



Preliminary conclusions

Measuring child poverty consultation



DWP

Department for
Work and Pensions

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Foreword

Tackling poverty and disadvantage are central to this Government's purpose. Our historic pledge to eradicate child poverty in a generation is challenging and it is essential that we measure progress towards this goal in the best way possible.

Our annual *Opportunity for all* reports set out our current strategy to tackle poverty and social exclusion and the indicators by which we measure progress. They recognise that poverty is a multi-dimensional problem – tackling poverty of income alone is not enough. To make sure we deliver sustainable improvements to the lives of children, and to ensure that every child whatever their circumstance is given the best possible start in life, we are committed to tackling both the symptoms and the causes of poverty.

We have taken action to raise the real incomes of all families, especially those on the lowest incomes. To help children out of poverty, we have provided more support than ever before to enable parents to work, and to ensure that they are better off in work. We are moving in the right direction but know that we have a lot more to do.

We were pleased to see so much support from the consultation for the *Opportunity for all* approach and we remain committed to retaining these indicators, as well as to hitting our existing Public Service Agreement (PSA) targets.

However, we need to make sure that we are tracking progress towards our long-term goals in the most meaningful and appropriate way, where results measure what we are trying to achieve in terms of making a real difference to children. This consultation has opened the debate about appropriate measures to do this.

These are complex and important issues, reflected in the wide range of views we received and I hope this breadth and depth of involvement will be sustained as we carry out further work during this year to ensure that our decisions are based firmly in evidence.

Our focus will continue to be on outcomes – on making a positive difference to children's lives. Through this consultation we hope to build a consensus for real progress in this crucially important area.



Rt Hon ANDREW SMITH MP
Secretary of State for Work
and Pensions

May 2003

Executive summary

Background

This document sets out preliminary conclusions from *Measuring child poverty: A consultation document* which we published in April 2002, and outlines our recommendations and next steps.

There are many dimensions to poverty that affect not only a child's current living standards, but also their prospects in the longer term and into adulthood. Whilst low income is important to poverty, it is not the only dimension. A child's quality of life is also important. Access to education, decent housing, good quality health services, a safe environment – as well as income – all affect the quality of a child's opportunity.

As we move towards our goals of halving and eradicating child poverty, we want to be sure that we are measuring child poverty in a way that commands widespread support and underpins policies aimed at tackling the causes and not just the symptoms of poverty. The aim of the consultation is to try to build a consensus for monitoring UK child poverty in the long term. This is far from straightforward. Debates about how to measure poverty have been going on for many years. Academic experts in the field differ in their views and a range of approaches has been adopted internationally.

As stated in the consultation document, we are already committed to delivering a number of agreed Public Service Agreement (PSA) targets that will contribute to progress in tackling child poverty. **This work does not replace our existing PSA targets and indicators** – for example we remain committed to reducing the number of children living in low-income households and in workless households – which we will continue to strive towards.

Our existing approach to measuring child poverty uses the set of *Opportunity for all* indicators that capture many aspects of poverty, such as low income, health inequalities, educational attainment and housing standards. It is, arguably, difficult unambiguously to assess long-term progress against a set of 15 indicators. In the absence of a single official measure of poverty, low income, though key in any effective measure, often becomes a default headline measure. This is central to the consultation.

The consultation document presented four options for measuring child poverty in the long term:

- **option one** – using a small number of headline indicators such as low income, worklessness and educational attainment;

- **option two** – amalgamating the indicators in the first option into an index to produce a single figure to track progress;
- **option three** – using a headline measure of ‘consistent poverty’ that combines a measure of low income and material deprivation; and
- **option four** – a tiered approach, using a core set of indicators of low income and

‘consistent poverty’ to show a gradient of progress.

It is unlikely that a single measure or approach will adequately capture everyone’s view of poverty. All of these approaches could be underpinned by a more comprehensive second layer of indicators as already monitored in *Opportunity for all*.

Conclusions and next steps

The consultation has been a valuable exercise in exploring this important issue. Although the consultation did not result in consensus on a favoured approach, there was agreement around underlying principles of a long-term measure. In light of this, there are some options that we are now clearly in a position to rule out following the consultation. There are also some options that we want to consider further.

Our recommendations outline those areas in which further methodological work and discussion with experts are required before finalising the precise details of any new measure. We also detail those options that we are ruling out at this stage.

Areas for further work

- **Income** is central to a long-term poverty measure. The range of income measures and thresholds currently produced in the *Households Below Average Income* series will continue to be produced. We need to consider how to incorporate income into a long-term measure with the other options that we are taking forward.
- There is strong support for a **tiered approach**, though not necessarily with the elements set out in the consultation document (relative and absolute income and consistent poverty). We are attracted to this type of approach, but we need to consider the appropriate components and structure of a possible tiered approach.
- There was a lot of support for including some measure of **material deprivation**. This is a technically complex area and we will carry out further methodological work and discussion with experts to try to reach agreement on the most appropriate methodology and some of the more subjective areas. Alongside this the Department for Work and Pensions is considering which deprivation indicators could be usefully added to the *Family Resources Survey*.
- **Multi-dimensional indicators** are useful in understanding elements other than income. Whilst there was less support for highlighting headline indicators than for some other options, we will consider how this approach and the indicators themselves can be refined in the medium term. The annual *Opportunity for all* report will continue to be produced.

Options we are not taking forward

- The **child poverty index** approach received very little support. Overall, respondents agreed with the challenges to this approach as set out in the consultation document.
- Using a **solely consistent poverty measure** – whilst this option is attractive, most respondents agreed that its challenges, and particularly because this method has not been tested in the long term, mean that it would be unwise to use this measure **alone**. We will continue to look at the possibility of using it in conjunction with indicators or as part of a tiered approach, where we will examine to what extent it differs from persistent low income, and how sensitive it is to consumer spending choices.

The further work areas outlined here will take place during 2003 in conjunction with Government and non-Government experts and the Devolved Administrations, and we will publish details of the new long-term measure by the end of 2003.

Response analysis

We sought to encourage debate among interested parties, including those with direct experience of poverty, through a range of events around the UK. These involved children and families experiencing poverty, organisations working in the poverty field, and academics. Contributions at these events provided a rich source of feedback to consider together with over 80 written responses.

It is important to remember that the respondents to this consultation are not representative of the UK population in any statistical sense. In our analysis we have not given greater weight to any contribution over another. We have looked at innovative suggestions as well as those that were repeatedly suggested. We have considered and synthesised all contributions and, where an idea was shared, have indicated the weight of support. We have used qualitative rather than quantitative language to do this. We believe that this is the most robust approach for a non-representative sample covering many complex issues.

Summary

Overall there was a wide range of opinions among those who did respond. This reflects the complexity of the issues involved. What is also apparent from the consultation is that there is no 'perfect' measure and there are problems associated with all of the possible options put forward.

It was generally accepted that income needs to be central to any poverty measurement, but also that income alone does not provide a wide enough measure of poverty. There was a lot of support for approaches that incorporate some measure of material deprivation. There was also wide support for the indicators included in *Opportunity for all*¹ and for their continued use alongside whichever overall measure is adopted. There was generally strong support for some type of tiered approach, although not necessarily for the components in option four. There was very little support for a child poverty index (option two). Not all respondents expressed a preference for any of the options.

1 The annual *Opportunity for all* report includes indicators for the UK, in relation to reserved matters, and for England only in relation to devolved matters. The Devolved Administrations in Scotland, Wales and Northern Ireland all produce reports including multi-dimensional indicators.

Option one – multi-dimensional headline indicators

A small number of headline indicators, such as low income, worklessness, educational attainment, health inequalities and housing standards.

The majority of respondents who commented on this option neither supported nor opposed its implementation.

Those in support liked the broad range of indicators, including the inclusion of income measures. A number of those opposed to this option raised the issue outlined in the consultation document – that it does not present a single headline measure of poverty. Other criticisms were that, whilst the measure captures factors associated with poverty, it does not measure poverty itself. Timing was also an issue with this option in terms of the time lag between policies being introduced and their impact being picked up by indicators.

A number of those who responded thought that the shortcomings in the approach could be addressed by combining this option with a tiered approach (option four).

Option two – a child poverty index

Amalgamating the indicators in the first option into an index to produce a single figure to track progress.

This was the least popular of the four options, with very few respondents choosing it as their preferred option. Again, the majority of those who responded to this

option had reservations about its effectiveness as a UK measure. However, some stated that it might be useful for international comparison.

Many thought the advantages of this approach (producing a clear headline figure) were outweighed by the challenges and even those who supported it agreed that weighting the components would be difficult. Some felt that an index would oversimplify the issue of poverty. Respondents also highlighted the difficulty of explaining progress if not all components moved in the same direction.

Option three – a consistent poverty measure

A headline measure of 'consistent poverty' (similar to the approach adopted by the Irish Government) that combines a measure of low income and material deprivation.

Even though a large number of respondents saw this as an attractive option, there was also fairly strong opposition and many respondents did not believe that it would be enough on its own. Those who supported this option valued the fact that it provides a headline measure as well as capturing the multi-dimensional nature of poverty. Respondents also liked the inclusion of material deprivation as well as income as this was felt to reflect public perceptions of poverty.

Several respondents thought that an attractive feature of the indicators of material deprivation is that they also incorporate aspects of the severity and

duration of poverty. For this reason it was argued that the third option is useful in assessing consistent, longer-term poverty, as well as its depth, by capturing the effects of living with a low income over time.

Notwithstanding the main advantages presented above, respondents highlighted a number of problems. Most important were those related to the choice of deprivation indicators and their number. In particular, both the selection of items and the establishment of a deprivation threshold (in other words, deprivation would be identified by how many items the household lacks) were believed to be rather arbitrary. The problem of updating a deprivation measure over time was also raised by a lot of respondents. Furthermore, it was questioned whether low income and deprivation should be simply combined, as in the methodology adopted by the Irish Government, or somehow weighted.

Option four – a tiered approach

A core set of indicators of low income and 'consistent poverty' to show a gradient of progress.

This option also received strong support, albeit with a number of caveats, as well as a fair degree of criticism. It was considered to be a pragmatic approach that proposed a hierarchy of measures of increasing stringency. The crucial advantage highlighted by those in favour of this approach was that it captures more than financial and material deprivation by supplementing a core low-income and deprivation measure with data on different dimensions of poverty. However, there was

no consensus as to whether all measures included in this option should be given equal weight.

Those who favoured this option felt that, by incorporating a 'consistent poverty' measure (option three) into a tiered approach, it would be possible to overcome some of the shortcomings of option three. Those critical of a tiered approach did not, however, agree with this.

There was also criticism that a tiered approach would still not provide clear measurement of progress that the public would understand. Additionally, the absolute low income tier could result in a loss of political credibility, as it would be expected to fall in all but the most adverse economic conditions.

Introduction

1. This document sets out preliminary conclusions from *Measuring child poverty: A consultation document* which we published in April 2002, and outlines our recommendations and next steps.
2. We are committed to eradicating child poverty within a generation. There are many dimensions to poverty that affect not only a child's current living standards, but also their prospects in the longer term and into adulthood. Whilst low income is central to poverty, it is not the only dimension. A child's quality of life is also central to the problem. Access to education, decent housing, good quality health services, a safe environment – as well as income – all affect the quality of a child's opportunity.
3. We want to be sure that we are measuring child poverty in a way that commands widespread support and underpins policies that both tackle the causes (not just the symptoms) of poverty and extend opportunities for those most at risk. The aim of the consultation is to try to build a consensus for measuring UK child poverty in the long term. This is far from straightforward. Debates about how to measure poverty have been going on for many years. Experts in the field differ in their views and a range of approaches has been adopted internationally.
4. Our existing approach to measuring child poverty uses the set of 15 *Opportunity for all* indicators that capture many aspects of poverty, such as low income, health inequalities, educational attainment and housing standards. It is, arguably, difficult unambiguously to assess long-term progress against a number of indicators, and in the absence of a single official measure of poverty, low income often becomes a default headline measure. This is central to the consultation.
5. We are already committed to delivering a number of agreed Public Service Agreement (PSA) targets that will contribute to progress in tackling child poverty. **Work on the consultation does not replace our existing PSA targets and indicators**, which we will continue to strive towards. It will contribute to our longer-term goals of halving and eradicating child poverty.

6. The first section of this document describes the consultation process and our method of response analysis. This is followed by a detailed analysis of responses to the consultation questions and views on particular options. Finally we set out our recommendations for the technical work we will need to carry out with experts in a range of areas before we can finalise the precise details of any new measure, and we outline those options that will not be taken forward.

The consultation options

7. Having explained relevant background information and considered international experience, the consultation document presented the pros and cons of four options for measuring child poverty in the long term, and a set of criteria against which to assess each option:

- **option one** – using a small number of headline indicators, such as low income, worklessness, educational attainment, health inequalities and housing standards;
- **option two** – amalgamating the indicators in the first option into an index to produce a single figure to track progress;
- **option three** – using a headline measure of ‘consistent poverty’ (similar to the approach adopted by the Irish Government) that combines a measure of low income and material deprivation; and

- **option four** – using a core set of indicators of low income and ‘consistent poverty’ to show a gradient of progress.

8. It is unlikely that a single measure or approach will adequately capture everyone’s view of poverty. A more comprehensive second layer of indicators, as already monitored in *Opportunity for all*, could underpin all of these approaches.

The consultation questions

9. The consultation document sought responses to the following questions:
- Q1 What aspects of child poverty should be captured in a long-term measure?
- Q2 Do you agree with the criteria for selecting a good indicator?
- Q3 What do you think is the best summary or headline measure to track long-term progress of child poverty?
- Q4 In particular, do you have views on the four approaches – options one, two, three and four?
- Q5 Does the approach you favour capture the factors you listed in response to question 1 and satisfy most of the criteria you have highlighted in response to question 2?
- Q6 Do you have any particular views on the geographical coverage within the UK of the four approaches?

Engaging people

10. The consultation was open to anyone with an interest in measuring child poverty. The document was launched with a Department for Work and Pensions press notice and initially sent to over 150 individuals and organisations. Many more copies were distributed at the various events we hosted. An on-line version of the document was also available¹.
11. We sought to encourage debate among interested parties through a range of events:
 - workshops in London and Edinburgh with academics and organisations interested in child poverty measurement;
 - workshops with families experiencing poverty in Glasgow, Everton and Belfast, organised in partnership with the Poverty Alliance, the European Anti-Poverty Network and the Northern Ireland Anti-Poverty Network; and
 - workshops organised in partnership with Barnardo's, The Children's Society and Children in Wales in a range of locations throughout the UK.

A full list of events with families and children is included at Annex A.

Involving children and young people in the child poverty measurement consultation

One of the main aims of the consultation was to find out how those affected by poverty felt about their situation. We wanted to engage children and young people in the debate about measuring child poverty. In particular, we were keen to hear the views of those who were experiencing poverty first hand.

A key challenge was how we could engage with young people and harness their ideas and thoughts productively. We sought to achieve this by working in partnership with a number of children and young people's organisations.

Most of the discussions took place during the school holidays, between July and October 2002. Talking to children and young people throughout the UK, discussions and activities focused on what poverty meant to them. The discussions were more abstract than the consultation document, and asked questions that were more appropriate for children and young people.

The workshops asked children to think about poverty in a way that they could relate to. Using this tool, they described the exclusion experienced by children living in poverty and the essentials that they felt children could not live without.

We thank all those who took part. The children were enthusiastic contributors to the process, and their thoughts are summarised in this document.

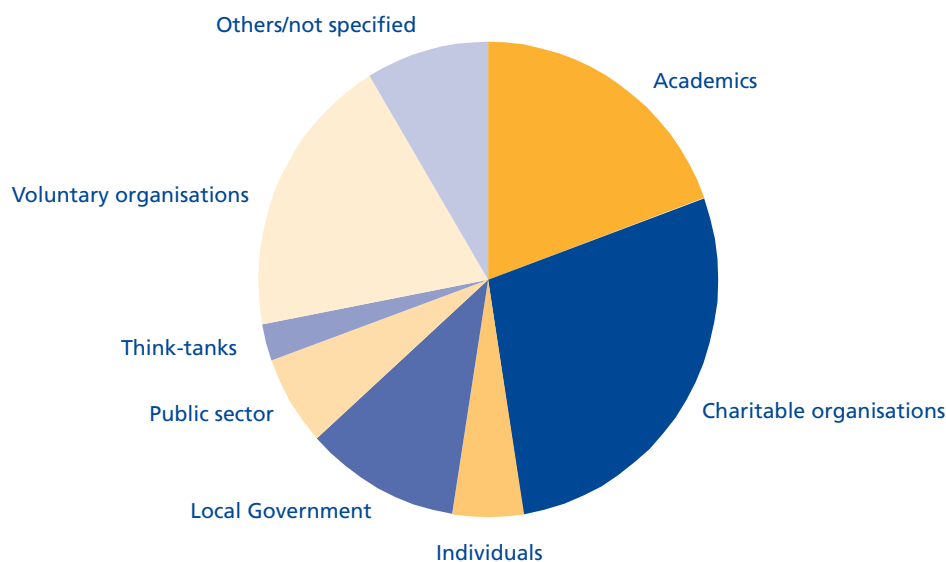
¹ www.dwp.gov.uk/consultations/consult/2002/childpov/index.htm

The responses

12. Contributions at these events provided a rich source of feedback to consider, alongside over 80 detailed written responses². We are grateful to everyone who contributed.
13. When reading our analysis of responses it is important to remember that the respondents are not

representative of the UK population in any statistical sense. However, we are pleased that we have received contributions from a range of organisations and individuals from locations across the UK. Figure 1 provides a breakdown of the types of written responses received (classification by respondents).

Figure 1: Consultation respondents



14. It should be noted that not all respondents answered all questions. In some cases individuals chose to focus on aspects of the consultation where they felt they had expertise or a particular interest.
15. The difficulty of finding a 'perfect' measure was apparent in the responses. For instance, some respondents chose an option that did not fulfil their own criteria of a 'good' measure.
16. As is perhaps to be expected, opinions on the same issues often differed between respondents, with respondents choosing different options to pick up the same aspects of poverty, or saying that different measures were inadequate when others thought the same option adequately measured the same things. Others assumed certain options could achieve more than they are actually capable of.

² It should be noted that some written responses represented contributions from multiple individuals or organisations. It is the number of responses that we have counted here, not the number of contributing individuals or organisations. A list of organisations that responded to the consultation is included at Annex B.

17. In our analysis we have not given greater weight to any contribution over another. We have looked at innovative suggestions as well as those that were repeatedly suggested. We have considered and synthesised all contributions and, where an idea was shared by a number of respondents, have indicated the weight of support. We have used qualitative rather than quantitative language to do this. We believe that this is the most robust approach, given that responses should not be viewed as representative and that not all respondents answered all questions.
 - assessed each response to see whether it expressed a clear view in favour of any of the approaches;
 - identified key issues to discuss in a thematic report;
 - traced each theme/issue through all 84 responses to establish the range of views, strength of feeling/support for ideas, innovative ideas and suggestions;
 - synthesised comments on each of the four options; and
 - chosen quotations from responses to illustrate particular points and to reflect the diversity of responses.
18. In terms of analysis of written responses, we have:
 - read the responses and summarised them in a database;

Involving parents on low incomes in the child poverty measurement consultation

As part of the consultation we wanted to speak to parents about the effects of poverty on themselves and their children. The aim was to enable people to say how they will judge whether child poverty is being eradicated in their household, their community and generally. In other words, what indicators do people use to assess the welfare of their children, and how can these be turned into measurements that are real measures of change?

We sought to achieve this by working in partnership with national anti-poverty networks that have projects in poorer areas working with local families. Most of the discussions took place during the school holidays, between July and October 2002. We thank all those who gave their time to take part.

The consultation options

1. This section briefly reviews each option and then presents our analysis of responses.

Option one – multi-dimensional headline indicators

Background

2. Option one involved refining the existing approach as set out in the second *Opportunity for all* report (the Government's annual key policy document on poverty) published in September 2000. It uses five headline indicators, within key areas:
 - low income;
 - worklessness;
 - educational attainment;
 - health inequalities; and
 - housing standards.
3. This option has a number of advantages that were outlined in the consultation document¹. In brief, it could capture the different aspects of poverty and social exclusion that affect children's lives. The indicators measure **outcomes** rather than **processes**, and

capture not only dimensions that affect current living standards, but also those that are likely to lead to worse outcomes during adulthood. It is consistent with the approach agreed by Member States of the European Union (EU)².

4. The approach is based on existing datasets and provides clear, transparent measures of progress. The option distinguishes between devolved and reserved matters. Some of the indicators, such as low income and worklessness, would extend to the UK as a whole. Other indicators relate to England only.
5. The main challenges with this option are that it does not produce a single figure to track progress, and that it may make it difficult to measure long-term changes.

Overall responses to option one

6. The majority of respondents who commented on this option did not express a clear preference either way. On balance, compared with some other options, support was not as strong, but neither was opposition.

¹ www.dwp.gov.uk/consultations/consult/2002/childpov/index.htm

² <http://ue.eu.int/pressData/en/misc/DOC.68841.pdf>

7. However, support for *Opportunity for all* and other reports like the Scottish Executive's *Social Justice Milestones* was generally high. Whilst respondents did not favour the multi-dimensional headline indicator approach as the overall long-term measure, there was a lot of support for retaining the indicators **in addition** to whatever new long-term measure is agreed.
8. There was a feeling that what some people see as the shortcomings of *Opportunity for all* (that the current indicators are too focused on Government targets) should not be a reason for replacing the indicators, but that more should be done to develop alternatives whilst maintaining *Opportunity for all*. Alternatives were discussed at length in the workshops among academics and those representing voluntary and other interest groups. However, it was still felt that the *Opportunity for all* indicators were an important part of the overall debate and should remain in their own right, regardless of which consultation option is decided upon.

"The *Opportunity for all* indicators have been useful and informative, and these can be built on to achieve a more detailed analysis of poverty, but they suffer from being difficult to summarise and interpret ... It might be better to further develop them as a bottom tier of a multi-dimensional outcome indicator which can be refined and added to over time."

Voluntary organisation (74)

"The annual publication of *Opportunity for all* is an important and welcome milestone in Government accountability, directing public attention to the effectiveness of policies and keeping poverty high on the political agenda ... it should continue to be published annually."

Academic replying as individual (16)

Support for option one

9. A number of different reasons were given for supporting option one. Some respondents thought it was useful as it could provide results based on the individual, as well as on overall changes of the whole population in relation to poverty. Some mentioned liking this option because it enables comparisons to be made at ward level. Others liked the fact that it measures outcomes across a broad range of indicators (not all people are poor for the same reasons).

“The headline measures are a good option because they measure outcomes and because they look at a range of indicators. This is important because social exclusion is such a complex issue with varied causality.”

Charitable organisation (62)

10. Some thought that the indicator should focus on their particular area of interest – health, for example. Others thought that the emphasis should be on transmission, with more weight being placed on those factors that are likely to cause worse outcomes in adulthood.
11. It was felt by some that option one would give information on those escaping from persistent poverty, and give the opportunity to look at external factors (political/social) and their effects on poverty in both the long and short term.
12. There was strong support for retaining an income-based measure, with many reporting that low-income measures should be central to any measure of poverty. This came across strongly even among those who had reservations about the option as a whole.
13. Respondents suggested various ways in which income could be used. Some stated that there is a good argument for retaining low income as a long-term poverty measure (easily recognisable, internationally comparable), which could then be supplemented with other detailed measures to inform policy making. Some special interest groups felt that measures of basic income should also reflect their needs, for instance in the case of those with disabilities.
14. Some thought that there was a helpful range of income indicators, especially persistent low income, but that there also needed to be information on poverty gaps.
15. There was an element of support for this option that reflected respondents’ distrust of possible alternatives. For example, that it would be difficult to measure worklessness and ‘churning’ (those who move in and out of low income) adequately, so ‘persistent low income’ might be a better measure if it could be incorporated into option one.
16. The workshops with children also highlighted a range of elements other than income that are important to children. These views were extremely informative in bringing a different perspective to our understanding, because child and adult perceptions of poverty are always likely to differ by virtue of differing exposures to household budgeting.

“I agree that low income must remain as a central element, but I have difficulty with other categories ... more connected with short- and medium-term policies than the long-term objective to measure poverty reliably...”

Individual (29)

Children's views of poverty – what matters as well as money?

<i>Goods</i>	<i>Services</i>	<i>Other</i>
<ul style="list-style-type: none"> • Bed • Food (healthy/good quality food) • Sofa • Car with insurance and licence • Telephone (friends) • TV, video/DVD • Kettle, fridge, sink, cooker, worktops, cupboards and shelves • House • Decent/good clothes/new clothes for school • Holidays 	<ul style="list-style-type: none"> • Public transport/transportation • Electricity and heating • School and good education • Local doctor/dentist • Local police • Playschemes • After school clubs and youth clubs • Local supermarket • Going to park/trees • A place to play/places to go 	<ul style="list-style-type: none"> • Friends/family • Love • Being able to pay the bills/pay off debt • Health • Responsibility • Happy life • Play times after lunch at school • Freedom • Sport and exercise

Challenges with option one

17. Most of those who responded negatively to this option picked up on the problem that was highlighted in the consultation document: that it could be difficult to interpret, because of the multitude of different aspects captured in the model. The fact that the option did not give a single headline measure of poverty was allied with the criticisms that this option would make it difficult to track progress.

“The advantage of this approach is that it captures the multi-faceted nature of child poverty in the UK. However, its disadvantage is that in public awareness terms it becomes more difficult as the components are so multi-faceted. This may make it difficult to explain if different domains are improving or not.”

Children's organisation (20)

18. Some respondents did not like the fact that they perceived the measures to be a mixture of outcome and process measures.

19. It was argued that in choosing an option, the Government should try to break away from the *Opportunity for all* indicators and concentrate less on the PSA targets (which would be reported on anyway). Others argued that these should be developed further.
20. Some felt that the measurement of Government performance should not be included in the headline poverty outcome measure. This was mainly due to the worry that Government may become more preoccupied with achieving a target to show progress than with actually alleviating poverty.
21. Whilst the measure captures items associated with poverty, it was argued that these items do not measure poverty itself. It was felt that whilst the mechanism is right, the items being measured should capture other aspects of poverty than those already covered in the measure. For example, some argued that relative poverty was more important and therefore any measure should focus on what people lack in comparison with the wider population.
22. Others felt that the practical realities of poverty should be captured within a measure of poverty – they felt that at the moment the existing measures do not resonate with the experiences of people in poverty.
23. Several respondents mentioned that option one does not address the ‘credibility’ issues as outlined in the consultation document.
- “As an overall approach this option would appear not to meet most of the criteria set out ... It would be difficult to assess progress *vis-à-vis* the eradication pledge with multiple indicators and this type of approach is easy to manipulate.”
Academic joint response (77)
24. Another key criticism was of the lifespan of individual components of the measure. This centred on concerns that the relevance of individual components may be compromised over time, becoming less relevant as they age. Also, some indicators respond quickly to change, whilst others experience a time lag after policy intervention – how do we judge success based on this?
25. It was also argued that the measures as they currently stand do not produce indicators of child poverty. Instead they measure family circumstances which, because of things like parents shielding the child from poverty, are not the same thing.
26. In addition it was mentioned that this option does not capture the fact that experiences of poverty are likely to be very different for those who have been poor for longer periods.
27. There were a few comments that the measure would not allow comparisons between the Devolved Administrations. Respondents also argued that such a measure makes it difficult to pick up pockets of deprivation in more affluent areas.

Option two – a child poverty index

Background

28. Option two presented the approach of reducing the set of multi-dimensional headline indicators from option one into a single measure. An index would assign weights to each individual indicator and combine them into a single measure. Changes in the indicators could then be translated into proportional changes in the index. Analysis of each individual indicator would still be important to understand where progress has been made.
29. This has a number of advantages. It would capture the different dimensions of child poverty. By producing a single number that could be used to track progress over time, this measure has presentational and communication advantages. An example of this type of measure, the United Nations Development Programme's *Human Development Index*, was discussed in the consultation document. This is arguably most effective when used to summarise differences between countries rather than over time.
30. However, there are also a number of challenges. Some may argue that it is not meaningful to combine different aspects of poverty and social exclusion, purely to produce a single figure to track progress. There are a number of issues that could complicate the construction of an index:
 - choosing weights;
 - degree of substitutability (does improvement in one measure counteract a decline in another measure?);
 - differing time periods;
 - geographical coverage; and
 - difficulty of interpretation (trend is interpretable only if all indicators are moving in the same direction).

Overall responses to option two

31. This was the least popular of the four options, with very few respondents making it their preferred choice. Again, the majority of those who responded to this option stated they neither liked nor disliked it.

Support for option two

32. There was a large amount of ambiguity in the responses to this option, even among the few who appeared to support it. This centred on the complexity of the weightings, both in terms of technical credibility and in explaining the measure to the public and media. Even among those who supported the option for its presentational advantages, there was some discussion about how feasible it would be to combine a number of different indicators into one index.
33. A few respondents who answered positively thought that, if there were agreement about the weightings for the various factors, it would be an effective option. However, it was acknowledged that to agree the weightings of these factors could be difficult in practice.

34. Some respondents felt that the measure is useful as a headline measure, and could draw on enough domains to capture poverty's complexity.
35. Several respondents acknowledged the value for cross-national comparison, and one thought it could be developed together with other national Governments (through the EU or the Organisation for Economic Co-operation and Development [OECD]).

Challenges with option two

36. Many who commented thought the advantages were outweighed by the challenges of the option. It was felt that the weighting system could be perceived as being arbitrary and that a complex index would make it difficult to communicate to both the media and the public, undermining the credibility of the measure. Others thought that the measure oversimplified the issue of poverty by combining so many different dimensions in one indicator.

“Although we can see the attraction of a series of key indicators and clear dimensions combined within a single index, we consider that it would be very difficult to combine measures derived from a range of different data sources within a single indicator at the present time.”
Children's organisation (84)

37. It was felt that it would be difficult to explain progress when indicators moved in different directions – there

was some discussion about whether progress in one indicator would cancel out negative outcomes in another. It was also felt that changing indicators or their weights over time would be problematic.

38. Special interest groups, such as those representing children with disabilities, thought that the measure did not take account of their particular situation.
39. A few stated that such a complex measure would make it difficult to make comparisons across the four countries of the UK or internationally. Some respondents thought this would be possible, however, and counted it among the strengths of this option.

Option three – a consistent poverty measure

Background

40. Option three involved combining a relative low income measure with material deprivation indicators to derive a measure of 'consistent poverty' similar to the one adopted by the Irish Government. Many would argue that a snapshot of income at a particular moment does not provide the best measure of people's living standards, and persistent low income is more likely to lead to more adverse outcomes.
41. Those who suffer longer spells of poverty are more likely to go without essential items. This can be monitored using material deprivation measures based on a list of items that can be classified as 'essentials'. Households

are classified as deprived if they go without some of these items because they are unable to afford them. 'Consistent poverty' is then defined as suffering from **both** relative low income and material deprivation.

42. This option presents several advantages. First of all, it resonates well with the perception that poverty should encompass some idea of the practical effects of low income.
43. It is widely accepted that measured incomes do not always reflect living standards because of (among other factors) incorrect reporting of incomes, time lags between changes in incomes and living standards, and the influence of non-monetary factors such as priorities for access to social housing. Arguably a better measure of living standards, at any given point, can be obtained by measuring both low income and material hardship.
44. Finally, a 'consistent poverty' measure, combining relative low income and material deprivation, could provide a headline measure to monitor the long-term pledge to eradicate child poverty.
45. However, the construction of such an indicator would clearly generate debate. The process for deciding items to be included in the deprivation measure would be key. As can be seen at Annex C, there exists a wide spectrum of ideas for what could be included within such a measure. It is also important to consider carefully how the measure might be updated to reflect current needs and how broad the selection of items should be to reflect social and cultural as well as

physical needs. The links between 'consistent poverty' and persistent low income probably need further investigation, as does the sensitivity of this approach to consumer choices.

Overall responses to option three

46. Around half of respondents expressed a clear opinion on option three. It received relatively strong support, albeit with possible caveats, compared with some other options. However, criticism was also strong, with several respondents believing it would not be a feasible option, or should be used only in conjunction with other measures.

Support for option three

47. Respondents valued the fact that this option results in a headline measure, and at the same time it captures to some extent the multi-dimensional nature of poverty. Several respondents argued that a 'headline' quality is required to command the continuing attention of all partners engaged in tackling child poverty, including the public, and that a readily summarised measure allows an easy assessment of the situation. However, others thought it important to take into account at least some of the complexities of living in poverty, and the measure presented in option three was seen as doing precisely that because it encompasses the different dimensions of poverty.
48. There were repeated comments that income alone does not give the whole picture in terms of deprivation, especially in inner city areas, where it was suggested that relatively high

income might conceal deprivation once essential travel, debt repayments and childcare costs have been taken into account. This option was felt to be able to give a fuller picture. In particular, an important element put forward for inclusion in such a measure was debt.

49. Several respondents described a 'consistent poverty' measure as being concerned with outcomes rather than processes and in this sense it was believed to reflect the public perceptions of poverty and to correlate with the feelings of distress felt by those in poverty. It was argued that a measure that chimes better with the public understanding of poverty would be able to gain public and political credibility.
50. Several respondents found indicators of material deprivation attractive, as they also incorporate aspects of the severity and the duration of poverty into the measurement. For this reason it was argued that option three is useful in assessing consistent, longer-term poverty as well as its depth, by capturing the effects of living with a low income over time.

"Consistent poverty is vital, as it is particularly indicative of the kind of situation that can lead to several generations of a family being caught up in social exclusion. It is important in recognising long-term problems and producing long-term solutions."

Charitable organisation (62)

51. Furthermore, it was mentioned that measures of material deprivation are less affected in the short term by economic fluctuations and in particular economic growth and growing prosperity. For those who made this observation, this meant that measures based on this approach are likely to be more sensitive to the impact of anti-poverty measures than using income alone.

Challenges with option three

52. Notwithstanding the main advantages presented above, respondents highlighted a number of problems. Seen as most important were those related to the choice of deprivation indicators and their number. In particular both the selection of items and the establishment of a deprivation threshold (where deprivation is described in terms of how many items the household lacks) were believed to be rather arbitrary. A number of respondents raised the problem of updating a deprivation measure over time. Furthermore, it was questioned whether low income and deprivation should be simply combined, or somehow weighted.
53. One of the criteria most frequently mentioned for the choice of indicators was to include those items that are considered to be necessities by the general population. At present there is no regular National Statistics survey that covers socially perceived necessities, but a few respondents suggested that these could usefully be added to the *Family Resources Survey*.

54. Several respondents highlighted the need for deprivation indicators to reflect cultural and social differences, in relation to issues like diet. Furthermore, it was noted that a broader and more tailored approach to necessities might be required for specific groups, such as disabled children, as it has been shown that there are differences between disabled and non-disabled people's views of what items are essential.
55. It was considered essential by many respondents that a well-defined methodology is put in place to determine the items in a deprivation measure. In particular, a number of respondents suggested that items should be chosen independently of Government, whose main role would be to sponsor surveys to collect the information. Qualitative research with poor households was also suggested as a way of informing this type of measure.
56. More generally, there was a widely held view that there needed to be consultation with families and children in terms of the relevant elements of poverty. In terms of the consultation, parents listed a range of goods and services that they view as important.

Parents' views – what is poverty?

Poverty is about not having money, and the things that everyone else takes for granted.

It is about not having:

<i>Goods</i>	<i>Services</i>	<i>Other</i>
<ul style="list-style-type: none"> • Quality food • Clothing/shoes – the 'latest things' • Adequate heating • Adequate housing – warm, dry and safe • Holidays 	<ul style="list-style-type: none"> • Leisure • Transport • Good education 	<ul style="list-style-type: none"> • Health • Self-esteem • Respect • Support

57. Consultation respondents saw a need for child-focused measures as opposed to adult- and household-focused measures, although there was some disagreement on this issue. Family deprivation can affect child well-being, and there can be some intra-household redistribution to protect the child from the effects of material deprivation. Several respondents mentioned the problem of disaggregating deprivation within households. An example of this is the amount of money spent on children or women, as there is some evidence of women forgoing certain items/activities to 'protect' their children.
58. A few respondents thought that a measure like 'consistent poverty' would increase the emphasis on (lack of) consumption without paying due attention to social and cultural needs. They believed that deprivation measures suffer from the problem of being rather subjective, as arguably they can vary greatly depending on cultural and economic status. Additionally, if poverty is defined as the incapacity to participate in society, it was considered questionable whether only material deprivation should count or social capital should be accounted for as well.
59. There was a widely held view that deprivation indicators should be regularly reviewed, with many respondents suggesting a revision at intervals of between one and ten years. The review was seen as essential because opinions of what constitutes a necessity were believed to change over time, and deprivation indicators measure different levels of spending power across time.
60. Respondents who commented on this point appreciated the fact that a regular review of any deprivation indicators would affect the consistency of data over the medium term because deprivation measures invariably fluctuate between reviews, making interpretation difficult. Several respondents saw this as a major shortcoming of this type of measure, but it was also argued that this approach balances out over the long term.
61. Furthermore, it was suggested that income poverty and deprivation indicators capture different elements of poverty and for this reason it was not considered too helpful to combine the two into a single indicator. Doubts were raised as to whether it is meaningful to combine a relative measure with an absolute one, if poverty in wealthier countries is primarily seen as a relative concept.
62. This approach was also criticised for mixing and confusing financial deprivation (related to resource inflows) and material deprivation (related to expenditure). A single measure was considered too simplistic because it ignores multi-dimensional issues such as health, well-being and education.
63. Several respondents feared that combining material deprivation and low income would result in a minimalist measure of poverty that identifies only the very poor. In fact they argued that a measure of 'consistent poverty' would reduce the number of children in poverty and make the pledge to eradicate child poverty less ambitious, leading to the

criticism that option three manipulates the figures downwards. As a consequence – the argument went – there would be a loss of credibility if the Government tried to persuade the public that people are not poor because they do not suffer both low income **and** deprivation.

64. A few respondents commented on the geographical problems implicit in this measure. It is unlikely to have any application at the local level, as it needs to rely on surveys with limited sample sizes – unless proxies such as benefit records are used. Also, option three was criticised for leading to a rather complex measure based on data that is not easy to collect. At the same time, international comparisons were believed to be difficult.
65. The importance of ‘consistent poverty’, as opposed to intermittent poverty, was acknowledged, although it was noted that the latter can be equally serious: a brief spell of poverty at a critical stage of the child’s development can be very damaging. Additionally, the link between persistent poverty and deprivation was considered by some to be neither apparent nor necessarily true.

“If depth of poverty were included as one measure, it would constitute a good proxy of ‘consistent poverty’. Therefore this option would add nothing to option one and has the same problems as option two in terms of oversimplification.”

Voluntary organisation (57)

66. Finally, doubts were expressed as to whether asking people what they want but can’t afford is a good way of accounting for economic constraints.

Option four – a tiered approach

Background

67. Option four proposed a core set of low income and ‘consistent poverty’ indicators to sit alongside a broader range of indicators relating to other dimensions such as employment, education, health and housing.
68. The core indicators would consist of three tiers that could show a gradient of progress:
- an absolute low income indicator, fixed in real terms, against which there must be progress;
 - a measure similar to option three, combining indicators of material deprivation with relative low income, to show good progress, particularly during times of fluctuating growth rates; and
 - a relative income measure to take account of rising living standards and changing expectations across society over time. EU monitoring of households below 60 per cent of median income could offer an international benchmark.
69. This tiered approach would show a gradient of progress, from the absolute low income indicator through to the relative income measure, to take account of rising living standards over time. The consistent poverty

measure could better reflect progress during times of fluctuating growth rates.

70. One risk of this approach is that it may not provide a clear single headline figure to track progress. As now, it is likely that there will continue to be greater lags in producing internationally comparable low-income data than national data. This will delay the ability to make international comparisons of low-income indicators.

Overall responses to option four

71. This option received the strongest degree of support, although it did still receive a fair degree of criticism. Option four was summarised by a few respondents as a mix between the first (multi-dimensional indicators) and the third (consistent poverty) options, and as such it was seen as sharing the strengths and some of the weaknesses of both. Option four was considered to be a pragmatic approach that proposes a hierarchy of measures of increasing stringency.
72. Whilst some respondents were content that this measure included all the key areas, a few respondents suggested that this option should also incorporate depth and persistence of poverty, together with a measure of the adequacy of income, to give a robust picture of child poverty. Other measures suggested for inclusion were low pay, unequal pay, debt, social participation, subjective assessments of poor people themselves, benefits in kind and the 'social wage' (for example health care spending), and childhood-specific deprivation indicators.

Support for option four

73. Most respondents who were in favour of this option valued its comprehensiveness and its capacity to reflect at least some of the complexities that are implicit in the definition of poverty.

"Absolute low income allows an evaluation of how things change with different Governments:

- relative low income should ensure an accurate and honest picture of poverty in the country and fit with European Union poverty monitoring;
- deprivation measures directly assess the lack of 'basic essentials'; and
- features of the Government's own *Opportunity for all* allow 'capacity to participate' and poverty impacts such as health to be considered."

Academic (26)

74. Several respondents appreciated the fact that option four encompasses both low-income indicators and an additional measure of deprivation. By incorporating a measure similar to that used by the Irish Government into a three-tiered approach, those who favoured this approach believed it offered a solution to some of the shortcomings of option three.

75. The crucial advantage highlighted by those in favour of this approach was that it captures more than financial and material deprivation by supplementing a core low-income and deprivation measure with data on different dimensions of poverty.
76. There was no consensus as to whether all measures included in this option should be given equal weight. Some suggested that a clear headline figure should be identified, preferably a relative income measure and a material deprivation measure. Others were concerned that 'consistent poverty' would be given greater status than the other indicators – even though indicators that attempt to look at trends in persistent low income (what respondents saw as the main aim of 'consistent poverty' measures) were considered important.

Challenges with option four

77. A first set of problems that respondents highlighted related to the measurement of deprivation. In this respect, option four was seen by most as sharing the same disadvantages as option three.
78. Several respondents expressed their concern that the low-income measures defined in this option are essentially a measure of income inequality and still fail to answer what was perceived as a crucial question: is that enough to live on? Also, it was thought that the first-tier measure could result in a loss of political credibility because, it was argued, absolute low income can be expected to fall in all but the most adverse economic conditions.
79. A few respondents highlighted the fact that relative low income is double counted, once in combination with deprivation indicators and once on its own. Therefore it was suggested that the overlap between absolute and relative low income and consistent poverty should be more carefully analysed.
80. Most of the respondents that were critical of this approach pointed to a possible tension between the media, Government and civil society about what figure to headline, and to the risk of picking and choosing the 'best' low-income series. It was stressed that, whilst this approach would have greater technical subtlety, the tiered approach would not provide a clear measurement, nor would it be as transparent to the public. A few people compared option four with the seasonally adjusted unemployment figures that 'nobody seems to understand'.
81. Furthermore, the fact that the tiered approach would produce more than one 'official' measure was seen as potentially confusing for the public and could result in a loss of political and public credibility – even if there was some agreement that this option would still be technically credible. The failure to deliver a headline indicator that can be readily summarised was singled out as a major shortcoming of this approach. Furthermore, the effectiveness of this type of measure has also been put under question because layering a range of measures, including the headline *Opportunity for all* indicators, was seen as an obstacle to tracking and communicating progress.

82. For a tiered approach to be meaningful there would have to be consensus on appropriate indicators for gains in housing, health and education – and this will require further investigation.
83. It was suggested that the multi-dimensional aspect of option four was one of its shortcomings because it mixes and confuses financial and material deprivation. For this reason some people felt that a child poverty indicator should restrict itself to income only, without introducing any judgement on what constitutes material, social and cultural deprivation. This opinion contrasted, however, with a much larger number of responses that criticised option four for the opposite reason, that is for focusing too much on income and, according to them, being too simplistic.
84. A specific issue that has been raised concerns the fact that an absolute low income indicator would not capture the picture for disabled children, unless an adjustment was made to capture extra costs incurred by people with disabilities. It was also suggested that thresholds should be different depending on the severity of the disability, and that material deprivation items should also be different because disabled people have different necessities and expectations. Finally, it was recommended that other countries should also factor in disability as a separate, measurable factor to allow for international comparisons.
85. More generally, a few respondents stressed the fact that any measure of deprivation should take into account cultural sensitivities and specific situations, such as the higher cost of living in places like London.

Key themes and issues from responses

1. This section summarises responses to specific questions in the consultation document concerning: key aspects of a long-term measure; the best summary or headline measure; criteria for selecting a good indicator; and the importance of geographical coverage.

Aspects for a long-term measure

2. Over three-quarters of respondents had views on the aspects of child poverty that should be captured in a long-term measure. Responses focused on whether poverty should be measured in terms of an absolute or relative measure, and on other issues such as persistence and depth/poverty gaps. Respondents also looked at specific items of interest that would be included within their ideal measure of long-term poverty.
3. When asked to give a preference for what a long-term measure of poverty should be, the majority felt that it should include a measure of income, either alone or as part of a range of other measures. These included elements of relative poverty, material deprivation or Government targets for improvement (like the current PSA targets). Some respondents felt that other factors should also be taken into account when analysing long-term poverty, such as family circumstances, access to services, and deprivation of opportunity.
4. What was not clear from the responses to this question was which items should take precedence over others. Respondents tended to give whole 'lists' of indicators without giving a priority order to them.
5. For some, promoting accountability of Government was the most important thing about a long-term measure. It was felt that if this objective were met, and if policies were working, there should be improvement in the indicator over time. Whilst others agreed with this in principle, they argued that it was slightly simplistic.
6. A number of respondents said that the measure should be reviewed regularly; they recognised the fact that most measures would have built-in obsolescence, and that this would have implications for the success and longevity of any poverty measure used in the future.
7. Some respondents thought that some kind of independent commission would lend impartiality between the Government and the poverty measure. They felt that this would help to give

- the measure more credibility to the public and avoid over-politicisation of the measure. Opinions on the precise details of such a commission's functions differed slightly; some felt that it should be responsible for the construction of poverty indicators, and others that it could be used to derive suitable methodologies. Additionally, some felt that Government should not conduct analysis of the measure and that an independent body should be charged with this task.
8. There was some discussion around the type of poverty being measured – whether absolute or relative poverty measures were more appropriate.

“A balance is required between an absolute measure (against which improvement and gap reduction can be measured over time) and a relative indicator that may better reflect people’s perceptions and the impact of poverty at particular points in time, but be less comparable over time.”
Charitable organisation (37)
 9. Other debate centred on what the measure was intending to capture. Some felt that the measurement of child poverty needs to be distinguished from the measurement of other factors closely related to poverty such as social inclusion, education and health. It was felt generally important to differentiate between poverty and inequality.
 10. However, some felt it was unrealistic to expect a single measure to encompass child poverty.

“Children can be described as poor in a number of domains – material deprivation, social deprivation, emotional deprivation, educational deprivation, neglect and poor health. One measure is unlikely to capture all these domains.”
Academic joint response (77)
 11. In the events with children we discussed the things they thought of as essential for a happy life.

Children’s views of poverty – a summary

All groups of children we spoke to described food, shelter, warmth and health as essential for a happy life, as well as basic items such as clothing and shoes. Some also mentioned respect, support (family and friends).

A common theme in the role play scenarios was that poverty meant poor children were ‘different’ – they described poorer children standing out because of clothing, inability to take part in school trips, and the fact that in some schools they had to queue separately for free school meals.

They felt that expectations were lower for poorer children – schools in poor areas were often the worst performing.

Many children mentioned the importance of education as a mechanism to get out of poverty and access to leisure as a positive influence on children.

The local environment was important to children. Having somewhere to play that was safe and clean was felt to be a priority.

Children were also aware of wider issues in their community, and felt that improved services – particularly transportation – could help poor areas.

Guidance, encouragement and support from family, friends, teachers and youth workers were also seen as important in helping all children reach their full potential.

12. Detailed written responses broadly fell under the following themes.

Low income

13. Whilst there was some acknowledgement of the conceptual and technical difficulties of low income measures, most who expressed a view saw low income as being central to any poverty measure, with most perceiving the pledge to eradicate child poverty as being related to income poverty. There was some discussion, but no clear consensus, on whether the income measure should include measures of absolute or relative low income.
14. Other responses that discussed low income were fairly diverse. These ranged from discussions about whether the measure should capture 'churning' (those who move in and out of low income) or factors, such as savings and debt, that affect people's ability to cope with spells on a low income.
15. Some were sceptical that the focus on cash and not real income (including benefits in kind) could provide

Government with an incentive to shift expenditure from one area to another, to give the appearance of tackling the problem without really increasing net expenditure.

16. A few respondents mentioned that they supported the existing 60 per cent of median measure; others thought this should be supplemented with other lower and higher income thresholds¹, or other income measures like persistence.
17. Although relative income thresholds were seen to some extent to be arbitrary, they were felt to be an extremely useful way of comparing thresholds over time, and of providing a consistent target. Whilst some thought they related well to the public's understanding of low income, others thought that relative income measures were not well understood.
- ### Absolute poverty
18. Those who supported an absolute poverty measure thought it should be a set income at a level below which no family should fall. Some felt that this could be defined according to

¹ The *Opportunity for all* indicators already report relative and absolute low income thresholds for 50, 60 and 70 per cent median equivalised household income (before and after housing costs). The 60 per cent median measure was selected as a central measure to monitor progress towards the current PSA target.

what is considered to be 'reasonable'. Some mentioned absolute poverty as not being able to afford 'basics' – items that everyone else had.

Relative poverty

19. Others felt that a relative measure was needed, particularly if the Government was interested in measuring poverty in the long term. It was widely agreed that supplementary information within the measure (such as level of material deprivation) could improve understanding.
20. Several respondents mentioned the use of a relative deprivation score based on lacking necessities (consistent poverty) as set out in option three. Others thought that the Department for Work and Pensions *Families and Children Study*² provided a good template for the kinds of necessities that could be included.

Persistence and depth

21. **Persistence** of poverty was felt to be important, alongside relative and absolute poverty. How long people were in poverty for, and how often this recurred, were major concerns. It was recognised that although persistence of poverty would be difficult to measure (it would mean tracking families over an extended time period) it was important enough to justify any extra effort and cost. When looking at poverty within families over time, it was felt important to take into account changing family characteristics such as household size, composition and housing costs.

22. Some were also concerned about the **depth** of poverty, and felt that any measure should take into account whether people were close to a poverty line or far below it. It was felt that this would help gain some idea of the severity of poverty.

Adequacy/minimum income

23. Several of the responses mentioned that a long-term measure should include some recognition of an adequate income in terms of families having 'enough' to live on. Some suggested that this could be agreed by consensus, in consultation with the poor. Others felt that such a measure should reflect the needs of different families and their circumstances. Respondents used 'adequacy' to mean different things – for example as an absolute low income threshold (as in *Opportunity for all* and option four) where the low-income threshold is kept constant in real terms from the baseline year, and in relation to an 'adequate' or 'subsistence' level as is described here. Obviously, both measures are 'absolute' in the sense that they do not relate to the current income distribution/what other people have or earn, but they are radically different methodologically and conceptually.

Material deprivation

24. There was widespread support for including a range of material deprivation indicators in a long-term measure, with many stating that it was imperative to do so for such a measure to be meaningful. Some argued that, as the central measure

² www.dwp.gov.uk/asd/asd5/facs/

will always be income-focused, other aspects that affect families' expenditure need to be taken into account – such as having a disabled child.

“No poverty measure that excludes material deprivation can be adequate. It is important to differentiate between being unable to afford an item and choosing not to have it.”

Voluntary organisation (58)

25. A number of respondents supported existing Government work in this area, for example the Department for Work and Pensions *Families and Children Study*, and thought this work could be built upon.
26. It was understood that finding the perfect measure may in practice be difficult in terms of public credibility.

“The system must do justice to the complexities involved but it must also be understood by the public.”

Voluntary organisation (61)

Indicators appropriate for a long-term measure

27. A vast array of indicators were put forward as part of a possible new measure. A fuller list of the types of items called for in a long-term measure of child poverty can be seen at Annex C.
28. Again, there was some discussion about whether the focus should be on the household, the adult or the child. Specific items which respondents recommended reflected this. Existing Department for Work and Pensions surveys already cover a number of suggested measures.
29. Some items were of particular interest. For example, health was chosen as being important by a number of respondents, some reflecting their own areas of interest (health authorities or partnership with healthcare trust). Many voluntary groups suggested that less tangible outcomes of poverty (lack of voice/respect, feelings of powerlessness) should be included in a long-term measure. There was also some discussion, but no clear consensus, on whether the measure should encompass outcomes or processes.

Summary/headline measure for the long term

30. There was a near universal view that income was central to any headline or summary measure used to track progress on child poverty in the long term. However, views differed over whether a headline measure should be based purely on income or incorporate some measure of material deprivation and/or other core indicators.
31. Of those who did respond on this point, there was occasionally the view that there should **not** be a headline or summary measure because no single measure could capture the multi-dimensional nature of poverty. From a few responses there appeared to be some confusion with this question; respondents thought it was asking whether they specifically favoured an approach like option two (a child poverty index).

32. Many respondents gave a preference for a purely income-based headline measure, which tended to be relative low income (below 60 per cent of median income). Reasons given included that the measure already existed, it was understood and was comparable both over time and internationally. A few respondents thought that a headline income measure should also include measures of persistence and depth, and occasionally there was a preference for an absolute income measure as the headline.
33. A more frequently stated preference was for a headline or summary measure encompassing both income and material deprivation. Over half of those who expressed this preference explicitly favoured option three or option four from the consultation document. However, it was clear that a few respondents blurred the differences between these two options, whilst others did not favour one approach over the other. A number of respondents did not specify a particular methodology; the important point was to capture both income and material deprivation. Very occasionally there was a preference for the measure to be based on minimum income standards.
34. A few of these responses suggested other indicators that should be included in a headline measure together with income and material deprivation. These included worklessness, educational attainment, quality of housing, health inequalities and debt.
35. There was occasionally the view that options one or two set out in the consultation document should form the headline measure for the long term.
36. In the events with parents we asked them how they would know when poverty was reduced.

Parents' views – how will we know when poverty is reduced?

<i>Home</i>	<i>Community</i>	<i>Generally</i>
<ul style="list-style-type: none"> • Higher income • Better housing – clean, dry, safe • Improved health • Better clothing • Few debts • Better relationships • Holidays (and other 'luxuries') • Adequate heating 	<ul style="list-style-type: none"> • Better community facilities • Better transport • Higher employment • Better street lighting • Safer environment 	<ul style="list-style-type: none"> • Higher educational attainment • Improved local environment

Selecting indicators

37. Drawing on a number of recent academic papers, the consultation document set out our criteria for a good measurement approach and the indicators within it. A good measurement approach should aim to:
- encompass the different dimensions of child poverty;
 - be readily summarised where appropriate so that overall progress can be identified and explained;
 - be based on child outcomes rather than processes – for example, the number of children living in households where no adult works rather than the number of lone parents being helped to find work through the New Deals;
 - be unambiguous in interpretation – if Government policies are working effectively there should be an improvement in the indicator; and
 - have longevity, being relevant now and to track long-term progress.
38. In addition, the detailed indicators and statistics that lie behind any approach should be:
- timely;
 - open and robust to statistical scrutiny from experts;
 - credible with the public;
 - capable of generating a long-term robust time series;

and if possible be:

- capable of disaggregation by group and by locality; and
- internationally comparable.

39. The consultation document stated that we may need to compromise and find an approach that satisfies most of the criteria.

Criteria set out for selecting a good indicator

40. Around three-quarters of respondents had views on the criteria for selecting a good indicator. There was generally consensus that the criteria set out in the consultation document were sensible, although some respondents suggested additional criteria and placed more emphasis on some than on others. Some highlighted problems they associated with applying some of these criteria.
41. It was highly unusual for respondents to disagree completely with these criteria. The few who did were critical about the concentration on Government targets in drawing up existing indicators.
42. In terms of the additional criteria that respondents felt were important, several stressed the need to ensure that indicators were credible and sensitive to people experiencing poverty. They also suggested that this should be achieved through a participatory approach. The participation of children in decisions was particularly emphasised by a few respondents.

43. Disaggregation was listed in the consultation document as a criterion 'where possible', but a few respondents saw this as an essential criterion, particularly in relation to different groups and to locality. Views on disaggregation by locality included down to ward level, between Devolved Administrations and between the least and most deprived areas. However, there was also the view that:

"Developing a robust measure for the UK as a whole should have a higher priority over country or regional indicators."
Academic institute (45)

44. In terms of disaggregation by group those mentioned specifically by at least one or more respondents were: by ethnicity; disabled children and disabled children in residential care; children with sick or disabled parent(s); children in custody; and children of asylum seekers and unaccompanied children seeking asylum.
45. Being internationally comparable was also a criteria 'where possible' in the consultation document. There were a few respondents who saw this as essential, particularly at the EU level in order to meet the UK obligations³. There was occasionally the view that international comparisons were not helpful or meaningful.
46. Several respondents thought that some criteria should receive more emphasis than others, although there

was no consensus over which, if any, were more important. Those highlighted by more than one respondent were longevity, durability, public credibility and the need to be open to scrutiny. This included being able to decompose indicators to be able to assess which factors, and in what proportions, contributed to change in an indicator, and the arithmetic calculations being publicly available. Criteria that were highlighted by only one respondent in each case as having primary importance were: disaggregation; priority for a UK measure; outcome-based; readily summarised; and policy credibility.

47. The complexity of producing a child poverty measure is reflected in the range of problems that respondents highlighted in terms of the criteria set out in the consultation document. A few respondents felt that outcome measures can sometimes be misleading and perhaps policy and achievement indicators need to be included. Some felt that work for an adult does not always have a positive outcome for their child, and the emphasis needs to be on work that pays. One respondent disagreed with the definition of 'outcome' altogether, saying that these measures were causes rather than outcomes. Doubt was also expressed about whether the criteria were actually aimed at measuring poverty or the effectiveness of Government policy.

³ The Lisbon European Council (2000) called for a decisive impact on the eradication of poverty by 2010. Progress towards this goal will be made using the open method of co-ordination: for example using shared best practice, underpinned by common objectives and commonly agreed indicators, to raise performance. A key part of this is a cycle of two-yearly National Action Plans on Social Inclusion.

48. There was concern expressed by a few respondents that oversimplification and using too few indicators should be avoided. Also it was recognised that whilst disaggregation was important, *Households Below Average Income* type measures should not be precluded because they cannot be disaggregated below regional level. Additionally a few respondents thought that statistics underlying any measure should be independent of Government, include individual as well as household measures, and that there should be equalisation⁴.

Geographical coverage within the UK

49. Just over half of those who responded to the consultation indicated which geographical areas they thought the measure should cover. As is probably to be expected, geographical coverage and the areas that respondents wanted the measure to cover were strongly related to their particular interests.
50. There was strong support for the principle of retaining a UK-wide measure, but there was widespread recognition that this should be linked to measures that cover England, Northern Ireland, Scotland and Wales. One suggestion was a core UK measure, with additional measures for the Westminster Parliament and Devolved Administrations.
51. A number of respondents wanted a combination measure like a UK comparable indicator which, if needed, could be broken into smaller areas, including regions and wards.

"The geographical coverage of any approach used should provide data at national, regional, district and ward level. To be useful to local authorities, child poverty needs to be measured at ward level."
Local authority (68)

52. A few respondents (mostly academics) mentioned that the measure should be comparable internationally. There was discussion from some respondents of the burden that such an exhaustive coverage would mean in terms of sample sizes.

"... the more disaggregation required, the larger the sample size needed."
Academic (9)

"Desirably across the UK with a breakdown by standard region in England plus Wales, Scotland and Northern Ireland. But this would depend on the regional samples being large enough and might have to vary from measure to measure."
Individual (1)

53. A few respondents argued that there was a need for analysis to focus on the individual as well as on communities.
54. Other issues raised were picking up poverty that existed within areas: of being poor whilst living in areas of affluence; community characteristics having a compounding effect on poverty, such as areas with high levels of minority ethnic populations; and

⁴ Equalisation adjusts household income to take into account variations in size and composition of households. It reflects the common-sense notion that, in order to enjoy a comparable standard of living, a large family will need a higher income than a person living alone.

areas that suffer from a lack of services. The specific needs of disabled people, travellers and those living in rural areas were also mentioned, as was the pressure of extra living costs associated with living in areas like central London.

Reconciling approaches and criteria

55. As this is such a complex issue, respondents were asked to look at their favoured option to see if it captured the aspects and criteria that they had specified in answering other questions.
 56. Broadly, those who responded felt that the options they had chosen fitted in with their responses to the question about the important aspects of a long-term measure. They also felt that it fulfilled the criteria for a good indicator as set out in the consultation document, although most respondents added some caveats about their own areas of interest. In other words, they supported a given option as set out in the consultation with the proviso that there should be amendments to the measure including adding other measures/variables.
- ### Additional measures/variables
57. Some voluntary groups felt that the measure should include more areas of interest, such as those that would yield information on items specific to special interest groups (for example, those for disability and health).
 58. Many respondents felt that, to fulfil all the criteria, there should be an attempt made to incorporate qualitative measures, in particular using the views of people experiencing poverty. For example, many felt that lack of necessities was important, and that the public should decide what constituted these necessities. It was also felt that those who are affected should be more involved in the measurement process.
 59. Another issue that was raised was the possibility of measuring the intensity of poverty for particular groups.
 60. Several respondents opted for a combination of option four and option one. In this way, they felt that relative income could be used as a headline figure, and indicators in option one could be used alongside those in the tiered measure, which would provide contextual information about other indicators associated with poverty.
 61. For some respondents the options chosen as most important did not fulfil their own views as to what should be incorporated into a headline measure, and why. Some respondents had chosen options in the belief that certain things would be incorporated and measured – this was not always the case. For example, some respondents chose option two, when they had already stated that clarity of what was included within the measure was important (option two would mean a single headline indicator).

62. Some respondents believed that some of the criteria were mutually exclusive whilst others felt that although some criteria were more important, they should not overpower others.
63. Another issue that was raised was how a single headline figure could be presented – there were some concerns about accessibility and acceptability of a headline measure both to the public and to the media. Clarity was a particular issue in relation to interpreting findings from an index, and explaining the headline measure.
64. There was also a degree of support for trying to achieve international comparability for the poverty measure. A number of respondents (mostly those from local authorities) also felt that the criterion that the measure should 'be capable of disaggregation by group and by locality' was important, especially the ability to disaggregate data to ward level.

Conclusions and next steps

1. The consultation has been a valuable exercise in promoting discussion about an important issue. It confirms our view that it is well worth attempting to develop an approach to measuring poverty in the longer term that commands widespread support. Achieving such a consensus will help to ensure that policy itself is soundly based, and is directed towards the causes of poverty and those most at risk of blighted opportunity as a result of it. It will enable the Government to be held to account for progress on a consistent basis over time. And it will help to ensure continuing public support for action to tackle child poverty.
 - Income – and particularly relative income – has to be central to any approach to measuring poverty.
 - But relative income alone is not a sufficient measure for the long term: poverty is multi-dimensional and embraces access to a wide range of opportunities for which income at a particular moment in time provides an imperfect proxy.
 - We should continue to publish the indicators in *Opportunity for all*, which include information about absolute and relative income, regardless of whether a headline indicator approach to measuring poverty is adopted.
2. Although responses to the consultation did not throw up a clear majority in favour of any particular approach to measurement, there was a wide degree of agreement on some underlying principles.
 - There is merit in developing a headline measure of poverty as a basis for monitoring progress and promoting accountability and public debate.
 - The key criteria for developing such a measure outlined in the Government's consultation document – that it should be timely, robust to scrutiny, credible with the public and consistent over time – were right.
3. We fully endorse these principles.

Areas for further work

4. In light of these conclusions there are some options that we want to consider further, with methodological work and discussion with Government and non-Government experts and the Devolved Administrations, before finalising the precise details of any new measure.

Income

5. There is a clear message from the consultation that the majority of respondents view income as central to a long-term measure of child poverty. However, the overwhelming view was that **it should be supported by other measures**.
6. We currently report a number of different income measures – absolute, relative and persistent – and present a range of thresholds. These income measures will continue to be reported as part of the *Households Below Average Income* series and in *Opportunity for all*.

We need to consider how to incorporate income measures into a long-term measure together with the other options we are taking forward. We will also do further work to look at the validity of including some other income measures suggested in the consultation.

Multi-dimensional indicators

7. It is clear from the consultation that people find the indicators in the *Opportunity for all* report useful, and we have always intended that this will continue to report annually alongside any new measure of child poverty. In terms of selecting a number of these indicators as a headline measure both support and opposition in the consultation were even, although support was not as strong as for some other approaches. There was also some support for this option as part of a tiered approach.

8. This approach measures outcomes that can be influenced by Government policy and captures dimensions other than just income. Multi-dimensional indicators also capture many of the aspects that children view as important.

We will consider how this approach and the indicators could be refined in the medium term.

Tiered approach

9. There is strong support for the tiered approach put forward in the consultation document, albeit with caveats, but also a fair degree of criticism. Including measures of income (relative and absolute) and material deprivation alongside *Opportunity for all* indicators of other dimensions is seen by some as the crucial advantage of this approach. Others suggest different components of tiers.

We are attracted to this type of approach as it can be used to measure progress across a range of dimensions whilst still lending itself to a coherent overall interpretation. First we need to consider the most appropriate structure for a tiered approach – for example, to show a gradient of progress, or to prioritise particular aspects of poverty that are seen as central, whilst still giving recognition to other facets. The next step will be to consider more carefully the appropriate components of a possible tiered approach.

These could be income-based (relative, absolute and persistent), incorporate material deprivation or include multi-dimensional indicators like the EU approach on social inclusion.

We also need to consider the value in identifying a headline indicator within the tiered approach.

Material deprivation

10. There is clearly strong support for including some measure of 'living standards' or 'material deprivation' in any long-term measure. It is argued that deprivation measures resonate well with the public view of poverty. However, there are problems with all approaches used to capture material deprivation, and it is clear from both the consultation responses and the Department for Work and Pensions analysis¹ of *Families and Children Study* data that using a 'consistent poverty' measure **alone** would be unwise. This analysis highlights in particular the degree of mismatch between low income and material deprivation, and also shows that even over only a few years this approach could give an absolute measure.
11. The main challenges with all deprivation measures relate to the initial selection of items that represent living standards, how to update these over time, and the method of analysis and definition of deprivation. It is apparent that material deprivation measures are difficult to explain and there can be confusion over their meaning. In particular, a subset of

items **can** be used to represent deprivation if carefully selected (looking at how they correlate with income, for example) – an exhaustive list is not necessary.

12. Surveys using a consensual approach were suggested as a way of providing some indication of which deprivation indicators should be used. For example, *Poverty and Social Exclusion in Britain* (a study by the Joseph Rowntree Foundation) which includes public opinion in its methodology. However, indicators that discriminate most effectively between the deprived and non-deprived are not always the ones that match the general public's view of poverty.

All of these issues need to be addressed through further methodological work and discussion with experts to try to reach agreement on some of the more subjective decisions. We will also examine the extent to which material deprivation differs from persistent low income, and how sensitive deprivation measures are to consumer choice.

Alongside this work, the Department for Work and Pensions is considering which deprivation indicators could be usefully added to the *Family Resources Survey*.

Options we are not taking forward

13. From the consultation there are also some options that we can rule out at this stage, and therefore will not be taking forward.

¹ Calandrino, M (forthcoming), *Low Income and Deprivation*, Department for Work and Pensions Working Paper.

Child poverty index

14. There is very little support for combining the different indicators within a child poverty index to produce a single headline figure (option two). It was clear at the outset that this approach contained a number of challenges – these were set out in detail as part of the consultation process. There is, for example, no sound basis for attaching weights to factors as disparate as income, educational progress and health. As a result, an index would be hard to understand and difficult to interpret – especially if its constituent indicators moved in different directions. It would, as a result, lack credibility.

A solely consistent poverty measure

15. A ‘consistent poverty’ measure – combining measures of relative income and deprivation – has distinct merits and was seen by many respondents as an attractive option. However, we have concluded, as did many in the consultation, that it would be unwise to use this as the sole measure of child poverty. This is because of the lack of a settled approach to selecting items for a deprivation indicator and the need for periodic revision of those items, which would introduce discontinuity into the time series. In other words, it would not meet the test of consistency over time. This does not, however, mean (as noted above) that the Government has ruled out incorporating some measure of deprivation into *Opportunity for all* or as one component of a tiered measure of poverty.

Other issues raised in the consultation

Minimum income standards

16. Some consultation respondents suggested a measure of adequacy or minimum income standard. We do not think this is appropriate for inclusion in a long-term measure of child poverty for a number of reasons.
17. First and foremost, despite a wide range of research into budget standards, there is no simple answer to the question of what level of income is adequate. Different research methods tend to make different assumptions that are essentially subjective. Even methods that purport to define the cost of a ‘scientifically determined diet’ in effect have to make a number of subjective assumptions about needs. This can produce inconsistent answers to the same questions. For example, two pieces of analysis can produce different figures for a minimum income necessary for a lone parent with one child aged 5.
18. Even supposing adequacy could be defined on a fully consistent basis, it would be difficult to generate a long-term, robust time series, which is essential for measuring progress.
19. We take research into family budget standards seriously and our position on minimum income standards has been arrived at through a careful analysis of the available material. We will continue to keep abreast of research in this area in our policy development.

Independent commission

20. Setting up an independent commission to establish the poverty measure was suggested in some responses. We do not think that this is necessary. The consultation itself was a first step towards developing a measure and we have ensured through a number of events that we have incorporated the views both of measurement experts and of adults and children with direct experience of poverty.
21. The technical work that we will be taking forward will draw on measurement expertise both within and outside Government and we see continued input from a range of groups as vital in agreeing a long-term child poverty measure.
22. National Statistics already exists to give independence to Government statistics like low-income data. The *National Statistics Code of Practice* sets out the key principles and standards that official statisticians follow and uphold². This code has itself been informed by public consultation.

Disaggregation – to ward level

23. Our priority has always been to establish a UK-wide long-term measure, and the majority of respondents agreed with this. Some viewed disaggregation to ward level as essential.
24. Whilst clearly important, regrettably this is not possible for a number of reasons. Not all data that could be used for a UK poverty measure are available or routinely required at ward level. The complexity of gaining some

information at this level and in a timely way would be difficult, and unlikely to produce a robust time series on which to track progress. There are other reports, like the *Indices of Deprivation* produced by the Office of the Deputy Prime Minister, and local-level statistics produced by the Scottish Executive, which are specifically designed to look at ward-level issues.

Indicators – process versus outcomes

25. One of the criteria for a good indicator set out in the consultation document was that it should be based on child outcomes rather than processes – for example, the number of children living in households where no adult works rather than the number of lone parents being helped to find work through the New Deals.
26. Some respondents felt our indicators measured risk factors rather than true child poverty outputs.
27. Our indicators aim to measure factors that are known to be correlated with child poverty and with poor outcomes later in life. An improvement in an indicator should be associated with a reduction in child poverty. The indicators measure outcomes in the sense that they measure the actual circumstances of children's lives, rather than the processes under way to change them.

Timing

28. The further work outlined here will take place during 2003 and we will publish details of the new long-term measure by the end of 2003.

² www.statistics.gov.uk/codeofpractice

Annexes

Annex A – Consultation events

Workshops with children and young people

The Children’s Society, The Partington Family Centre, Manchester

The Partington Family Centre is based within an out-of-town estate in Trafford. The workshop took place with a group of 8–10 boys aged 13–15.

The Children’s Society, Taunton

The workshop was held with 16 children, aged 4–16, from a rural village and 3 children from a traveller site.

Barnardo’s Scotland, Glasgow

The workshop was carried out as part of the Children’s Inclusion Partnership (CHIP) and consisted of a half-day event with around 10 children aged 10–12.

The Children’s Society, Tower Hamlets, London

The workshop was held as part of The Children’s Voice Project based in Tower Hamlets. The project places emphasis on helping children to shape and influence service provision and anti-poverty work at a local level.

Barnardo’s, Armagh, Northern Ireland

This was a half-day workshop that took place in an integrated (Catholic and Protestant) primary school. The children were from a range of backgrounds. Around 10 children aged 9–10 took part.

Children in Wales, North and South Wales

The workshops were held in both North and South Wales, and between 10 and 20 young people took part in each. Some of the young people who took part in the workshop in North Wales were over 16 years old and were experiencing transient homelessness at the time. The young people in the South Wales workshop were from a range of backgrounds that included current and previous experiences of poverty.

Workshops with adults

The Poverty Alliance, Glasgow

The Poverty Alliance is a national anti-poverty development agency for Scotland. The workshops were with more than 20 parents from a range of backgrounds, including those from rural areas.

Community Learning Network, West Everton People’s Centre

This workshop event took place in July 2002 with 20–25 participants, typically local parents.

The Northern Ireland Anti-Poverty Network (NIAPN), Belfast

NIAPN is the Northern Ireland branch of the European Anti-Poverty Network (EAPN). The event was held with parents and others from a wide range of backgrounds.

Annex B – List of consultation respondents

The Association of Charity Officers
 Association of London Government
 ATD Fourth World
 Barnsley Metropolitan Borough Council
 The Basic Skills Agency
 Bristol City Council
 The Buttle Trust
 Camden Welfare Rights Unit
 The Catholic Agency for Social Concern
 Central Cheshire Primary Care Trust
 Centre for Research on Families and Relationships
 The Childcare Trust
 Children in Wales
 Children's Rights Alliance for England
 The Children's Society
 Church Action on Poverty/All Party Parliamentary Group on Poverty
 Church of England Board for Social Responsibility
 Contact a Family
 Council for Disabled Children
 The Countryside Agency
 Daycare Trust
 Disability Alliance
 End Child Poverty
 Energy Action Scotland
 Family Organisations Network
 Family Welfare Association
 The Fawcett Society
 Gingerbread
 Grampian Primary Care NHS Trust
 Greater London Authority Social Statistics Group
 Health Development Agency
 Highlands Council in North of Scotland
 Independent Review Service
 Institute for Fiscal Studies
 Isle of Wight Rural Community Council
 Kids' Clubs Network
 Lambeth, Southwark and Lewisham Health Action Zone
 Leicester City Council
 London Borough of Newham
 London School of Economics – Centre for Economic Performance
 London School of Economics – Centre for Analysis of Social Exclusion
 Low Pay Unit
 Luton Borough Council
 Manchester & District Child Poverty Action Group
 The Methodist Church
 The Mothers' Union
 National Association of Citizens Advice Bureaux
 National Children's Bureau
 National Council for One Parent Families
 National Family & Parenting Institute
 National Heart Forum
 National Society for the Prevention of Cruelty to Children
 New Policy Institute
 NHS Dumfries & Galloway
 Northern Ireland Anti-Poverty Network
 Norwood Ravenswood

Oxfam GB
R L Glasspool Charity Trust
Redcar & Cleveland Borough Council
Redcar & Cleveland Local Strategic
Partnership
Rotherham Metropolitan Borough Council
Rotherham Neighbourhood Statistics Group
Samaritans
Save the Children UK
Scope
Scottish Poverty Information Unit
Scottish Centre for Research on Social Justice
Shelter
Social Security Advisory Committee
United Kingdom Public Health Association
University of Edinburgh – Centre for
Research on Families and Relationships
University of Glasgow
University of Loughborough, Centre for
Research in Social Policy
West Midlands Employment & Low Pay Unit
The Women’s Budget Group

The list is of those who responded on behalf of organisations. Fifteen people responded as individuals to the consultation.

Annex C – Additional indicators

Most people who responded to the consultation gave their views on which other indicators should be included within a long-term measure.

These are set out below, not in any order of preference:

Consumer goods

Access/ability to afford domestic goods.

Costs for specific families

Costs attributable to disability, long-term illness or geographical location.

Diet

Quality of diet, access and ability to afford food items.

Education

Attainment (include Key Stage 1 or 2), educational disadvantage.

Health

Inequalities, health facilities, low birthweight, child mortality, accidental and non-accidental injuries, alcohol and drug abuse, teenage pregnancy, suicide rates.

Housing

The number of children living in homeless households, temporary accommodation, poor housing conditions and overcrowded homes. Household size, composition and costs (as in the *Households Below Average Income* series).

Income and debt

Including family debt, income, relative, absolute and persistence measures.

Inter-generational effects

Via longitudinal study.

Poverty by area

Being poor in affluent areas. Social isolation and other geographical effects, social and political.

Qualitative indicators

Feelings of powerlessness, shame and worthlessness. Rights, social exclusion and loss of dignity. Neighbourhood and family support.

Service poverty

Access to/ability to afford services, childcare, leisure services.

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