

# **DEBATE PACK**

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# Cross-Departmental Strategy on Social Justice

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# Summary

This debate pack has been prepared ahead of a Westminster Hall debate on a cross departmental strategy on social justice, initiated by Fiona Bruce. The debate will take place on 14 September at 2:30pm. The debate is expected to cover life chances and child poverty.

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The House of Commons Library prepares a briefing in hard copy and/or online for most non-legislative debates in the Chamber and Westminster Hall other than half-hour debates. Debate Packs are produced quickly after the announcement of parliamentary business. They are intended to provide a summary or overview of the issue being debated and identify relevant briefings and useful documents, including press and parliamentary material. More detailed briefing can be prepared for Members on request to the Library.

# Cross-departmental strategy on social justice

# 1.1 Life Chances Strategy

The 2016 Queen's Speech reiterated the Government's intention to publish a Life Chances Strategy: "To tackle poverty and the causes of deprivation, including family instability, addiction and debt, my government will introduce new indicators for measuring life chances." The Government's <u>background briefing notes to the Queen's Speech</u> (pages 68-69) explained:

- The forthcoming Life Chances Strategy will set out this Government's new approach to tackling poverty and transforming the life chances of the most disadvantaged children and families.
- The Strategy will include a set of measures on the root causes of poverty and will also be an opportunity to say more about how we can tackle deep rooted social problems to transform lives so that everyone can realise their full potential.

The Government had previously signalled its intention to publish the Life Chances Strategy in July 2015 and subsequently in debates on the Welfare Reform and Work Bill.<sup>1</sup> Prior to the General Election, a commitment to introduce new measures of child poverty was included in the 2015 Conservative Manifesto:

We will work to eliminate child poverty and introduce better measures to drive real change in children's lives, by recognising the root causes of poverty: entrenched worklessness, family breakdown, problem debt, and drug and alcohol dependency. <sup>2</sup>

The then Secretary of State for Work and Pensions, Iain Duncan Smith, announced new poverty measures to replace those in the Child Poverty Act in a Statement to Parliament on 1 July 2015. The new measures would look at children living in workless households and educational attainment at age 16, as subsequently put into legislation in the Welfare Reform and Work Act). Other measures and indicators would be developed and reported on annually.<sup>3</sup> Speaking for the Opposition, the then Shadow Minister for Work and Pensions, Stephen Timms, described the announcement as "the obituary notice for compassionate conservatism", noting the Conservative Party's previous support for the Child Poverty Act 2010 and large cuts to tax credits expected in the July 2015 Budget.<sup>4</sup>

See for example <u>PQ 6272</u> [on child poverty], 8 July 2015

<sup>&</sup>lt;sup>2</sup> Conservative Party Manifesto 2015, p28

<sup>&</sup>lt;sup>3</sup> HC Deb 1 Jul 2015 c1504-6

<sup>&</sup>lt;sup>4</sup> HC Deb 1 Jul 2015 c1506-7

The Life Chances Strategy was originally announced when David Cameron was Prime Minister. Press reports indicate the Strategy will still be brought forward by Theresa May's government.5

# Life chances indicators in the Welfare Reform and Work Act

The Welfare Reform and Work Act, which received Royal Assent on 23 March 2016, introduced a new duty on the Government to report annually on 'life chances' indicators relating to worklessness and educational attainment. The Secretary of State must publish and lay before Parliament data on:

- children living in workless households in England;
- children living in long-term workless households in England;
- the educational attainment of children in England at the end of Key Stage 4 (GCSE level);
- the educational attainment of disadvantaged children in England at the same stage.

The Life Chances Strategy will cover other non-statutory measures "on the root causes of child poverty", in addition to those in the Welfare Reform and Work Act. At House of Lords Report Stage, Lord Freud explained these would include measures relating to "family breakdown, problem debt, and drug and alcohol addiction".6

# David Cameron's speech on life chances, January 2016

The then Prime Minister, David Cameron, set out the Government's thinking in more depth in a speech on life chances on 11 January, where he explained the strategy would cover four key areas:

- Improving family life and the early years
- Creating an education system "genuinely fit for the 21st century"
- Opportunity for everyone, regardless of their background (particularly in adolescence)
- Treatable problems such as alcoholism, drug addiction and poor mental health.

Key announcements from the speech were highlighted in press releases from the Prime Minister's Office:

- Prime minister to announce new generation of mentors to help struggling teens
- Prime Minister pledges a revolution in mental health treatment
- Prime Minister pledges to transform sink estates

Government affirms commitment to life chances strategy, Children and Young People Now, 22 July 2016

HL Deb 25 Jan 2016 c1084

• <u>PM: Families are the key to ending poverty</u> ("David Cameron will announce a doubling of government funding for relationship support and pledge to take action to deal with poor parenting.")

# 1.2 Previous strategies

## Social Justice strategy, March 2012

The expected themes of the Life Chances Strategy reflect to some extent a previous strategy, <u>Social Justice: Transforming Lives</u>, published by the Coalition Government in March 2012. This Strategy emphasised tackling poverty "in all its forms":

# Social Justice is about making society function better – providing the support and tools to help turn lives around.

This is a challenging new approach to tackling poverty in all its forms. It is not a narrative about income poverty alone: this Government believes that the focus on income over the last decades has ignored the root causes of poverty, and in doing so has allowed social problems to deepen and become entrenched.<sup>7</sup>

The Strategy focused on various themes, including:

- Supporting families "to stay together and give their children the best start"
- The role of schools in preventing disadvantaged children falling out of the mainstream
- Helping adults who face multiple forms of disadvantage, including what the Government is doing to tackle issues such as homelessness, re-offending, drug and alcohol dependency, and 'problem debt'
- Delivering social justice through "new and imaginative approaches to designing and funding services, and close partnership between the private, public and charitable sectors".

In a Written Statement, the then Secretary for State for Work and Pensions, Iain Duncan Smith, explained there were two key principles behind the new Strategy:

First, a focus on prevention throughout a person's life, targeting the root causes rather than the symptoms of social breakdown to stop people falling off track and into difficult circumstances. This starts with support for the most important building block in a child's life—the family—but also covers reform of the school and youth justice systems, the welfare system, and beyond to look at how we can prevent damaging behaviours like substance abuse and offending.

Secondly, the strategy sets out the Government's vision for a 'second chance society'. When problems do arise, people must be able to access the help and support they need to turn their lives around. This strategy cements the principle that this support must be focused on recovery, independence, and life change, not simply on maintaining people in the circumstances they are in.8

<sup>&</sup>lt;sup>7</sup> HM Government, <u>Social justice: transforming lives</u>, March 2012, Cm 9314

<sup>8</sup> HC Deb 13 Mar 2012 c18WS

Progress reports on the Strategy were published in October 2013 and November 2014.

## Child Poverty Strategies

The Child Poverty Act 2010 required the Government to publish a Child Poverty Strategy every three years. This duty was removed by the Welfare Reform and Work Act 2016.

The Coalition Government published Strategy documents in 2011 and 2014:

- The Strategy for 2011-14, A New Approach to Child Poverty: Tackling the Causes of Disadvantage and Transforming Families' *Lives*, was published on 5 April 2011.
- The Government published its second **Child Poverty Strategy for** 2014-17 on 26 June 2014.

The most recent Strategy, for 2014-17, focused on work and education as routes out of poverty. The Strategy set out steps that the Government was taking to:

- Support families into work and increase their earnings
- Improve living standards
- Prevent poor children becoming poor adults through raising their educational attainment

A <u>DWP press release</u> (26 June 2014) provides an accessible summary of the Strategy.

#### New poverty measures and Evidence Review

Upon the publication of the 2014 Strategy, Jain Duncan Smith and George Osborne repeated their commitment to introduce new child poverty measures in an article in the Guardian, identifying "entrenched worklessness, family breakdown, problem debt, drug and alcohol dependency" as root causes of poverty:

For far too long, a fixation on relative income led the last government to chase an ever elusive poverty target, spending unprecedented amounts on benefits and almost £170 billion on tax credits as they tried to move poor families over the line. But it did not deal with the difficult issues. And in the process, Labour lost sight of the very people they were trying to help - leaving millions trapped on benefits, but without tackling the root causes of why they found themselves in poverty in the first place. 9

The 2014-17 Strategy built on the findings of an Evidence Review of the drivers of child poverty (published January 2014). The Review considered firstly the factors which make it harder for families currently in poverty to exit it now, and secondly the factors which increase children's chances of being in poverty as adults.

The Evidence Review found that the most important factors standing in the way of children exiting poverty were those factors contributing to a lack of sufficient income from parental employment. Educational

lain Duncan Smith and George Osborne, *The Conservatives' child poverty plan* tackles poverty at source, The Guardian, 26 February 2014

attainment was identified as the main driver that causes poor children to become poor adults. Summary tables from the Evidence Review (showing the impact of different factors) are included in Library briefing paper *Poverty in the UK: statistics* (section 6.4).

# 1.3 Life chances and measuring child poverty

As noted above, the Life Chances Strategy is to include measures on the "root causes of poverty". During the 2010-15 Parliament, the then Government stated it intended to introduce improved measures of poverty that looked more widely than household income.

A duty to report on two 'life chances' measures was subsequently introduced by the Welfare Reform and Work Act: the proportion of children living in workless households and educational attainment at age 16. At the same time the Act removed most of the duties and provisions in the Child Poverty Act 2010, in particular four targets for child poverty that were to be met by 2020/21.

## Removal of child poverty targets

The Welfare Reform and Work Act requires the government to continue to publish data on the four measures used in the Child Poverty Act, but there are no targets to be met and the government does not have to lay a report before Parliament. Three of the targets in the Child Poverty Act related to low household income while a fourth target related to children in households experiencing low income and material deprivation (lacking the ability to access key goods or services). As discussed further below, the Government previously made clear its view that poverty needed to be measured more broadly than income.

The duty to continue publishing data on income-based poverty measures did not appear in the Bill when it was first introduced to the House of Commons. Ministers did state that the Government would continue to publish the data, in response to concerns that it could stop doing so. <sup>10</sup> Nevertheless, after the House of Lords amended the Bill so that the Secretary of State would have to report annually to Parliament on the four measures in the Child Poverty Act, the Government proposed this compromise which was agreed by both the Commons and the Lords.

Statistics on income-based poverty measures and material deprivation can be found in the Library's briefing paper, *Poverty in the UK: statistics*.

## New ways to measure poverty

During the 2010-15 Parliament, Ministers had repeatedly signalled their intention to introduce improved poverty measures. The Coalition Government's Child Poverty Strategy for 2011-14, <u>A New Approach to Child Poverty: Tackling the Causes of Disadvantage and Transforming Families' Lives</u>, argued that the measures in the Child Poverty Act were insufficient for understanding the root causes of poverty and led to ineffective and expensive policy responses. It set out a broader suite of child poverty indicators which could show progress towards eradicating

<sup>&</sup>lt;sup>10</sup> HL Deb 25 Jan 2016 c1085-6

child poverty by 2020, which included additional indicators related to family's employment status and child development (among others) alongside the income measures in the Child Poverty Act.

A 2012 Government consultation, Measuring Child Poverty: A consultation on better measures of child poverty, went a step further and proposed a new multidimensional measure of child poverty "that would illustrate the reality for children growing up in entrenched poverty in the UK today".

Although the consultation criticised income-based measures, it acknowledged, "There can be no doubt that income is a key part of our understanding of child poverty and who it affects. It is not, however, the only part." An analysis of consultation responses by researchers at the London School of Economics found there was "near universal support for keeping income central to poverty measurement".11

# Criticisms of income-based poverty measures

Income-based poverty measures have been criticised by the Government as failing to acknowledge the root causes of poverty and leading to the wrong policy responses. The Minister for Welfare Reform, Lord Freud, explained these objections during debates on the Welfare Reform and Work Bill:

- Income measures ignore social causes of poverty and the reasons people get stuck in poverty
- Even as an indicator of *economic* wellbeing, income can only provide a partial picture as it ignore debt and household savings
- Income measures are based on current income only so do not encourage action to prevent poor children becoming poor adults
- Income measures incentivised the Labour Government to tackle poverty through expensive income transfers (to lift people over the poverty line) without tackling root causes of poverty. 12

Specific criticism has been directed at the relative low income measure, in particular the fact that the relative low income threshold depends on median income in that year. Thus (somewhat counter-intuitively) a fall in median income could mean a reduction in the number of households in poverty, assuming incomes at the bottom of the distribution fall by less than at the median – as was observed in the UK between 2009/10 and 2010/11. Similarly policies that support middle-income households but which do not affect lower-income households can act to increase levels of relative low income, as an increase in median income will raise the

Researchers obtained 251 out of the total 257 responses to the consultation by submitting a Freedom of Information request. Findings are reported in: Kitty Stewart and Nick Roberts, How do experts think child poverty should be measured in the <u>UK?</u> in Centre for Analysis and Social Exclusion Annual Report 2015 (CASEreport 98), pp22-3

<sup>&</sup>lt;sup>12</sup> As discussed during House of Lords Third Reading debate on the Welfare Reform and Work Act 2016: HL Deb 25 Jan 2016 cc1054-55

threshold below which someone is counted as being in relative low income.  $^{\rm 13}$ 

# 2. Press Articles

Eleanor Rathbone's idea that mothers should be paid for the work of bearing and raising children was radical in its time - and inspires to this day

Selma James, The Guardian, 6 August 2016

Middle-income families in UK resemble the poor of years past

Larry Elliott, The Guardian, 19 July 2016

Working families are the 'new poor', says Britain's leading economic think-tank

John Bingham, Daily Telegraph, 19 July 2016

Back to the Big Society in a reformed Tory future

Danny Kruger, Financial Times, 20 May 2016

David Cameron's fight against social injustice will define his legacy

Suella Fernandes, Daily Telegraph, 19 May 2016

Tories drop attempt to redefine child poverty after wide opposition

Kate Allen, Financial Times, 26 February 2016

# 3. Parliamentary Material

# 3.1 Parliamentary Questions

#### **Universal Credit: Written guestion - 42172**

#### **Asked by Frank Field**

#### Asked on 07 July 2016

To ask the Secretary of State for Work and Pensions, how many children he expects will be lifted out of poverty by the introduction of universal credit.

#### **Answered by Justin Tomlinson**

#### Answered on 12 July 2016

The Government is committed to eliminating child poverty and improving life chances for children.

We know that work is the best route out of poverty, and Universal Credit is designed to strengthen incentives for parents to move into and progress in work. Evidence shows claimants move into work significantly faster and earn more than under the current system.

In addition, Universal Credit now provides for 85% of childcare costs meaning more support for hardworking families.

#### Poverty - HL Deb 29 June 2016 c 1560-62

**Lord Bird:** To ask Her Majesty's Government what long-term plans they have, and what action they intend to take in this Parliament, to prevent the underlying causes of poverty in the United Kingdom.

# The Minister of State, Department for Work and Pensions (Lord Freud):

The Government have set out a new life chances approach which will include a set of indicators to measure progress in tackling the root causes of poverty, such as worklessness, educational attainment and family stability.

**Lord Bird:** My Lords, I think I may go down in history as the person who asked only one question of this House—how do we begin the process of dismantling poverty? When we have a situation where 34% of all the money received by the Chancellor of the Exchequer is spent on and around poverty; when we spend 12% of our budget on education and yet we fail 30% of our children in school, who then become 70% of the prison population, who then become 50% of the people who use A&E as a drop-in place, when will the Government and the House get behind the idea that we need a different form of intervention in poverty in order to begin to dismantle it? We are pussyfooting around. We are not dismantling poverty in the way that it should be done. Let

us be honest and accept that keeping people in poverty is incredibly expensive.

**Lord Freud:** We are trying to move away from the income transfer approaches that we have seen for some time, to try to handle the fundamental causes of poverty. I agree with the noble Lord that that is where the effort has got to go. It is difficult, but that is the only real way to tackle this problem.

Lord Morris of Handsworth: My Lords, does the Minister agree that one measure of national poverty is the number of people using food banks? Can he therefore provide a report to this House saying whether that number has gone up or down since the general election?

**Lord Freud:** We do not collect those figures. There have been figures: I believe that the Trussell Trust put out some not so long ago, which showed those figures, from its perspective, flattening out. There has also been quite a lot of research on food banks, and the APPG did a very good piece of work, which showed that what drives people to this emergency support provided by the community—which one welcomes—is a very complex matter.

Baroness Manzoor: My Lords, no one chooses to be poor, but of course there are many people in the UK who experience poverty. We are moving into a global era when there is greater emphasis on technology, automation and robotics, and we need to upskill our workforce. What is the Government's strategy to ensure that those who are trapped in poverty are given the skills needed to be able to contribute in that area? As we move forward, the gap between those who have and those who have not will get greater.

Lord Freud: There is a huge amount of work being done on the educational side, which is where this has to start—but clearly there is an element of remediation and later support beyond the school years. That is where, for instance, the apprenticeship programme, which is growing quite steeply, is really important.

Lord Shinkwin: My Lords, as someone who welcomes the Prime Minister's commitment to social justice and improving life chances, and believes that he will leave a significant legacy to his successor, may I ask my noble friend what plans the Government have to help the most needy and vulnerable benefit recipients in future?

**Lord Freud:** One of the most valuable things I got from this House was during the passage of the Welfare Reform Act 2012, when we debated what to do for the most vulnerable in the context of UC. That led to the creation of universal support, whereby we join up with local authorities to try to provide services that join together. We have done that now for two of the barriers people face, in budgeting and in digital competence, and we are now exploring how to expand that approach, which shares information, data and support in relation to other barriers. We have some trials going on at the moment, one in Croydon and one in the London Bridge area, on how to do that most effectively.

Lord Sutherland: My Lords, one of the Government's more successful innovations in dealing with the long-term implications of poverty has been the introduction of the pupil premium. I have to tell the Minister, from conversations I have had with headmasters in some of the most benefited schools in this area, that they are concerned that changes in the rules about how entitlement to benefit is calculated in future will affect very directly the input into schools through this rather good innovation. Any reassurances that can be given, now or in writing, would be appreciated.

Lord Freud: That is one of the topics that I and the Schools Minister are talking about. We now have, as a potential option for future use, far more specific measures of real levels of poverty in universal credit which we can use to record poverty, rather than the much cruder measures that we used in the legacy system.

**Baroness Sherlock:** My Lords, if the Minister wants to measure poverty he could perhaps look at the official figures that came out this week. They show that while average household incomes are finally back to their pre-crash levels, child poverty has actually gone up by 200,000. It is the first rise for a decade, the largest single rise in one year since 1996, and even more of those poor kids are in working families. Ministers were warned by people around this House that this would be a consequence of government policy but the Minister kept telling us that we were crying wolf. I have rarely been sorrier to be wrong. But now that the warning signs are clear, what will the Government do about it? We have not yet had the effect of the cut in universal credit help or benefits for large families. Will he please urge his new Secretary of State, if he genuinely wants a one-nation country, to go back and reverse that catastrophic decision to cut help for working families on universal credit?

**Lord Freud**: Regrettably, the cry of wolf is wrong in this case. As the noble Baroness knows perfectly well, these statistics are fairly odd on a year-by-year basis. We have had guite a substantial rise in the median income, so the relative figure has gone down—although, I am told, it is genuinely not statistically significant. At the same time, there has been a decline in the number of children living in absolute poverty, with 100,000 fewer. These figures can be pretty odd, and this is another good example of it.

#### **Children: Poverty: Written guestion - 31946**

#### **Asked by Nick Thomas-Symonds**

#### Asked on 21 March 2016

To ask the Secretary of State for Work and Pensions, pursuant to the Answer of 17 March 2016 to Question 30986, what estimate his Department has made of the number of children who will be lifted out of poverty as a result of universal credit before any effect on employment.

#### **Answered by Priti Patel**

#### Answered on 24 March 2016

This Government is committed to eliminating child poverty and transforming the life chances of the most disadvantaged children and families.

We know that work is the best route out of poverty, and Universal Credit is designed to strengthen incentives for parents to move into and progress in work. Ignoring the impact that Universal Credit has on incentivising work and raising the incomes of families is inappropriate.

The impact of Universal Credit cannot be considered in isolation—it is a key component of a broader strategy to move Britain to a higher wage, lower welfare, lower tax society.

#### Social Mobility and Child Poverty Commission: Written question -**HL6614**

#### **Asked by Lord Livermore**

#### Asked on 01 March 2016

To ask Her Majesty's Government what plans they have to respond to the recommendations set out in the State of the Nation report by the Social Mobility and Child Poverty Commission published on 17 December 2015.

#### **Answered by Lord Nash**

#### Answered on 08 March 2016

The Government is grateful to the Commission for its wide-ranging and comprehensive report. We are committed to publishing a new Life Chances Strategy, and the Department for Work and Pensions is leading on this. That Strategy will set out a comprehensive plan to fight disadvantage and extend opportunity. It will focus on the root causes and human dimensions of child poverty. Our proposals in the Welfare Reform and Work Bill introduce a new duty for the Government to report annually on children in workless households and children's educational attainment in England. This is because the evidence shows that educational attainment and worklessness are the most significant factors driving children's life chances. The Strategy will also include a wider set of measures that look at the root causes of poverty, including family breakdown, problem debt and drug and alcohol dependency. These will drive real action to transform the lives of the most disadvantaged children and families.

The Government looks forward to working with the reformed Social Mobility Commission, which will continue to play a very important role in the drive to promote and increase social mobility in the years to come.

## **Social Mobility and Child Poverty**

#### HC Deb 25 Jan 2016 c 13

Tom Brake (Carshalton and Wallington) (LD): What steps she is taking to implement the recommendations of the Social Mobility and Child Poverty Commission's report, "State of the Nation 2015: Social Mobility and Child Poverty in Great Britain", published in December 2015. [903206]

The Parliamentary Under-Secretary of State for Education (Mr **Sam Gyimah):** The Prime Minister made it clear in his first major policy intervention this year that improving life chances is a key priority for this Government. We will, in due course, publish a strategy setting out all the ways in which we will be fighting disadvantage and spreading opportunity. The strategy will focus on the root causes and human dimensions of child poverty. We will work with the reformed Social Mobility and Child Poverty Commission, which will play an important role in this.

**Tom Brake:** I am sure that the strategy that the Minister mentions will recognise that early intervention is key to improving social mobility. Has he looked at the impact of the removal of the ring-fencing of the early intervention grant, which has led to a 40% drop in the money available for early intervention? What will the impact of that be on social mobility?

**Mr Gyimah:** The right hon. Gentleman will know that Conservative Members take social mobility very seriously, and we have an excellent record on it; we even allowed the Liberal Democrats into government once. On the early intervention grant, we have increased the amount of money for troubled families and are deploying it in a very targeted way to help the families who need it most.

#### **Child Poverty**

#### HC Deb 14 Jan 2016 c 982-83

**Alan Brown:** What assessment she has made of the effect on equality of recent changes to the Government's definition of child poverty.

The Minister for Women and Equalities (Nicky Morgan): Before I begin, may I, on behalf of the whole House, welcome the new female First Minister in Northern Ireland, Arlene Foster, to her role and wish her all the very best? I am sure the whole House will also want to offer its support to my right hon. Friend the Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell), who made his personal statement yesterday.

The Government have not changed the definition of child poverty. As the Prime Minister set out on Monday, we are committed to attacking the root causes of poverty and improving children's life chances. In the spring, we will publish a comprehensive life chances strategy. Our proposals in the Welfare Reform and Work Bill introduce new measures on worklessness and educational attainment.

Alan Brown: I thank the Secretary of State for her comments. Those of us on the Scottish National party Benches agree with what she said about the right hon. Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell) and the First Minister for Northern Ireland.

If we are only talking about additional measures to tackle poverty, I agree that they would be useful. However, it is clear that the Welfare Reform and Work Bill abandons the poverty reduction targets in the Child Poverty Act 2010. Given that 64% of children living in poverty are in working families, does the Minister agree with the Social Mobility and Child Poverty Commission, the End Child Poverty Coalition, the Joseph Rowntree Foundation, the Child Poverty Action Group and the Resolution Foundation that income assessment must be retained? Otherwise, the new measures will remove children from poverty in statistics only and not in reality. That is a cynical manoeuvre.

**Nicky Morgan:** I disagree with the hon. Gentleman's last remarks. We remain absolutely committed to tackling child poverty and making sure that as many children as possible do not grow up affected by the blight by poverty. Since 2010, the number of children growing up in workless families has fallen by 480,000 to a record low. As I said, we want to tackle the root causes of poverty, and worklessness and educational attainment, both of which we are measuring, make a critical difference to whether a child grows up in poverty and continues to live in poverty throughout their life.

Jonathan Reynolds: Since 2010 I have seen more people destitute, homeless and dependent on food banks in my constituency. Do the Government understand that changing internationally agreed definitions of poverty will seem like a cynical attempt to mask the true condition of Britain?

**Nicky Morgan:** I also suspect that the hon. Gentleman sees more people in work and being helped into work in his constituency. As I said, we remain absolutely committed to tackling the root causes of poverty—worklessness and low educational attainment—and to making sure that children do not grow up affected by the blight of poverty. He will probably agree that an arbitrary consideration of whether somebody is over or under a financial income line by a matter of pounds does not change lives. What changes lives is tackling the issues set out by the Prime Minister in his speech on Monday.

**Peter Grant:** The Secretary of State insists that the Government are not changing the definition of child poverty, so will they accept the findings of several respected organisations, including, most recently, the Resolution Foundation, which has indicated that, as a direct result of the summer Budget alone, between 300,000 and 600,000 children and 3.7 million and 3.9 million people on these islands will move into poverty by 2020? What discussions has she had with the Secretary of State for Work and Pensions about the likely impact of the changes on poor children on these islands?

**Mr Speaker:** I gently point out to the House that there is a difference between asking a guestion and leading an Adjournment debate.

**Nicky Morgan:** Some 11.8% of children live in workless households, which is down by 4.4 percentage points since 2010. If the hon. Gentleman wants to talk about the impact of Budgets on people in Scotland and elsewhere in the UK, he might like to know that 176,000 women in Scotland have been taken out of income tax since 2010 because of UK Budgets. Those sorts of measures have a direct impact on children's life chances and families' prospects.

#### **Children: Poverty: Written guestion - 12707**

#### **Asked by Jonathan Ashworth**

#### Asked on 20 October 2015

To ask Mr Chancellor of the Exchequer, whether his Department has made an assessment of the effect of tax and benefit changes included in the Summer Budget 2015 on (a) relative and (b) absolute child poverty.

#### **Answered by Harriett Baldwin**

#### **Answered on 23 October 2015**

The intended impact of these reforms is to incentivise work, ensure work always pays, and then allow people to keep more of what they earn.

We know that work is the best route out of poverty. Our new life chances measures will drive continued action on work and education, which will make the biggest difference to disadvantaged children – now and in the future.

HMT's published distributional analysis shows that the proportion of welfare and public service spending which benefits poorer households has not changed since 2010-11, with half of all spending on welfare and public services still going to the poorest 40% of households in 2017-18. At the same time, the richest fifth of households will pay a greater proportion of taxes than in 2010-11 as a result of government policy – and more than all other households put together.

The Government has carefully considered impacts with regard to all relevant legal obligations when formulating the welfare policies announced at the Summer Budget 2015.

# 3.2 Committee inquiry on Foundation years and the UK Government's life chances strategy

The Education Committee and Work and Pensions Committee are running a joint inquiry on *Foundation years and the UK Government's life chances strategy.* 

<u>Written evidence</u> has been received from a wide range of organisations and is published on the Parliament website (click "View all" to see all

written evidence). Evidence from the Department for Work and Pensions and the Department for Education (published on 4 March 2016) sketched out some of the possible links between children's experiences in early years and the Life Chances Strategy.

## 3.3 Debates

#### **Poverty**

HL Deb 14 Jul 2016 c 334-75

#### **Disadvantaged Families and Children: Life Chances**

HC Deb 11 Jul 2016, c 2 - 4

#### **Early Years Development and School-Readiness**

HC Deb 12 Jul 2016 c 28WH - 53WH

#### **Life Chances Strategy**

HL Deb 11 May 2016 c 1748-72

#### **Welfare Reform and Work Bill**

HC Deb 2 Mar 2016 c 1043-69

#### **Social Mobility Index**

HC Deb 9 Feb 2016 c572WH - 590WH

#### **Life Chances Strategy**

HC Deb 1 Feb 2016, c 624-26

#### **Child Poverty**

HC Deb 26 Jan 2016, c 67WH – 76WH

#### **Welfare Reform and Work Bill**

HL Deb 25 Jan 2016, c 1066 - 95

#### **Child Poverty**

HC Deb 15 Sep 2015 c 254WH-279WH

# 3.4 Parliamentary Briefings

Early Intervention, House of Commons Library, July 2016

Welfare Reform and Work Bill [Bill 51 of 2015-16], House of Commons Library, July 2016

Causes of Poverty in the UK, House of Lords Library, July 2016

Poverty in the UK: Statistics, House of Commons Library, June 2016

Income Inequality in the UK, House of Commons Library, July 2016

# 4. Further Reading

We can solve poverty in the UK: A strategy for governments, businesses, communities and citizens, Joseph Rowntree Foundation, September 2016

Counting the cost of UK poverty, Joseph Rowntree Foundation, August 2016

Living standards, poverty and inequality in the UK, Institute for Fiscal Studies, July 2016

Households below average income, Department for Work and Pensions, June 2016

Persistent Poverty in the UK and EU2014, Office for National Statistics, 16 May 2016

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