



## Local Strategic Partnership Executive Board (not a public meeting)

<b>Date:</b>	Wednesday, 29 September 2010
<b>Time:</b>	5.00 pm
<b>Venue:</b>	Mersey Maritime, Monks Ferry, Birkenhead

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### AGENDA

1. WELCOME, APOLOGIES, INTRODUCTIONS
2. MINUTES FROM PREVIOUS MEETINGS
3. DECLARATIONS OF INTEREST
4. VOLUNTEERING - PRESENTATION BY ANNETTE ROBERTS, VCAW & ANGELA GREEN, WIRRAL CVS
5. LOCAL TRANSPORT PLAN - LTP 3 - UPDATE ON DRAFT PREFERRED STRATEGY CONSULTATION - JOHN SMITH, MERSEYTRAVEL (Pages 1 - 4)  
[LTP3 link to consultation documents](#)
6. 'WIRRAL'S FUTURE' BE PART OF IT - PRESENTATION ON COUNCIL CONSULTATION PROCESS - JANE MORGAN
7. 2010 GOVERNANCE REVIEW AND FUTURE PARTNERSHIP CHALLENGES - REPORT - CAROLYN CURR (Pages 5 - 8)
8. LOCAL ENTERPRISE PARTNERSHIPS - REPORT - JIM WILKIE (Pages 9 - 16)
9. CHILD AND FAMILY POVERTY STRATEGY FOR WIRRAL - UPDATE REPORT - CAROLYN CURR (Pages 17 - 68)

**10. ANY OTHER BUSINESS (Pages 69 - 72)**

- Update on Wirral response to letter from Government ministers to invite the voluntary, community and social enterprise sectors to contribute their ideas to help reduce the economic deficit - Annette Roberts, VCAW
- Adaptation to Climate Change – partner representatives attending November workshops – Carolyn Curr

**11. DATE OF NEXT MEETINGS: VENUE MERSEY MARITIME**

Wednesday 10 November 2010, 5.00 – 7.00pm

Wednesday 19 January 2011, 5.00 – 7.00pm

Wednesday 16 February 2011, 5.00 – 7.00pm

Wednesday 30 March 2011, 5.00 – 7.00pm

**WIRRAL LOCAL STRATEGIC PARTNERSHIP - EXECUTIVE BOARD**

**WEDNESDAY 29<sup>th</sup> SEPTEMBER 2010**

**REPORT OF THE DIRECTOR OF TECHNICAL SERVICES**

**THE THIRD LOCAL TRANSPORT PLAN FOR MERSEYSIDE - DEVELOPING THE PREFERRED STRATEGY**

**1 EXECUTIVE SUMMARY**

- 1.1 This report sets out for Executive Board members the present position of the Merseyside Local Transport Plan (LTP) and the draft Preferred Strategy. This is set out as an Appendix One for the LSP to consider, make comment and support.

**2 BACKGROUND**

- 2.1 The next stage in the third Merseyside Local Transport Plan process is the development of the Preferred Strategy. This stems from the “Challenges and Opportunities” paper that was published for consultation in March 2010 and was subject to a presentation to the LSP Executive Board in January 2010.

**3 DRAFT PREFERRED STRATEGY**

- 3.1 The draft Preferred Strategy has been prepared in uncertain times; clarity on funding is not expected until the end of the year following the Government Comprehensive Spending Review (CSR) on 20 October 2010. There is an expectation that there will be less funding available. The Preferred Strategy also recognises the importance that Government now attach to private sector funding at one level, and possible community and third sector funding at the local level signalled by the Big Society.
- 3.2 There remain major uncertainties about institutional arrangements at national and local level. At the local and Liverpool City Region (LCR) level, this particularly applies to developments around any proposed Local Enterprise Partnerships (LEPs).
- 3.3 The Merseyside Transport Partnership’s (MTP’s) forecasts for the future also contain more uncertainty than in the past due to the potential ramifications of future fiscal policy and the LCR’s ability to move out of recession, and to what timescales. This clearly has an impact on likely implementation dates for key initiatives such as Liverpool and Wirral Waters and expansion of the Port of Liverpool.
- 3.4 In turn, these will impact on future demand for transport. MTP’s assumptions are that travel demand is due to remain static for a number of years. On this basis our existing transport system can cope without the need for major

investment, other than at certain pinch points such as Central Station. There will need to be a continuing focus on maintaining the large transport assets already in existence.

3.5 Taking these issues into consideration, the MTP believe the Preferred Strategy needs to be underpinned by three key principles.

- The Government imperative continues from previous policy - addressing “twin peaks” of supporting economic growth and delivering a low carbon economy
- A clear need to demonstrate value-for-money efficiency, and effectiveness in a funding constrained environment
- The need to address multiple objectives and pool resources with other core policy areas to address common goals

3.6 In summary, the Preferred Strategy is:-

- (a) **Addressing multiple objectives** - More innovative and clever with available resources- pooling and sharing.
- (b) **Clear commitment** to work with private sector partners, operators and other agencies to achieve this.
- (c) **Targeted use of resources** to provide improvements to address known demand.
- (d) **Maintenance of core assets** and making **best use of assets**.
- (e) **Safe and Inclusive** – Equality of travel opportunity –address disadvantage.
- (f) **Focus on active modes** - lower capital investment required, potential for high benefit to cost ratios- health and carbon benefits.
- (g) **Technological improvement** - using ITS and Smartcards to make existing provision work better and encouraging green technology
- (h) **Smarter Choices** with **behavioural change programmes**
- (i) **Collaboration and co-operation** - working with planners and developers to reduce reliance on transport capital solutions as an essential element of development
- (j) **Resilient planning** - Planning for the future to ensure capacity for potential large economic or policy/funding changes

- 3.7 One of the current uncertainties is the likely length of the first 'settlement' period following the Comprehensive Spending Review. The previous planned period had considered a three year horizon. This had the advantage of being aligned with Local Area Agreements. At the present time it is not known whether two, three or four year settlement periods will be adopted.
- 3.8 Notwithstanding this, it is proposed that local authorities bring forward implementation proposals that target the following areas of activity, over and above, day to day activities and commitments.
- (a) **Fully integrate the LTP with the Local Development Frameworks and community strategies.** This will provide a robust planning framework linking transport and future developments in ways that can reduce long distance travel, improve accessibility and provide a framework for future funding sources.
  - (b) **Expanding the range of public transport services by examining the role other providers backed up by a network of neighbourhood based information services.** This will have a direct impact in disadvantaged areas, creating greater opportunities to travel, access employment and foster well being.
  - (c) **Develop and begin to implement the next generation of technology.** This will improve information systems for all users and use smart cards to offer a range of benefits to a wide range of users. This will maintain free flowing networks, increase journey opportunities and integrate a wide range of transport uses.
  - (d) **Work with the Freight Quality Partnership and other interested parties to develop and enhance the freight and logistics network.** This will strengthen Merseyside's competitiveness, support Superport ad access to the Port reduce the impact of freight movement on local communities, promote the use of rail and make a major contribution to reducing carbon outputs.
  - (e) **Develop the low emissions strategy and prepare a complementary strategy that seeks to reduce reliance on oil.** This will reduce carbon emissions, improve air quality and improve health and provide a stimulus to the creation of new technologies in support of the LCR low carbon economy.
  - (f) **Step up promotion of sustainable travel and behaviour change.** This will reinforce the advantages of change to create a healthier and low carbon Merseyside and create the foundations for the area to join other sustainable and successful cities.
  - (g) **The creation of an extensive network of low speed zones.** This will create safer roads, encourage more cycling and walking and therefore improve health and well being whilst reducing carbon outputs

- (h) **Ensure effective delivery of capital programmes**, through a highly targeted approach to delivery in line with the principles set out within the preferred strategy and guided by clear evidence. For example, this will include a focus on bus infrastructure measures on Statutory Quality Partnership routes, on approaches to the city and in the city centre and the associated enforcement of these measures.
- (i) **Plan for the long term.**

#### 4 NEXT STEPS

- 4.1 As noted above, the draft Preferred Strategy is set out in Appendix One to this report and feedback from the Executive Board members is being sought.
- 4.2 The Preferred Strategy was launched on 8 September 2010 and this marks the start of a 12 week consultation period. The consultation will close on 30 November 2010.
- 4.3 Consultation documents and specifically the consultation questions to be responded to can be accessed via this [link](#).
- 4.4 A further report will be presented to the Executive Board following the completion of the consultation period and prior to the new plan being agreed.

#### 5 BACKGROUND PAPERS

- Wirral's Local Strategic Partnership – LTP3 and the involvement of Wirral LSP – January 2010
- Full LTP3 Consultation documents at [www.transportmerseyside.org](http://www.transportmerseyside.org) or direct via this [link](#).

#### 6 RECOMMENDATIONS

- 6.1 Executive Board members are requested to:
- Consider the report and provide comments on the draft Preferred Strategy set out in Appendix One to this report

**David Green**  
**Director of Technical Services, Wirral Council**

This report was prepared by Debbie Simnor, Group Leader Transport Policy who can be contacted on 0151 606 2363. Also by John Smith, Local Transport Plan Support Unit, who can be contacted on 0151 330 1307.

**WIRRAL LOCAL STRATEGIC PARTNERSHIP - EXECUTIVE BOARD**

**WEDNESDAY 29<sup>th</sup> SEPTEMBER 2010**

**INTERIM DIRECTOR OF CORPORATE SERVICES**

**2010 GOVERNANCE REVIEW AND FUTURE PARTNERSHIP CHALLENGES**

**1. EXECUTIVE SUMMARY**

- 1.1. The report presents the findings of the 2010 review of governance arrangements for Wirral's Local Strategic Partnership (LSP). The review has considered the strategic and operational framework of the Partnership to date with a view to identifying how this might be refreshed in order to provide a revised set of shared improvement priorities that will provide the future basis for partnership working.
- 1.2. The review also considered the outcomes of the annual review of the Local Area Agreement, February 2010, and the findings of a self evaluation of the Partnership, 2009.
- 1.3. The report also highlights a number of significant changes in the external and internal environments in which the Partnership operates and poses a number of questions about the role of the Partnership in this new context.

**2. RECOMMENDATIONS**

- 2.1. Executive Board members are requested to:
  - Consider the findings of the governance review outlined in the report and in light of the significant changes, agree that further work is undertaken to better understand the impact that these will have on partners and the future role of the Partnership.
  - Receive a further report at the January meeting of the Board that identifies these issues in more detail.

**3. BACKGROUND**

- 3.1. The governance arrangements of the LSP were last reviewed, April 2009 when the current structure of Executive Board, Assembly and Management Group was agreed. The review and resultant structure reflected good practice guidance from the Audit Commission and from the Department of Communities and Local Government at the time.
- 3.2. Also in April 2009, Wirral Council adopted a, *'Partnership Governance Framework and Toolkit'* which demonstrates the key principles and quality standards associated with partnership working that we are committed to. The toolkit provides a framework against which partnerships may benchmark their

activity and outcomes and identify areas where they may wish to improve their performance. The toolkit was used as a basis for the governance review.

- 3.3. The Toolkit states that any partnership needs to coordinate, commission or deliver activities at a borough-wide or local level, that *substantially* contribute towards the Local Area Agreement or other objectives set out in the Sustainable Community Strategy.
- 3.4. The Toolkit goes on to say that existing partnerships should be reviewed annually to ensure they continue to contribute to the strategic objectives, outcomes and targets agreed by the Partnership. The review offers assurance that proper systems are in place in order that performance of the Partnership may be monitored and evaluated.

#### **4. GOVERNANCE REVIEW**

- 4.1. The Executive Board, Assembly and Management Groups were all assessed against the Toolkit framework which poses a series of questions that challenge the Partnership to identify current partnership activity, evaluate the work to date, and suggest actions for improvement.
- 4.2. A review of the risk management arrangements of the Partnership is also underway. An updated risk register will be reported to the Board in due course.
- 4.3. The governance review also considered the outcomes of the annual review of the Local Area Agreement, February 2010 and the findings of a self evaluation of the Partnership, 2009.

#### **5. GOVERNANCE REVIEW – FINDINGS**

- 5.1. Assessment against the Partnership Toolkit identified a number of areas where performance of the Partnership is strong:
  - Performance management processes
  - Risk assessment of Local Area Agreement indicators
  - Level and breadth of partnership membership
- 5.2. These areas are reflective of the findings of the annual review of the LAA which highlighted improved delivery structures and a performance management culture that focussed on addressing key challenges.
- 5.3. A number of areas where governance arrangements could be strengthened were also highlighted in the review:
  - Clarifying and formalising some decision making processes and actions between partners
  - Developing a code of conduct for the partnership



- A review of communications and opportunities to inform residents of the successes of the LSP
- Developing a shared research and intelligence function

5.4. A number of these finding mirror those of the 2009 self evaluation when a number of recommendations were made including:

- To improve clarity around the focus of the Partnership and what it wishes to achieve
- To improve the ways in which the Partnership manages knowledge (this is currently being implemented through the Knowledge Management project sponsored by NWIEP and will report towards the end of the year)
- To improve communications between the Partnership and its local communities to raise awareness of the positive impacts of the Partnership
- To explore joint commissioning / closer collaboration in order to achieve efficiencies

## 6. FUTURE CHALLENGES

6.1. The environment in which the Partnership operates is significantly different when compared with just a few months ago. A number of external factors are easily identifiable that are impacting on partners. These factors include:

- Budget pressures that we are already aware of and the Comprehensive Spending Review still to be announced
- A very different regulatory environment with a substantial shift from national to local accountability
- Uncertain future for Local Area Agreements after March 2011
- Strong messages about devolution and localisation from Whitehall – Big Society / small government, and the pending Localism Bill
- Total Place / Place based budgeting
- Changes to national and local health services with NHS Commissioning Boards and GP consortia
- The Localism review that is considering how decision making, budgets and services may be devolved to local communities
- The consultation exercise to inform future Council priorities

Partners should consider how they wish to respond collectively to these challenges. A shared understanding of partners' views on the future role for the Partnership would help us to determine how we might best continue to deliver high quality services that are relevant to our local communities.

## 7. RECOMMENDATIONS

7.1. Executive Board members are requested to:

- Consider the findings of the governance review outlined in the report, and in light of the significant changes, agree that further work is undertaken to better understand the impact that these will have on partners and the future role of the Partnership.

- Consider a further report at the January meeting of the Board that identifies these issues in more detail.

**8. BACKGROUND PAPERS**

- Wirral's Local Strategic Partnership - Governance update report – April 2009
- Partnership Toolkit, Wirral MBC Cabinet, April 2009
- Partnership Self-Evaluation and Improvement, LSP Executive Board, September 2009
- Wirral Local Strategic Partnership and Local Area Agreement Annual Review - January 2010

**Kevin Adderley**  
**Interim Director of Corporate Services**

This report was prepared by Carolyn Curr who can be contacted on 691 8152 and John Highton, 691 8522.

**WIRRAL LOCAL STRATEGIC PARTNERSHIP - EXECUTIVE BOARD****WEDNESDAY 29<sup>th</sup> SEPTEMBER 2010****REPORT OF THE INTERIM DIRECTOR OF CORPORATE SERVICES****LOCAL ENTERPRISE PARTNERSHIPS - REGIONAL GROWTH FUND****1 EXECUTIVE SUMMARY**

- 1.1 This report presents the Executive Board members with an update on Local Enterprise Partnerships (LEPs). There are a significant number of changes taking place nationally in relation to Economic Development, including the abolition of Regional Development Agencies, the introduction of a Regional Growth Fund and the impact of this on the Liverpool City Region. Wirral Councils response to the Regional Growth Fund consultation is attached to this report.
- 1.2 This report outlines the current arrangements for Wirral's involvement in the Liverpool City Region Local Enterprise Partnership.

**2 BACKGROUND**

- 2.1 The Government signalled its intention to create Local Enterprise Partnerships (LEPs) in the emergency budget announced on the 22nd June 2010. Guidance states that the Government is looking for locally elected leaders to work directly with business to lead coordinated activity to support local economic development. Any proposed Local Enterprise Partnership should include a combination of upper tier Local Authorities to ensure that a true functional economic footprint and travel to work area is reflected.
- 2.2 As part of these changes Regional Development Agencies will be abolished and the LEPs will have a responsibility for improved co-ordination of public and private investment areas of economic development. In addition, funding for the 4NW (leader's forum) has been stopped following the removal by government of the Regional Spatial Strategy.
- 2.3 LEPs should develop a framework that allows local authorities to support growth, including the exploration of models that would allow for business rate and tax incentives to lever in private sector investment. Government proposals, in addition to including economic regeneration matters, also refer to LEPs working to address housing, tourism, planning, major infrastructure projects and transport matters.
- 2.4 The guidance also outlines what the Government sees as functions that are best led nationally and they include; inward investment, sector leadership, responsibility for business support, innovation and access to finance. Many of these functions have previously been led regionally and one of the challenges for Wirral is how to ensure that these now nationally led functions bring sufficient focus and opportunity for Wirral.

### 3 REGIONAL GROWTH FUND

- 3.1 On 29th June, the Government announced the launch of a £1billion Regional Growth Fund to help areas and communities at risk of being particularly affected by public spending cuts. The fund, which will operate over two years will help areas most dependant on public sector employment as the country makes a transition to private sector-led growth and prosperity.
- 3.2 Both private bodies and public-private partnerships will be able to bid for funding by demonstrating that their proposal will bring in private investment and support sustainable increases in private sector jobs and growth within their area.
- 3.3 Wirral's proposed response to the national RGF consultation is attached to this report at Appendix A. It is expected that bids for the Regional Growth Fund will be invited in December 2010.

### 4 WIRRAL'S APPROACH

- 4.1 Wirral has for many years operated as part of the Liverpool City Region and via The Mersey Partnership (TMP). There has been collaboration in matters relating to economic development, culminating in the production of a Multi Area Agreement addressing four transformational actions for the economy. These are: Super Port, Visitor Economy, Knowledge Economy and Low Carbon Economy. In addition, collaborative work has been undertaken around Housing and Planning and transport via the Merseyside Integrated Passenger Authority.
- 4.2 However the economic footprint and area of influence on Wirral also spreads across to Cheshire and indeed North Wales. As a result, Wirral has also been a member of the Mersey Dee Alliance. This is an area covering Wirral, Cheshire West and Chester, Flintshire, Denbighshire and Wrexham. It is clear therefore that any LEP proposal may not in fact cover the entire economic footprint that influences Wirral so it is important that whatever route Wirral takes that close working with other areas of influence must remain.
- 4.3 Wirral Council has consulted with neighbouring authorities and business leaders via the Investment Strategy Board and looked at a number of options for the geographical and economic area that an LEP including Wirral might cover.
- 4.4 The Government has invited submissions for Local Enterprise Partnerships which were due by 6<sup>th</sup> September.
- 4.5 Wirral's approach will take into account a mixture of tried and tested interventions alongside new models of delivery, all of which are designed to drive enterprise and innovation at an efficient unit cost, which also engages the private sector to maximize leverage. The overall strategy, the programmes developed and the projects delivered must:
  - Significantly stimulate enterprise
  - Substantially involve private sector
  - Generate fast cost effective returns

- 4.6 Wirral Waters is one of the UK's largest regeneration projects and provides the potential to transform the economy of Wirral and the wider sub region working with one of the UK's largest developers, Peel Holdings. This presents a huge opportunity, particularly in the context of the Atlantic Gateway proposals, to use new funding models to generate the resources to kick start schemes which will create in excess of 27,000 jobs over the next 30 years.
- 4.7 In terms of Regional Growth Fund, specifically to Wirral officers recommend that the Council would like to engage with Government to discuss:
- The development of a replacement for Grant for Business Investment (GBI) to ensure that Wirral fully utilises its Assisted Area Status
  - The development of a suitable programme of activity for Inward Investment, ensuring that whichever body assumes national responsibility for this action is accountable and involved in a collaborative manner with Wirral/LEP
  - The development of a working model for new models of funding such as Tax Incentive Funding (TIF) and Accelerated Development Zones and to potentially pilot them at the Wirral Waters site
  - How RGF can support infrastructure requirements such as land remediation and power supply
  - The development of new and innovative models of unlocking development potential, utilising Council and other public sector as
  - The offer of greater certainty for Wirral businesses that they can access finance and other incentives via the national organisation that will assume responsibility
  - The supporting of Wirral's Port activity and Low Carbon aspirations
  - How Wirral can maximise its relationship with its private sector partners to create the investment conditions to make a major step change within the economy.
  - The supporting of new business start ups

## **5 LIVERPOOL CITY REGION**

- 5.1 Liverpool City Region Cabinet agreed in principle at its meeting on the 30<sup>th</sup> July 2010 to submit an LEP proposal to Government, subject to formal agreement from each Local Authority. Wirral Cabinet supported the LEP proposals at its meeting on the 2<sup>nd</sup> September 2010.
- 5.2 More work will now go into the development of a structure for the Liverpool City Region LEP and how it will formally respond to the Government consultation. However, it has also been agreed that the Liverpool City Region will enter into dialogue with Government about devolving the following:
- Business growth
  - Inward investment
  - Skills development
  - Science and innovation
  - Transfer of RDA assets
- 5.3 Initial discussions with the Department for Communities and Local Government have been positive and work is being undertaken to develop proposals for an

appropriate structure for the LEP and how it will fit into the current Liverpool City Region governance arrangements.

- 5.4 The issue of NWDA assets being secured to use alongside LEP proposals is a critical one. In order to make programmes such as JESSICA work, Wirral would need to secure agreement from government for the transfer of these assets to the ownership of the local authority. The NWDA assets are held in a Public/ Private partnership with a managing agent and the NWDA acting as a sleeping partner. The possible ways to transfer these assets need to be fully explored with the outcome remaining uncertain.
- 5.5 Government are expected to announce successful LEPs in October 2010 to coincide with the release of its white paper on sub regional economic development

## **6 REGIONAL GROWTH FUND CONSULTATION RESPONSE**

- 6.1 Wirral Councils response to the Regional Growth Fund consultation is attached as Appendix A to this report.
- 6.2 Wirral believes that the RGF will need to be allocated on the basis of an agreed and transparent formula relating to a range of factors including levels of deprivation, worklessness and job density. It is also believed that the funding should be deployed by LEPs in accordance with their agreed strategies for economic growth. However areas of cross boundary geography i.e. local authorities who neighbour an area participating in a different LEP, should also be allowed to collaborate separately to submit proposals that align with the principles of the RGF in terms of working with the private sector on programmes of activity that will support significant levels of job creation.
- 6.3 All LEPs should have the ability to 'top up' their funding by bidding for additional resource on a competitive basis. These proposals should be assessed against their synergy with LEP strategies and their ability to contribute to increasing productivity (GVA) and creating jobs. This additional top up funding also should reflect local strategy if the funding proposals meet the right criteria and demonstrate the ability to increase GVA and create jobs. Therefore individual Local Authorities should be able to bid to the Regional Growth Fund with viable projects.
- 6.4 The activities outlined in section 4.7 of this report are indicative of the types of interventions that Wirral would like to see supported through LEPs via the Regional Growth Fund.

## **7 RECOMMENDATIONS**

Executive Board members are asked to:

- 7.1 Note the current position in relation to Local Enterprise Partnerships.  
7.2 Further updates will be brought back as appropriate.

**Kevin Adderley**  
**Interim Director of Corporate Services**

This report was prepared by Alan Evans who can be contacted on 0151 691 5426.

## APPENDIX A

### **Regional Growth Fund Consultation Wirral Council Response**

**September 2010**

#### **Background**

Wirral Council welcomes this opportunity to comment on the Regional Growth Fund consultation which sets out the Government's commitment to promoting economic growth within the English regions.

Wirral suffers from significant economic challenges which are set out below. However, the area also has some major economic opportunities which have the potential to transform the local economy by working with the private sector to create the right conditions for investment. As part of the Liverpool City Region submission for Local Enterprise Partnership (LEP) status, Wirral recognises the importance of working in partnership with its City Region partners but also takes into account the functional economic relationship with other neighbouring authorities.

#### **Economic Profile**

Wirral consistently ranks below the regional average on a range of enterprise and competitiveness indicators. In short, Wirral has:

- The lowest GVA per capita in England
- The second highest concentration of Worklessness in disadvantaged communities in England
- Extremely low Job Density rate
- Low levels of VAT registered businesses
- Skills disparities
- A number of poorly performing employment sites and a limited office market

Wirral also has an over-representation of businesses serving low value, local markets, and too few firms are able to access new technologies to develop new products and services and improve efficiency. Added to all of this, Wirral has a higher dependence on the public sector than regional and national averages with nearly 10% higher more public sector employees than England and 8% more than the North West. This makes the area vulnerable in respect of the impact of public sector spending reductions.

Wirral's Investment Strategy has been in place for the last four years to address these challenges. Whilst significant progress has been made, there are still huge challenges ahead. The relationship with the private sector has improved considerably.

Wirral's Investment Board has an influential and experienced membership including key private sector figures that can support new approaches to delivery. Additionally, the Wirral Business Forum, launched in October 2008 now has over 1300 members. This Forum is helping the Council to better engage with businesses with support and signposting on a range of interventions.

Alongside this, one of the UK's largest regeneration projects, Wirral Waters provides the potential to transform the economy of Wirral and the wider sub region working with one of the country's largest developers, Peel Holdings. This presents a huge opportunity to use new funding models to generate the resources to kick start schemes which will create in excess of 27,000 over the next 30 years.

This consultation response sets out Wirral's enthusiasm and commitment to working with Government to design, implement and pilot new and innovative activities to stimulate economic growth and support strategic regeneration schemes.

## Regional Growth Fund

### General Comments

We believe that the RGF will need to be allocated on the basis of an agreed and transparent formula relating to a range of factors including levels of deprivation, worklessness and job density. We believe that the funding should be deployed by LEPs in accordance with their agreed strategies for economic growth. However, areas of cross boundary geography, i.e. local authorities who neighbour an area participating in a different LEP, should also be allowed to collaborate separately to submit proposals that align with the principles of the RGF in terms of working with the private sector on programmes of activity that will support significant levels of job creation.

All LEPs should have the ability to 'top up' their funding by bidding for additional resource on a competitive basis. These proposals should be assessed against their synergy with LEP strategies and their ability to contribute to increasing productivity (GVA) and creating jobs. This additional top up funding also should reflect local strategy if the funding proposals meet the right criteria and demonstrate the ability to increase GVA and create jobs. Therefore, individual Local Authorities should be able to bid to the Regional Growth Fund with viable projects.

### **Q1. Are there benefits to be had from allocating different elements of the fund in different ways?**

We recognise the importance of allocating a proportion of RGF to individual LEPs and believe that this should be done where LEPs can demonstrate the existence of an agreed strategy and private sector engagement and on the basis of an agreed formula as set out above.

We believe that Local Authorities should also be allowed to seek on a competitive basis additional RGF funding for programmes which can clearly demonstrate consistency with locally defined economic growth strategies which should be strongly linked to the RGF priority of increasing private sector led economic growth.

This should include areas of cross boundary geography, i.e. local authorities who neighbour an area participating in a different LEP, and allowed them to submit proposals that align with the principles of the RGF in terms of working with the private sector.

LEPs should also be able to demonstrate the ability to utilise the funding in a renewable way by using the funding to leverage in additional funding or assets which in turn



generate a return on public investment i.e. supporting new models of regeneration funding such as Tax Increment Funding (TIF).

**Q2. What type of activities should the fund support and how should the fund be best designed to facilitate this?**

The RGF should be focused on programmes of investment that are consistent with LEP strategies and which can deliver significant and sustained long term economic growth. We do not advocate replicating the programmes of financial support offered by Regional Development agencies, but in cases where significant public investment has resulted in the creation of jobs, investment should continue. This is applicable to Inward Investment support in Merseyside which maximizes the ability to utilise state aid levels by offering investment support to companies.

We recommend that priority should be given to bids that demonstrate new and innovative partnership models between the public and private sector which are capable of leveraging additional investment, which generates a return to the growth fund and places it on a self-sustaining footing. Consideration should also be given to bids that demonstrate the ability to link together cross-cutting government projects (e.g. linking the RGF to the Work Programme to maximise size and impact of a project). Specifically to Wirral, we would like to engage with Government to discuss how:

- We can develop a replacement for Grant for Business Investment (GBI) to ensure that Wirral fully utilises its Assisted Area Status
- To develop suitable programme of activity for Inward Investment, ensuring that whichever body assumes national responsibility for this action is accountable and involved in a collaborative manner with Wirral/LEP
- To develop a working model for new models of funding such as Tax Incentive Funding (TIF) and Accelerated Development Zones and to potentially pilot them at the Wirral Waters site
- To support growth through incentivised targeted recruitment and training by developing procurement systems as a tool to directly address worklessness/unemployment
- RGF can support infrastructure requirements such as land remediation and power supply
- Government can support Wirral's NGA proposals
- To develop new and innovative models of unlocking development potential, utilising Council and other public sector as
- Ensure Wirral businesses can access finance and other incentives via the national organisation that will assume responsibility
- To support Wirral's Port activity and Low Carbon aspirations
- Wirral can maximise its relationship with its private sector partners to create the investment conditions to make a major step change within the economy.
- Support new business starts

**Q3. Do you think that these are the right criteria for assessing bids to the Regional Growth Fund?**

Given the relative scarcity of resource we would argue that the focus on economic growth should be the prime driver and should be firmly linked to the ability to generate sustained increases in GVA or jobs. The fund should also service national growth

priorities whilst maintaining a keen focus on locally defined priorities as identified by the respective LEP or LA area.

With one of the objectives of the fund being to encourage private sector growth and prosperity in communities typically reliant on the public sector the development of alternative, innovative growth models could also be prioritized.

There does appear to be some tension between the stated requirement to demonstrate the ability to leverage private sector investment and the need to demonstrate market failure. It might be that an RGF funded project does not address a complete market failure but rather it provides intensive support in projects that can lever private sector investment to create a required critical mass that will overcome the market failure.

Merseyside requires additional support from the public sector to address market failure and commercial viability. RGF should not be used just as GAP funding but land remediation and infrastructure support will be critical to address some of the deep rooted economic problems within the economy.

**Q4. Do you think we should operate a two-stage bidding process?**

If clear criteria are outlined then all bidders into the fund should be clear on what is required to ensure any submission receives full consideration – negating the need for a two-stage process.

**Q5. Should a Regional Growth Fund become a long-term means of funding activity that promotes growth?**

Yes. Whilst the focus of this first round of the RGF should be on delivering GVA growth and employment growth in the private sector, it should not just been seen as conventional gap financing and should be deployed to support new partnership models involving the private and public sectors to lever investment with a return to the RGF whilst retaining some support to address market failure and commercial viability.

## WIRRAL LOCAL STRATEGIC PARTNERSHIP - EXECUTIVE BOARD

WEDNESDAY 29<sup>th</sup> SEPTEMBER 2010REPORT OF THE INTERIM DIRECTOR OF CORPORATE SERVICES AND  
DIRECTOR OF CHILDREN'S SERVICES

## CHILD AND FAMILY POVERTY STRATEGY FOR WIRRAL

## 1 EXECUTIVE SUMMARY

- 1.1 The paper provides Executive Board members with an update on the current position of the work that is being undertaken in Wirral, in conjunction with Liverpool City Region authorities, on developing a Child and Family Poverty Strategy to meet our obligations under the Child Poverty Act.
- 1.2 The paper covers the following aspects of the work so far:
  - Scope of the Child Poverty Act and statutory duties for local authorities
  - Position of the Coalition Government in respect of the commitment to ending child poverty
  - The Liverpool City Region framework for developing a Child and Family Poverty Strategy and related activities
  - Governance and arrangements in Wirral
  - Key dates and next steps
- 1.3 Executive Board members are asked to consider the details of the work being undertaken and to support the proposal that the Local Strategic Partnership's existing Management Group undertakes the role of the Child Poverty Management Board for Wirral.

## 2 BACKGROUND

- 2.1 The Child Poverty Bill received Royal Assent and became an Act of Parliament prior to the General Election. The Act establishes national targets for the reduction of child poverty and places a number of duties on local authorities and other local delivery partners to work together to tackle child poverty. These duties are to:
  - **Cooperate** to put in place arrangements to work to reduce and mitigate the effects of child poverty in their local area
  - Prepare and publish a **local child poverty needs assessment** to highlight the drivers of child poverty in the local area and the characteristics of those living in poverty
  - Prepare a **joint child poverty strategy** setting out measures that the local authority and each named partner propose to take to reduce and mitigate the effects of child poverty in their local area
  - Take tackling child poverty into account when preparing or revising **Sustainable Community Strategies**.

- 2.2 Further to the General Election, ‘*The Coalition: our programme for government*’ set out a commitment by the new government to maintain the goal of ending child poverty in the UK by 2020. The National Review of Poverty and Life Chances has been charged with studying the extent of poverty in the UK and making recommendations to help poorer people.
- 2.3 On 18 August 2010, the Coalition Government published its response to the formal consultation on draft statutory guidance issued by the previous government in relation to the Act (March 2010). This again reiterated the Coalition Government’s commitment to ending child poverty by 2020 and emphasised the importance of action at national and local levels. The report stated that formal statutory guidance will not be issued nor regulations laid detailing the requirements of local child poverty needs assessments.
- 2.4 The Coalition Government also stated its commitment to partnership working with sector-led bodies to ensure the availability of support to enable positive responses to the duties set out in the Act, and announced that there will be a funding-transfer to responsible upper-tier authorities in England to support those leading the cooperation required. Funding allocations will be based on National Indicator 116 – proportion of children in poverty – to reflect the scale of the challenges faced by local authority areas.
- 2.5 Government recently announced that it will no longer stipulate when councils should publish their needs assessments and strategies. The Child Poverty Unit recommends that Councils adhere to the original timescale of having a strategy in place by April 2011 in order to align with business planning cycles and Government funding allocations.

### **3 LIVERPOOL CITY REGION CHILD AND FAMILY POVERTY FRAMEWORK**

- 3.1 Liverpool City Region’s commitment to reducing child poverty is highlighted by the City Employment Strategy (CES) and Multi-Area Agreement (MAA). To help meet this commitment and in anticipation of the Child Poverty Act, the CES Board commissioned the development of a Liverpool City Region Child and Family Poverty Framework. Knowsley is the lead authority in the region for child and family poverty.
- 3.2 The creation of a City Region Child and Family Poverty Commission has been endorsed by the City Region Cabinet. Plans are progressing to finalise membership of the Commission and appoint an independent chair. One of the Commission’s immediate actions will be to establish links with the independent National Review of Poverty and Life Chances being led by Member of Parliament for Birkenhead, Frank Field. This review will report in December and will inform the National Child Poverty Strategy.
- 3.3 A Child and Family Poverty Advisory Group will also be established to inform the City Region Commission with representation from each local authority area. This group will be responsible for identifying gaps in data and analysis and raising issues specific to their field of expertise and / or local area.

- 3.4 There are a number of City Region activities in place to ensure that the statutory requirements set out in the Child Poverty Act will be met. These include a child poverty data project and a series of consultation events that were held over the summer. These activities will contribute to the requirement to produce needs assessments for the City Region and for individual local authority areas.
- 3.5 One of the key barriers to developing effective approaches to reducing child poverty has been the availability of data and intelligence. Mott MacDonald was commissioned through Merseyside Information Services (MIS) to assist with the data requirements that will inform the needs assessment. The data project is well underway and a City Region data group has been convened consisting of representatives from all six local authorities.
- 3.6 Attached at **Appendix 1** is the recently published City Region Child and Family Poverty Framework Analysis Report, '*A Brighter Future; working together to tackle child and family poverty*'. This was formally launched at the annual Welfare to Work UK Convention on 1<sup>st</sup> July and provides a tool for City Region authorities to understand child poverty issues and identify opportunities for joining up activity. This report formed the basis for the consultation event in August with Wirral's partners and stakeholders.
- 3.7 A consultation exercise with children and families was also undertaken in Knowsley by the Young Foundation, July 2010, the outcomes of which will be shared throughout the city region. Any additional consultation with children and young people in Wirral will be determined in light of the need to ensure that the Council and partners avoid duplication and target such activities effectively. The Council's current consultation, 'Wirral's Future', which is also on the agenda, will provide some data and intelligence to support the development of the local needs assessment.
- 3.8 A communications plan has been developed as part of the City Region approach. A webpage is now in place at [www.liverpoolcitystrategies.org.uk](http://www.liverpoolcitystrategies.org.uk).

#### **4 DEVELOPING AN APPROACH FOR WIRRAL**

- 4.1 The duty to co-operate recognises that, whilst the local authority should play a lead role in coordinating local partners, it cannot tackle child poverty alone and that a range of other partners must play their role. A number of agencies are named as partner authorities in the Bill:
- The police, youth offending teams, and probation service
  - Transport authorities
  - Primary Care Trust and Strategic Health Authorities
  - Jobcentre Plus
- 4.2 Many other organisations are also mentioned in the Bill that can play a critical role in child and family poverty such as private and third sector service providers, charities, community groups, the housing sector and employers.

- 4.3 Despite the newly announced lack of stipulation by Government, we are still planning for our Child and Family Poverty Strategy to be in place by April 2011. The Strategy will outline how co-ordinated services will tackle child poverty up to 2020 and will be reviewed every three years. There will be an opportunity in future years to integrate the Child and Family Poverty Strategy with the Sustainable Community Strategy.
- 4.4 Mapping of the data and information has illustrated that there is already much in place in Wirral that is addressing the causes of child and family poverty through wide ranging activities such as, financial support and advice for business, employment and training advice services for individuals, Children's Centres, and housing, education and health services. Wirral's Sustainable Community Strategy recognises and explores many of the issues linked to child poverty in its clear focus on tackling inequality and deprivation through increasing prosperity. The development of Wirral's Child and Family Poverty Strategy will build on this approach.
- 4.5 Wirral's Child Poverty partner consultation event was held in August where a number of key partners and stakeholders attended. Outcomes from the event will inform the needs assessment and subsequent Strategy.
- 4.6 The Council has recently nominated Councillor Andrew Hodson to be Wirral's representative on the City Region Child Poverty Commission. The Interim Director of Corporate Services and the Director of Children's Services are jointly accountable for the delivery of the duties set out in the Child Poverty Act in conjunction with key partners. The Head of Policy and Performance is the Council's lead officer for this work.
- 4.7 The Local Strategic Partnership's Management Group has agreed to oversee the development and delivery of the Strategy in tandem with the Liverpool City Region approach outlined above. Development of the Strategy would then be within an existing partnership structure, although the membership of the group would need to be extended to include all partner authorities. It is intended that these arrangements are formalised through reports to the Executive Board and to Wirral Council's Cabinet.
- 4.8 Responding to the requirements of the Child Poverty Act and reducing child and family poverty will be a significant challenge to local authorities and their partners in the current economic and financial climate. Wirral is working proactively with City Region colleagues to ensure that any economies of scale may be achieved and to share learning and good practice. The City Region and local needs assessments will provide a rich source of information for the Council and partners in any future review of priorities within the Sustainable Community Strategy.
- 4.9 The local authority is also seeking to add value to the child poverty agenda by capitalising on opportunities such as the support which has been offered by the DWP Financial Inclusion Champions Programme for Greater Merseyside and West Lancashire to develop Wirral's approach to financial inclusion. A workshop was held on 22<sup>nd</sup> September at the Floral Pavilion to develop local



approaches to financial inclusion and to share best practice. The results will be fed into the needs assessment and Child Poverty Strategy.

## 5 LATEST POSITION AND NEXT STEPS

- 5.1 The work towards a child poverty strategy for LCR and Wirral is continuing throughout September and October in respect of the development and publication of LCR and local needs assessments.
- 5.2 The draft needs assessment will be circulated to Executive Board members and an update on progress provided at the next Executive Board meeting in November.

## 6 KEY DATES

Date	Activity
25 March 2010	Royal Assent of the Child Poverty Bill
November – December 2010	Development and publication of City Region wide needs assessment and local needs assessments
December 2010	Publication of City Region strategy and action plan
April 2011	City Region and local child and family poverty strategies to be published
	First national child poverty strategy to be published
	New National Child Poverty Commission to be established

## 7 RECOMMENDATIONS

- 7.1 Executive Board members are requested:
- 7.1.1 To note the approach and progress to date in developing a Child and Family Poverty Strategy for Wirral.
- 7.1.2 To support the proposal that Wirral LSP Management Group act as the Child Poverty Management Board, subject to consideration by Wirral Council's Cabinet as the statutory lead organisation for the Child Poverty Act.
- 7.1.3 To continue to receive updates on progress in developing the Child and Family Poverty Strategy prior to its adoption in April 2011.

**Kevin Adderley**  
Interim Director of Corporate Services

**Howard Cooper**  
Director of Children's Services

This report was prepared by Carolyn Curr, Head of Policy and Performance, who can be contacted on 0151 691 8152 and John Highton, LSP Coordinator, 0151 691 8522



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# LIVERPOOL CITY REGION



# A Brighter Future:

## Working Together to Tackle Child and Family Poverty

Child and Family Poverty Framework Interim Analysis Report

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## Foreword

### **We are delighted to be able to present to you the Liverpool City Region's Child and Family Poverty Framework Interim Report.**

This report affirms our commitment to working together as city region partners to improve the life chances of children and families across the city region and supports the government's ambition to eradicate child poverty by 2020.

Substantial inroads have already been made to reduce child and family poverty across the Liverpool City Region; since 1999 over 100,000 children in around 51,000 families have been supported out of poverty. However, despite this progress child and family poverty levels in the Liverpool City Region still remain amongst the highest in the country. Given the scale of the challenge and current economic situation we are clear that a city region approach will enable us to secure the best possible outcomes for all children and families.

The Liverpool City Region Child and Family Poverty Framework Interim Report is the first step towards a crosscutting approach to addressing the causes and consequences of child and family poverty. The framework launches a formal consultation on how City Region partners from a range of sectors including housing and regeneration, employment and skills, transport, health and children's services can work together to tackle cross boundary poverty issues.

The findings of the consultation will feed into the City Region Child and Family Poverty Needs Assessment and the flagship City Region Child and Family Poverty Strategy and Action Plan.

We recognise that without a strong and strategic approach to tackling child and family poverty our work through the Multi Area Agreement to 'establish our status as a thriving international city region by 2030' will be futile. To ensure the current momentum is maintained, a City Region Child and Family Poverty Commission is being established to act as the driving force behind the City Region Child and Family Poverty Strategy.

We are confident, that by building on our strong partnership track record, together we can help children and families to break the poverty cycle and achieve their full potential.



*R.J. Round*

Councillor Ron Round  
Leader,  
Knowsley Metropolitan  
Borough Council  
Liverpool City Region  
Portfolio Holder of  
Employment and Skills



*Sheena*

Sheena Ramsey  
Chief Executive,  
Knowsley Metropolitan  
Borough Council  
Chair, City Employment  
Strategy Board

# Executive Summary

## The Liverpool City Region (LCR) Child and Family Poverty Framework - Interim Analysis Report

- 1.** The Liverpool City Region Chief Executives, City Region Cabinet and the City Employment Strategy (CES) Board are fully committed to improving the life chances of children and families across the city region and to the government's ambition of eradicating child poverty by 2020. They identified tackling child and family poverty as one of their key priorities and fully endorsed the development of the LCR child and family poverty framework.
- 2.** The framework is based on an in-depth analysis of the city region's economy and the present challenges and opportunities. It provides the context for poverty interventions and the basis for partners to bring forward initiatives to work together to tackle child and family poverty.

### Why do we need a city region child and family poverty framework?

- 3.** Much of the existing child and family poverty provision across the city region is fragmented. Given the significant levels of child and family poverty levels in the city region and the requirements of the Child Poverty Act 2010, there is an increasing urgency to develop a more co-ordinated strategic focus across LCR. This framework analysis report is the first step towards developing the joined up approach needed.

- 4.** The framework will help LCR partners to:
  - fulfil the statutory duties set out in the Child Poverty Act 2010
  - develop a common understanding of local and cross boundary issues
  - identify opportunities for joint working
  - develop a LCR approach to data, monitoring and tracking
  - focus LCR strategic drivers and performance frameworks
  - share best practice
  - help to maintain a focus on the reality of living in poverty

### Child and Family Poverty - what is the problem and why does it matter?

- 5.** The impact of growing up in poverty goes much deeper than just income deprivation. Children growing up in poverty are less likely to achieve their academic potential and secure employment in adulthood, plus they are more likely to experience a wide range of health inequalities and live in unsafe environments. The perpetuating cycle of poverty is not just damaging to individual lives but also to society as a whole. It undermines efforts to achieve sustainable and cohesive communities and also has significant resource implications for public services.

### The policy context

- 6.** In 1999 the former government committed to eradicating child poverty by 2020. The new Conservative - Liberal coalition government has pledged to maintain this ambitious goal. One of the most significant changes over the past ten years is that the issue of child and family poverty is now a constant in mainstream politics. The recent Child Poverty Act 2010 is a landmark piece of legislation for the child poverty agenda. The Act places several important duties on local authorities and other local delivery partners to work together to tackle child poverty.

## Analysis of Liverpool City Region Child and Family Poverty Levels

- 7.** As with the national picture, significant inroads have been made in the reduction of child and family poverty across the LCR since 1999. However there are still 167,770 children in around 95,300 families who are living in poverty. Not all children living in poverty live in a workless household. Over 80,000 live in a home where at least one parent is in-work.
- 8.** City Region and local authority level child and family poverty figures can mask the depth of poverty in certain neighbourhoods. Lower level analysis shows that there are areas within relatively prosperous authorities which have pockets of severe child poverty. Other challenges include:
- a widening life expectancy gap between LCR and England
  - concentrations of neighbourhoods with low levels of child well being
  - a wider achievement gap between LCR pupils eligible for free school meals and their peers compared to the national average gap (at key stage 4)

## Four broad themes to tackle child and family poverty

- 9.** A City Region Child and Family Poverty Strategy, Action Plan and work streams will flow from this Framework. The work streams will be divided into four broad themes which address both the causes and consequences of child and family poverty:
- Raising family income
  - Improving outcomes for children
  - Mitigating the impacts of poverty
  - Improving communications and challenge perceptions

These four themes aim to cover the services referred to in the Child Poverty Act Guidance for Local Authorities, including; employment and skills, education, health, family support, housing, environment and financial support.

## Moving Forward – emerging actions and next steps

- 10.** It is clear that the LCR must align activity under one common goal in order to effectively tackle child and family poverty. The next steps towards a unified strategic approach are to:
- Complete a LCR child and family poverty needs assessment to provide an in-depth understanding of the key drivers of poverty in the city region.
  - Develop a child poverty data project to establish a comprehensive, common approach to measuring and monitoring child poverty across the six city region local authorities.
  - Establish a Child and Family Poverty Commission to act as the driving force behind the LCR Child and Family Poverty approach.
  - Set up a LCR Child and Family Poverty Advisory Group who will be responsible for identifying gaps in analysis, reality checking emerging proposals and making recommendations to the LCR Child and Family Poverty Commission.
  - Conduct a LCR wide formal consultation exercise over the summer in 2010. The intelligence gathered from this exercise will feed into the LCR Needs Assessment and help to shape the LCR Child and Family Poverty Strategy, Action Plan and work streams.

# Introduction

**The Multi Area Agreement (MAA) is the platform for the development of the Liverpool City Region Child and Family Poverty Framework. It was based on a comprehensive analysis of the city region's economy and the challenges and opportunities that are in place.**

The Liverpool City Region Chief Executives, City Region Cabinet and the City Employment Strategy (CES) Board are fully committed to improving the life chances of children and families across the city region and to the government's ambition of eradicating child poverty by 2020. They have identified tackling child and family poverty as one of their key priorities and fully endorsed the development of the LCR child and family poverty framework.

Whilst the levels of child and family poverty have fallen nationally (and across the Liverpool City Region) over the last decade, figures in the Liverpool City Region (LCR) remain amongst the highest in the country. We are clear that unless we develop a cross cutting strategic approach to addressing the high levels of child and family poverty then our wider efforts to "establish our status as a thriving international city region by 2030"<sup>1</sup> will be seriously undermined.

We are committed to ensuring that the children growing up in poverty today do not become the parents of children in poverty tomorrow because we know that the intergenerational transmission of poverty is not only bad for individual families but for communities and for the entire Liverpool City Region.

Failure to address child and family poverty also places at risk our efforts to effectively reduce the gap between the most disadvantaged areas and groups in LCR and the rest.

To this end we have developed a clear vision towards which we are directing our efforts and have developed this framework as the first step to achieving this vision.

## Liverpool City Region Child and Family Poverty Vision

Working together as city region partners we will strive to eradicate child and family poverty across the Liverpool City Region by 2020.

We will achieve this goal by ensuring that the eradication of child and family poverty remains a priority and underpins our wider efforts throughout the city region.

We will improve the employability, skills, health and life chances of current and future generations of Liverpool City Region residents – developing existing partnerships and establishing new arrangements to make this happen.

It is important to note that whilst initiatives under the child poverty agenda were introduced by the former government, there remains a commitment under the new Conservative- Lib Dem Coalition government to, "maintain the goal of eradicating child poverty by 2020."

# Purpose of the Liverpool City Region (LCR) Child and Family Poverty Framework- Interim Analysis Report<sup>2</sup>

Local authorities and their delivery partners have a vital role to play in delivering many of the building blocks to tackle child and family poverty. This framework interim analysis report provides the context for child and family poverty interventions and the basis for partners to bring forward initiatives to tackle child and family poverty at the local level.

## Adopting the Liverpool City Region child and family poverty framework will:

- First and foremost provide an essential tool for those instrumental in developing local partnership child poverty strategies. The material covered has been selected specifically to complement topics which are a requirement of the child poverty needs assessments and strategies.
- Ensure consistency and clarity in relation to data and methodology – this is one of the most important and eagerly anticipated elements of the framework. The Development of a comprehensive child poverty data set will illustrate the scale of child poverty at the LCR level and help local partnerships develop their understanding of child poverty at a neighbourhood level. This data will directly contribute to completion of child poverty needs assessments as required by the Child Poverty Act.
- Develop a common understanding of local and cross boundary challenges and opportunities for joint work.

- Highlight the commitment required to tackle child and family poverty from a wide spectrum of agencies and partners, including those in economic regeneration, welfare to work, housing, health, financial support, education and training, cultural services and transport.
- Provide an overview of strategic drivers and key activity at city region level.
- Provide detail of next steps in terms of governance so as to formalise the LCR commitment to eradicating child and family poverty.
- Provide details of next steps in terms of formal consultation on child and family poverty across LCR thus ensuring that an action plan and recommended work streams are developed in consultation with partners, families and children.
- Become the mechanism through which we can demonstrate clear leadership and ensure the LCR voice is at the forefront of national policy development. This will include activity to set up a LCR Child and Family Poverty Commission and will also involve securing membership on the national child poverty commission which will be established over the coming year.

**This child and family poverty framework interim analysis report will not** provide the minutia of detail in relation to service delivery in each of the LCR local authorities. It is an expectation that the detail of service delivery should be reflected in individual local strategies. However the report will highlight examples of best practice which could potentially be rolled out across the city region.



# I. Why do we need a City Region Child and Family Poverty Framework?

## To develop a common understanding of local and cross boundary issues

There are a wide number of central government policies which aim to tackle the many causes of child and family poverty. (See section 3) Similarly there is a vast array of activity across LCR, both strategically and in terms of delivery, which contribute to the reduction of child and family poverty. However, in our separate efforts to improve housing, get people into work, boost basic skills, raise educational attainment levels, and improve health outcomes, we have developed a bewildering proliferation of initiatives that often work in a compartmentalised isolated way.

## To identify opportunities for joint working

Much of the existing provision is fragmented and there is an increasing urgency (given the levels of child and family poverty and the requirements of the Child Poverty Act) to develop a more co-ordinated strategic focus across LCR. This framework analysis report and planned work streams are the first steps in developing the co-ordinated approach needed. We want to ensure the development of a thorough understanding of how existing strategies programmes, initiatives and resources meet the needs of those families experiencing poverty.

The challenge as we move forward will be to identify gaps and opportunities for joint working and co-commissioning of services with an overarching objective to reduce child and family poverty. Work previously conducted through the roll out of the child poverty toolkit (see below) began to scope out some cross boundary issues and identified childcare, income maximisation, in-work poverty, and opportunities to work with potential second earners as common themes.

This analysis report strives to be realistic in its aims and provide clarity about what objectives can be expected to be achieved through the City Employment Strategy<sup>3</sup> and the LCR employment and Skills strategy (specifically job outcomes and retention and progression) and what objectives require further involvement and co-ordinated efforts with wider partnerships including those from; children's and families services, health and social care, registered social landlords, welfare rights and transportation. The involvement of these partners is vital to making progress on both the "treatment and prevention" of child and family poverty locally.

## To develop a LCR approach to data, monitoring and tracking

To date, one of the key barriers to developing effective approaches to reducing child poverty has been the lack of guidance (and/or the lack of availability) of the most appropriate data sources to use. The child poverty target is a national one which is difficult to disaggregate at lower level:

### ■ Child poverty national indicator (NI 116)

Currently the national child poverty indicator (NI 116) only measures the proportion of children in families receiving workless benefits. This is an inadequate measure because we know half the children in poverty are in a household where someone is already in work. However NI116 is due to be amended in time for the LAA refresh 2010-2011 and will include a more useful measure of those families in both worklessness and in-work poverty.

### ■ Liverpool City Region child and family poverty data project

To overcome the difficulty in relation to data one of the major work streams to flow from this report is the development of the child and family poverty data project. This project will ensure consistency and clarity in relation to the data and methodology used to assess the nature and extent of child poverty across the LCR. It will enable a consistent approach to the way in which progress against child and family poverty targets are recorded and reported. (See section 6 for detail)

## To focus LCR strategic drivers and performance frameworks

Individual Sustainable Communities' Strategies, Local Area Agreements (LAA) and the LCR Multi Area Agreement provide the strategic framework for which to develop a cross cutting approach to tackling child and family poverty.

Despite the initial limitations of NI 116 (highlighted above) the publication by government of a specific child poverty indicator for possible inclusion in Local and Multi-Area Agreements, together with proposed changes to the performance framework for local authorities and strategic partnerships, are serving to focus greater attention on the role that local agencies can play in helping to achieve the national ambition of eradicating child poverty. For example:

■ **Local Area Agreements - as outlined above**  
the national indicator set has a specific indicator (NI 116) to measure the proportion of children in poverty. Currently four of the six LCR authorities<sup>4</sup> have adopted NI 116 as one of their 35 priority targets to be measured through their LAA. However there is a raft of other indicators adopted by all of the authorities which contribute to the reduction of child poverty.

■ **Liverpool City Region Multi Area Agreement (MAA)**

- The MAA also directly highlights the CES board's commitment to tackling child and family poverty and sets out proposals to develop and implement a LCR Child and Family Poverty Framework. Work to date across the city region has highlighted the complexities of addressing child and family poverty in its entirety in a coordinated way.

■ **Local Economic Assessments**

- From April 2010 local authorities will be required to produce a local economic assessment (including work and skills) to match the functional economic area. A joint LCR Economic Assessment is to be written and will be complemented by the development of a LCR child and family poverty assessment. (See section 6)

■ **The Equality Bill**

- From April 2011 key public bodies, local authorities and their partner authorities when making important decisions and policy changes will be required to consider how they tackle the disadvantage people face because of their socio economic status.

■ **Joint Strategic Needs Assessments**

- PCTs and local authorities are required to produce a Joint Strategic Needs Assessment (JSNA) of the health and wellbeing of their local community under the Local Government and Public Involvement in Health Act 2007. The LCR Child and Family Poverty Needs Assessment will draw on analysis from local area JSNAs to establish an understanding of children and young people's health, safety, development, and well-being and to identify priority areas for improvement.

■ **Childcare Sufficiency Assessments**

- Local authorities have a statutory duty under the Childcare Act 2006 to secure, as far as is reasonably practicable, sufficient childcare to meet the needs of working parents (in particular those on low incomes, or with disabled children). Local authorities are also required by the Act to carry out a formal sufficiency assessment for their area at least every 3 years. All Local authorities carried out their first assessments in 2008 - the next one will be completed and published by April 2011.





## To Share best practice

A range of delivery activity (has) and is taking place across the LCR to tackle child and family poverty. It is essential that partners review and evaluate this local action, don't duplicate activity and share best practice. Examples to date have included:

### ■ Child poverty toolkit

- To address the gap in local activity on the child poverty agenda in 2008, the Centre for Economic and Social Inclusion (CESI) and Child Poverty Action Group (CPAG) worked together to develop a toolkit that would assist local areas to identify the depth of child poverty at local authority level. The toolkit was rolled out across LCR and helped to start the debate on what we should do collectively as a city region to tackle child poverty.

### ■ The Knowsley child poverty programme model

- In response to the severity of child poverty levels across the borough, Knowsley MBC has developed a programme approach to address the issue. They have established a cross cutting child programme Board and have in place a programme team. It is envisaged that this dedicated resource will ensure the capacity and leadership required to ensure focus strategic direction to an agenda that requires strong leadership, co-ordination and capacity.

### ■ Child Poverty - Criminal Information Bureau

- Building on an existing resettlement prison project already operating in HMP Liverpool, CIB offer a range of employment, training, housing and financial advice for the families of offenders. The partnership between CIB and CREATE aims to support ex-prisoners and their families to attain a household income of in excess of £16,200 per annum (60% per cent of current national average earnings), thus taking each family outside the current measure for child poverty.

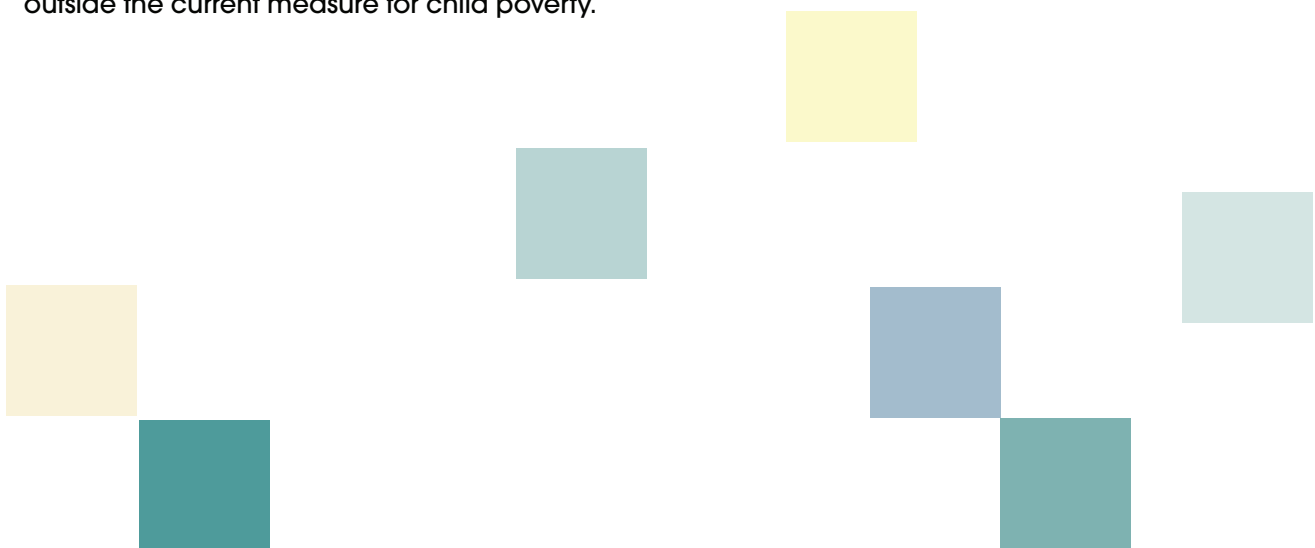
### ■ Volunteer into Placement (VIP) programme

- The VIP programme started in the Vauxhall area of Liverpool and has now been extended to 25 children's centres across Liverpool. The Children's Centre based project that was set up to obtain Achieve Economic Well-Being outcomes by supporting parents into employment in areas where levels of worklessness are high and general educational achievement levels were low. By offering a personalised and responsive approach based on need and through training, volunteering and employment opportunities the programme helps to raise expectations and help workless parents realise their potential.

Further examples of best practice to tackle child and family poverty are cited throughout this report.

## To maintain a focus on the reality of living in poverty

Despite the development of the key strategic drivers (outlined above) LCR does not have a specific strategy or work stream in place which has the reduction of child and family poverty and wider social exclusion as its main focus. Without such a focused approach there is a real danger that the issues related to child and family poverty will fail to be thoroughly integrated into other emerging policies and strategies.



## **Specific child poverty pilots underway across LCR**

In the 2008 budget the former government announced a £125 million package for a suite of pilots to test out new and innovative ways of tackling child poverty. A number these approaches are being tested out in local authorities across LCR. An important element of the development of the LCR wide strategy will be to build on the learning and findings of these pilots and explore the validity of rolling practices out across the sub-region.

### **Child Poverty Innovation pilot (Knowsley and Sefton)**

In Knowsley this Child poverty Unit funded pilot has involved the recruitment of family mentors to support families into services of choice and relevant to needs. A significant element of the pilot has involved funding research into social networks and informal communications to derive understanding of how services can better support socially excluded families.

In Sefton - the aim of the innovation pilot is to assist families to maximize their incomes, and improve their long term prospects for prosperity whether they are currently in work or workless. An important element of the project is to encourage families to move from reliance on benefits into work that pays and is compatible with family life.

### **School gates pilots (Knowsley and Liverpool)**

The aim of these pilots are to increase the amount of employment and enterprise support provided to parents, utilising schools to improve outreach and make services more accessible . Longer term objectives are to increase the number of parents and particularly potential second earners (who are often mothers) entering employment.

### **Child development grant pilot**

Incentivises a number of families who currently claim benefits, with children under 3 years old, to use Children's Centres. It is envisaged that the incentive or the support of an Outreach Worker will give families additional encouragement to engage and that they will continue to access these services after the pilot is over, giving their children the best start in life.

## **2 year old childcare places (Knowsley and Liverpool)**

This pilot aims to provide childcare for a number of two year olds in the most deprived communities. It will work to improve wellbeing and learning outcomes and close the gap between children from different communities and backgrounds.

### **Family Intervention Child poverty Pilot (Knowsley)**

Focussed on specific aspect of poverty related to family members who have been subject to a custodial sentence

### **Family Nurse Partnership (Knowsley)**

Intensive support to young parents at a critical stage of infant development to support parents to understand and respond to the needs of their baby. Linked into appropriate support services, such as Children's Centres.

### **Extended Schools Disadvantage Subsidy (all Local Authorities)**

Selected children who live in poverty/disadvantage can attract funding for extra curricular activities, to be administered through schools.



## 2. Child and Family Poverty - What is the Problem and why does it Matter?

It seems obvious to say, but when talking about designing measures to tackle child and family poverty and improve the life chances of children growing up in the Liverpool City region it is vital that policy makers, practitioners and commissioners of services all have the same understanding of what these terms actually mean.

### Understanding the terminology

#### Relative poverty

- refers to the number of children living in households below 60 per cent of contemporary median equivalised household income and captures the extent to which the incomes of the poorest families are keeping pace with the rising incomes of the population. This is what is usually referred to as the 'poverty line' and has been accepted across the European Union to measure the extent of poverty across member states.

#### Median Income

- is calculated by dividing households into two equal segments with the first half of households earning less than the median household income and the other half earning more. The median income is considered to be a better indicator than the average household income as it is not significantly affected by unusually high or low incomes.

#### Absolute poverty

- refers to the number of children living below a particular threshold. This measures whether the poorest families are seeing their income rise in real terms.

#### Material deprivation

- refers to the inability for individuals or households to afford consumption goods and activities that are typical in a society at a given point in time, irrespective of people's preferences with respect to these items.

#### Life chances

- refers to the opportunities open to individuals to better the quality of life for themselves and their families and to fulfil their potential.

#### Deprivation

- in simple terms refers to a deprivation of goods, services and activities which the majority of the population defines as being the necessities of modern life.<sup>5</sup>

Over the past twenty five years children have replaced older people as the group most likely to be in poverty in the UK and at the time when the national child poverty target was launched (1999) 1 in 3 children lived below the poverty line.

The persistence of child and family poverty is damaging for society as a whole. Tangible costs include those of remedial services and the foregone taxes and benefits resulting from the reduced future employment and earnings prospects of those who grow up poor.

It is widely accepted that child and family poverty is the principal determinant of life chances and that allowing children to grow up in poverty results in long term problems that can ultimately undermine social cohesion. The intergenerational 'knock-on' effect of poverty has escalated over recent years those who grew up poor in the 1980s are suffering greater disadvantage in mid-life than those who grew up poor in the 1970s.

Unfortunately the intergenerational impact of children growing up poor and then becoming poor parents themselves appears to have escalated and the negative effects of child poverty on future life chances has grown from one cohort to the next.<sup>6</sup>

## Increasing polarisation

A report published by the Joseph Rowntree Foundation, *Poverty wealth and place in Britain*<sup>7</sup> describes the changing geographies of poverty and wealth in Britain over the past three decades. This concluded that levels of people living below the relative poverty line are rising and that socioeconomic and geographic polarisation is increasing.

This report highlighted that over a period of 15 years the already wealthy had tended to become disproportionately wealthy and there was evidence of increased polarisation. There is also strong evidence that intergenerational income mobility is lower and the subsequent transmission of disadvantage is higher in the UK than the Nordic countries, Canada and Australia. In the UK there are some local authorities (including both Knowsley and Liverpool) where over half of all children are living below the poverty line.

## Poverty is much more than income deprivation

The impact of growing up in poverty goes much deeper than just income deprivation. In brief, children growing up in poverty are:

- more likely to experience unsafe environments
- more likely to suffer from social isolation
- less likely to achieve their academic potential
- more likely to experience a wide range of health inequalities

- more likely to suffer from poverty of aspiration
- less likely to gain access to services designed to meet their needs
- less likely secure employment in adulthood

## Child and family poverty - some alarming facts

Children growing up in poverty are 37 times more likely to die as a result of exposure to smoke fire or flames.

Children from the lowest socio economic group are five times more likely to die in road accidents than those from the highest.

The daughter of a teenage mother is twice as likely to become a teenage mother herself than the daughter of an older mother.<sup>8</sup>

Children who are only slightly below average at primary school are more likely to be among the worst performers at secondary school if they are poor.<sup>9</sup>

Poor children are only a third as likely to get 5 GCSEs at A\* to C than those from richer backgrounds.<sup>10</sup>

The majority (57 per cent) of children in poverty live in family headed by a couple.<sup>11</sup>

## Child and family poverty and work

Children growing up in workless households are one of the groups most at risk of poverty and if the cycle of inter-generational transmission of poverty is to be broken we know that co-ordinated efforts to move parents off benefits and into work must be developed.

Living in a household where no adult is working puts a child at a 63 per cent risk of relative poverty. This is much higher than both the 29 per cent risk of poverty for children in households where at least one, but not all, adults are in work and the 8 per cent risk of poverty for children in households where all adults are in work.<sup>12</sup>

Also, over recent years the issue of **in work poverty** has increasingly dominated the debate on how best to eradicate child poverty. **Half the children in poverty actually live in a household where someone is in work** (see figure 1 below). It has become clear that efforts to reduce child and family poverty must involve policies to redress the balance of those who are low/no skilled and their current lack of progression within the labour market.

<sup>6</sup>Hirsh, D. What will it take to end child poverty? JRF (2006).

<sup>7</sup>Poverty, wealth and place in Britain. JRF.

<sup>8</sup>Social Exclusion Taskforce – reaching out: progress report, Cabinet Office (Feb 2007).

<sup>9</sup>Hirsch, D. Chicken and egg: child poverty and educational inequalities. CPA (2007).

<sup>10</sup>The reality of child poverty in the UK. Barnados (2008).

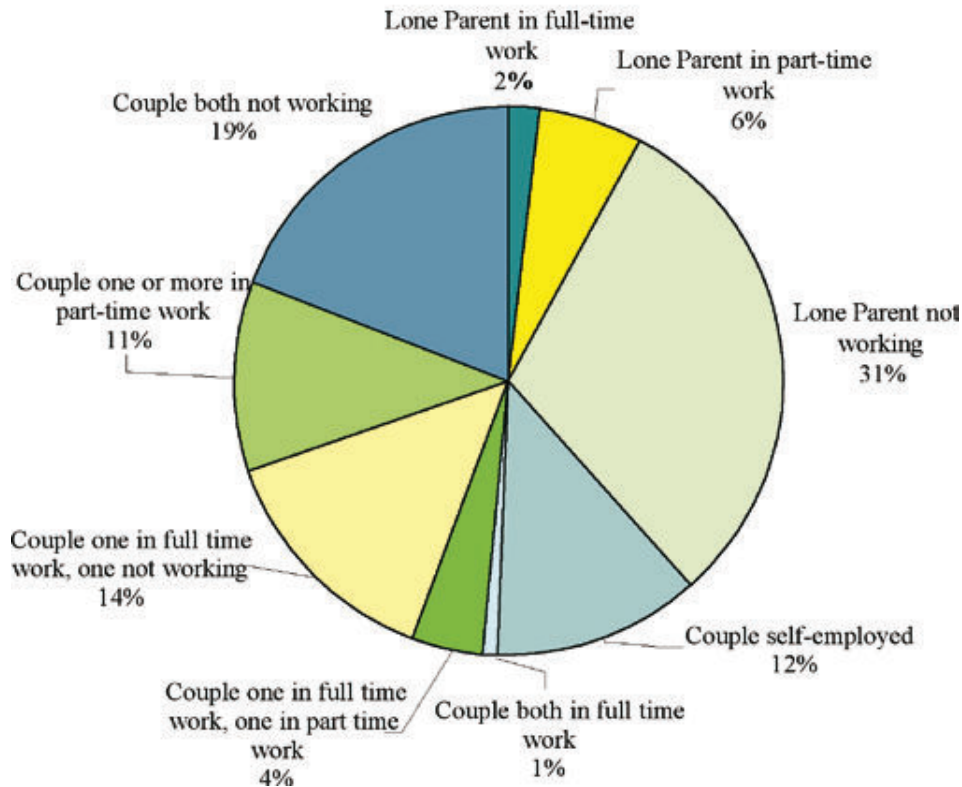
<sup>11</sup>End child poverty campaign - Key facts (2009).

<sup>12</sup>DWP, Households below average income (2008).

Figure 1: Child poverty by Family Type and Economic Status

DWP HBAI 2007/2008

### Child Poverty by Family Type and Economic Status



Of the 1.5 million children in working poverty, **over one quarter are in couple families where one parent works full time, but the other doesn't work at all**. Another 21% are in couple families with only part-time work.

The issue of more proactive engagement with potential second earners and proposals to extend provision for more flexible working patterns are highlighted in the recently published welfare reform document, 'Building Britain's recovery' and will feature in the development of the LCR action plan.<sup>14</sup>

Evidence has shown that barriers which prevented parents from entering the workplace such as low and no skills and the availability and affordability of childcare and inflexibility of working patterns are often the same barriers which prevent them from progressing within the workplace. In addition there are inextricable links between those employed in low paid employment and so called cycling between in work poverty and worklessness.<sup>13</sup>

The challenge in terms of service provision is to ensure that the support services (including good quality affordable childcare) are in place to support working parents and their children.

#### London East City Strategy Pathfinder - new deal for families

The London east city strategy pathfinder has developed a New Deal for Families which provides support not only for parents in receipt of benefits but also for non working partners in single earner couple families. Under current provision these families would not be eligible for support from Job centre plus. The support is targeted specifically at families identified as living below the income poverty threshold and provides additional support for childcare.

<sup>13</sup>Save the children. Nice work in you can get it. Achieving a sustainable solution to low pay and in work poverty (2009).  
<sup>14</sup>Building Britain's recovery: Achieving full employment. DWP (2009).



## Child and family poverty, education and skills

Educational attainment in the UK is more strongly linked to social background than in most other countries. Improving educational attainment is pivotal if attempts to lift children out of poverty are to be successful. We know that education is a major contributor to intergenerational income mobility and educational differences continue to persist across generations.<sup>15</sup>

We know that Children growing up in poverty are less likely to stay on at school (or attend school regularly) and are therefore less likely to get qualifications. The negative effects of poverty on educational attainment have been identified in children as young as four and five.

## Child and family poverty and health

It is well established that those from disadvantaged groups are more likely to have poorer health and die earlier than the rest of the population. We also know that poverty has an impact on the health of children and young people, and their health in later life. Put simply, life expectancy and infant mortality rates, obesity rates, tooth decay, teenage pregnancy rates and mental health problems (particularly depression, anxiety and phobias) are far worse for those who grow up in poverty compared to the general population.

## Child and family poverty, housing and fuel poverty

Evidence has shown that poor housing can have a negative effect on children's overall wellbeing. Poor housing can impact on children's health, their educational attainment and overall development. Children growing up in poverty are more at risk of living in temporary, overcrowded and/or non decent homes. Nationally 58% of children in social housing are in poverty. Levels of fuel poverty are also a major concern; at least one million children in the UK live in fuel poverty, meaning their parents spend more than 10% of their income on fuel to warm their home.<sup>16</sup>

Clear links between the housing and child and family poverty agendas at a sub-regional level have been highlighted in the in recently published discussion paper, "Housing, worklessness and child poverty in Merseyside".<sup>17</sup> The paper aims to stimulate discussion about area based targeting and the potential to ensure a thorough approach to neighbourhood delivery through closer alignment of regeneration, worklessness and child poverty interventions.

## Child and Family Poverty, transport and access to services

Families living in poverty often experience problems with transport accessibility and affordability. This is a particular concern given that transport can determine the accessibility to the range of services needed by families. For instance, high transport costs can act as a disincentive to work and can restrict access to supermarkets resulting in poorer families having to use more expensive local shops. Families from deprived areas often have to endure additional costs for travel to access available childcare. This in turn can act as a disincentive to taking up employment or training.

At both a national and local level there is a need for greater integration between transport and accessibility planning, without this our efforts to reduce child and family poverty will continue to be undermined.

## Child and family poverty and financial exclusion

Low income households often experience difficulty in accessing mainstream financial products (such as basic bank accounts and affordable loans). The burden of debt repayments often results in families living on less than weekly benefit amounts and having one or both parents in debt can cause severe hardship for children. As well as impacting on their physical health (poor nutrition etc) children are often excluded from the social interaction that they need for their development.

Financial exclusion can often lead to acute levels of debt that can act as a disincentive to work. Additionally people in debt may also be concerned about the cost of moving into employment – such as bridging the gap between leaving the security of benefits and receiving the first pay check. Furthermore high levels of stress, anxiety and depression associated with debt can result in employees taking time off work and/or job loss.

(For a more detailed city region perspective on each of these topics see annex A-E for themed, 'Policy into Action' papers.)

## Child and family poverty and social isolation

Living in poverty does not only mean missing out on the material basics such as adequate clothing and a nutritional diet but also leads to the inability to participate fully in society. On a very basic level parents cannot afford to pay for after school clubs, school trips, birthday parties and often cannot afford for their children to have friends over for tea.

<sup>15</sup>Intergenerational transmission of disadvantage: mobility or immobility across generations? A review of the evidence for OECD countries (OECD) May 2007.

<sup>16</sup>National Energy Action (2009). Fuel Poverty: A briefing for Children's Trusts Policy Coordinators in the North West of England.

<sup>17</sup>Nevin, B. Leather, P. Housing worklessness and child poverty in Merseyside: A discussion paper for the New Heartlands Housing Market Renewal Partnership. (2009).

Recent research has highlighted how many poorer families find the “back to school” period particularly burdensome and struggle to afford the necessities such as school uniform and books.<sup>18</sup> Similarly a report commissioned Sport England<sup>19</sup> highlighted that in addition to poor facilities and community capacity – lack of income and lack of skills poor social capital, poverty and social class all act as significant barriers to participation in sport.

## Social and emotional development

The development of social and emotional skills which relate to attitudes, beliefs and levels of understanding including: self awareness, the ability to manage feelings, motivation, the level of empathy with others and social skills all help to shape how young people feel about themselves, others from different backgrounds and the extent to which they take control of their own lives.

Evidence has shown that disproportionately it is young people from deprived areas and poorer backgrounds who lack the circumstances through which to develop these skills and consequently are at a greater risk of poor outcomes.<sup>20</sup>

## Community Cohesion

Failure to address child and family poverty will undermine our efforts to develop and maintain cohesive communities. Reducing child and family poverty will see the returns in higher educational attainment and skills, increased employment and income levels and reduced crime and disorder which will contribute towards the achievement of more sustainable and cohesive communities.

## Persistent and severe child and family poverty

Most children in poverty experience it as a persistent condition: Over two-thirds of those below the poverty threshold at any one time have been in poverty for at least three of the past four years. Not only is this damaging to individual lives but can also have implications for local service provision because those who have been in poverty for extended periods of time often take more input from services and agencies to move them out of poverty. (See below)

A recent report commissioned by Save the Children<sup>21</sup> found that 13 per cent (1.7 million) of children in UK live in severe poverty. While there is currently no official measure of severe child poverty in this report it is referred to as having a household income of below 50 per cent of the median income – after housing costs. This equates to living on less than £12,220 per year for a couple with one child.

Children growing up in workless households, those in lone parent families, those living in rented accommodation and those whose parents have no qualifications are identified as amongst those most at risk of living in severe poverty.

## What does it actually feel like for the children growing up in poverty?

“In part it’s about having no money. It is also about being isolated, un-supported, un-educated and worst of all un-wanted.”

“You’re like an onion and gradually every skin is peeled off you and there is nothing left. All your self esteem is gone. You’re left feeling like nothing and then your family feels like that.”

“We have no choice about where we live, what school we go to or what kind of jobs we will get.”

Quotes taken from Oxfam’s Making poverty history (2006)

## Economic costs and the increased demand on public services

The economic costs of allowing a new generation of children to grow up in poverty are vast. A study in 2008 published by the Joseph Rowntree Foundation estimated that child poverty is costing the economy and public finances £25 billion per year.<sup>22</sup>

The report estimates that public spending to address the consequences of child poverty reaches about £12 billion a year. Of this approximately 60 per cent funds personal social services, school education and police and criminal justice.

The annual cost of below-average employment rates and earnings levels among adults who grew up in poverty is about £13 billion, of which £5 billion represents extra benefit payments and lower tax revenues; the remaining £8 billion is lost earnings to individuals, affecting gross domestic product (GDP).

Whilst calculations of this nature cannot be exact the estimations serve to highlight the growing urgency to address child and family poverty collectively and particularly given the current pressures on public finances.

<sup>18</sup>Save the children, Family Action, Back to school survey results. (2009).

<sup>19</sup>Sport England, Understanding participation in sport: A systematic review. (2013).

<sup>20</sup>Aiming high for young people: a ten year strategy for positive activities. HM Treasury (July 2007).

<sup>21</sup>New Policy Institute, Measuring severe child poverty in the UK (2010).

<sup>22</sup>Hirsh, D. Estimating the costs of child poverty. JRF (2008).





## 3. The Policy Context

### Child Poverty Targets

In 1999 the former government pledged to eradicate child poverty within a generation. This was formalised in a set of PSA targets shared by DWP and Treasury which set out to:

- Reduce Child Poverty by one quarter by 2004/05
- Half it by 2010/11; and
- Eradicate it by 2020

The strategy was initially based around:

- Increased financial support for all families delivered through child benefit and child tax credit
- High quality public services
- Employment as the best route out of poverty – supported through labour market programmes, the minimum wage and tax credits

### Improving outcomes and equality of opportunity

Policies aimed at improving the rates of employment amongst parents have been developed alongside wider policies to improve outcomes for children:

- **Every Child Matters**
  - has been the key policy driver at a local level to shape and reform the services for young people. Local children and young people's strategies have been developed and are measured against the outcomes in ECM: Being healthy, Staying Safe, Enjoying and achieving, Making a positive contribution and achieving economic wellbeing. Achieving these outcomes are intrinsically linked with the child poverty agenda.

### ■ The Children's Plan: Building Brighter Futures<sup>23</sup>

- builds on developments of the Every Child Matters agenda and sets out plans to strengthen support for all families during the formative early years of their children's lives. It outlines next steps to achieving world class schools, involving parents fully in their children's learning, and help to make sure that young people are given more opportunities to engage in positive activities.

### ■ Think family

- is a cross-departmental programme jointly funded by the former DCSF, the Home Office, Ministry of Justice and the Department of Health, and supported by the Department of Communities and local government. Since April 2009 all Local Authorities have received increased funding to support the introduction of Think Family Practice and targeted support for parents and families - such as Family Intervention Projects and Parenting Early Intervention programmes designed to provide evidence-based support to families experiencing problems.

### ■ Children's Trusts

- one of the commitments outlined in the Children's Plan was to strengthen the role of Children's Trusts. The main aims of these Trusts are to work across professional and agency boundaries, tackling problems proactively and ensuring a real difference is made to the experience and life chances of children and their families. There is a statutory requirement for Children's Trusts to be in place locally by 2010.<sup>24</sup> Given their remit it is clear that Children's Trusts will play an integral part in the development of Local Partnership child poverty strategies.

### Child Poverty - an issue in mainstream politics

One of the most significant changes over the past ten years is that the issue of child poverty is now a constant in mainstream politics. Although views differ on how to achieve a society free of child poverty there is a consensus that more co-ordinated activity both centrally and locally is needed. Each of the main UK political parties has signed up to the goal of eradicating Child Poverty by 2020.

## The reality of poverty - what does it actually mean to be poor?

In terms of family income figures for 2007/2008 the following family types would be defined as living in income poverty if their weekly income fell below:

Household type	Household Income
Lone parent with two children (aged 5 and 14)	£199
Couple with two children (aged 5 and 14)	£322

Families in poverty **often have less than £10 per person per day to live on**. This is to cover everything including; food, clothing, shoes, transport, school trips, activities replacing broken household items etc.

## Success to date

Although the government missed its first target (2004/05) the number of children living in poverty has been reduced by 700,000 which is a significant shift. Also figures published by DWP in May 2010, highlighted that between 2007/08 and 2008/09 the number of children in poverty declined by a further 100,000. However over 2.9 million children<sup>25</sup> are yet to be lifted out of poverty if the 2020 target is to be achieved.

Since the failure to reach the first national target a number of measures have been put into place to help ensure more emphasis is placed on this agenda:

**Child poverty unit** - was established in October 2007. It was intended that the cross cutting child poverty unit with officials from DWP, DCSF and Treasury would help to develop a sharper focus on cross-government working to develop a truly integrated approach - from tax to transport, housing to health, education to employment.

**Regional child poverty network** - Government Office Northwest (GONW) have established a regional child poverty network which amongst other issues aims to push forward the child poverty agenda within local authorities. The network covers activity with stakeholder organisations to narrow the economic, health and educational outcomes gaps between the NW and nationally and to reduce inequalities, promote financial inclusion and maximise outcomes for children.

**Child Poverty Act** - The Child Poverty Act received Royal assent on the 25th of March 2010. This was a landmark occasion in the child poverty agenda and outlined the intention to develop a framework to monitor progress at a national and local level. The Act has important implications for the way in which local authorities are required to address child poverty.

## Targets outlined in the Child Poverty Act

### By 2020:

Reduce to less than 10% the proportion of children living in relative low income households (currently 23%). Low income households have less than 60% average household income.

Reduce to less than 5% the proportion of families living in combined low income and material deprivation. Low income households have less than 70% average household income.<sup>26</sup>

Reduce the proportion of children that experience long periods of poverty. The target will be set in secondary legislation when the required data is available (expected before 2015). Households in persistent poverty have less than 60% average household income for at least three years.

Reduce to less than 5% the proportion of children who live in absolute low income. This target measures the income of families against a level held constant over time. Households in absolute poverty will have an average household income of 60% of an agreed base line amount.

The targets set in the Child Poverty Act are ambitious but fall short of eradication.

<sup>25</sup>Households below average income 2007/2008 (HBAI) DWP.

<sup>26</sup>Forthcoming regulations will define material deprivation and are expected early in 2010.

## Main requirements of the Act

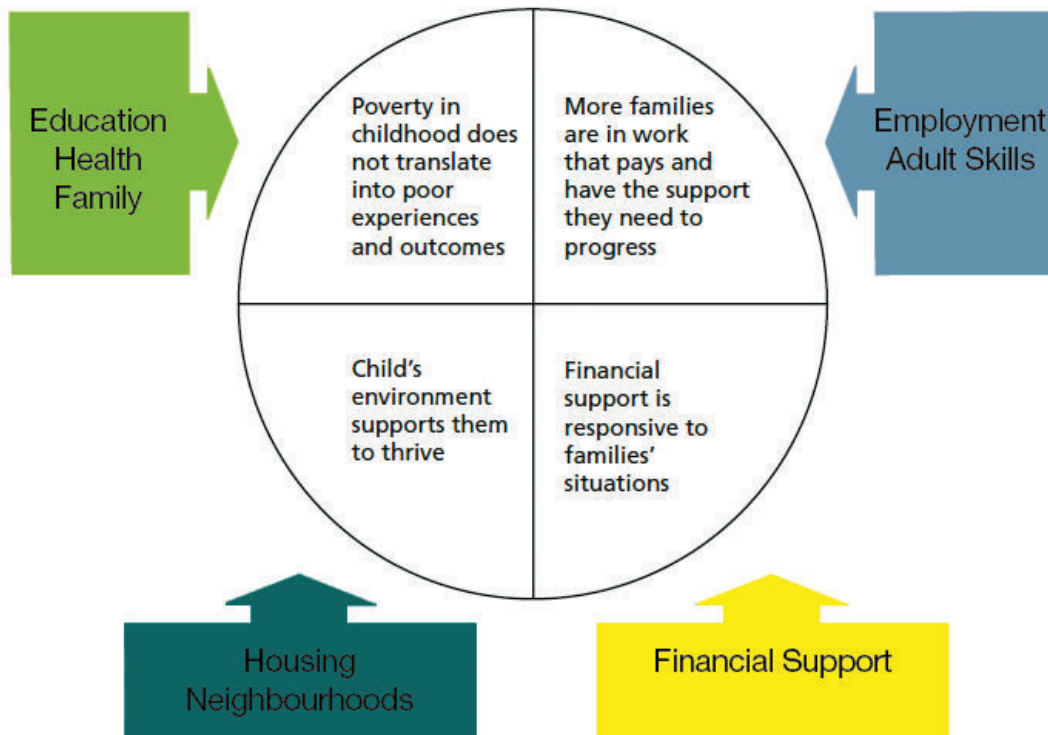
The Child Poverty Act (section 2) places a number of duties on local authorities and other local delivery partners to work together to tackle child poverty:

- **Cooperation to reduce Child Poverty** (Section 20) requires arrangements and promotes cooperation between local partners with a view to mitigating the effects of child poverty. Local Authorities can provide staff, goods, services, accommodation or other resources, or the creation of a pooled fund amongst partners, to ensure the requirements of the act are met.
- **Local child poverty needs assessment** (Section 21) Local Authorities must make arrangements to prepare, publish and keep under review a local child poverty needs assessment.
- **Joint Child Poverty Strategy** (Section 22) Local joint child poverty strategies must set out the measures partners propose to take for the purpose of reducing and mitigating the effects of child poverty.
- **Sustainable Community Strategy** (Section 23) Section 4 of the Local Government Act 2000 will be amended to ensure that Local Authorities have regard to the three sections noted above.

Draft guidance<sup>27</sup> that accompanies the requirements of the Child Poverty Act is based around the 'building blocks' identified in the national child poverty consultation document, *Ending Child Poverty: Making it Happen*.<sup>28</sup> (See right) These building blocks will form the basis on which the national child poverty strategy will be drafted.



Figure 2: 2020 Building Blocks



### Five Principles that will guide the development of the national strategy

In addition to the building blocks the development of the national strategy, will be drafted on the following five principles which aim to:

- Promote work as the best route out of poverty
- Support family relationships and family life
- Facilitate early intervention and prevention
- Promote excellence in delivery, working with partners to ensure that ending child poverty is everybody's business
- Ensure the sustainability, cost effectiveness and affordability of the strategy

### Scale of the challenge

The targets outlined in the Child Poverty Act are ambitious and would require significant improvements in relative poverty figures. In fact the level of progress would require the UK to outperform countries such as Denmark and Finland which are currently amongst the best performing countries in relation to relative poverty figures.

The scale of the challenge is magnified in the North West and the Liverpool City Region given that annual median incomes are less than the national median. For instance as we can see from figure 4 the national median income for the Liverpool City region is £23,436 compared with almost £26,000 nationally. An authority like Knowsley (with the lowest median across the city region £22,574) would find it more difficult to achieve a national figure with such a disparity between income levels.





## Regional/ City Region child poverty targets?

There is an ongoing debate about the value of setting regional (and perhaps sub-regional) child and family poverty targets given the variation in average incomes across the country. As figure 3 shows LCR lags behind both the national and regional figures in terms of median income which in effect makes our efforts to reduce the numbers of families living above the national poverty line more difficult in real terms.

Figure 3: Weekly Wage 2009

Weekly Wage 2009			
Area	Overall Median	60% Median	
		Actual	£ Difference with GB
Halton	£437.80	£262.68	-£31.92
Knowsley	£413.30	£247.98	-£46.62
Liverpool	£451.60	£270.96	-£23.64
Sefton	£446.20	£267.72	-£26.88
St. Helens	£455.30	£273.18	-£21.42
Wirral	£482.70	£289.62	-£4.98
Merseyside (Met County)	£452.60	£271.56	-£23.04
North West	£460.20	£276.12	-£18.48
Great Britain	£491.00	£294.60	

Source: Annual Survey of Household Earnings 2009

Figure 4: Annual Wage 2009

Annual Wage 2009			
Area	Overall Median	60% Median	
		Actual	£ Difference with GB
Halton	£22,102.00	£13,261.20	-£2,297.40
Knowsley	£22,574.00	£13,544.40	-£2,014.20
Liverpool	£22,972.00	£13,783.20	-£1,775.40
Sefton	£23,451.00	£14,070.60	-£1,488.00
St. Helens	£23,306.00	£13,983.60	-£1,575.00
Wirral	£24,951.00	£14,970.60	-£588.00
Merseyside (Met County)	£23,436.00	£14,061.60	-£1,497.00
North West	£24,000.00	£14,400.00	-£1,158.60
Great Britain	£25,931.00	£15,558.60	

Source: Annual Survey of Household Earnings 2009

However the counter argument put forward particularly by child poverty lobby groups is that we must be mindful of the fact that specific local child poverty reduction targets would undermine the national target and could be counter productive. It is envisaged that this issue that will be debated by the Child and Family poverty Commission (See section 6)

## Impact of the recession

The macroeconomic situation has changed dramatically over the past few years with the economic downturn becoming a recession. Rising unemployment and redundancies are an increasing concern - particularly given the emphasis on the economic aspects of poverty.

However in this economic climate it is essential that efforts are maintained to limit the inter-generational impact of poverty. While there are obvious immediate actions required to meet the economic needs of families, efforts to reduce child poverty should ensure the development of an integrated approach. As well as economic outcomes this would address the broader determinants of family life that supports healthy development of children to maximise their potential despite the socio economic group into which they are born.

It is widely argued that two effects of the recessions cancel each other out in terms of the actual numbers of children in poverty. Some children will enter poverty as their parents lose their jobs. Others with low paid jobs could move out of relative poverty as child benefits and tax credits increase at a faster rate than average earnings.

There is concern at a local level that more children are likely to experience severe (and longer lasting) poverty as a result of the recession. This has resource implications across LCR as we have seen (in section 3) interventions to lift children out of severe poverty are more expensive.

Another concern is that there will be an increase in the number of families experiencing poverty for the first time (due to redundancies/rising unemployment etc) Again this will have resource implications across LCR as these families will require a high level of advice and support to ensure that the impact of poverty is not long lasting.

## The potential impact of Public Sector reductions

One of the most pressing issues that could have a negative impact on rates of child and family poverty is the impact of potential cuts in public sector spending and the threat of possible redundancies.

The public sector is a major employer in the LCR accounting for around 200,000 jobs and making up a particularly large percentage of employment in Knowsley, Liverpool, Sefton and Wirral. Approximately 35% of LCR's jobs are in public administration, education or health, which is markedly higher than the wider economic hinterland's 24%.<sup>29</sup>

We know that a net decline in public sector employment is highly likely in the immediate future and given the high proportion of people (particularly women) with caring responsibilities for children in the public sector these reductions could be severely detrimental to our overall efforts to reduce child and family poverty.

During the development and implementation of our child and family poverty strategy we will continuously monitor the changing situation and adapt our strategic approach to child and family poverty accordingly.

Local authorities and their Local Strategic Partnerships need to have the flexibility to ensure that any expenditure on support for families in poverty aligns with and adds value to existing mainstream provision. This is an area where a collective LCR approach could potentially add value through the approach to identify and address common cross boundary issues through a series of co-commissioned interventions.

## Rise in free school meal eligibility

One of the consequences of the recession has been an increase in the number of children eligible for free school meals. Through the work on the child poverty data project (see below) we will explore whether there has been a significant increase in FSM eligibility across LCR.

## Discrepancy between free school meal eligibility and the poverty threshold

It is estimated that as many as half of pupils from families in poverty are not getting a free lunch. This is because the income threshold to qualify for free school meals is set lower than the current level used to define poverty. Again the LCR data project will examine how many children across LCR this impacts upon.



## 4. Analysis of Liverpool City Region Child and Family Poverty Levels

### Children in poverty by Local Authority Area

We can see from the data below that the scale of the challenge in terms of actual numbers of children in relative poverty is significant across LCR. Figure 5 shows that just over half the children in the city region are living in poverty.

The challenge at individual LA level is also great with two of the six local authorities (Knowsley and Liverpool) having over half the children in poverty. Interestingly the tables and graphs also highlight the extent to which all of the LCR local authorities have children and families experiencing both **'out of work' and 'in work' poverty.**

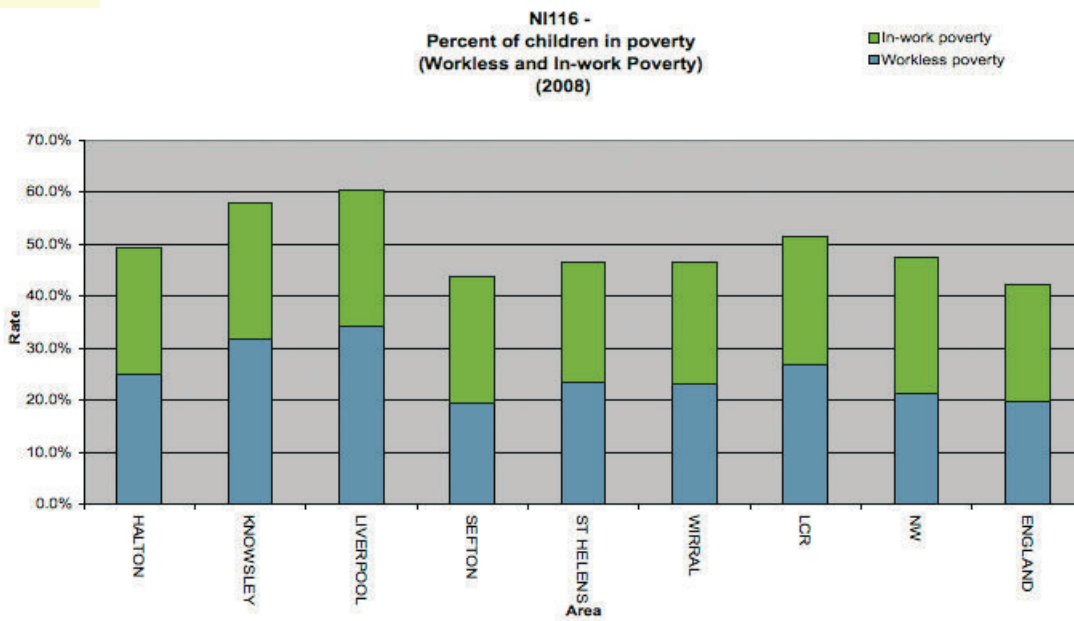


Figure 5: Percentages of children in poverty

Source: 2008 HMRC Child and working tax credits statistics (2007/08) and child benefit geographical statistics (August 2008)

Figure 6 highlights the actual numbers of children in poverty and we can see that a massive 167,777 children are growing up in poverty. Interestingly for the city region the numbers of children in workless poverty remains slightly higher than the numbers in in-work poverty, which differs to the picture at both North West and national levels.

Figure 6: Actual Numbers of children in poverty

	Workless poverty	In-work poverty	Total
Halton	7,300	7,080	14,380
Knowsley	11,680	9,640	21,320
Liverpool	32,050	24,570	56,620
Sefton	11,170	13,910	25,080
St. Helens	9,090	8,780	17,870
Wirral	16,250	16,250	32,500
LCR	87,540	80,230	167,770
NW	326,000	400,000	726,000
England	2,214,000	2,498,000	4,712,000

Source: 2008 HMRC Child and working tax credits statistics (2007/08) and child benefit geographical statistics (August 2008)

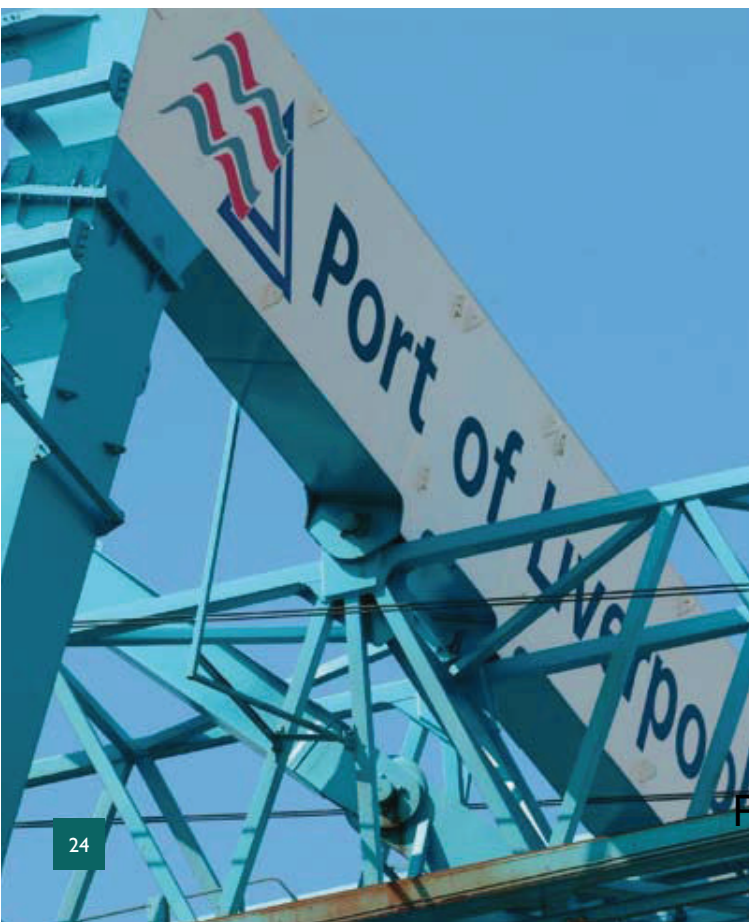
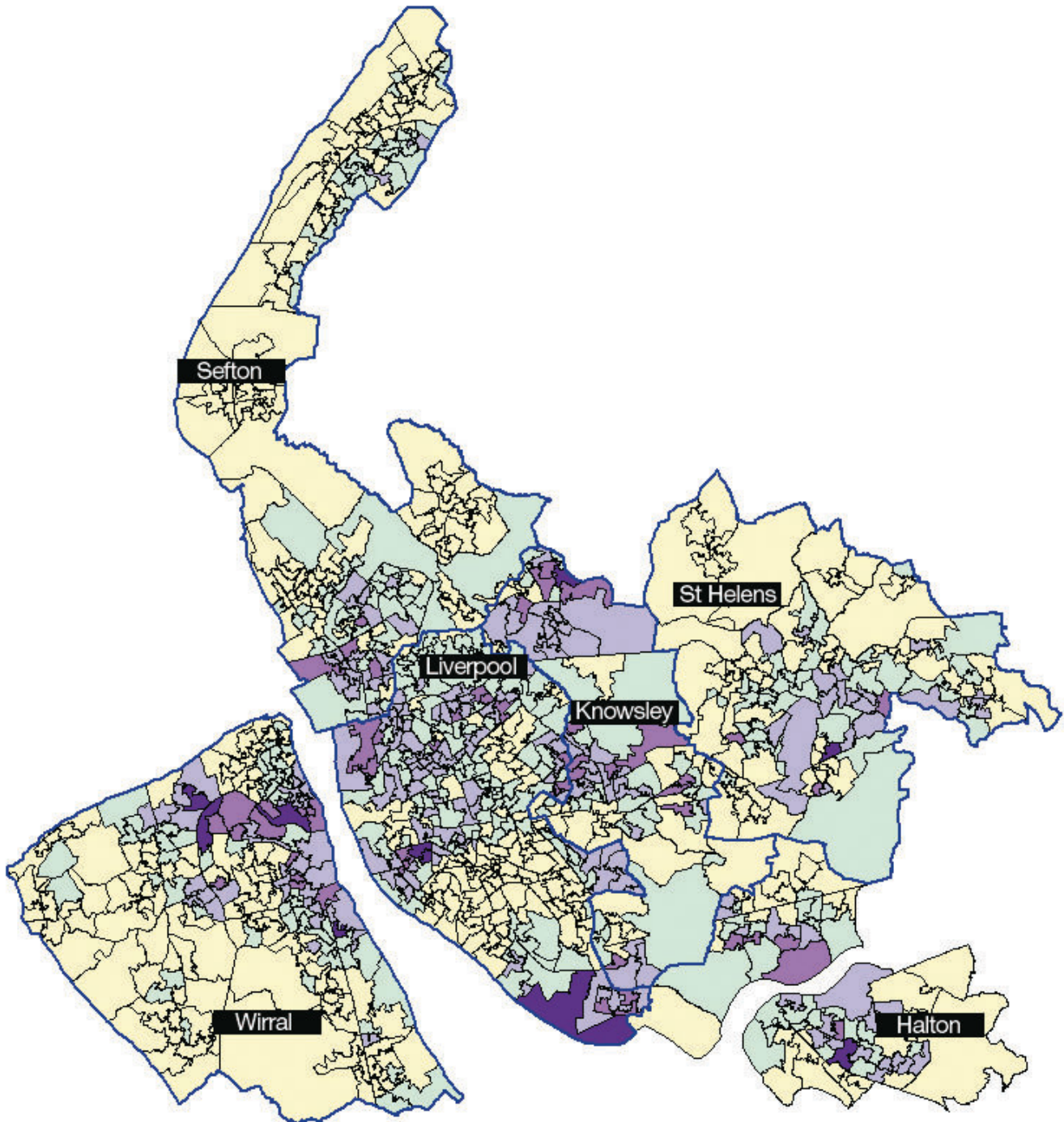


Figure 7: The extent of child poverty in neighbourhoods

### Child Poverty in Greater Merseyside

Number of Children living in Households earning below the 60% median National Income by Lower SOA

471 to 585	(10)
357 to 471	(53)
243 to 357	(204)
129 to 243	(305)
15 to 129	(412)



### Severe concentrations of child poverty

Figure 7 (above) gives an excellent visual portrayal of the geographical areas where rates of child poverty are concentrated. This map of child poverty also demonstrates how local authority average figures can sometimes mask the depth of child poverty rates in certain pockets or neighbourhoods.

For example the average child poverty rates in Wirral and Sefton are much lower overall than in Liverpool and Knowsley and range from 43 per cent to just over 60 per cent. However we can see from the map that both these Local Authorities have areas where there are severe concentrations of child poverty.

## Families in poverty by Local Authority area

Figure 8 (below) shows how the proportion of families in poverty differs across the Liverpool City Region and compares to regional and national averages. The data shows that Liverpool has the highest rate of family poverty in the city region while Sefton has the lowest.

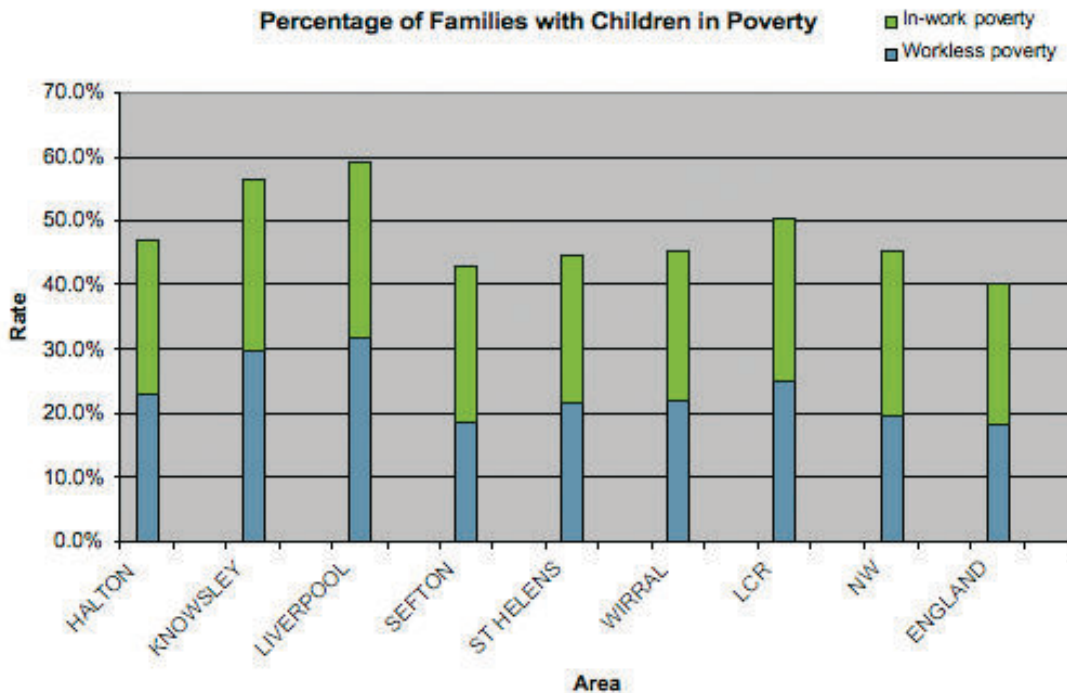


Figure 8: Percentage of families with children in poverty 2008

Source: 2008 HMRC Child and working tax credits statistics (2007/08) and child benefit geographical statistics (August 2008)

Figure 9 (below) portrays the actual numbers of families (with children) currently living in poverty across the Liverpool City Region and to give again gives a sense of scale that our developing strategy and action plan will be required to address.

Figure 9: Numbers of families (with children) in poverty

	Workless poverty	In-work poverty	Total
Halton	3,860	4,140	8,000
Knowsley	6,390	5,740	12,130
Liverpool	17,560	14,900	32,460
Sefton	6,160	8,140	14,300
St. Helens	4,920	5,190	10,110
Wirral	8,790	9,520	18,310
LCR	47,680	47,630	95,310
NW	173,000	223,000	396,000
England	1,157,000	1,380,000	2,537,000

## Reduction in child and family poverty

Figures 10 and 11 show that, as with the national picture, significant inroads have been made in the reduction of child and family poverty across LCR since 1999.

The data shows that although comparatively with England as a whole the figures in LCR remain high, all of the authorities in the LCR have been successful in reducing child poverty. However we can see that the scale of reductions varies from borough to borough. For example, rates dropped by almost 45% in Knowsley and Liverpool but were significantly lower in Sefton, although it is worth noting that this could be attributed to lower baseline levels.

Much of this improvement can be attributed to the success of welfare reform initiatives to reduce worklessness and sustained period of economic growth. However the challenge (even before the economic downturn) was that welfare initiatives were increasingly faced with the challenges resulting from intergenerational worklessness and deeply entrenched poverty and engaging those furthest from the labour market. As outlined in influential reports such as the Houghton review of worklessness there is a need to maintain focus on those already furthest from the labour market.

Figure 10: Total reductions in Child Poverty (1999-2008)

	Reduction Already Achieved 1998-2008		
	Workless poverty	In-work poverty	Total
<b>Halton</b>			
Children	2,700	3,140	5840
Families	1,490	1,320	2810
<b>Knowsley</b>			
Children	7,473	9,914	17387
Families	4,074	4,943	9017
<b>Liverpool</b>			
Children	18,621	27,160	45781
Families	10,421	13,666	24087
<b>Sefton</b>			
Children	5,899	3,516	9415
Families	3,269	1,486	4755
<b>ST Helens</b>			
Children	2,727	3,284	6011
Families	1,558	1,423	2981
<b>Wirral</b>			
Children	7,721	8,222	15943
Families	4,171	3,712	7883
<b>LCR Children</b>	<b>45,141</b>	<b>55,236</b>	<b>100,377</b>
<b>LCR Families</b>	<b>24,983</b>	<b>26,550</b>	<b>51,533</b>

Source: Authors calculations of HMRC 2007/08 and DWP 2006.

% Reduction in Total Child Poverty

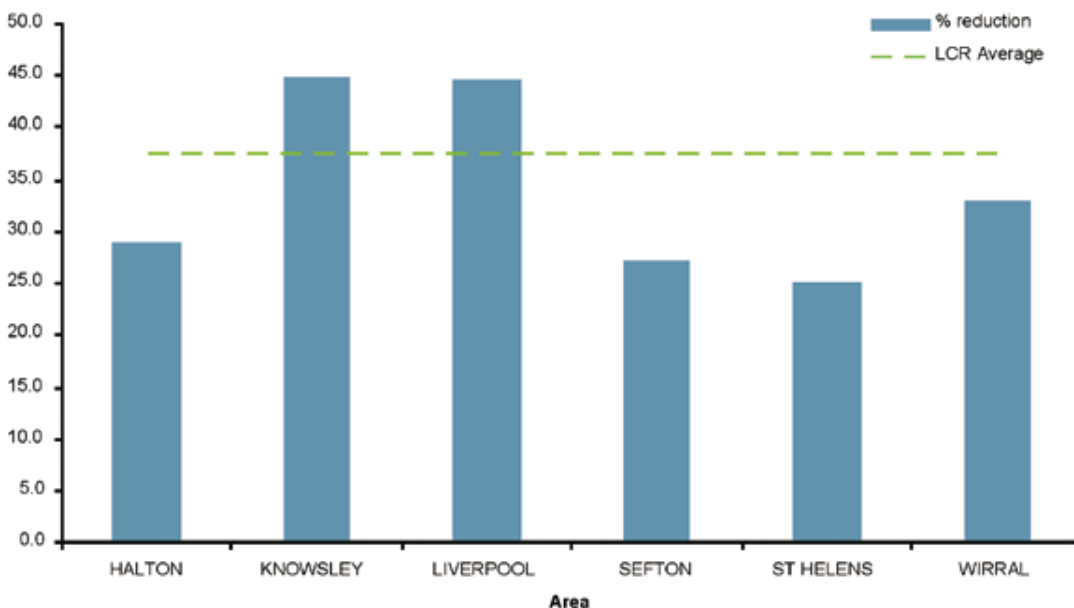


Figure 11: Total reductions in Child Poverty (1999-2008)

Source: Authors calculations of HMRC 2007/08 and DWP 2006.



## The challenges ahead

The data below assesses the reductions achieved between 1999-2008 by each city region local authority concerning 'out of work' and 'in work' poverty.<sup>30</sup> The child poverty targets above were set by the former government in 1999. Figures 12 and 13 illustrate how many children and families each local authority has to remove from poverty to achieve these targets from the baseline of 1999.

We can see that Liverpool has the most significant challenge and will have to lift approximately 56,620 living in 32,460 families out of poverty in order to meet the 2020 eradication target.

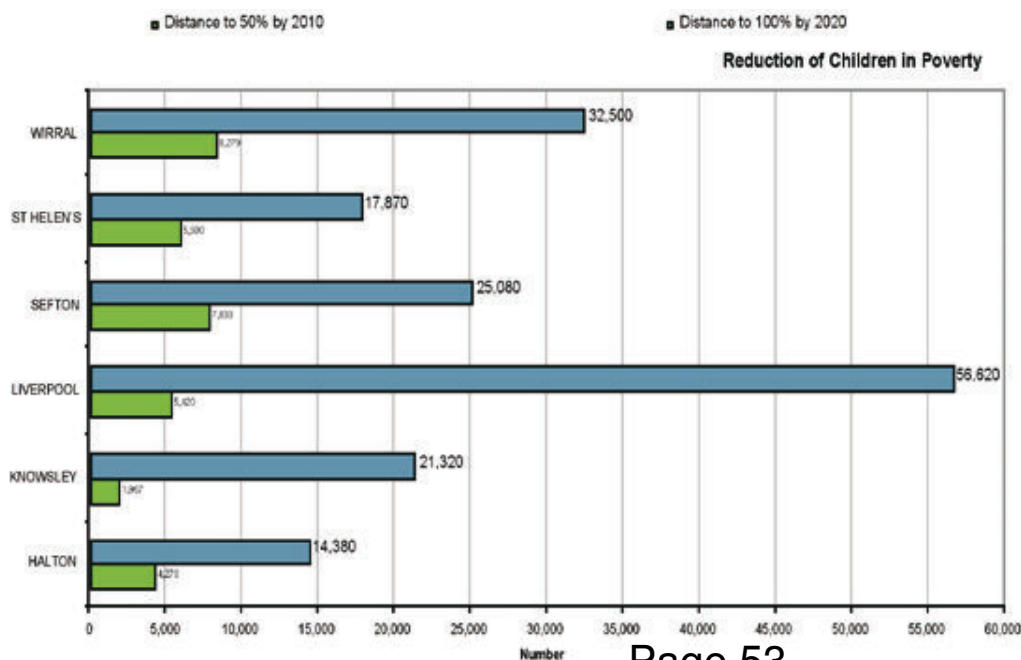


Figure 12 Reduction of children in poverty required by 2010 and 2020

Source: HMRC Data 1999- 2008 (1999 Centre for Employment and Social Inclusion estimate)

<sup>30</sup> The overall reduction over this period is calculated by aggregating the out and in work figures for both 1999 and 2008 and calculating the reduction over this period.

## Other contributing factors

### Life expectancy

One of the proxy measures closely associated with growing up and living in poverty is life expectancy at birth. From Figure 14 we can see that average male life expectancy for England and Wales is 77.8 years and 81.9 for female. Many of the boroughs across LCR have improved life expectancy rates over recent years (and particularly Sefton which has rates on a par with the English average).

However, although life expectancy figures have been improving, recent LCR wide average figures show that the rate of life expectancy has been rising at a faster rate nationally. Unfortunately the gap has widened from 2.2 to 2.5 years for men and in LCR and nationally and from 1.7 to 1.9 years for females.

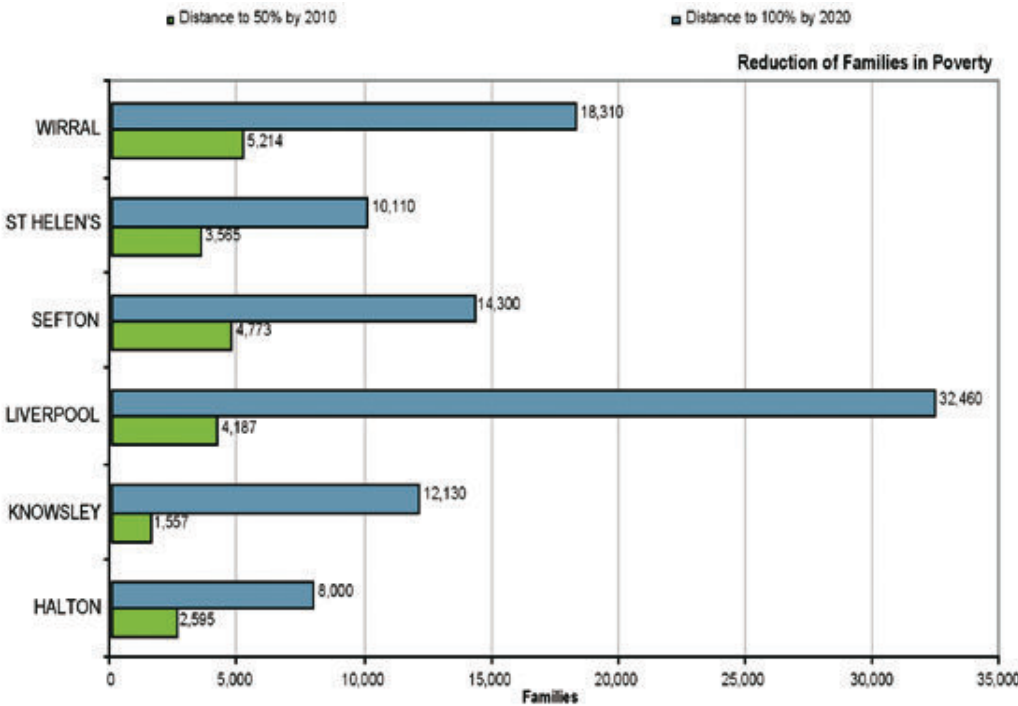


Figure 13: Reduction of families in poverty required by 2010 and 2020

Source: HMRC Data 1999- 2008 (1999 Centre for Employment and Social Inclusion estimate)

### Educational attainment

As outlined earlier there are inextricable links between the propensities of children growing up in poverty to perform less well than their peers at school. Figure 15 highlights that the LCR achievement

gap for NI 102 (KS4 achievement Gap between FSM-eligible pupils and their peers) is higher than both regional and national levels and that all of the individual boroughs excluding Knowsley have rates higher than the national average.

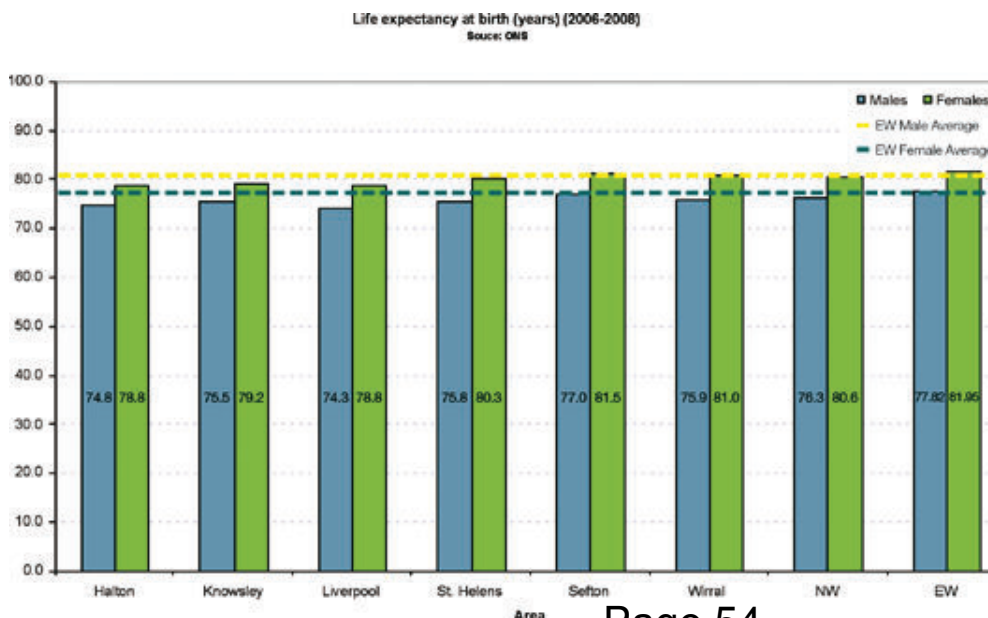


Figure 14: Life expectancy across the Liverpool City Region

Source: Life expectancy at birth (years) and rank order, by local authority in the United Kingdom - Statistics.gov.uk



## Housing

There is a strong negative correlation between child and family poverty and owner occupation – areas with a high level of child and family poverty tend to have low levels of home ownership. Not surprisingly worklessness is also strongly negatively correlated with home ownership.

Over three quarters of LSOA's in Merseyside with a high level of child and family poverty also have a high proportion of social rented housing. The proportion is 100% in Halton, 93% in St Helens, and 89% in Knowsley. In Sefton (74%, Liverpool (73%) and Wirral (59%) the association of child and family poverty with social rented housing is weaker.

Living in social rented housing does not of course cause child and family poverty but the links are clear; long term worklessness leads to low incomes and social rented housing is allocated predominantly to low income households. The link to child and family poverty is even stronger because social housing allocation policies further favour households with children.

Source: "Housing, Worklessness and Child Poverty in Merseyside" – Nevin Leather Associates, Sept 2009.

NI 102 - KS4 achievement Gap between FSM-eligible pupils and their peers (2007/08)

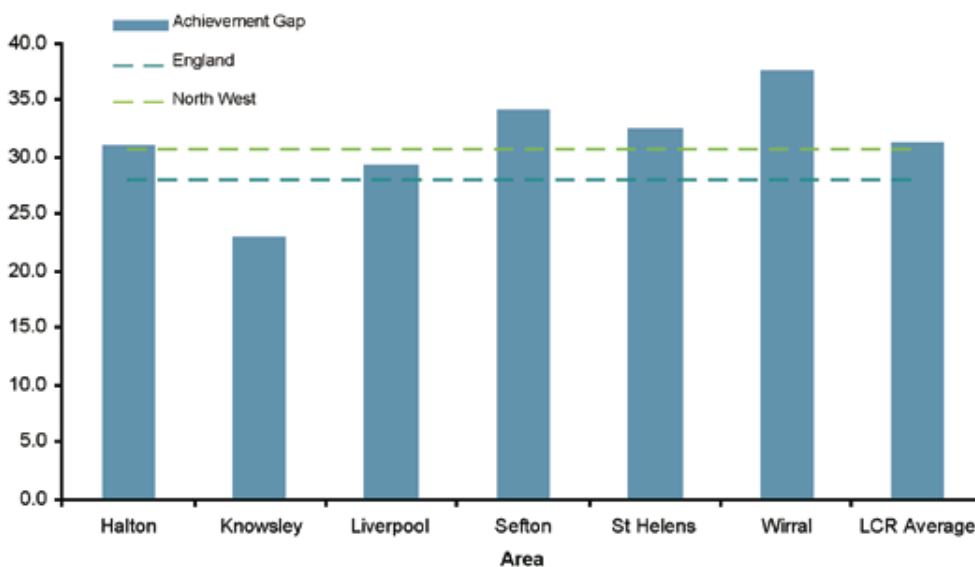


Figure 15: NI 102

Source: NI 102, DCSF (2007/08)

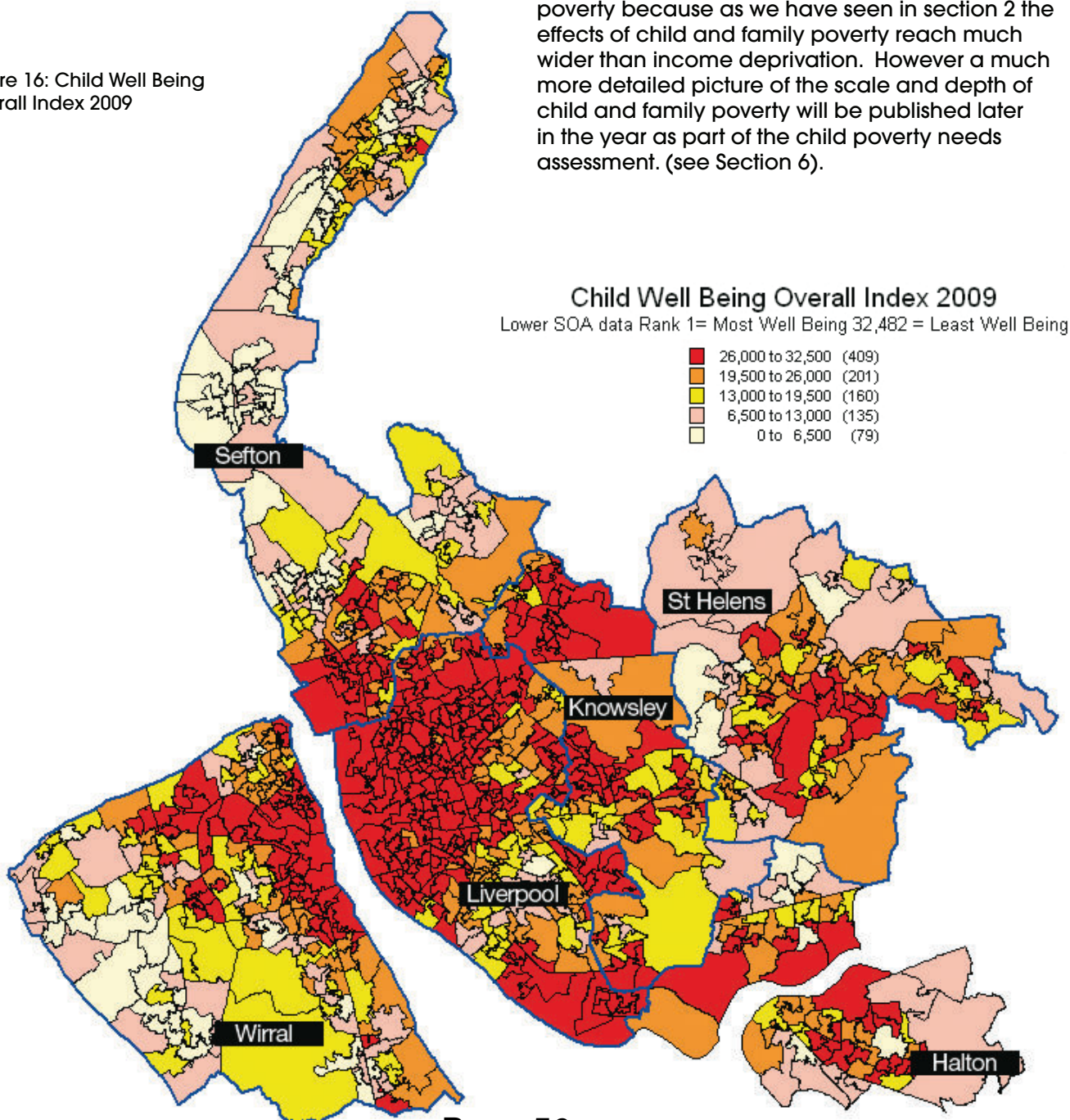


## Child Well-Being Index

In January 2009 DCLG released the Child Well-Being Index (CWI) 2009.<sup>31</sup> This is an attempt to create a small area index exclusively for children in England. The Child Well-being Index (CWI) is produced at Lower Super Output Area level (LSOA's) and is made up of seven domains. Summary measures of the CWI are presented at local authority district and county council levels.

The CWI is based on the approach, structure and methodology that were used in the construction of the Indices of Deprivation 2007. Seven domains have been selected which all make a significant contribution to the well-being of children. The seven domains included in the CWI are: Material well-being, health, education, crime, housing, environment, children in need. Figure 16 identifies the lowest ranking super output areas for overall well being across the LCR.

Figure 16: Child Well Being Overall Index 2009



Unfortunately in terms of rank both Liverpool and Knowsley are in the bottom 20 local authority districts for overall well being.<sup>32</sup>

Whilst the CWI does give a helpful indication of the levels of deprivation of children across the city region unfortunately many of the data sets used as part of the index are a number of years old and therefore do not present as current picture of child poverty across the sub region as we would like. This is an area where the completion of child poverty needs assessments will add value.

## Building on existing data and analysis

This section of the report gives an overview of the challenge in relation to the numbers of children and families in both worklessness and in-work poverty and of the main factors associated with poverty because as we have seen in section 2 the effects of child and family poverty reach much wider than income deprivation. However a much more detailed picture of the scale and depth of child and family poverty will be published later in the year as part of the child poverty needs assessment. (see Section 6).

<sup>31</sup> For a more comprehensive guide to the CWI see <http://www.communities.gov.uk/documents/communities/pdf/11126232.pdf>.

<sup>32</sup> CWI information published in Jan 09 showed that Liverpool ranks 3rd worst and Knowsley 16th.

## 5. Four broad themes to tackle child and family poverty

The action plan and work streams to flow from this analysis report will be split into four broad themes which address how both the causes and consequences of child and family poverty can be tackled by joining up activity to:

- 1. Raise family income
- 2. Improve outcomes for children
- 3. Mitigate the impacts of poverty
- 4. Improve communications and challenge perceptions

These four themes aim to cover the services referred to in each of the child and family poverty “building blocks” including; employment and skills, education, health, family support, housing, environment and financial support and build on the five main principles which will guide the development of the national strategy. (See Section 3)

## (1) Raising Family Income

### Tackling worklessness

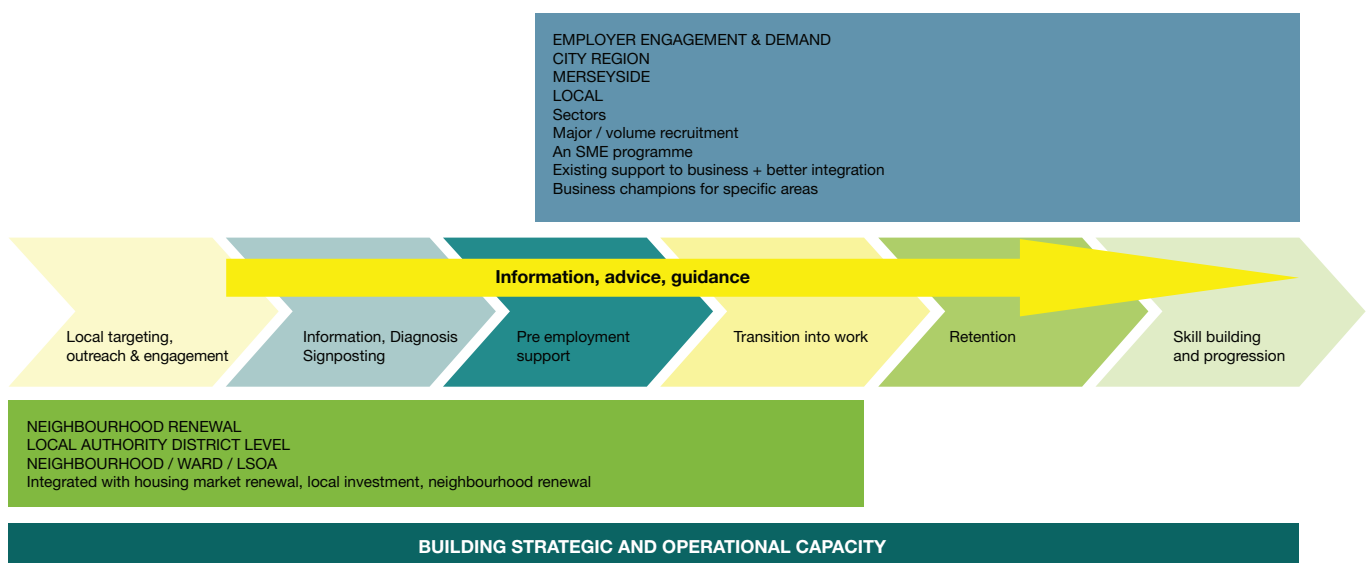
The primary objective to tackle child and family poverty through the City Employment Strategy has been to reduce worklessness and enhance work and skills progression within the workforce. In relation to child and family poverty, CES has identified there is currently a gap in support in terms of provision for two parent families. Primarily the partner who is in receipt of benefit for the family is the person who the worklessness interventions are targeted and often ignore the potential second earner within a couple.

### In work poverty

It is important to note that while worklessness will continue to be a major component of LCR wide efforts to reduce poverty and promote social inclusion, there is an acknowledgement across the 6 city region boroughs that in-work poverty is present and growing. Again the issue of poor two parent families is significant given that for those who are in in-work poverty a significant proportion are single earner couples.

The CES ‘continuum model’ for employment and skills provides the basis for both worklessness and in-work interventions. However through the development of the child and family poverty strategy there is scope to build on the continuum model to ensure greater focus specifically on the progression of working parents.

Figure 17: City Employment Strategy Continuum Model



The key elements of this model are:

- A demand led approach which engages employers;
- Delivery of recruitment and training services which meet the needs of employers and provide progression across the full qualifications spectrum from Level 1 through to Level 4;
- Ensuring a good quality information, advice and guidance service is integrated within each stage of the journey;
- A route way of personalised assistance to individuals from worklessness to employment,
- Integration with neighbourhood and housing renewal.

## LCR Employment and skills strategy

The recently published LCR Employment and Skills Strategy and commissioning framework will help to drive a step change in the City Region's employment and skills system. The strategy will help to deliver long term benefits for individuals, communities and employers and will be supported by a focused employment and skills plan. To achieve the outcomes set out in the strategy and plan a business led Employment and Skills Board has been established.

An integral part of the work to reduce the numbers of worklessness families and families in in-work poverty will be to ensure that activity and priorities in the child and family poverty strategy are linked back to the Employment and skills strategy. To ensure this focus is maintained formal links between the Employment and Skills Board and the Child and Family poverty Commission will be established.

Employment and skills partners such as Jobcentre Plus, the Skills Funding Agency and the Chamber of Commerce will play important roles in developing the child and family poverty strategy at the local level. To complement this, the strategic involvement of welfare rights, children's services, transportation, housing and health partners is just as vital to making progress on both the "treatment and prevention" of child and family poverty locally.

## Balancing work with parental responsibilities - addressing policy tensions

Whilst emphasis must remain on efforts to help workless parents make the transition into engagement with the labour market developing strategies and action plans should be wary of moves to be "forcing" lone parents and parents of very young children into full time work. For instance, the welfare to work agenda (and moves through recent welfare reforms to encourage more lone parents to engage with the labour market) is at odds with some of wider aims in the parenting agenda.

Recent welfare changes have meant that some lone parents in receipt of income support will not be entitled to this benefit when their youngest child reaches 10 years old (in 2010 this will decrease to 7 years old) if they are solely claiming because they are a Lone Parent. Instead many lone parents will be subjected to greater conditionality and will be required to be available and actively seeking work under the Job Seekers Allowance (JSA) regime.

A recent report has shown how the impact of welfare reform in the US has had negative impacts for child outcomes in circumstances where lone parents are forced into full time work.<sup>33</sup>

Whilst this analysis report is of course supportive of the message that work offers the best route out of poverty, we are clear that more work is needed to ensure that the right support systems are in place for working parents and their children. We need to work closely with colleagues in children's and family directorates and Children's Trusts to be confident that for individual families work for the parent is in the best interest of the child.

## Childcare

A consistent theme across LCR is the issue of childcare. Costs, accessibility and availability remain a problem in many areas. In many deprived wards there are half the average number of childcare places available.<sup>34</sup> High turnover of provision is also disproportionate in poorer areas - where profits of providers may be relatively low and demand suppressed by parents' inability to afford the childcare on offer.

## Increased financial support

The former government's Take up the Challenge report<sup>35</sup> highlighted the importance of targeted intervention to improve the levels of financial support for families.

Investment now in benefit take up, linked to other measures to alleviate poverty and reduce worklessness, can reduce the pressures on public services.

## Benefits to the local economy of increasing financial support

In its report, Global slowdown: local solutions, the Local Government Association (LGA) highlighted that in an economic recession, benefit take-up both provides a safety net for the poorest and also helps to put spending power back into the local economy. The LGA has highlighted action on household income as one very good way councils can help local people. In its report "Global slowdown: local solutions" (2008) it said that when times are hard, councils need both to kick start the economy and to provide a safety net for people in need.

Action to ensure local authority staff are receiving their correct entitlement to working tax credits could be one area where intervention is targeted. Local authorities in England and Wales employ over 2.254 million people, which equates to nearly 9% of the workforce of the whole economy. It is estimated that there are thousands of local authority staff missing out on their right to extra weekly money. For example, a 35 year old admin officer, who is a single parent with one child, working 30 hours a week with weekly childcare costs of £120 and earning £15,500 could be entitled to an additional £8,395 a year or £161 a week.

This approach is now being sponsored by HMRC in their tax credit take-up initiative with local councils. The LGA, HMRC and a range of councils are working in partnership to increase working tax credit take-up amongst local government employees.

## Greater links with the financial inclusion agenda

There is evidence across the sub region of excellent work to tackle financial exclusion including; links with the DWP sub-regional financial inclusion champions, the North West Illegal Money Lending Team and the Growth Fund Credit Union Initiative and Knowsley's financial inclusion forum.

However, if one of the objectives of the framework will be to ensure that if efforts to tackle child and family poverty are to bring about lasting change improved and consistent links must be established with the financial inclusion agenda.

## (2) Improving Outcomes For Children And Families

Section 2 highlighted that children growing up in poverty are disproportionately affected by educational under achievement and by health inequalities and that they are more likely to live in social housing. If we are to make significant inroads into reducing child and family poverty then we must ensure that services which interact with families have more closely aligned priorities and activities. Local strategic partnerships through their commissioning processes should facilitate this alignment and the delivery of activity across traditional service boundaries. There are a number of key areas where particular focus should be placed:

### Addressing Health Inequalities

The recently published review of health inequalities, 'Fair society and healthy lives' which is known as 'the Marmot review' clearly associates the propensity for poor health outcomes with poor social conditions. This comprehensive review has a range of recommendations relating to; the need for increased investment in early years, supporting families to develop children's skills, live long learning, easing the transition from benefits into work and the integration of planning, transport, housing and health policies. All of these recommendations are inextricably linked to the requirements and needs of developing strategies to address child and family poverty.

When developing the LCR child and family poverty strategy we will work closely with the Regional North West Health partnership and sub regional health partnership CHAMPs to follow how the recommendations of the Marmot review are implemented and to ensure that they link with wider objectives of the child and family poverty agenda.

### Raising attainment and aspirations

- As outlined above children growing up in poverty are less likely to achieve at school, go on to university and attain well paid jobs. We will use the information gleaned from the forthcoming child poverty needs assessment and consultation, as well as established links with the sub-regional Learn Together Partnership<sup>36</sup> to continue to identify key barriers at LCR and local levels to continue improving educational attainment which in the long term will help to break the intergenerational transmission of poverty.

In addition to the emphasis on educational attainment a key focus of the consultation with young people (see below) will be to seek views and thoughts on what would make a difference to children and young people to raise aspirations to achieve and improve their life chances.

## Prevention and early intervention

Over recent years policy makers have given increasing weight to the importance in early years interventions evidenced by the introduction of the Sure Start programme and the Every Child Matters and Change for children agendas<sup>37</sup>.

It is widely recognised that pregnancy and pre school years are vital for child development and behaviours and we know that children's experiences during this pre-school period can strongly influence a child's life chances. In addition to household poverty, stress during pregnancy, poor maternal health (particularly post natal depression) harsh parenting styles and low levels of stimulation have all been linked to poor outcomes in adult life including anti social behaviour and offending<sup>38</sup>.

Many of the pilots and current activity are focused on early intervention as the key to preventing the inter-generational transmission of poverty. As part of the activity under this work stream we will need to develop our understanding of what works with a view to mainstreaming good practice where possible.

## Housing

Given the high proportion of children and families in social housing who are in poverty there is a clear need to ensure ongoing collaboration with partners in the housing sector to maintain a focus both on poor housing conditions and on the concentrations of poverty within the sector. One of the key challenges under this work stream will be to ensure greater strategic alignment between the housing and child and family poverty agendas and to build on the developing good practice within the sector.

One such opportunity is to build on the development of a Housing Compact which is being drawn up in association with a number of Housing Providers across the city region. Briefly, this Compact will complement and supplement and not duplicate existing planned activity at a local level. If agreed, It will build on the existing arrangements between the six LCR local authorities and their partners to tackle worklessness and will have particular focus on; front line advice, the role of Housing Associations as employers, procurement, asset management and data sharing.

## The CoNet Project

The CoNet Project is a partnership between Liverpool City Council and Plus Dane Group (a Registered Social Landlord) to tackle worklessness in North Liverpool. The project uses good practice from across Europe to inform the delivery of integrated neighbourhood services that aim to empower residents in Liverpool to make informed life choices in relation to removing barriers to their progression in training, education and employment.

The project has been recognised as a good practice approach to addressing unemployment and low skills in areas with high concentrations of worklessness. CoNet will be delivered from February 2009 to March 2013.

## (3) Mitigating The Impacts Of Poverty

Given the high proportion of children and families experiencing poverty in the LCR there is a need to ensure that interventions where possible can mitigate the longer term impact of poverty. For instance actions developed under this work stream need to proactively widen access to services to families. For instance encouraging the use of children's centres by potential second earners.

Further activity under this work stream will seek to ensure that the impacts of poverty are mitigated by taking action to:

- Open up leisure, cultural and sporting opportunities and library facilities to those who would not normally access them
- Improve access to health services and health promotion opportunities
- Develop localised extended services
- Make the best use of green, open spaces and improve play facilities
- Improve access to local and sub-regional labour markets and to key services for low income families
- Work with transport partners to ensure public transport is accessible and affordable

<sup>36</sup>Learn Together Partnership is a collaborative of the LCR boroughs plus Warrington. The group was set up to increase the level of joint activity to meet the challenges of high quality service provision within the Children's Services agenda.

<sup>37</sup>The Children Act 2004 paved the way for the formation of a national framework which enabled local change programmes to build services around the needs of children and young people to maximise opportunity and minimise risk. Every child, whatever their background or their circumstances, to have the support they need to achieve the five outcomes. - Be healthy Stay safe, Enjoy and achieve, Make a positive contribution, Achieve economic well-being.

<sup>38</sup>Cabinet Office, Reaching out: an Action plan on social exclusion. (2006)

## Little League Sports

Little League Sports is a community interest company which abides by the philosophy that everyone can improve their physical and mental capacity to enjoy life by joining in wholly inclusive programmes of activity.

LLS provides coaching, education and training to a growing number of the most “hard to reach” communities across LCR, delivering services in schools, children’s centres and community centres in Knowsley, Liverpool and Sefton. LLS also have an Alternative Education Centre where young people between the age of 14 and 19 can access educational courses.

## (4) Communication, Consultation And Challenging Perceptions

### Developing a widespread understanding of the child and family poverty agenda

The level and depth of knowledge and the understanding of the child and family poverty agenda varies across the sub-region. There is a massive exercise ahead in terms of capacity building and the need to meet some of the gaps identified in terms of workforce development, knowledge and commitment amongst practitioners of the child and family poverty agenda.

### Challenging perceptions and raising awareness –

A recent study has shown how UK poverty activity has been fairly effective in changing perceptions (awareness) but less effective in relation to changes attitudes. There is a clear need to further engage people in dialogue about what living in poverty actually means.

Activity under this theme will focus on raising the profile of child and family poverty in public bodies to ensure it becomes a priority in local decision making and target setting and commissioning processes.

## The role of the media

Research has shown how public attitudes to those experiencing poverty are often judgemental<sup>39</sup>. Activity under this work stream will therefore look to challenge perceptions and use positive media coverage to help dispel common myths about people in poverty.

## Innovative consultation with young people and families

As we develop our approach to child and family poverty across LCR one of the key elements that will feed into activity will be information gleaned from families and children experiencing poverty themselves. Consultation directly with families will form part of the wider consultation exercise over the summer 2010. (See section 6)

## Develop links with activity for the - 2010 Year for combating poverty and social exclusion.

To mark the tenth anniversary of the launch of the Lisbon strategy which aimed to, ‘make a decisive impact on the eradication of poverty by 2010’ the European Commission has designated 2010 as the year for combating poverty and social exclusion. It is envisaged that developing work on communication regarding the LCR child and family poverty framework will be linked to wider activity as part of the EU2010 campaign.





## 6. Moving Forward – emerging actions and next steps

The context in which this framework analysis report and subsequent activity are developing is rapidly changing and there is gathering momentum. Given the changes in legislation outlined above this activity is likely to be ongoing particularly given the political and economic climate.

We need to position ourselves in order to maximise the benefits of opportunities for families across the Liverpool City Region. This analysis report has shown how child and family poverty cannot only damage the lives of individual children but also how a multitude of issues are inextricably linked and all contribute to families life experiences. If we are to tackle child and family poverty effectively we must align activity under one common goal. While this report sets out some of the key challenges and some initial thoughts on how work can be developed at LCR level there is a considerable amount of work still to do.

### Over the coming months we will:

#### **1 Complete the LCR child poverty needs assessment**

In line with current activity to conduct a LCR economic needs assessment the City Employment strategy Board recommended that a LCR wide child poverty assessment should also be completed. As well as ensuring a consistent approach to assessing the level of need across the sub region it also provides efficiencies and represents good value for money. Instead of six individual needs assessment being completed one overarching assessment will be produced for the sub region which local authorities can then draw on to develop and target their interventions.

Building on the evidence in this report the LCR child poverty needs assessment will provide a more in depth understanding of the key drivers of poverty across the city region, at local authority and at neighbourhood level. The needs assessments will need to be completed by **October 2010** and the box below gives an outline of the detail expected in relation to the data requirement of the needs assessments.



## Data requirements of the child poverty needs assessments

- the number and proportion of such children who live in a household in which no parents are in employment;
- the number and proportion of such children who live in a household in which at least one parent is in employment but where the household earns less than 60% of the equivalised median income;
- an analysis of the size of households (with reference to the number of children in each household) both in relation to all households with children and in relation to households with children identified as living in poverty;
- the ethnic composition of children and families living in poverty;
- the number and proportion of children who live in a lone parent household and, of children identified as living in poverty, the number and proportion who live in such households;
- the number and proportion of children who live with an adult who is registered disabled and, of children identified as living in poverty, the number and proportion who live with such an adult;
- the number and proportion of children who live in a household where a child is disabled and, of children identified as living in poverty, the number and proportion who live in such households;
- an assessment of the well-being, relating to matters set out in the Children Act 2004, of children in the local area living in poverty compared with those not living in poverty;
- an assessment in relation to parents of children identified as living in poverty in the local area:
  - of employment opportunities;
  - of their education, training and skills and whether these present barrier to employment;
  - of their health conditions and how these are likely to affect their employment; and of the availability and take-up of public and private financial support including social security benefits, tax credits and grants made by responsible local authorities and other bodies;
- An assessment of the role of housing, transport and other services provided by the local authority or partner authorities, including those to improve the quality of the local environment, in contributing to reducing and mitigating the effects of child poverty.

## 2. Develop the child poverty data project

One of the key barriers to developing effective approaches to reducing child poverty has been the lack of suitable data and intelligence. Given the breadth of data and information required as part of the needs assessments we have recently commissioned Mott Macdonald through the Merseyside Information Services data contract to assist us with the data requirements of needs assessments.

Through this data project we will develop a **comprehensive, common approach** to measuring and monitoring child poverty. It will enable us to build up a demographic profile of those most at risk of growing up in poverty such as – the number of children under age five, families with a parent or child with a disability, children from Black and minority ethnic backgrounds.

This will be a groundbreaking piece of work and will ensure consistency and clarity in relation to the data and methodology it will provide an invaluable source of data at LCR, LA and neighbourhood level (where possible). This data project as well as feeding into the process for the completion of the LCR child poverty needs assessment will be the key source of data to that will inform local child poverty strategies.

### Information and data sharing

Better use of data and sharing information can help with the effort to join up services around the needs of an individual or family. Often sharing of data and personal information is wrongly believed to be illegal. One of the longer terms aims of the data project will be to ensure greater collaboration in relation to data sharing. Although difficult, lots of information can be shared between partners but clearly focused protocols need to be developed.



### 3. Establish a LCR Child and Family Poverty Commission

The creation of a LCR child and family poverty Commission has been endorsed by the Chief Executives of the Local Authorities and the Liverpool City Region Cabinet. Establishing this Commission will help to formalise the high level commitment to child and family poverty across the city region and it will become the driving force behind our approach. Individual membership of the commission is to be agreed over the coming months.

Evidence has shown that setting up high profile commissions or boards with a specific remit to address poverty can have a positive impact on overall support for measures to eradicate poverty.<sup>40</sup>

One of the key roles of the Commission will be to ensure that the LCR voice is at the forefront of national and EU wide policy development, highlighting issues with central government, MP's and other key stakeholders. It will also help to establish links between policy and practice, making collective representations to Government as appropriate. An immediate action will be for the LCR Commission to ensure links with the independent national review of poverty and life chances being led by Frank Field MP for Birkenhead.

The child and family poverty commission will undoubtedly be faced with an extremely challenging agenda and will have the task of ensuring that progress is made on reducing child and family poverty despite the prospect of significant cuts in public spending.

### 4. Establish a LCR child and family poverty advisory group

This small this group will be responsible for identifying gaps in the analysis, raising issues specific to their field and reality checking emerging proposals. It is proposed that the group meet on a monthly basis to discuss progress and options for the future and make recommendations for the Child and Family Poverty Commission's approval.

### 5. Conduct a LCR wide formal consultation exercise

A formal Child and Family poverty consultation exercise will be taking place over the summer in 2010. The information gained from this exercise will feed into the LCR Needs Assessment and crucially will help to shape the LCR child and family poverty strategy and action plan which will be published later in the year.

We would welcome comments on this child and family poverty analysis report and on the development of the LCR strategy and action plan. A series of questions have been set out to guide responses. (See section 7)

In addition to this written consultation exercise there will be a series of cross cutting consultation events across the City Region. If you are interested in attending a consultation event please send your name and contact details to:  
**[LCR.Child&FamilyPoverty@knowsley.gov.uk](mailto:LCR.Child&FamilyPoverty@knowsley.gov.uk)**

### 6. Evaluation and outcomes - evidence based policy

It is envisaged that the development of this child and family poverty framework analysis report and subsequent strategy will provide a mechanism for ensuring that best practice for tackling child and family poverty is shared amongst partners effectively and will become a vital tool for local authorities completing their individual child poverty strategies. However as with the development of any good strategy and action plan activity to monitor and evaluate measures and outcomes developed will be built into the framework and action plan from the outset.

## 7. Child and Family Poverty Consultation Questions

1. Is the proposed child and family poverty vision appropriate for the Liverpool City Region? Does it capture the key elements that need to be achieved? (section 1)
2. Is the relationship between the LCR Child and Family Poverty Analysis report, LCR Needs Assessment and local child poverty strategies clearly explained? If not, what further information is needed?
3. Are there any barriers to establishing an effective City Region approach to addressing Child and Family Poverty? If yes what are they and what action can be taken to overcome the barriers?
4. Do the Child and Family Poverty Briefing Papers provide a sufficient introduction to poverty and its relationship with key thematic areas? Do the briefing papers have any gaps?
5. What other support and information would help Local Partnerships to develop their local child poverty strategies?
6. Does the report identify the key challenges that children and families living in poverty experience? If not, what challenges are missing from the report?
7. Are there any child and family poverty issues that would be best addressed by joining up activity on a City Region level? Are there any child poverty and family issues that would be best addressed on an individual local authority level?
8. Is the report clear on which partners and services need to be involved in addressing child and family poverty? Are any key partners and services missing from the report?
9. The national child poverty target is to eradicate child poverty by 2020. Given the scale of the challenge in the Liverpool City Region, do you feel that the target is appropriate for the city region or is it too challenging and we should agree a sub-regional 2020 target? (section 3)
10. Do you agree that developing the LCR Child and Family Poverty Strategy and Action Plan around the four broad themes will help to address both the causes and consequences of child and family poverty? If not, what further action needs to be taken? (section 5)
11. What activities can be undertaken to raise the profile of child and family poverty in public bodies to ensure it becomes a priority in local decision making? (section 5)
12. What more can we do to challenge negative public perceptions of people living in poverty? (section 5)
13. Do you have any additional comments you would like to share on the Analysis Report or on the issue of child and family poverty in the Liverpool City Region?



Responses can be sent to  
- [LCR.Child&FamilyPoverty@knowsley.gov.uk](mailto:LCR.Child&FamilyPoverty@knowsley.gov.uk)

## Child and Family Poverty Thematic Briefing Papers

Child and family poverty is a complex issue that requires a multifaceted response. Coordinated action needs to be undertaken by a wide spectrum of agencies. The Child and Family Poverty Thematic Briefing Papers aim to provide partners with an introduction to child and family poverty and its close relationship with:

- Employment and Skills,
- Education,
- Health,
- Housing; and
- Transport.

The thematic briefings have been written for those who may not have any related background knowledge or experience, however they may also help those familiar with the subject to keep abreast of recent policy developments and LCR initiatives.

The briefing papers give a quick overview of the 'need to know' issues and include:

- key national and Liverpool City Region (LCR) facts and figures on child and family poverty,
- a summary of the national policy context,
- identification of the key policy challenges that need to be addressed in order to improve outcomes for children and families; and
- an overview of the programmes being progressed on a Liverpool City Region basis.

It is envisaged that local authorities will use the briefing papers as a tool to secure the support of a broad range of agencies in the development and delivery of their local child poverty strategies.

## Acknowledgements

This report draws on research and expertise from a number of groups and organisations. We would like to thank all those who have supported this work from across the City Region and wider, namely:

- GONW
- Halton Borough Council
- Job Centre Plus
- Knowsley Housing Trust
- Knowsley Metropolitan Borough Council
- Little League Sports
- Liverpool City Council
- Liverpool City Employment Strategy Consortia Board
- Liverpool City Employment Strategy Lead Officer Group
- Liverpool City Region Cabinet
- Liverpool First
- Liverpool PCT
- Merseyside Children's Services Directors Group
- Merseytravel
- Mott Macdonald  
– Merseyside Information Services
- NHS Knowsley
- North West DWP Financial Inclusion Champion
- Plus Dane Group
- Sefton Metropolitan Borough Council
- St Helens Metropolitan Borough Council
- The Learn Together Partnership
- Vauxhall Children's Centre
- Wirral Metropolitan Borough Council



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## LSP EXECUTIVE BOARD

## AGENDA ITEM 10 - AOB

Dear Colleague

As a CEO of a Wirral Wide organisation which delivers services to the community and is in receipt of some public sector funding, I am writing to invite you to become part of the Chief Officers' Group (COG).

Although the group was set up some years ago with a very specific remit, the existing members would like to extend the membership, with the original members becoming the 'working group' in order for preparation and work to be carried out between quarterly meetings. The general criteria for the extended membership is that you:

- are a CEO or General Manager
- have a Wirral Wide remit
- have strategic responsibility
- are a service provider

The COG will meet quarterly and the terms of reference include:

- To provide a vehicle for Chief Officers and, therefore, key strategic partners, of the third sector providers to come together to share information, support and influence future policy and strategy
- To speak with one informed voice
- To provide an effective link between the third sector providers and the private and public sectors
- To act as a consultative body, receive and input into future appropriate strategies of public sector partners
- To participate in planning draft strategies, for example commissioning and tendering, comprehensive engagement etc
- To support the public sector in the work around health and social care, advise if appropriate on issues including mental health, housing and other big topics
- To help to identify development needs within the third sector

The government budget cuts and the effect of them on the local public sector and therefore on our sectors, is of course, a concern to us all. Therefore, the working group of the Chief Officers' Group (COG) would like to invite you to attend a Consultation Event surrounding the public sector budget cuts which will have an impact on the third sector.

This event will take place on Wednesday 22 September 2010 at 3.00 pm (venue to be confirmed) and will be an opportunity to discuss the cuts with other CEOs and explore possible ways of working collaboratively, as

well as forming a 'one voice' approach. The aim would be to try to influence the decision-makers before the final decisions are made.

We have put together a framework which the consultation event will be based around. The framework and information from the consultation event will form the basis of a report which will be presented to the CEOs of the public sector.

Please complete the attached questionnaire and send it back to Charlotte Bevan so that the information can be collated and a report prepared before the Consultation Event. The deadline for the questionnaires to be sent back is Friday 13 August. The questionnaire is not long and should only take 10 or 15 minutes for you to complete.

Please indicate to Charlotte Bevan whether or not you wish to be included in the membership of the COG. If you wish to be kept updated of events and included in information sharing, but do not wish to be an 'active' member, then please let Charlotte know on 0151 513 8259 or email at [charlotte.bevan@vcawirral.org.uk](mailto:charlotte.bevan@vcawirral.org.uk).

With best regards

**Annette**

Annette Roberts  
Chief Executive  
Voluntary & Community Action Wirral



## OPEN LETTER TO THE VOLUNTARY, COMMUNITY AND SOCIAL ENTERPRISE SECTORS

Dear all,

As you know the Coalition government attaches a high priority to tackling the deficit and restoring confidence in the economy. I am sure you will agree that this is in the long term interest of the voluntary and community sector.

We have to make significant savings across all areas of Government; however as the Chancellor has said, the deficit reduction plan cannot just be about cuts. It must also be about finding better ways of doing things. We want to hear your thoughts on how this is best done. Your voice is particularly important as you work on the front line delivering services, often to the most vulnerable people. You also have a great deal of experience of engaging with the State and can see what is working and what can be done better.

We are working with colleagues across Government to ensure they consider the impact on the voluntary, community and social enterprise sectors when making decisions that may affect it and to remind them of the importance of taking account of the Compact as savings and efficiencies are identified in their department. We are also working with colleagues in the Department for Communities and Local Government and the Local Government Association to encourage Local Authorities to respect the Compact and work through the challenges in partnership with the local voluntary and community sector. In this context we are interested in examples of best practice that can be shared across the network.

We have asked our strategic partners and advisory body to gather information on the impact of cuts and where the biggest issues may arise and we urge you to work with your representative organisations to pass your examples of good practice and your ideas for savings and so on to the Office for Civil Society.

As of today you can e-mail [sectorchallenge@cabinet-office.x.gsi.gov.uk](mailto:sectorchallenge@cabinet-office.x.gsi.gov.uk) to share information and thoughts with us, and we have created an open-space on the Cabinet Office website for you to post comments. You can access this at: [www.cabinetoffice.gov.uk](http://www.cabinetoffice.gov.uk).



Managing the deficit programme of this scale will be a challenge and difficult choices will have to be made. However, we want to hear your views and we will work in partnership with you to ensure your concerns, ideas for savings, and examples of best practice are taken into consideration.

Yours sincerely,

**FRANCIS MAUDE**

**NICK HURD**