREAT. IT'S REALLY TAKEN THE PRESSURE OFF BECAUSE I DON'T HAVE TO WORRY ABOUT FOOD ON THE DAYS THEY GO THERE!

NORTH EAST PARENT

'IT'S ALSO THE [HAF] DAY TRIPS OUT, GOING TO [NAME OF ATTRACTION] OR THE CINEMA - OR THE SEASIDE - THAT'S BEEN REALLY BRILLIANT.'

NORTH EAST DAD

'IT'S GREAT WE'VE BEEN ABLE TO GIVE CHILDREN THESE EXPERIENCES [THROUGH HAF], BUT THEN THEY CAN'T ACTUALLY AFFORD TO KEEP THEM UP WHEN THEY GO BACK TO SCHOOL!

LOCAL AUTHORITY OFFICER



## CREATING A NORTH EAST AND TEES VALLEY 'YOUTH GUARANTEE'

Based on our engagement with young people, parents and carers, youth sector organisations, colleges and schools throughout the course of this research, it is clear we need to do much more as a region to collectively invest in those growing up here - recognising that poverty isn't just about what young people 'haven't got', but the services, opportunities (and networks) they are unable to access or can feel out of reach. Across the country, many organisations focus on the need to 'raise aspirations' of young people from low income families, without considering that most young people do have ambitions and aspirations for their future - it can just be unclear what the pathways to realising them might be, or the barriers to those pathways can appear too great to overcome.<sup>176</sup>

It was also evident from our conversations that many employers across the region want to be able to contribute to regional, co-ordinated action to tackle the underlying drivers of child poverty (rather than solely supporting charitable responses to its effects) - but the ask being made of them needs to be structured and clear.

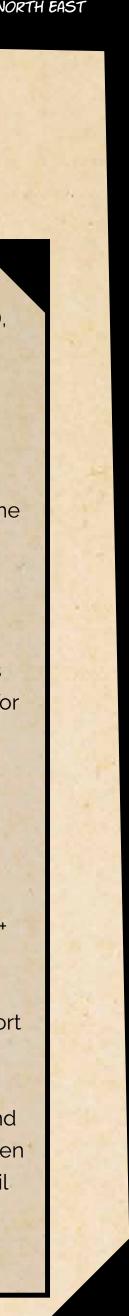
WE RECOMMEND THAT OUR COMBINED AUTHORITIES WORK WITH REGIONAL PARTNERS TO TACKLE SOME OF THESE ISSUES, BY CREATING AND CO-ORDINATING CONSISTENT YOUTH GUARANTEES' FOR THE NORTH EAST COMBINED AUTHORITY AREA AND TEES VALLEY - CO-DESIGNED BY YOUNG PEOPLE - TO WHICH ORGANISATIONS FROM ALL SECTORS (INCLUDING MAJOR EMPLOYERS AND INWARD INVESTORS) CAN PLEDGE WHAT THEY WILL COLLECTIVELY INVEST IN OUR REGION'S FUTURE AS PART OF THEIR CORPORATE SOCIAL RESPONSIBILITY COMMITMENTS.

Parts of this could be commissioned to voluntary and community organisations to deliver, and could adapt some of the work already taking place along these lines in Newcastle, through the citywide 'Evry' plan.177



It should be shaped by young people themselves, however, based on our conversations for this project - and other research conducted by young people in the region<sup>178</sup> - it could include:

- A guarantee of a meaningful, structured, work experience placement for all young people that - importantly - is 'poverty proofed' (i.e. covers the cost of travel, lunch and required workwear), and gives young people an insight into the range of different roles that are available in the North East and a clear understanding of the pathways to achieving them;
- A regional mentoring scheme (along the lines of The Girls' Network,<sup>179</sup> the scheme provided through the Mayor of London's New Deal for Young People<sup>180</sup> or a small-scale pilot that has taken place in South Tyneside<sup>181</sup>) - primarily focussed on young people affected by low income and disadvantage - with cross-sector organisations allowing their employees to take part in this scheme as part of their work commitments. The need for more 'trusted adults' who can build confidence, and provide guidance and support was one of the key themes from our engagement with young people for this research;
- Targeted transport interventions by further reducing public transport costs for under-21s and significantly simplifying the various offers and ticketing systems that exist for young people across different modes of transport within the NEMCA area; and by introducing a reduced fares scheme for under-21s across Tees Valley, and replicating in Tees Valley the free public transport scheme for young care leavers (18-25) that has already been introduced in the NEMCA area<sup>182</sup> (whilst recognising that being able to make use of such schemes relies on our region having a reliable, functioning and joined-up public transport network);
- Improving access to low and no cost enrichment and activities enabling all young people to take part in enrichment, easily socialise with their friends in safe spaces and have access to the support and guidance that youth work brings. This could also include the wider rollout of the HAF+ scheme referred to earlier in this section;
- Using unspent Apprenticeship Levy funding to benefit young people by working with large employers and training providers to ensure unspent Apprenticeship Levy funding is used to support more young people to get into well paid, secure jobs (as is happening through the West Yorkshire Combined Authority<sup>183</sup>); and
- Giving young people a 'seat at the table' of decision-making by our combined authorities, and other regional organisations, establishing youth advisory boards to ensure that the voices of children and young people are centred in their work (such as the Youth Advisory Board pilot by Arts Council England in the North<sup>184</sup>) - giving them a meaningful stake in devolution and decision-making that will have a fundamental impact on their lives.



BI

'THERE'S NOT ENOUGH THINGS TO DO FOR CHILDREN AND YOUNG PEOPLE - AND THE THINGS THAT DO EXIST ARE TOO EXPENSIVE, AND THERE'S NOWHERE NEAR ENOUGH FOR KIDS WITH ADDITIONAL NEEDS.'

NORTH EAST MUM

'THERE'S NOTHING FOR LOTS OF YOUNG PEOPLE TO DO. EVEN THE LEISURE CENTRE IS SHUT – THE GYM IS OPEN, BUT THE POOL ISN'T. THEY USED TO GET FREE SWIMMING, AND THEY [THE COUNCIL] CAME TO ONE OF OUR [COMMUNITY GROUP] SESSIONS AND TOLD US THE KIDS COULD HAVE FREE SWIMMING AND IT WAS LIKE RUBBING SALT INTO A WOUND. WE DON'T EVEN HAVE A POOL. IT'S NOT FREE WHEN YOU HAVE TO GET THREE BUSES TO GET THERE!'



## ESTABLISHING MAYOR'S FUNDS TO SUPPORT THIS WORK

All of the recommendations set out in this section will require resource - both financial and additional capacity for those involved in co-ordinating and delivering this work - particularly if they are to be implemented coherently, to secure the greatest possible impact.

There may be many organisations or individuals in the North East (or indeed those who are part of the not inconsiderable North East 'ex-pat' community spread well beyond the region) - who would like to contribute towards this ambitious programme of co-ordinated regional action, but will not have the time and capacity to take part directly in this work.

It is important that they too have a vehicle through which they can make a contribution, and **we therefore recommend that our elected mayors establish independent Mayor's Funds** (such as the Greater Manchester Mayor's Charity<sup>185</sup> or the Mayor's Fund for London<sup>186</sup>) **to help support the delivery of these ambitions**.

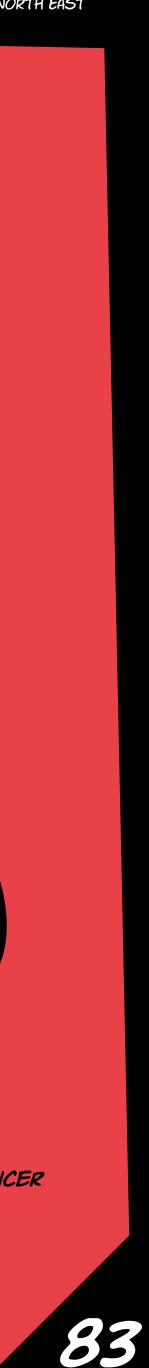
YOUNG PEOPLE FROM THE REGION SHOULD PLAY A CENTRAL ROLE IN THE DESIGN AND IMPLEMENTATION OF THESE FUNDS, WHICH WOULD BE RING-FENCED TO AWARD GRANTS OR FUND ACTIVITIES THAT EXPAND, ENHANCE OR OPEN UP OPPORTUNITIES FOR CHILDREN AND YOUNG PEOPLE IN EACH COMBINED AUTHORITY AREA.

This is not about duplicating existing charitable activity - and indeed the funds could be managed, for example, by our well-established Community Foundations - but they would provide a means through which resources could be pooled to tackle the *structural* drivers of child poverty and improving the opportunities available to children and young people in the North East.

Equally, national organisations should be able to contribute resources given testing and evaluating 'what works' to tackle child poverty in the North East could result in implementation in other parts of the country, including by national Government.

# 'IT'S AS MUCH ABOUT THE HOW AS THE WHAT.'

NORTH EAST LOCAL AUTHORITY OFFICER



# OVERARCHING PRIORITY:

# SECURING A REGION-WIDE ANTI-POVERTY COMMITMENT

All three of the priorities we have set out so far - maximising family incomes now; making work a route out of poverty; and supporting the best start in life for the next generation - should be reinforced by one overarching priority for our combined authorities and regional partners: a region-wide anti-poverty commitment.

In this report, we have made the case make the case for taking a 'public health approach' to tackling the structural drivers and impacts of child poverty in the North East - co-ordinated and driven forward by our mayoral combined authorities, but a collective, evidence-led, effort in which organisations across all sectors, and particularly our anchor institutions, must pull together and play their part.

This will require our elected mayors and combined authorities to work with cross-sector partners across the region (and ideally with each other) to secure a collective anti-poverty commitment to which any organisation can sign up making co-ordinated action to prevent and reduce child poverty an agreed priority for the North East. It will also require a shared understanding that policies on their own are not enough - *how* they are designed, delivered and evaluated is equally important - and devolution gives us the opportunity to do things differently in the North East, putting children and families with direct experience of poverty and disadvantage at the heart of policies designed to tackle this issue.

This work should include:

# ADOPTION OF THE SOCIOECONOMIC DUTY BY ORGANISATIONS ACROSS THE REGION

Section 1 of the Equality Act 2010 - often referred to as the Socioeconomic Duty - introduced a requirement for all public bodies to consider how their policies could increase or decrease inequality that results from socioeconomic disadvantage. Yet, despite being passed by the UK Parliament well over a decade ago, this part of the legislation has never been brought into force in England (it effectively was in Scotland, through the Fairer Scotland Duty in 2018,<sup>187</sup> and in Wales in 2021<sup>188</sup>).

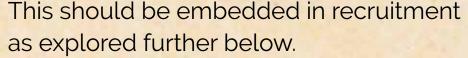
The Socioeconomic Duty (SED) provides a framework for strategic decision-making and helps to make reducing inequality of outcomes a priority for everyone across organisations. This can only be meaningfully achieved 'if policymakers and those designing and delivering public services consider what their actions will mean for the experiences and outcomes of people experiencing poverty.<sup>'189</sup>

A number of public bodies across England have voluntarily adopted the SED, including the North of Tyne Combined Authority, Newcastle City Council and Sunderland City Council in our region - and there are numerous examples of what this has meant for the policies and processes of several organisations. In the North of Tyne, for example, the combined authority 'substantially revised its recruitment policy to reduce the inequalities of outcome in employment that stem from socio-economic disadvantage' - including by ensuring that person specifications in job adverts do not demand higher-level qualifications than necessary; prioritising and embedding equalities statement in job adverts; and proactively encouraging people from socioeconomically disadvantaged backgrounds in junior positions to apply for more senior roles (both existing and prospective staff).

Merseyside Fire and Rescue Service (MFRS) reviewed its recruitment practices following adoption of the duty, finding that people experiencing socioeconomic disadvantage were under-represented in applications for firefighter applications - and identifying that their requirement for candidates to have a driving licence was presenting a barrier to potential applicants. To address this, MFRS removed this requirement and instead now offer driving licence bursaries for successful applicants from twenty 'deprived' parts of Merseyside; driving lessons at MFRS' training school; and paying the cost of driving tests and licence fees. This change resulted in an additional 195 applications for firefighter roles in 2022, almost half of which came from the 10% most deprived areas of Merseyside.



BOTH THE NEW NORTH EAST AND EXISTING TEES VALLEY COMBINED AUTHORITIES SHOULD VOLUNTARILY ADOPT AND MEANINGFULLY IMPLEMENT THE SOCIOECONOMIC DUTY - AND ACTIVELY ENCOURAGE CROSS-SECTOR PARTNERS IN THEIR AREAS TO DO SO TOO, AS PART OF A REGION-WIDE COLLECTIVE COMMITMENT TO ANTI-POVERTY ACTION.



# TAKING ALL DECISIONS THROUGH AN ANTI-POVERTY LENS

Existing and expanded devolution means that we have new powers and access to additional resources within the North East - for example, for housing, skills and transport - that should be used to prevent and reduce poverty, and thereby child poverty, in our region.

Taking the approach of the Socioeconomic Duty,

- which in turn will help to remove one of the single biggest barriers to growth we face in our region.

For example, this could include ensuring the Adult Education Budget is used to enable parents and carers from low income families to access training that fits around their existing work and/or caring responsibilities - and comes with support for childcare costs - to make moving into or back into employment, or progressing into better paid work, a reality for families.

It should incorporate strategic transport interventions - such as reduced public transport fares for low income families; free travel for parents and carers attending job interviews/employment-related training, or those in their first month of work awaiting their first pay packet; and simplified ticketing systems so that people are easily able to identify the best offers (whilst, again, recognising that being able to make use of any such interventions relies on our region actually having a reliable, functioning and joined-up public transport network - the current lack of which must also be addressed as an immediate priority, given the substantial impact this is having on people's ability to access opportunities and their quality of lives).

And it must include using housing powers to significantly increase the stock of good quality, affordable housing available for rent - to reduce the number of children in our region living in poor quality, private rented homes, as well as reducing the number of North East families still being deeply impacted by the 'under-occupancy charge' (or bedroom tax), because there simply aren't sufficient smaller houses here for people to move to.

This should be embedded in recruitment practices across the North East, as well as in how policies and services are designed and delivered,

OUR COMBINED AUTHORITIES SHOULD ENSURE THAT ALL DECISIONS AROUND THESE ISSUES ARE TAKEN WITH A RELENTLESS FOCUS ON HOW THEY WILL CONTRIBUTE TO THE COLLECTIVE REGIONAL GOAL OF PREVENTING AND REDUCING POVERTY LEVELS IN THE NORTH EAST



'I GOT CHARGED BEDROOM TAX FOR MY SON, EVEN THOUGH HE NEEDS TO HAVE HIS OWN ROOM BECAUSE OF HIS AUTISM. BUT THEY SAID HE IS YOUNG ENOUGH TO SHARE WITH HIS SISTER. I APPEALED IT WITH A LETTER FROM HIS DOCTOR AND FROM CAMHS, BUT THEY JUST SAID NO.'

NORTH EAST PARENT

'I'M STRUGGLING WITH THE BEDROOM TAX. EVEN THOUGH ALL OUR BEDROOMS ARE BEING USED [AS OPPOSITE SEX SIBLINGS ARE NOT SHARING ROOMS], THAT'S STILL ±60 EXTRA MONTHLY I'M HAVING TO FIND THAT ISN'T COVERED.'

'I'VE BEEN ON THE [COUNCIL] WAITING LIST FOR A HOUSE AND I HAVE BEEN FOR THREE YEARS NOW BECAUSE I'M CLASSED AS ADEQUATELY HOUSED. I'M VERY LUCKY, I'VE GOT A HOUSE...I'M VERY, VERY FORTUNATE...BUT IT'S A PRIVATE RENTED HOUSE AND I'VE BEEN IN TOUCH WITH MY LANDLORD SO MANY TIMES TO TELL THEM THE WALLPAPER'S PEELING OFF, I CAN SMELL DAMP EVERYWHERE, THERE ARE SIGNS OF WOOD ROT. THEY TELL ME THEY CAN'T DO ANYTHING ABOUT IT UNTIL I MOVE OUT. BUT I CAN'T MOVE OUT BECAUSE I'M ALWAYS 200-ODD ON THE COUNCIL LIST. AND THE LANDLORD WON'T LET ME DO ANYTHING TO FIX IT.'

NORTH EAST MUM

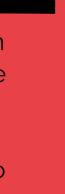
NORTH EAST MUM

ALL OTHER ORGANISATIONS ACROSS THE NORTH EAST - AND PARTICULARLY THOSE IN RECEIPT OF PUBLIC FUNDS - SHOULD ADOPT A SIMILAR ANTI-POVERTY LENS FOR THEIR DECISION-MAKING, WHETHER BY FULLY EVALUATING THE IMPACT THAT SPENDING DECISIONS OR PROPOSED SERVICE CUTS WILL HAVE ON FAMILIES ON THE LOWEST INCOMES - OR BY ENSURING THAT THEIR SPENDING POWER IS LEVERAGED TO CONTRIBUTE TO THE COLLECTIVE REGIONAL GOAL OF PREVENTING AND REDUCING CHILD POVERTY.

This could, for example, include making this goal explicit within social value frameworks, and ensuring that - wherever possible - publicly-funded bodies are procuring and commissioning from organisations within the region that promote good, fairly paid, family-friendly work - and/or are making a contribution to our proposed wider programme of co-ordinated, regional action to tackle child poverty in some way.









### MAKING POVERTY PREVENTION AND REDUCTION 'EVERYBODY'S BUSINESS'

Taking a region-wide, 'public health approach' to preventing and reducing child poverty will require people and organisations across different systems (and indeed within the same systems and organisations) working towards the same collective goal - but we must move away from a position where anti-poverty activity largely relies on a small number of overstretched, under-resourced individuals - or unpaid volunteers - often working close to the edge of burnout (a recurring theme of many of the conversations we held for this research).

Child poverty prevention and reduction should be 'everybody's business', and certainly that of anyone who comes into contact with families and children as part of their work. This means taking every possible opportunity - or 'touchpoint' - to ensure that families are aware of and helped to access the support that is available to them (and particularly support with their finances and to address digital exclusion<sup>191</sup>).

OUR COMBINED AUTHORITIES SHOULD WORK WITH OTHER PARTNERS IN THE REGION TO EMPOWER ALL PUBLIC-FACING STAFF ACROSS THE NORTH EAST - FOR EXAMPLE, HOUSING REPAIRS OFFICERS, HEALTH VISITORS, SOCIAL WORKERS, YOUTH WORKERS, GPS, HOSPITAL- OR SCHOOL-BASED STAFF - TO HAVE INFORMED CONVERSATIONS ON THIS ISSUE AND THEN TO BE ABLE TO POINT FAMILIES IN THE RIGHT DIRECTION, SAFE IN THE KNOWLEDGE THAT THEIR REFERRAL WILL BE QUICKLY PICKED UP.

This should form an integral part of the proactive take-up campaigns and ramping up of investment in income maximisation and debt advice recommended earlier in this report. It should also include all staff being made aware of financial support schemes that are specific to the organisation they work in, for example, the NHS Healthcare Travel Costs Scheme and sensitively supporting families to apply.<sup>192</sup>

'THE THING THAT'S REALLY HARD FOR [COMMUNITY ORGANISATIONS PROVIDING INCOME MAXIMISATION SUPPORT] IS THAT PEOPLE GO TO THEM AND THEY'LL FIND, SOME TIME AGO, SOMEONE HAS SAID TO THEM – LIKE A SOCIAL WORKER OR SOMETHING LIKE THAT – 'YOU'RE PROBABLY NOT ENTITLED TO THAT SUPPORT'. SO THEN, THEY'VE JUST NEVER LOOKED INTO IT OR TRIED. IF SOMEONE'S IN AUTHORITY AND TELLS YOU YOU'RE NOT ENTITLED TO SOMETHING, YOU ACCEPT IT AS GOSPEL.'

#### NORTH EAST VCS ORGANISATION



## A COLLECTIVE AGREEMENT TO DO THINGS DIFFERENTLY HERE

A defining feature of our conversations with young people, parent and carers for this research was the enthusiasm to be meaningfully involved in policy development and decision-making that affects their lives - but frequently feeling completely cut out of this process, and entirely unrecognised for the efforts *they* are making (often with very little external support) to improve their communities. Equally palpable was the experience of regularly not being treated by 'the system' with dignity or respect, the cumulative impact of which was described numerous times as 'degrading', 'humiliating', 'stigmatising' and 'debilitating', not least when this can often happen in front of people's children. This exacerbates parental mental health challenges, which in turn can trap people further in poverty, and can affect children and young people's own wellbeing. Our findings on this are very similar to those of research previously conducted by WHiST (Women's Health in South Tyneside).<sup>193</sup>

It is clear that *how* policies and decisions are implemented is as important as the what - and devolution provides us with an opportunity to do things differently here.

> 'WE DON'T GET ANY SUPPORT ... ANY APPRECIATION ... WE KEEP THIS COMMUNITY GOING. WE'D LOVE TO HAVE A COMMUNITY CENTRE, WITH A PRIVATE SPACE SO PEOPLE CAN SHARE PRIVATE AND CONFIDENTIAL THINGS. WE'VE BEEN ALL OVER TO TRY AND GET FUNDING BUT IT'S REALLY HARD TO GET ANYTHING.'

'[NAME OF PERSON] AT OUR COMMUNITY GROUP IS JUST A VOLUNTEER. SHE'S CONSTANTLY ON HER PHONE AND ON HER LAPTOP HELPING PEOPLE...SHE ALSO DOES FOOD REFERRALS. IT'S A FULL-TIME JOB SHE ISN'T BEING PAID FOR AND GETS NO THANKS FOR. AND SHE'S ON HER OWN WITH THREE CHILDREN. SHE HAS A LOT ON, BUT SHE TRIES SO HARD TO HELP OTHER PEOPLE.'

NORTH EAST MUM AND VOLUNTEER

As part of this recommended programme of co-ordinated regional action to tackle child poverty,

OUR COMBINED AUTHORITIES SHOULD WORK WITH PARTNERS ACROSS THE NORTH EAST – INCLUDING GOVERNMENT ORGANISATIONS AND AGENCIES OPERATING IN THE REGION – TO DEVELOP AN AGREED SET OF 'REGIONAL STANDARDS' ON HOW THEY WILL RESPOND TO POVERTY AND SUPPORT FAMILIES ON LOW INCOME IN A PERSON-CENTRED, DIGNIFIED, RESPECTFUL, AND 'POVERTY AWARE' WAY. <sup>194</sup>

This could include, for example, developing a more consistent approach to provision of locally-delivered crisis support, and agreeing to adopt a 'cash first' approach to assisting families in hardship - moving away from the use of vouchers and emergency food parcels (or the more holistic 'Cash First+' approach piloted by several partners in the West End of Newcastle through a Partnerships for People and Place project).<sup>195</sup> It could also incorporate local authorities collectively agreeing to end the use of bailiffs to recoup debt from families - or all social housing providers committing that no families with children will be evicted into homelessness in the region. However, it should be co-designed in partnership with appropriately recompensed 'Experts by Experience' in order to better ensure policies intended to support families on low income address the most pressing issues they face - and are likely to have the outcomes intended.

NORTH EAST PARENT



WE NEED A COMMITMENT THAT NO ORGANISATION - AND PARTICULARLY THOSE IN RECEIPT OF PUBLIC MONEY - WILL PUNISH PEOPLE FOR BEING POOR.'

NORTH EAST LOCAL AUTHORITY OFFICER

PEOPLE ARE HUNGRY FOR LOTS OF THINGS IN LIFE, INCLUDING DIGNITY AND RESPECT - IT'S NOT JUST ABOUT FOOD.'

'I UNDERSTAND THAT PEOPLE'S HANDS ARE TIED BY WORKING WITHIN SYSTEMS, BUT THERE SHOULD BE MORE COMPASSION AND UNDERSTANDING FOR INDIVIDUAL CIRCUMSTANCES AND EXPERIENCES. EVERYONE DESERVES TO BE TREATED WITH DIGNITY AND RESPECT, NO MATTER WHAT THEIR SITUATION IS."

NORTH OF TYNE POVERTY TRUTH COMMISSION MEMBER 196

Indeed, 'doing things differently here' should mean that, as part of our recommended region-wide anti-poverty commitment and 'regional standards' on tackling poverty,

ALL PUBLIC BODIES IN THE NORTH EAST SHOULD COMMIT TO MEANINGFULLY AND ROUTINELY INVOLVE 'EXPERTS BY EXPERIENCE' - CHILDREN, YOUNG PEOPLE AND FAMILIES ON LOW INCOME - IN THE DESIGN, DELIVERY AND EVALUATION OF POLICIES SPECIFICALLY INTENDED TO TACKLE POVERTY - AS WELL AS IN OTHER DECISION-MAKING ON SERVICES THAT CAN HAVE A PROFOUND IMPACT ON PEOPLE'S QUALITY OF LIVES AND THEIR ABILITY TO ACCESS OPPORTUNITIES (SUCH AS HEALTH SERVICES OR TRANSPORT).

This work could be undertaken through trusted local voluntary and community organisations – ensuring that all are appropriately recompensed for their time, contributions and insights – with a recognition that this work can be complex, and takes time and resources to be done properly.

> 'THEY [THE GOVERNMENT / POLICYMAKERS] ARE NOT INTERESTED IN HOW THEIR DECISIONS ACTUALLY AFFECT PEOPLE'S LIVES. THEY DON'T COME TO PLACES LIKE THIS AND SEE HOW THINGS WORK. THEY'RE JUST NOT INTERESTED. IT DOES MAKE YOU FEEL LIKE YOU'RE INVISIBLE, LIKE YOU'RE THE BOTTOM OF THE BOTTOM ... LIKE YOU'VE GOT NO VOICE.'

NORTH EAST LOCAL AUTHORITY OFFICER

NORTH EAST PARENT



ELECTED MAYORS VOCALLY ADVOCATING FOR NORTH EAST CHILDREN AND FAMILIES

And our final - but very important - recommendation reflects a key theme from many of our conversations for this research:

OUR ELECTED MAYORS AND COMBINED AUTHORITIES MUST ACT AS VOCAL ADVOCATES FOR NORTH EAST CHILDREN AND FAMILIES -EITHER INDIVIDUALLY OR JOINING FORCES ON BEHALF OF THE WHOLE REGION - RECOGNISING THAT THE LARGE MAJORITY OF POLICY LEVERS AVAILABLE IN ENGLAND TO TACKLE CHILD POVERTY REMAIN WITH THE UK GOVERNMENT.

> 'IT FEELS LIKE WE ARE CONSTANTLY TRYING TO MOP UP A FLOOD WHILST SOMEONE KEEPS TURNING ON MORE TAPS."

NORTH EAST LOCAL AUTHORITY OFFICER

'IT'S QUITE FRIGHTENING HOW MUCH NOW NEEDS TO BE DONE AT A LOCAL LEVEL BECAUSE OF NATIONAL POLICY, AND NATIONAL POLICY GAPS."

NORTH EAST LOCAL AUTHORITY OFFICER



#### This includes:

- Pressing Government on the urgent need for a joined-up, ambitious national child poverty strategy - to ensure that valuable time, resources and energy at a local and regional level can be focussed on adding value to a national plan, not taken up by mitigating the worse impacts of national policy;
- Advocating on national policies that disproportionately affect children and young people in our region - and/or are undermining the social and economic outcomes they and our combined authorities are seeking to achieve (such as Universal Credit debt deductions,<sup>197</sup> the two-child limit,<sup>198</sup> the overall inadequacy of our national social security safety net, or the impact that a young person taking on an apprenticeship can have on their family's income);
- Getting more traction on the way in which is national policy is delivered in the North East (for example, by DWP and Jobcentre Plus);
- Pushing Government to fill data gaps which make tackling child poverty and hardship at a local and regional level more challenging (e.g. gaps in knowledge on FSM registration rates; the proportion of children eligible for some early years entitlements; and the number of children impacted by Universal Credit sanctions<sup>199</sup>); and
- Making the case for additional funding to test and evaluate child poverty prevention and reduction policies in the North East, with a view to implementation at national level. This could include, for example, significantly increased funding for community-led Family Hubs or Children's Centres through which many of the recommendations we have set out in this report could be delivered.





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24	<sup>181</sup> Mentoring project tackles barriers to youth employment	Children
	North East LEP (2024)	<sup>193</sup> Hear My V
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	Nexus (2023)	194 See for exc
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	<sup>183</sup> West Yorkshire Police recruitment drive gets boost from Mayor	Leeds Saf
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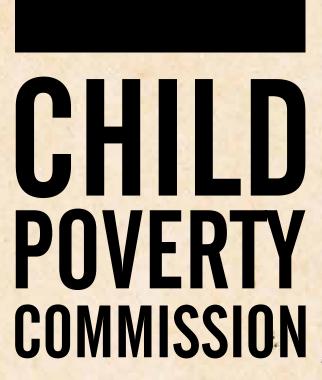
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If you have any questions about this report, please contact AMANDA.BAILEY@NCL.AC.UK

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