
Liverpool City Region Child and Family Poverty Needs Assessment Refresh 2013

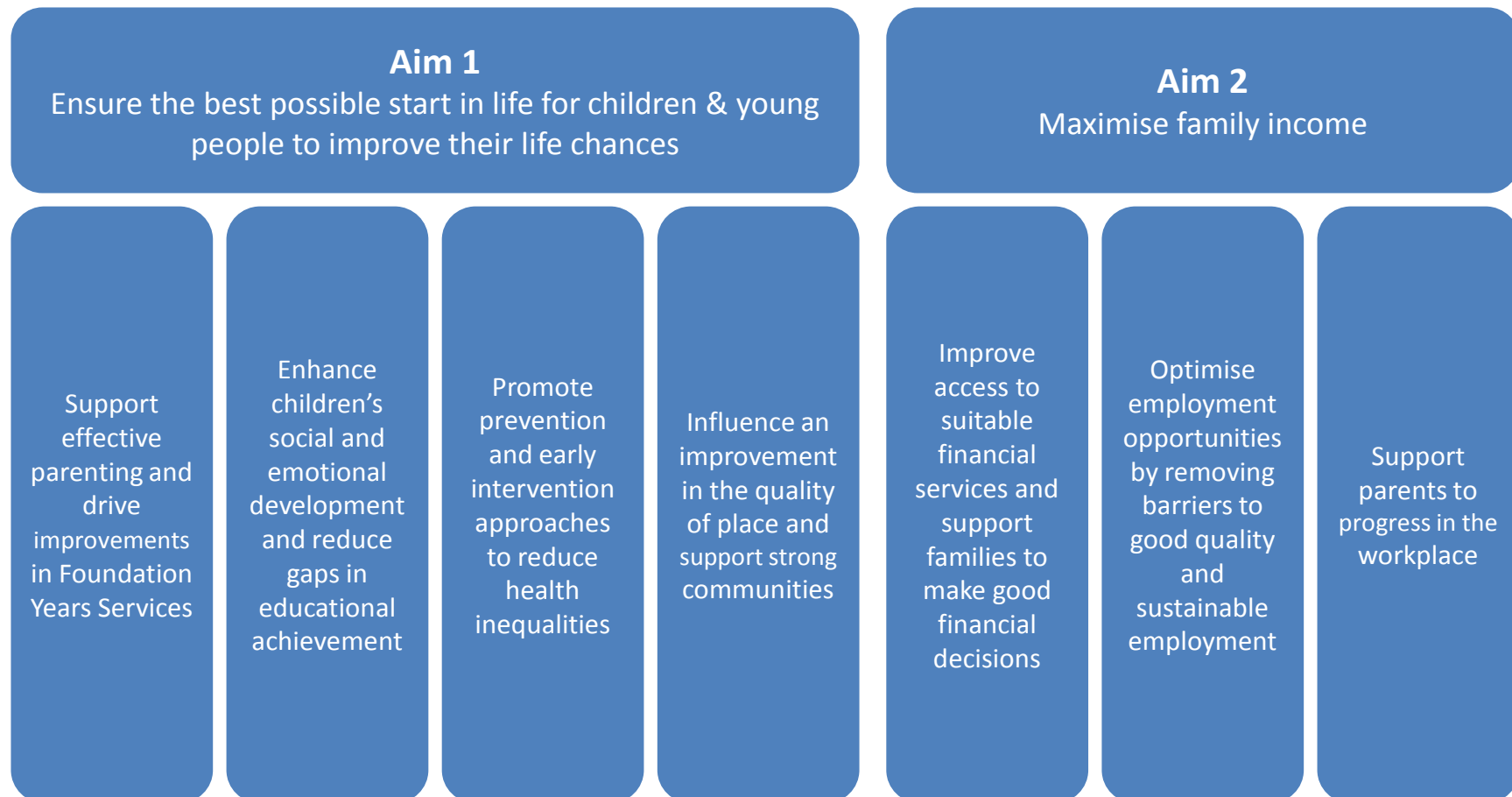
This is a refresh of the Liverpool City Region Child Poverty and Life Chances Needs Assessment. It is not an exhaustive update but instead draws out the key changes since the Needs Assessment was first published in 2011.

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Aims and Actions

“Working together as City Region partners we will reduce child and family poverty and maximise opportunities for children and young people in their life chances. We will achieve this through a dual strategy which ensures an ever growing proportion of children and young people are ready for school and life whilst maximising family resources”



Key Messages

Welfare reforms are projected to take £162m annually away from children and families in the Liverpool City Region; this is equivalent to 1% of the City Region's economy

55% of the indicators in the City Region's basket of measures show improvement including:

- The proportion of children who are assessed as being ready for school is increasing
- The gap in attainment, between those on free school meals and those who are not, is narrowing
- Fewer children are measured as being obese at age 4 and the number at age 11 has not increased

18% of the indicators in the City Region's basket of measures show deterioration including:

- There are increasing numbers of families accessing foodbanks, which suggests that more children are going hungry
- There are more families living in households who are defined as living in fuel poverty
- There is a jobs deficit in the City Region of around 90,000 jobs
- An increasing number of children are living in households where there is no work

Headline 2010 Child & Family Poverty Figures

The current child poverty measure defines child poverty as ‘the proportion of children living in families in receipt of out-of-work (means-tested) benefits or in receipt of tax credits where their reported income is less than 60 per cent of median income’. HMRC calculate the 2010 median income to be £352 per week. This means that the 60% median income and poverty threshold for 2010 was approximately **£211.20** per week

The number of children and young people assessed as living in poverty in the Liverpool City Region (LCR) in August 2010 was 88,520. This suggests there are 2,835 fewer children living in poverty in the City Region compared to 2009 (a 2.5% fall) and 1,265 fewer than in 2008 (1.4% fall) but it is important to note that the fall of national median income is a key factor in this reduction. The following information provides a snapshot of the nature of poverty in the City Region:

- The majority of children in poverty (66,955) live in lone parent families (76%), this is higher than the England average (68%)
- A higher proportion of children living in poverty in the LCR (86%) live in households claiming Income Support (IS) or Job Seekers Allowance (JSA), compared to the England average (79%)
- In the LCR 30% of children living in poverty (26,390) are under age 5, this is similar to the England average (31%).

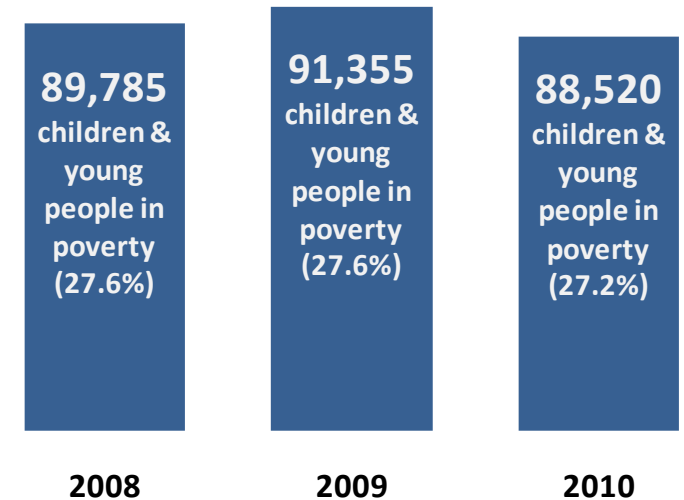


FIG A: Number of Children in Poverty, 2008 – 2010. HMRC

Borough	Number of Children in Poverty	% of Children in Poverty
Halton	7,800	26.5%
Knowsley	11,480	31.7%
Liverpool	31,070	33.1%
Sefton	11,480	20.2%
St Helens	9,535	24.7%
Wirral	17,155	24.4%
Liverpool City Region	88,520	27.2%

FIG B: Number and Proportion of Children in Poverty, Aug 2010. HMRC

Figure B shows the number and percentage of children and young people in poverty across the Liverpool City Region’s six local authorities and identifies that, with the exception of Sefton, all of the areas have higher rates of Child Poverty than the national average.

To further explore these geographical trends, Appendix A shows the distribution of child poverty at Super Output Area across the Liverpool City Region. The areas shaded in dark brown contain some of the highest concentrations of poverty. Liverpool and Wirral both contain neighbourhoods where more than 65% of children are growing up in poverty. This indicates that whilst Wirral has the second lowest level of overall child poverty in the City Region, the borough contains pockets where deprivation is high.

Alternative Measures of Child Poverty

The End Child Poverty campaign is a coalition of over 100 charities with a commitment to end child poverty in the United Kingdom. In February 2013, they produced analysis regarding levels of Child Poverty across the country at a local level (including electoral wards). By combining recent worklessness data with the 2010 HMRC local tax credit data, the measures in the report aim to model the local picture of Child Poverty in the UK as of mid 2012.

The report estimates that, as of 2012, there are around 89,165 children in poverty across the Liverpool City Region. If these findings are correct, this would show an increase of around 650 children in poverty from the official 2010 measure but remains lower than the 2008 figure. The data highlights that 2 of the Liverpool City Region’s local authorities (Liverpool and Knowsley) are within the top 20 local authorities with the highest levels of Child Poverty in the country (33% and 32%, respectively). Figure C shows the rate of Child Poverty across these areas and the wider City Region.

Borough	Estimated Number of Children in Poverty	Estimated % of Children in Poverty
Halton	7,859	27%
Knowsley	1,152	32%
Liverpool	31,258	33%
Sefton	11,594	20%
St Helens	9,611	25%
Wirral	17,296	25%
Liverpool City Region	165,271	Average 27%

FIG C: Estimated Number of Children in Liverpool City Region, 2012 (End Child Poverty, 2012)

When considering the levels of Child Poverty at ward level, the report finds that there are significant pockets of extreme child poverty across the City Region, with rates as high as 59% in some areas.

Figure D shows the estimated percentage of Children in Poverty across the Liverpool City Region’s electoral wards and shows the rate of Child Poverty is above 40% in 27 wards across the City Region.

Estimated % of Children in Poverty	Number of Electoral Wards
50% +	7
40% - 49%	20
30% - 39%	23
20% - 29%	31
10% - 19%	32
0% - 9%	19

FIG D: Estimated Percentage of Child Poverty in Liverpool City Region Electoral Wards, 2012

The original Needs Assessment identified a wide range of other measures that can be seen as causes or impacts of Child and Family Poverty. Many of these are economic indicators but also include measures relating to educational attainment, skill levels, health, and transport. In addition to discussing these broader impacting trends, this refresh looks at important qualitative evidence relating to Child and Family Poverty and aims to identify additional ‘glimpses of poverty’ that may be evident in the Liverpool City Region, along with the good work that is underway to help tackle it.

National Policy Context: Welfare Reform

The welfare and benefits system in the country is continuing to undergo its most radical reform in more than 60 years. Recent changes to Working Tax Credits and Child Tax Credits (along with the removal of Education Maintenance Allowance) has meant, for many families across the Liverpool City Region, a reduction in the amount of benefit they receive and an increase in benefit conditionality. However, some of the most significant changes are yet to come into effect.

Current and emerging risks

Council Tax Benefit will be abolished from April 2013. Instead local authorities have been are now required to establish individual local Council Tax support schemes. At the same time, the government will cut the amount available to fund Council Tax support by at least 10%. Working-age recipients of Housing Benefit that are deemed to have a spare bedroom in their Local Authority or Registered Provider-owned home will see an incremental cut to their Benefit payments. Liverpool City Region residents will also be some of the first affected by the introduction of Personal Independence Payments which will replace Disability Living Allowance, as being designated as a pilot area from April 2013.

From April 2013, welfare benefits entitlement advice will be removed from the legal aid contract. This comes at a time when changes to claim procedures, entitlements and payment frequencies is likely to cause a surge in demand for benefits advice.

Universal Credit is expected to be rolled out in the City Region from October 2013 and will merge all means tested benefits and tax credits into a single payment. Payments will be made monthly rather than weekly, which means there is a risk that some families may find it difficult to manage their finances across a month long period. Housing benefit will also form part of Universal Credit and will be paid directly to tenants rather than to their landlord. Tenants with low financial capabilities could struggle to make payments, leading to rent arrears and potential evictions.

Projected Impact

As a result of the welfare reform outlined above, it is estimated that families across the Liverpool City Region are set to lose more than £162m in 2013-14.

Figure E shows that the impact from changes to the Working Tax Credit / Child Tax credits remains the most significant reduction in benefits to families across the City Region.

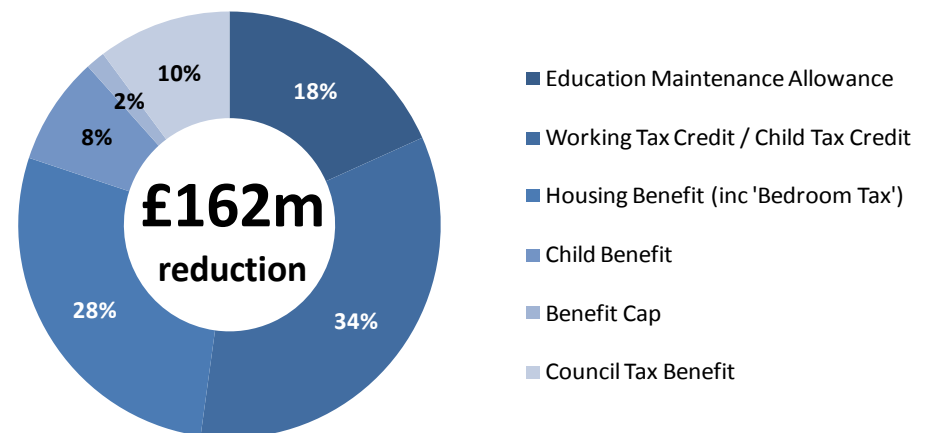


FIG E: Projected financial impact of Welfare Reform in the Liverpool City Region, 2013-14

Aim 1: Ensure the best possible start in life for children & young people to improve their life chances

Action 1: Support effective parenting, families and drive improvements in Foundation Years services

The Foundation Years (from pregnancy to age 5) are a time of rapid development and experiences during this age can have a major impact on future life chances. Studies suggest that early years interventions can mitigate against the impacts of growing up in poverty and help children to develop the social and emotional bedrock they need to secure a positive future.

School Readiness

The Cabinet Office's 2010 paper, "The Foundation Years: preventing poor children becoming poor adults" found that good quality early-years education can give children a significant advantage in terms of their cognitive development.

In 2012, on average 61% of LCR pupils achieved the expected level at Foundation Stage; this was slightly lower than the North West (62%) and England average (64%). Since 2010, the percentage of City Region pupils that have achieved the expected level at the Foundation Stage has increased by 7 percentage points.

In addition to this measure, the rate of pupils achieving a 'good level of development' is also monitored and an area's average rate is compared to that of the children who are eligible for Free School Meals (FSM). Enhanced communication skills are the best foundation for success in school and it is widely accepted that the most successful strategy for combating anti-social behaviour linked to social disadvantage is by preventing the early language, literacy and numeracy failure.

This suggests the benefits from an improved performance in the 'Communication, Language and Literacy' element of Foundation Stage Profile will not only provide a better tool for young people to achieve more in further education but will also assist in the wider aspects of a child's life, especially those living in more disadvantaged backgrounds. In 2012, the percentage gap in attainment between FSM-eligible children and non-FSM eligible children at Foundation Stage was an average of 21%. This is the same as North West, but slightly wider than the England average (19%). In order to help tackle these inequalities, the Government's 'two-year-old offer' allows all children in the country's 20% most deprived areas free access to 15 hours of early education a week; this will be soon be extended to the 40% most deprived areas.

Speech & Language

A wide range of speech, language and communication skills are paramount to children's wider development and have positive effect on their education, behaviour and ability to socialise.

The promotion of these attributes is extremely important (both within a family and in a childcare setting) and speech and language therapy can help children and young people to improve these skills.

Anecdotal evidence from across the City Region suggests that referrals to speech and language therapy services for 2-3 year olds have increased significantly over recent years, and in some areas, the majority of those accessing the 2 year old free childcare offer have speech and language issues. This confirms feedback from schools who have identified that the overall level of communication competence for children entering Reception has deteriorated in recent years.

Aim 1: Ensure the best possible start in life for children & young people to improve their life chances

Action 1: Support effective parenting, families and drive improvements in Foundation Years services

Teen Conception

The conception rate per 1,000 women aged 15-17 is highlighted as one of the Government's 2011-14 Child Poverty Strategy Indicators due to the close links between rates of teenage pregnancy and economic disadvantage.

As well as showing the effects of poverty (young females becoming pregnant are more likely to come from a deprived background), this indicator may demonstrate a cause, as teenage conceptions that result in birth can cause further poverty in terms of both the mother's future economic opportunities and the environment in which the child is brought up.

In the Liverpool City Region, the latest rate (2010) for Under 18 conceptions is 58.4 per 1,000 women (in that age group) compared to the regional and national rates of 40.7 and 35.4 per 1,000, respectively. The levels vary significantly across the City Region's six Boroughs, with rates as high as 63.3 per 1,000 in Halton compared to 29.1 per 1,000 in Sefton.

Social Development

The Foundation Stage Profile is based on practitioners' ongoing observations and assessments on all areas of learning for the foundation stage. The FSP is a way of summing up each child's progress and learning needs at the end of the foundation stage. For most children, this is at the end of the reception year in primary school - but profiles must be completed in any government-funded setting in which children complete the foundation stage.

Analysis of the 2012 profiles across the Liverpool City Region show that 88% of Foundation pupils have reached the expected level of 'social development' expected of the cohort. This is in keeping with the national rate and slightly higher than the regional level of 87%.

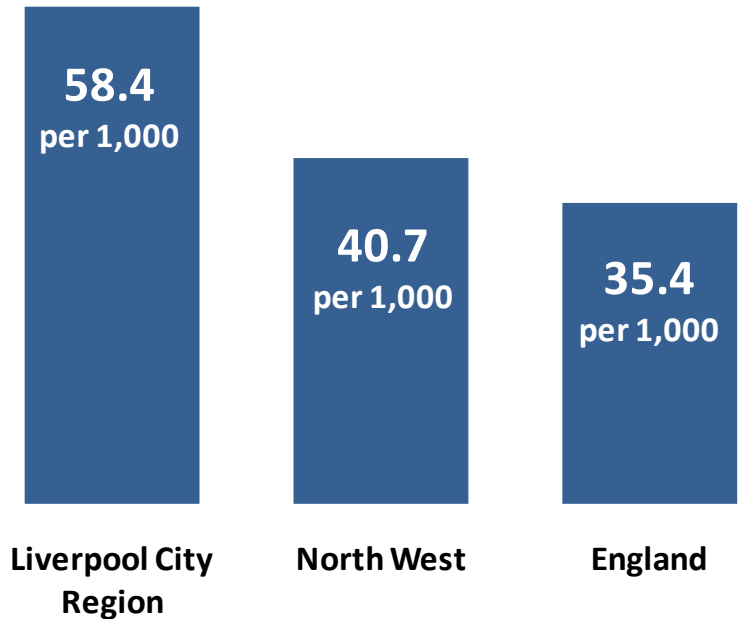


FIG F: Under 18 Conception rate (per 1,000 women aged 15-17), 2010

Aim 1: Ensure the best possible start in life for children & young people to improve their life chances

Action 2: Enhance children’s social and emotional development and reduce gaps in educational achievement

Low educational attainment is both an indicator of child poverty and a factor that increases the chances that poverty is sustained through the teenage and adult years. In addition, learning and development during the first years of life are thought to have a more significant impact on life outcomes than developments and interventions in later years. Parenting, care and learning during infancy can be more important than material wealth for tackling child poverty and ensuring that poor children do not become poor adults.

Key Stage 2

A recent impact study by the Institute of Fiscal Studies and the Centre for Analysis of Youth Transitions used the British Cohort Survey (which tracks individuals born in a particular week in 1970) to investigate the relationship between age 10 skills and earnings in later life. The study concluded that higher attainment in reading and maths at the age of 10 was correlated to the cohorts’ earnings in their 30s with higher scores in school achievement leading to an increase of between 5% and 11% in future wages.

The Department for Education’s National Curriculum Assessments show that, amongst the Liverpool City Region’s 2011/12 Key Stage 2 cohort, around 81% of all pupils (aged 10/11 when assessed) achieved Level 4 or above in English and Maths. This shows an increase from 2011* when the overall achievement rate for the Liverpool City Region was 77%.

Pupils who are known to be eligible for Free School Meals have a lower achievement rate of 70%. When compared with the achievement levels of those who are ineligible (around 85% success rate), the education gap between disadvantaged and non-disadvantaged children is made clearer. The chart to the right compares these achievement levels with those of 2011 and shows that the gap has reduced from 19% points to 15% points in this period.

*NB: It is not possible to compare this dataset to 2009/10 as the DfE release does not include figures for schools in Liverpool for this year.

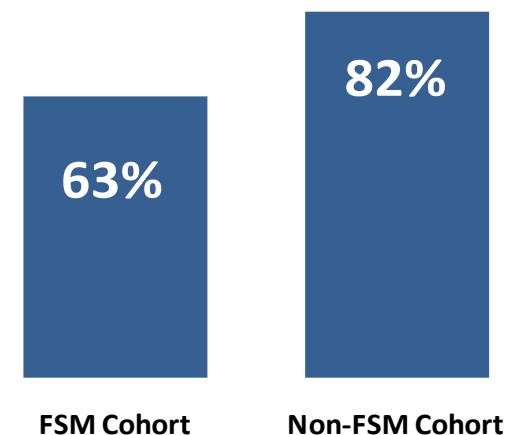


FIG G: Key Stage 2 Achievement Levels, 2010/11

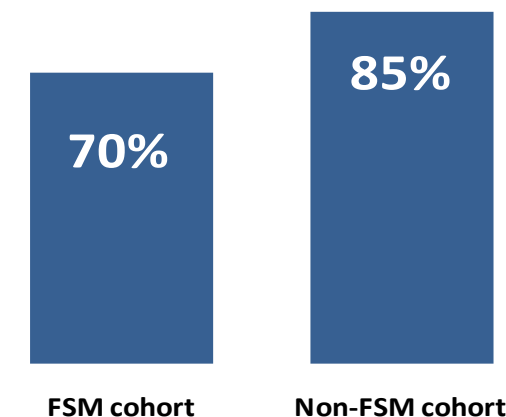


FIG H: Key Stage 2 Achievement Levels, 2011/12

Aim 1: Ensure the best possible start in life for children & young people to improve their life chances

Action 2: Enhance children’s social and emotional development and reduce gaps in educational achievement

Key Stage 4

The attainment gap between pupils who are and are not eligible for Free School Meals remains apparent at GCSE level. Figure I shows that, in 2011/12, only 1 in 3 of the Liverpool City Region’s FSM-eligible pupils achieved 5 or more A*-C GCSEs (including English and Maths).

This is significantly lower than the overall success rate in the City Region of 57% (marked on the chart as a red line and, itself, slightly below the national average of 59%) and almost half of that achieved by pupils not eligible for Free School Meals. The gap of 31% points between the two cohorts has reduced by 1% point since the 2009/10 academic year but remains higher than the national gap of 26.4% points.

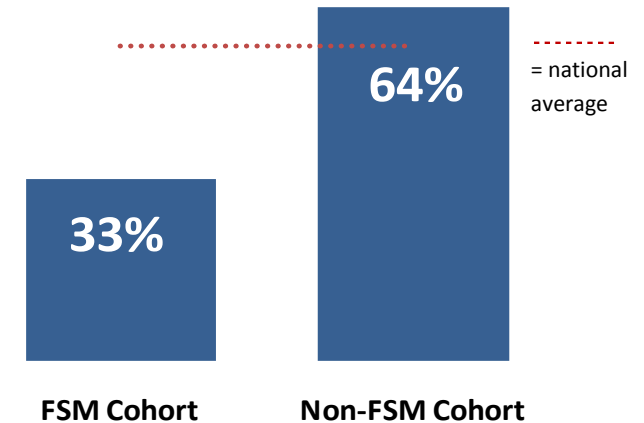


FIG I: Key Stage 4 Achievement Levels, 2011/12

Hungry Children

As part of their Fair & Square campaign, the Children’s Society recently conducted a national survey of teachers regarding children ‘going hungry’ in school which can lead to lapses in concentration. Amongst the headline findings of the survey, the results showed that:

- Nearly three quarters (72%) of teachers surveyed have experienced pupils coming into school with no lunch and no means to pay for one
- Two thirds (66%) of the teachers surveyed stated that staff provide pupils with food or money if they come into school hungry.

As is to be expected, instances of children going hungry in schools are more likely to occur in areas of higher deprivation which suggests that these issues will be of significant concern for children in the Liverpool City Region.

Source: The Children’s Society, Food for Thought: A survey on teachers' views on school meals. Dec 2012

Local Practice: Closing the Gap

Following a peer review which identified that the gap in attainment between those with free school meals and the whole population was too large, Halton Council have been working to link schools who have a small gap with those who have a larger gap.

This peer mentoring and support was introduced in 2011, and Halton saw a reduction in the performance gap at age 11 from 21% to 12% in 2011-12 and a reduction in the gap at age 16 of 3%.

Aim 1: Ensure the best possible start in life for children & young people to improve their life chances

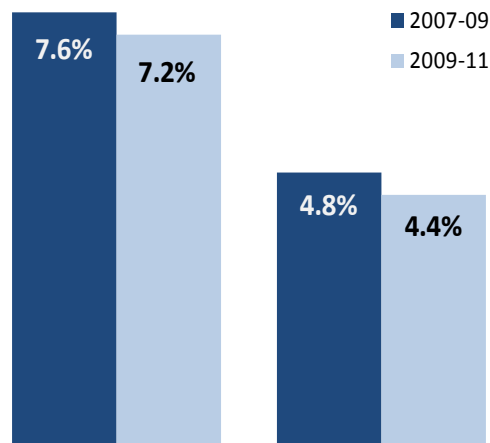
Action 3: Promote prevention and early intervention approaches to reduce health inequalities

The links between health inequalities and Child and Family Poverty are well evidenced at a national and local level. Children in poverty are more likely to have been born prematurely, have a low birth weight and face a higher risk of infant mortality. There is a direct correlation between areas with high rates of children living in poverty, low breastfeeding rates and low immunisation uptake. The Joseph Rowntree Foundation estimates that that more than 1,400 children’s lives could be saved nationally if child poverty was eradicated.

Continued high levels of child poverty have implications for future wellbeing and other, later, health risks include links to obesity, child tooth decay and increased respiratory problems. Many families will have lower levels of disposable income which will reduce children’s engagement in leisure activities that are known to be highly important to a good or content childhood.

Underweight Babies and Infant Mortality

In the two year period between 2009-11, 7.2% of babies born in the Liverpool City Region weighed less than 2,500g and were therefore classed as underweight. This shows a decrease from 7.6% since 2007-09 while, in the same period, the infant mortality rate also fell from 4.8% to 4.4%.



Underweight babies born Infant mortality rate

FIG J: Underweight births and Infant mortality rates, 2007-09 to 2009-11 comparison

Breastfeeding

Breastfeeding is widely accepted as the best way to feed a baby and exclusive breastfeeding for 6 months is recommended by World Health Organisation as the best option for nutrition and health. Additionally, the economic value of breastfeeding can help a low income family budget their outgoing costs at what is often a very expensive time.

The latest data for in the Liverpool City Region (2010-11) shows that just over half of mothers are successful in initiating breast feeding with their newborn baby. This has fallen from 51.8% in 2009-10.

Immunisation

Since the MMR (Measles, Mumps and Rubella) vaccine was introduced in 1988, the number of children who develop these highly infectious and very serious conditions in the UK has fallen to an all-time low.

NHS data for 2011-12 shows that, since the last Needs Assessment was produced, rates of MMR immunisation across the Liverpool City Region have increased for children aged 2 (93.4% compared to 90.2%) and 5 (now at 87.1%, having increased from 84.9%).

Aim 1: Ensure the best possible start in life for children & young people to improve their life chances

Action 3: Promote prevention and early intervention approaches to reduce health inequalities

Child Healthy Weight

Obesity has been long proven to increase the risk of a number of conditions in childhood and later life including diabetes, heart disease, high blood pressure, joint problems and poor mental health. Obesity prevalence for children is known to be closely linked to socio-economic status, with higher obesity prevalence in more deprived areas. National data shows that the prevalence of underweight children is higher in the most deprived areas than the national average.

At both reception and year 6, obesity rates are higher in the Liverpool City Region than the North West and England averages. In reception, 10.5% of children measured were classed as obese. In year 6, this proportion had doubled and was now more than 1 in 5 children (21.2%).

Whilst, the prevalence of obesity amongst reception age children in the LCR is higher than the England average, the last 3 years of data suggests that this gap is closing. However, the prevalence of obesity amongst Year 6 children in the LCR has increased in the same period.

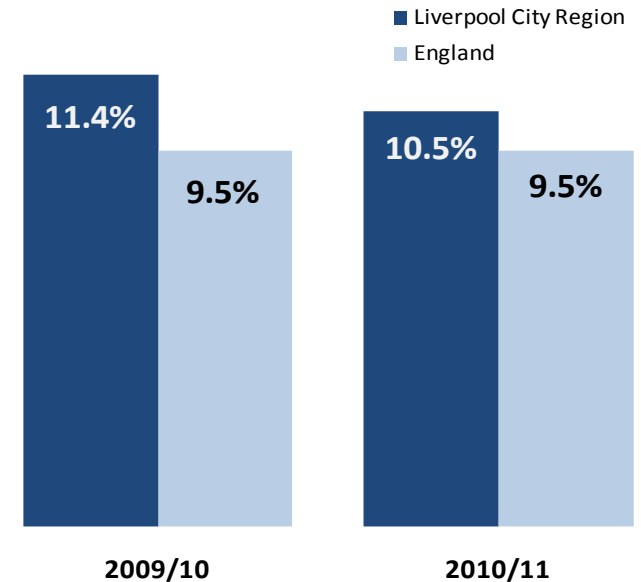


FIG K: Obesity in reception pupils, 2009/10 – 11/12

Cost of Food and the Emergence of Food Banks

The cost of food nationally and across the Liverpool City Region has continued to rise in 2012. The annual rate of inflation for food was 4% and, when compared to November, food prices in December had risen by 1.2%. Vegetables, meat and confectionary accounted for the majority of the upward pressures on food prices. In December 2011 the list of goods monitored totalled £50.29 and increased to £53.78 in the next 12 months.

In response to economic pressures, the UK has seen a huge increase in food banks in recent years. Food banks are community-based projects, often co-ordinated by community groups or faith organisations, where food is donated by local people, stored locally and distributed to local people in need. In 2011-12 food banks fed 128,687 people nationwide, and there are now over 250 food banks across the country. There are currently 10 food banks within the Liverpool City Region and anecdotal evidence suggests that around a third of people accessing the facilities are families with children, often doing so as a result of changes in their benefit entitlements.

Aim 1: Ensure the best possible start in life for children & young people to improve their life chances

Action 4: Influence an improvement in the quality of place and support strong communities

Poor housing during childhood has huge financial and social costs across many areas including health, education and the economy. Research from Shelter shows that children who live in poverty are almost twice as likely to be in bad housing.

Children living in bad housing are almost twice as likely to suffer from poor health as other children and are a third more likely to suffer respiratory problems such as chest problems, breathing difficulties, asthma and bronchitis than other children. Children living in unfit homes miss school more frequently due to medical reasons than other children. Even when they are attending school, children who live in bad housing can have their achievements compromised by delayed cognitive development or by behavioural problems linked to their home lives. As a result of these issues, they are also nearly twice as likely as other children to leave school without any GCSEs.

Hazards in the Home

The Government's Housing Health and Safety Rating System (HHSRS) assesses 29 different types of housing hazards and the effect that each may have on the health and safety of current or future occupants or any visitor to a property. Local Authorities and Registered Providers conduct stock condition surveys across the country to identify any existing hazards and assess how they should be rectified in order to reduce the risk of harm from a home. As a result of these ongoing surveys across the Liverpool City Region, it is estimated that there are currently around 58,150 hazards in homes across the City Region; more than 99% of these hazards are within privately-owned properties.

Local Practice: Affordability Calculator

Knowsley Council have developed an online Affordability Calculator that residents can use to compare their income with rough estimates of how much it will cost to live and rent in Knowsley. In addition to the housing focus, the calculator also provides signposting regarding benefit advice and money-saving tips that would be useful to lower-income families.

Impact of Under-Occupancy

As of April 2013, changes to the Welfare system will reduce the amount of Housing Benefit that working age people receive if they are deemed to have a spare bedroom in their Local Authority or Registered Provider-owned home. The cut will be a fixed percentage of the Housing Benefit eligible rent.

The Government has said that this will be set at 14% for one extra bedroom and 25 per cent for two or more extra bedrooms and impact assessments show that those affected will lose an average of £14 a week. Registered Provider tenants are expected to lose £16 a week on average.

Estimates for the Liverpool City Region show that around 30,000 households could be affected by this 'bedroom tax' which could mean a loss of around £22,369,999 a year to families across the City Region. In turn, this could lead to an increase in rent arrears for families in Registered Provider-owned homes and leave them facing the risk of eviction.

Aim 1: Ensure the best possible start in life for children & young people to improve their life chances

Action 4: Influence an improvement in the quality of place and support strong communities

Transport is important for young people to access education, training or employment, to socialise and to play an active role in local communities. For these reasons, access to cars reflects whether children are living in poorer households and their ability to access to important, life-enhancing opportunities.

Access to Cars

Census 2011 shows that there are 628,177 cars or vans in the Liverpool City Region. These vehicles are distributed amongst 655,399 households which means that there is less than one vehicle per household; compared to a national rate of almost 1.2 cars/vans per household. More than one in three households across the City Region do not have access to a vehicle and Figure L shows that this is a higher than the national rate of 26 per cent. Similarly, there are a lower proportion of households with two or more cars locally than across the rest of England.

Current Census data does not show the proportion of children with access to vehicles but, by using the figures discussed, it is possible to explore the potential picture. By applying the rate of households with no vehicle access (34 per cent) figure to the number of households in the City Region with dependent children (183,789), it could be estimated that more than 63,200 households with at least one child will be reliant on public transport across the Liverpool City Region.

Public Transport Costs

The cost of travel is a big issue highlighted by children and young people and can have an impact on their access to education. Recent price increases mean that the price of a 'child fare' can be as much as £1.40 around two thirds of an adult ticket, rather than half the price. Local education authorities have a statutory duty to 'facilitate attendance' at school for pupils of compulsory school age. This involves providing free transport for pupils who live over walking distances from their nearest school and are also from a low income household. However, this policy in its current guise can limit parental choice and could prevent children in poverty from accessing a school with a particular specialism.

Percentage of Households with Access to a Car or Van

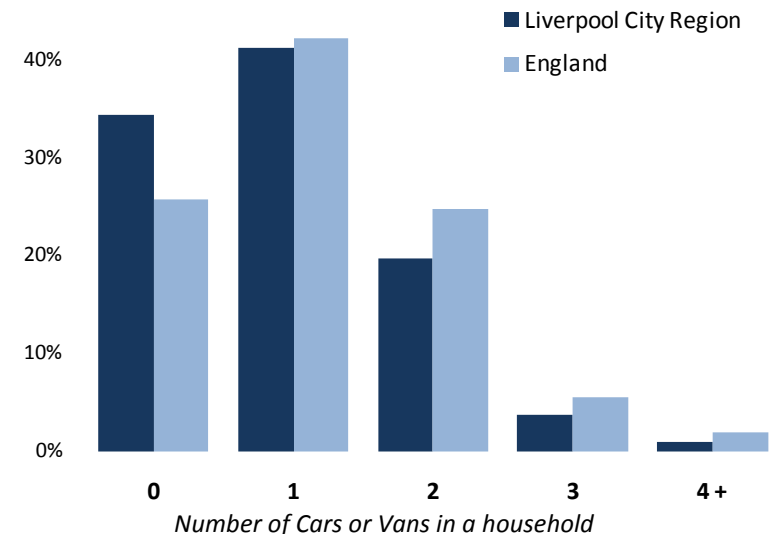


FIG L: Vehicle Access in the Liverpool City Region, Census 2011

Local Practice: Bikeability

Bikeability is the national standard on-road cycle training for children in school years 5-9. Funded by Department for Transport and Merseytravel (level 3 topped up by Merseytravel). Level 2 training is offered to every Primary school and level 3, to every secondary school, in Merseyside. Bikeability equips children with vital road awareness skills whether they use then cycling on the road or as a pedestrian. Merseytravel currently train 11,000 pupils per year (10,000 primary, 1,000 secondary) with on-road cycling skills.

Aim 2: Maximise family income

Action 1: Improve access to suitable financial services & support families to make good financial decisions

Home Ownership Costs

One of the most obvious impacts of the UK property market’s downturn is the falling of house prices across the country, but the opportunity for families to purchase their first home remains a huge challenge; particularly for lower-income households. Analysis from Hometrack (January 2013) shows that the average house price across the Liverpool City Region is currently £94,709; this equates to around £485 a month in mortgage repayments. Anecdotal evidence suggests that key barriers for City Region residents wishing to purchase their first home are the ability to save for a deposit and a lack of flexible mortgage products; meaning that families may choose to live in privately rented accommodation and, as shown in Figure M, pay a premium to do so, further impeding their chances to save for a deposit. Rightmove also found that ‘accidental landlords’ (an owner who ends up letting a property out as a result of circumstance, and is therefore unlikely to have experience in doing so) make up around 30% of all landlords.

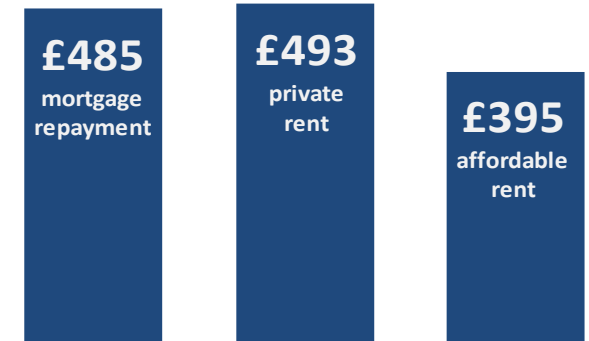


FIG M: Liverpool City Region average housing costs, Jan 2013.

Due to other financial pressures, families who are homeowners can be at risk of repossession proceedings. The Ministry of Justice provide regular updates on the number of property possession claims through local courts and these statistics are a leading indicator of the number of properties to be repossessed and the only source of sub-national possession information. There have been around 4,100 mortgage possession claims and 4,600 landlord Claims in the Liverpool City Region since 2009. Recent reductions in the number of claims have coincided with lower interest rates and a more proactive approach from lenders in managing consumers in financial difficulties.

Individual Insolvencies

In 2011, there were 3,776 new cases of individual insolvency across the Liverpool City Region. This is the lowest number of new cases since 2008 but over the last ten years there has been an increase in insolvencies of around 500 per cent.

It is important to note that these figures will only give a partial picture of debt across the City Region. Residents who have become insolvent will have addressed the issue by going through the insolvency process; there will be many others who have not explored this option and will be remain under the pressure of personal debt.

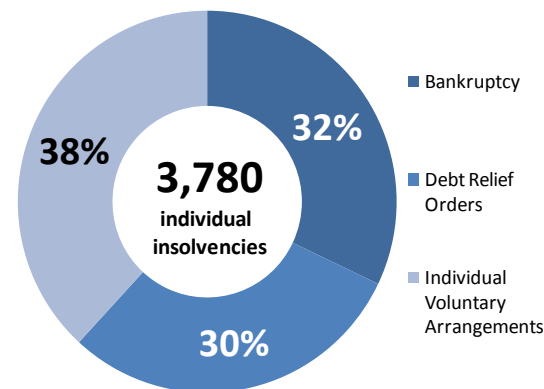


FIG N: Individual Insolvencies, Liverpool City Region 2011

Credit Unions

The number of credit unions in the UK is continuing to grow and many offer a wide range of services such loans, savings and current accounts to their members. In June 2012 the government announced that it will invest up to £38m to modernise and expand credit unions so they can offer 1 million more people an alternative to high cost credit avoiding turning to payday lenders and loan sharks. The Liverpool City Region Child Poverty Commission has pledged to double local credit union membership rates by 2017.

Aim 2: Maximise family income

Action 1: Improve access to suitable financial services & support families to make good financial decisions

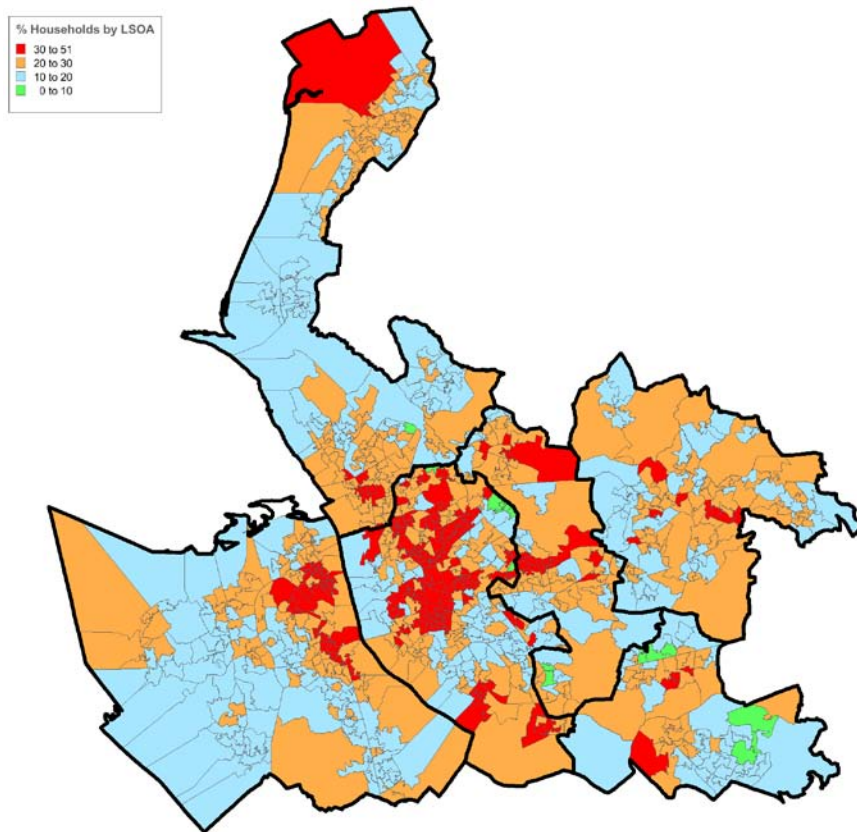


FIG O: Fuel Poverty in the Liverpool City Region by SOA

Living in a cold home creates many health risks for people of all ages and can have severe impacts of children’s educational and social development. Rising energy prices and a lack of knowledge regarding energy-saving initiatives means that the cost of heating a home is an increasing issue for many people across the country, pushing more and more into fuel poverty.

A household is said to be in fuel poverty if, in order to maintain an acceptable level of temperature throughout the home, the occupants would have to spend more than 10% of their income on all household fuel use. The Department of Energy and Climate Change shows that there are around 134,800 households in the Liverpool City Region classed as being in fuel poverty, this accounts for just over 20% (1 in 5) of all households. Figure O shows the distribution of fuel poverty in the City Region by Lower Super Output Area.

As the key suggests, the neighbourhoods with high concentrations of the fuel poverty (and, one could assume, other indicators of deprivation) are highlighted in darker colours, with those in red containing at least 28% of households in fuel poverty. Almost 430 of the Liverpool City Region’s LSOAs are in the top 20% of fuel poor neighbourhoods in England.

Variation in Household Energy Prices

The type of tariff customers subscribe to and the way they manage their accounts can make a price difference. Consumers looking to fix their energy prices can do so but often at a premium and may require online access and specific meter types in order to get the full benefits of some of these tariffs. These tariffs often involve paying fixed amounts through the year which can be beneficial but may not offer month to month savings to those on low incomes. Analysis of the Uswitch website shows that consumers with standard consumption levels could save £148 a year by switching from a pay on receipt tariff (where the customer pays via cash/cheque for the exact amount they use) to a fixed price tariff (involving online account management and monthly fixed direct debit payments for 2 or 3 years).

Aim 2: Maximise family income

Action 2: Optimise employment opportunities by removing barriers to good quality & sustainable employment

Latest estimates (DWP Benefit Claimants, May 2012) show that there are currently 180,190 residents in the City Region claiming a Key Out of Work benefit.

This accounts for 18.4% of working age residents and has decreased since the same period in 2010. More than half of claimants are in receipt of Incapacity Benefit/ Employment Support allowance which highlights the long-term unemployment trends in the City Region and the wider economic impact that poor health can have on residents.

In addition to this, there are currently around 21,000 Lone Parent Benefit claimants in the Liverpool City Region which accounts for 2.2% of the working age population and is a reduction of 3,450 since May 2010.

As of January 2013, there were around 53,055 Job Seekers Allowance Claimants in the Liverpool City Region which accounts for 5.4 per cent of the working age population which, although the rate has remained the same, is an additional 500 claimants since January 2011.

Figure P shows the geographical distribution and, much like the wider deprivation profile, highlights particular pockets of high Claimant rates across the City Region's wards. In the same time period, the number of claimants under the age of 25 has fallen from 10% to 9.8% (355 young claimants).

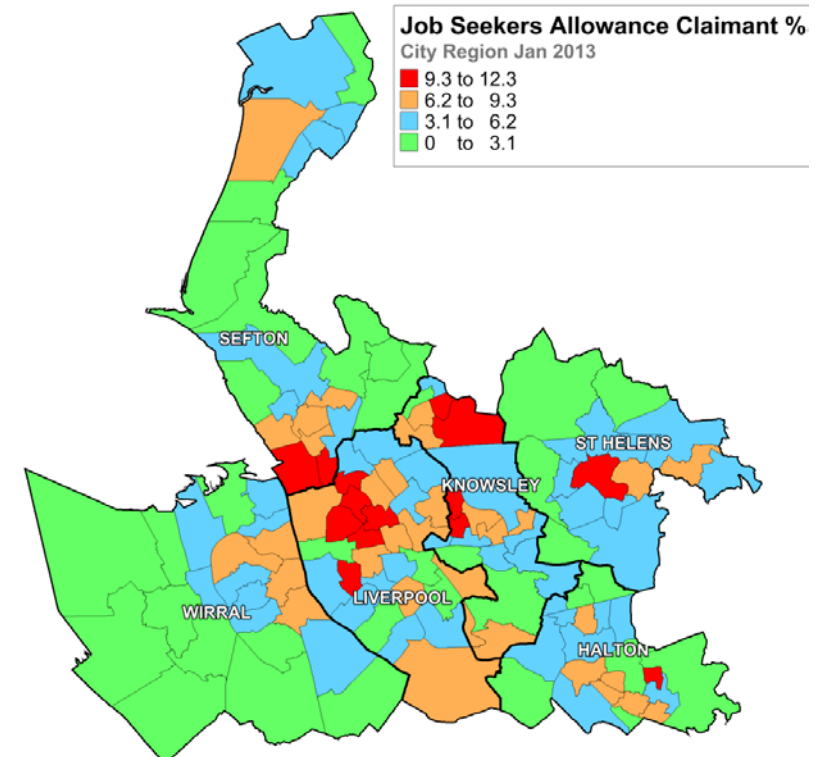


FIG P: JSA Claimants in the Liverpool City Region by Ward, Jan 2013

Youth Unemployment Task Force Consultation

The LCR Youth Unemployment Taskforce recently surveyed almost 500 young people across the City Region about their experiences in looking for employment. Almost 45% of young people surveyed stated that their inexperience in the working world has stopped them from getting a job while around 28% feel that a lack of available jobs and their own lack of qualifications or training are also significant factors. In addition to this, almost one in four respondents believe that their age in itself is a negative factor in job searching. Around 20% of the cohort stated that their confidence and motivation or application and interview skills have hindered previous job searches. More than 13% of young people stated that their ability to travel to the potential workplace was an issue.

Aim 2: Maximise family income

Action 2: Optimise employment opportunities by removing barriers to good quality & sustainable employment

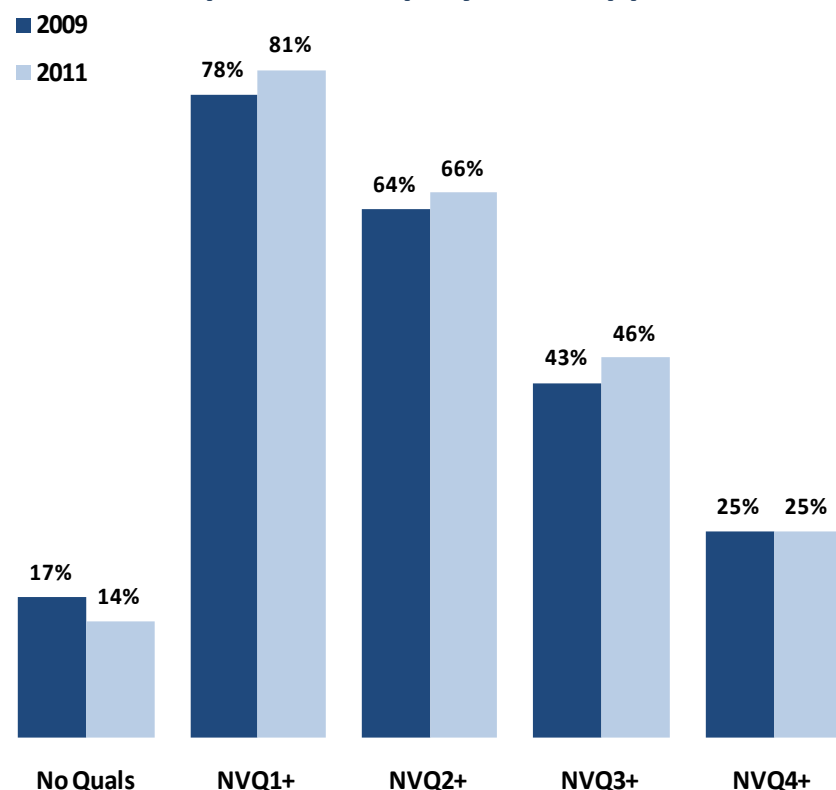


FIG Q: Adult Skills Levels in the Liverpool City Region (2009 to 2011 comparison)

The Annual Population Survey estimates that there are currently around 1 in 7 working age adults without qualifications in the Liverpool City Region; this has fallen by 3% points since 2009. Figure A shows that the rate of adults with skill levels between NVQ 1 and 3 have increased by around 3% points over the same period.

Only those with NVQ 4+ qualifications have stayed at the same rate over the 2 year period with 1 in 4 adults having a degree. However, in order to 'match' the national rate of 33%, there would need to be around 73,000 more residents qualified to NVQ4+; which has increased from 43,000 residents in 2009. It is extremely important to note that a large majority of those adults with no skills are not engaged in Further Education or training and it remains a significant challenge to 'close' the skills gap for this (often older) cohort.

In order to close this gap with the England average, the Liverpool City Region would need:

- 73,270 more people qualified to NVQ 4+
- 57,271 more people qualified to NVQ 3+
- 29,151 more people qualified to NVQ 2+

Childcare Provision

The Daycare Trust's national Annual Childcare Costs Survey 2012 found that the cost of childcare for under 2 year olds is currently around £5,100 a year. This shows an increase of around 6% for hourly rates since last year and 4% for children above 2 years of age. In addition to this, it is important to consider that changes in Working Tax Credit means that lower-income working families will have received £500 less per year to assist with childcare costs. The survey shows that more than half of local authorities in Britain said that families had identified a lack of sufficient childcare in the last year. This was particularly an issue for parents working outside normal office hours; jobs that can often be lower paid.

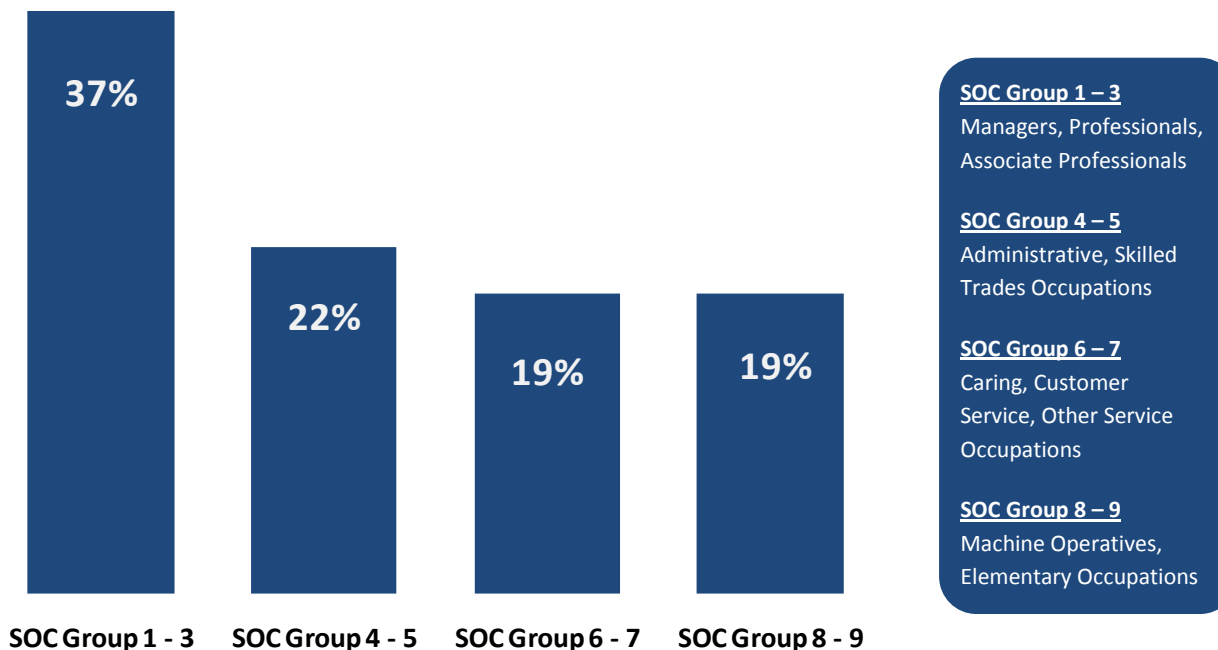
Aim 2: Maximise family income

Action 3: Support parents to progress in the workplace

As per the latest iteration of the Annual Population Survey (July 2011 – June 2012), there are approximately 623,000 working residents in the Liverpool City Region. Figure R shows that almost 4 out of 10 of the employees are in jobs within SOC Group 1 – 3 (a description of the SOC Groups is included in Figure R). A further 22% work within SOC Group 4 – 5, while the remaining 40% are split equally between SOC Group 6 – 7 and 8 – 9.

When comparing this with the same breakdown from the June 2010 results, there are decreases in the proportion of total employees in SOC groups 1 – 7 and a small increase in the proportion employed in SOC Groups 8 – 9. It is important to note that the amount of total employees has risen by around 2,000 (net) in this same period but these increases have come exclusively in lower-skilled and lower paid jobs.

The 2012 Annual Survey of Hours and Earnings finds that the average median weekly wage across the City Region is £380; an average increase of 2.5% over the last 12 months



Employer Insight: Skills needed to improve

The UK Commission’s Employer Skills Survey 2011 is the first nationwide employer skills survey and one of the largest surveys of its kind in the world; interviewing over 87,500 employers across Great Britain, including 1,500 in the Liverpool City Region. When asked about the most common areas staff needed to improve, employers (both locally and nationally) identified the following;

- Job specific skills
- Planning & organisation skills
- Customer handling skills
- Problem solving skills
- Team working skills
- Technical or practical skills

FIG R: Employment in the Liverpool City Region by Standard Occupation Code, Annual Population Survey July 2011 – June 2012.

Aim 2: Maximise family income

Action 3: Support parents to progress in the workplace

Aspirations

Findings from the Joseph Rowntree Foundation’s extensive research around attitudes towards work and poverty in disadvantaged communities show that young people had high aspirations regarding higher education and their future careers. There was little evidence of ongoing pessimism regarding job prospects for and an acute desire for families in low income areas to attain professional and managerial careers in large numbers. These aspirations were consistent across households, although a broader understanding of the pathways to achieve these ambitions was sometimes limited.

A study based in Teesside (an area with similar levels of deprivation to the Liverpool City Region) found that this desire to work often led parents to take poor quality jobs and could trap them in a cycle of low-paid jobs.

Apprenticeships

Apprenticeships schemes across the Liverpool City Region are playing an increasingly important role to help people gain the skills and experience they need to succeed in the world of work. In 2011/12, there were 12,090 Apprenticeship Achievements across the Liverpool City Region (an increase of 47% from the previous year) and, since 2005/06, there has been an increase in the number of Achievements almost every year (with the exception of a slight reduction in 2007/08).

Figure S shows the breakdown of Apprenticeship Achievements by age and it is interesting to note that around four out of ten Apprenticeship Achievements in 2011/12 were by Apprentices aged 25 or above. This is a significant increase in the proportion of Over 25 Achievers from previous years and suggests that older residents (and, therefore, those more likely to have families) are taking advantage of training opportunities to help develop their careers and earnings potential. In 2011/12, around 23,800 new Apprenticeships were started across the City Region. Provisional figures show that, by October 2012, there had already been 5,740 new starts for the 2012/13 academic year.

Skills for Growth

Commissioned by the LCR Employment & Skills Board as part of City Region’s ‘City Deal’ with government, Liverpool City Region Labour Market Information Service is currently producing a suite of 10 Skills for Growth Agreements for key sectors and employment locations within the City Region. These agreements will articulate the current and future skills needs of businesses in a number of the City Region’s growth sectors including SuperPort, Visitor Economy, Knowledge Economy.

The agreements will encourage employers, skills providers and local employment partnerships to work together to resolve the mismatch in employment and skills within the City Region by attracting young people to the sectors via bespoke learning routes and ‘upskilling’ the existing workforce through a wide range of accredited training.

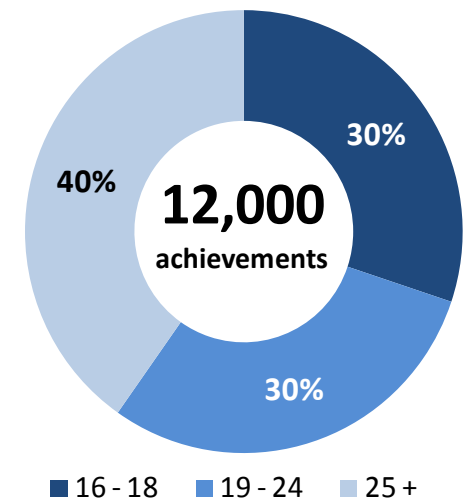
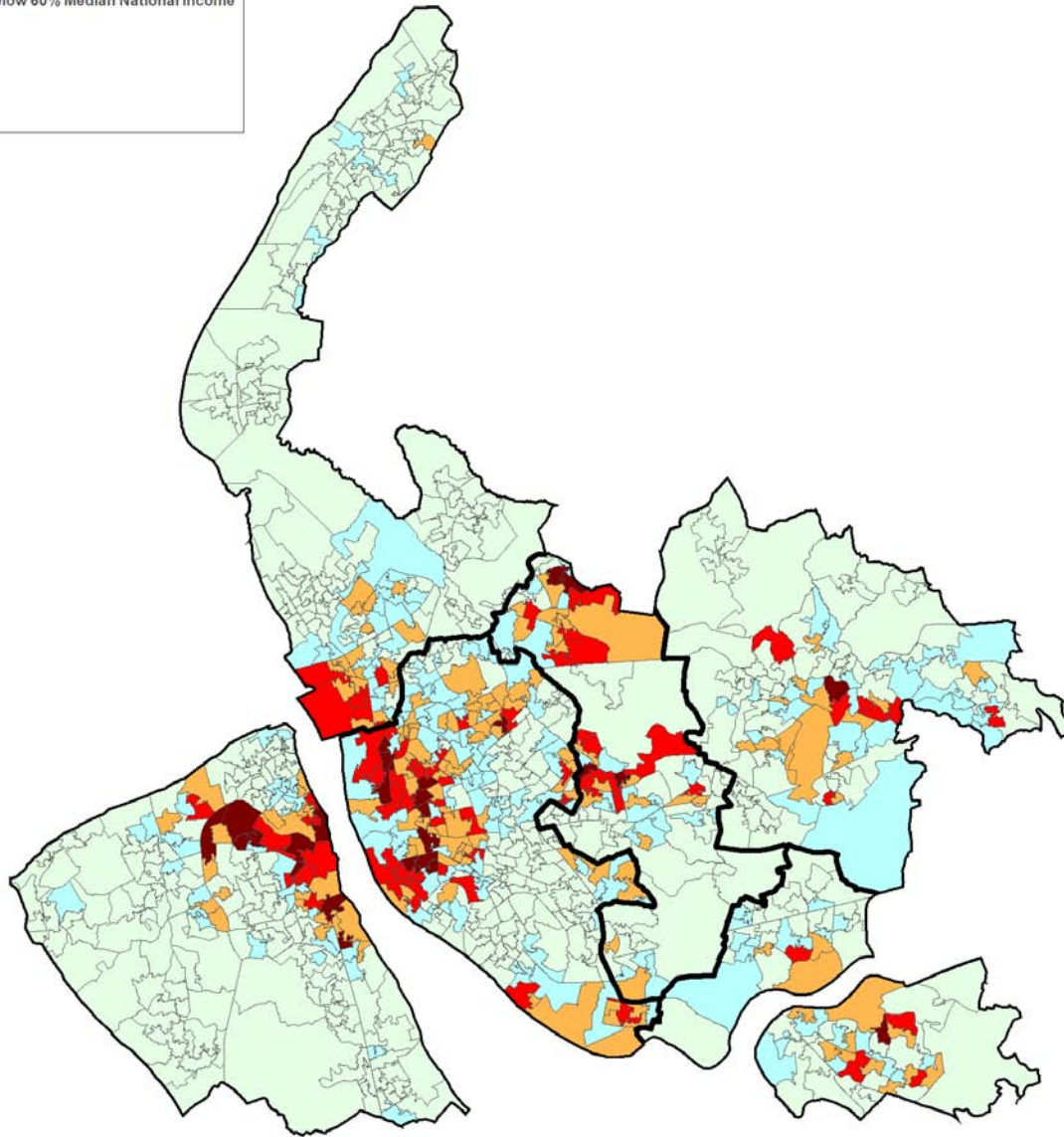
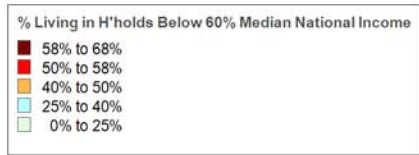


FIG S: Apprenticeship Achievements in the Liverpool City Region, by Age. 2011/12, the Data Service.

Appendix A: Child & Family Poverty in the Liverpool City Region by SOA



Appendix B: Liverpool City Region Child & Family Poverty Matrix

	Indicator	Where we were	Date	Where we are now	Date	Improvement**
Early Years	Proportion of underweight babies born	7.6%	2007-09	7.2%	2009-11	●
	Percentage of pregnant women who smoke at time of delivery	18.6%	2010-11	18.0%	2011-12	●
	Breast Feeding Initiation	51.8%	2009-10	50.4%	2010-11	○
	Infant Mortality Rate	4.8%	2007-09	4.4%	2009-11	●
	Immunisation 24month Cohort - MMR	90.2%	2010-11	93.4%	2011-12	●
	Childhood Obesity - Reception Year	11.4%	2009-10	10.5%	2011-12	●
	Underweight children - Reception Year	0.9%	2009-10	0.8%	2011-12	-
	Achievement of at least 78 points across the Early Years Foundation Stage with at least 6 points in each scale*	53.5%	2009-10	60.8%	2011-12	●
	% point gap between FSM and non-FSM pupils achieving a 'good level of development' at Foundation Stage*	20.8%	2009-10	20.7%	2011-12	-
	% of pupils that have achieved the expected level of 'social development'	85.5%	2009-10	87.8%	2011-14	●
	Immunisation rate for children aged 5 - MMR (2 doses)	84.9%	2010-11	87.1%	2011-12	●
	Immunisation rate for children aged 5 who have completed immunisation for all 4 doses	86.8%	2010-11	88.3%	2011-12	●

Key

● Improved

○ Not improved

- Remained the same

*Indicates an average of local authority overall figures

**Improvement or deterioration is shown where the change is greater or less than 0.5%

Appendix B: Liverpool City Region Child & Family Poverty Matrix

	Indicator	Where we were	Date	Where we are now	Date	Improvement**
Children and Young People	Childhood Obesity - Year 6	21.0%	2009-10	21.2%	2011-12	■
	Underweight children - Year 6	0.9%	2009-10	1.2%	2011-12	■
	Local Achievement gap between pupils eligible for free school meals and their peers achieving the expected level at Key Stage 2	20.0%	2010-11	15.0%	2011-12	●
	The likelihood of children to be involved in a collision of any severity from the LSOAs with highest child poverty compared to the LCR as a whole	20.0%	2010	27.0%	2011	○
	Gap between FSM pupils and their peers achieving 5 A*-C grades at GCSE (and equivalent) including English and maths	31.5%	2009-10	30.2%	2011-12	●
	Children and young people under 18 submitted to hospital for alcohol specific conditions as recorded by the DoH.(per 1,000 population)	134.57	2009-10	114.12	2010-11	●
	Under 18 Conception Rate	44.9	2009	58.4	2010	○
	Youth offending rate (per 100,000 10-17 year olds)	1,877	2007-08	1,448	2009-10	●
	Gap in progression to higher education FSM/non-FSM, percentage points (pp)*	20.80%	2008-09	20.80%	2009-10	■

Appendix B: Liverpool City Region Child & Family Poverty Matrix

Family Circumstances	Indicator	Where we were	Date	Where we are now	Date	Improvement**
	Proportion of children in poverty (headline measure)	27.6%	2008 Aug (HMRC)	27.2%	2011 Aug (HMRC)	■
	Children living in workless households	24.0%	2010	24.9%	2011	○
	JSA Claimants	5.4%	Jan-11	5.4%	Jan-13	■
	JSA Claimants 18-24	10.0%	Jan-11	9.8%	Jan-13	●
	IB/ESA Claimants	11.0%	May-10	10.2%	May-12	●
	Lone Parent Claimants	2.6%	May-10	2.2%	May-12	●
	Number of individual insolvency cases	3,803	2009	3,776	2011	●
	NI18 Take up of formal childcare by low-income working families*	21.7%	2009	20.9%	2010	○
	No Qualifications	16.5%	2009	13.9%	2011	●
	NVQ1 +	78.1%	2009	80.7%	2011	●
	NVQ2 +	63.7%	2009	66.4%	2011	●
	NVQ3 +	43.2%	2009	46.3%	2011	●
	NVQ4+	25%	2009	24.9%	2011	■
	Skills Gap - No qualifications (England)	-41,600	2009	-32,910	2011	●
	Skills Gap - NVQ2 (England)	12,284	2009	29,151	2011	○
Skills Gap - NVQ4 (England)	43,442	2009	73,270	2011	○	
Access to an employment location within 40 minutes travel time (in areas with the highest levels of child poverty)	73.0%	2010	73.0%	2012	■	