

CHILD POVERTY IN THE NORTH EAST REGION

January 2020

Jonathan Bradshaw

Summary

- The North East (NE) has the second highest low income and deprivation rate after inner London.
- The NE child income poverty rate (before housing costs) at the 50% threshold was the same as the average for England but at the 60% threshold the NE had the equal second highest rate after the West Midlands and at the 70% threshold the NE had the equal highest child income poverty rate with the West Midlands.
- After housing costs inner London has the highest child income poverty rate on all thresholds but the NE had the second highest child poverty rate at 60% and 70% thresholds.
- The NE is the region with the highest proportion of households with children lacking on 8 out of the 20 deprivation items.
- The material deprivation and low-income rate in the NE has risen and fallen since the mid-2000s. But the NE had the highest rate in the most recent period.
- Child poverty both before and after housing costs fell in the NE after the mid-2000s but have been rising again since 2012/13-2014/15. In the period 2005/6-2007/8 the NE had the highest child poverty rate BHC and second equal highest AHC after London. By the most recent period the NE had the equal second highest child income poverty rate BHC and the second highest AHC at the 60% threshold.
- Newcastle central constituency has the highest child poverty rates in the NE both before and after housing costs. It is notable that a number of constituencies that changed from Labour to Conservative in the 2019 election have quite high rates.
- Middlesbrough local authority has the highest child poverty rate in the NE BHC and Middlesbrough and Newcastle-upon-Tyne have the highest child poverty rate AHC.
- Before housing costs four wards in Middlesbrough and four wards in Newcastle are in the top 20 wards in the NE. After housing costs Newcastle has the highest four wards and seven wards in the highest 20.
- 22.7% of LSOAs (lower layer super output area) in the NE are in first decile of the national distribution of LSOAs with the highest levels of child poverty. In contrast only 6.8% of LSOAs in the NE fall into 10th decile with the lowest child poverty rates. Indeed, two local authorities Hartlepool and Middlesbrough

- have no LSOAs in the 10th decile and they both have more than half their LSOAs in the 1st or 2nd deciles.
- Newcastle has the highest levels of inequality in child poverty between its LSOAs.

Introduction

This report is an update of two previous reports on child poverty in the North East (NE) Region produced in 2008 and 2015.¹ The report is in three parts:

Part 1 is an analysis of the Family Resources Survey and compares the prevalence of child income poverty and deprivation in the North East with other regions. It also traces child income poverty and deprivation in the North East over time.

Part 2 presents the local authority and constituency level data on child poverty derived from the most recent End Child Poverty analysis of local area child poverty rates. These are based on the Index of Deprivation affecting children (IDACI) (which was also part of the index of child well-being²) updated by Hirsch for End Child Poverty at local authority, constituency and ward level using Labour Force Survey data on changes in the proportion of children in employed and non-employed families at local authority level. Hirsch and Valadez³ have since introduced further adjustments to their methods.

Part 3 presents the IDACI child poverty data at LSOA level in the North East derived from the latest Index of Deprivation 2019.

¹ Bradshaw, J. (2008) The prevalence, characteristics and distribution of child poverty in the North East Region, A Report for the Child Poverty Strategy Group for the North East.

Bradshaw, J. and Mayhew, E. (2015) Child poverty in the North East Region, A report produced for the North East Child Poverty Commission.

² Bradshaw J, Noble M, Bloor K, Huby M, McLennan D, Rhodes D, Sinclair I, Wilkinson K. (2009) A Child Well-Being Index at Small Area Level in England, *J. Child Indicators Research* 2, 2, 201-219

³ Donald Hirsch and Laura Valadez (2014) Local indicators of child poverty – developing a new technique for estimation Note by, Centre for Research in Social Policy, Loughborough University, July 2014

http://www.endchildpoverty.org.uk/images/ecp/paper_explaining_calculations_and_method_to_ECP.pdf

Part 1: Analysis of the Family Resources Survey

The official data on child poverty is *Households below average income* (HBAI), based on the Family Resources Survey (FRS)⁴. The published data on child poverty at regional level in HBAI is the average of three years, because there are too few cases for robust estimates in one year (children in the NE only represent 4.3 per cent of all children in the UK).

Table 1.1: Compares the latest main poverty and deprivation rates by region. The NE has the second highest low income and deprivation rate⁵ after inner London, but the NE's severe low income and deprivation rate⁶ is the same as the average for England. Similarly, the income poverty rate (all before housing costs) at the 50% thresholds was the same as the average for England but at the 60% threshold the NE had the equal second highest rate after the West Midlands and at the 70% threshold the NE had the equal highest poverty rate with the West Midlands. After housing costs inner London has the highest child poverty rate on all thresholds but the NE had the second highest child poverty rate at 60% and 70% thresholds.

The HBAI does not publish a breakdown of the 20 individual deprivation items by region but in our own analysis of the FRS for 2017/18 we found that NE was the region with the highest proportion of children in households lacking: the ability to keep the accommodation warm enough (11.5%), holidays away from home one week a year not staying with relatives (46.2%), an ability to replace any worn out furniture (35.8%), ability to replace or repair broken electrical goods (29.6%), money to spend each week on yourself, not on your family (39.7%), a holiday away from home at least 1 week a year with family (38.9%), a hobby or leisure activity (10.2%), and to go on a school trip at least once a term (6.3%).

⁴ DWP (2019) Households Below Average Income: An analysis of the income distribution 1994/95 -2017/18 Table 4.6db

⁵ A family is in low income and material deprivation if they have a material deprivation score of 25 or more and a household income below 70 per cent of contemporary median income

⁶ A family is in severe low income and material deprivation if they have a material deprivation score of 25 or more and a household income below 50 per cent of contemporary median income,

Table 1.1: Main indicators of deprivation and poverty 2015/16-2017/18

	Material deprivation and low income	Material deprivation and severe low income	Income thresholds - Below 50% median BHC	Income thresholds - Below 60% median BHC	Income thresholds - Below 70% median BHC	Income thresholds - Below 50% median AHC	Income thresholds - Below 60% median AHC	Income thresholds - Below 70% median	Millions
England	12	4	11	20	32	20	31	41	11.6
North East	17	4	11	25	41	19	35	46	0.5
North West	15	6	14	25	38	20	32	44	1.5
Yorkshire and the Humber	14	6	12	24	38	20	30	42	1.1
East Midlands	12	4	12	21	34	19	28	39	1.0
West Midlands	13	5	12	26	41	21	34	46	1.3
East	8	3	10	17	28	18	27	35	1.3
London	13	6	11	19	29	27	37	47	2.0
Inner	18	9	15	23	33	33	44	52	0.6
Outer	10	4	9	18	26	24	34	44	1.3
South East	7	3	9	15	23	17	25	33	1.9
South West	10	3	7	15	27	15	25	37	1.1
Wales	12	2	10	20	37	19	29	41	0.6
Scotland	11	5	11	20	31	17	24	34	1.0
Northern Ireland	8	2	10	21	36	13	24	35	0.4
All children ⁶	12	5	12	22	33	20	30	40	13.8

Source: HBAI Table 4.6db

Table 1.2 gives the changes in regional child income poverty rates over time (at the 60% threshold). Child poverty both before and after housing costs fell in the NE in the earlier periods but have been rising again since 2012/13-2014/15. In the first period the NE had the highest child poverty rate BHC and second equal highest AHC after London. By the most recent period the NE had the equal second highest child income poverty rate BHC and the second highest AHC.

Table 1.2: Percentage of children living in households with less than 60 per cent of contemporary median household income, by region and country, United Kingdom

	05/06- 07/08	06/07- 08/09	07/08- 09/10	08/09- 10/11	09/10- 11/12	10/11- 12/13	11/12- 13/14	12/13- 14/15	13/14- 15/16	14/15- 16/17	15/16- 17/18
Before Housing Costs											
Region/Country (3-year average)											
England	22	22	21	20	18	17	17	18	18	19	20
North East	28	29	27	25	22	21	18	19	20	24	25
North West	26	26	25	22	21	21	21	21	21	23	25
Yorkshire and the Humber	26	27	26	26	23	22	21	21	22	23	24
East Midlands	25	25	23	19	17	15	16	19	21	22	21
West Midlands	27	29	29	28	24	21	20	21	23	24	26
East	15	16	16	16	14	13	15	15	16	16	17
London	23	23	21	20	18	17	18	17	17	17	19
South East	16	15	14	13	13	13	13	12	13	15	15
South West	17	17	17	16	14	14	15	17	17	15	15
Wales	27	26	26	23	23	22	22	20	20	19	20
Scotland	21	21	20	19	17	17	16	16	17	19	20
Northern Ireland	23	23	25	24	23	21	22	23	23	23	21
All children (per cent)³	22	22	22	20	18	18	17	18	19	19	20
After Housing Costs											
Region/Country (3-year average)											
England	31	32	31	30	28	28	28	29	29	30	31
North East	33	34	33	31	28	28	26	26	28	33	35
North West	33	33	33	31	31	30	30	29	30	32	32
Yorkshire and the Humber	31	32	32	32	30	29	28	28	29	30	30
East Midlands	30	29	29	25	25	23	24	26	29	29	28
West Midlands	35	35	36	34	32	29	29	30	33	34	34
East	25	26	26	25	24	23	24	25	25	26	27
London	40	40	39	38	37	37	38	37	37	37	37
South East	26	26	24	22	22	22	23	25	25	26	25
South West	26	26	26	26	25	24	24	26	26	25	25
Wales	33	32	33	31	33	32	31	29	30	28	29
Scotland	24	25	25	24	22	21	21	22	23	24	24
Northern Ireland	26	25	27	26	26	24	25	25	26	26	24
All children (per cent)³	31	31	30	29	28	27	27	28	29	30	30

Source: HBAI Table 4.16ts

The HBAI does not publish a time series for the low income and deprivation rates but in Table 1.3 we have extracted and compared data for three periods. The material deprivation and low-income rate rose and then fell over the time periods. But the NE had the highest rate in the most recent period. The deprivation and severe rate fell⁷ and the NE no longer has the highest rate.

Table 1.3: Low income and deprivation over time

	2006/07- 2008/09	2008/09- 2010/11	2015/16- 2017/18	2006/07- 2008/09	2008/09- 2010/11	2015/16- 2017/18
	Material deprivation and low income			Material deprivation and severe low income		
England	17	16	12		5	4
North East	20	21	17		6	4
North West	21	20	15		6	6
Yorkshire and the Humber	19	21	14		6	6
East Midlands	19	16	12		5	4
West Midlands	21	21	13		7	5
East of England	11	11	8		4	3
London	19	15	13		6	6
South East	11	9	7		3	3
South West	14	13	10		4	3
Wales	16	20	12		6	2
Scotland	17	15	11		5	5
Northern Ireland	14	16	8		6	2

Source: Extracted from selected HBAI reports.

⁷ There is no data for the first period because the indicator was not introduced then.

Part 2: Child poverty in the NE at local authority and constituency level.

Table 2.1 gives the child poverty rates in the NE constituencies before and after housing costs. Newcastle central has the highest child poverty rates both before and after housing costs. It is notable that a number of constituencies that changed from Labour to Conservative in the 2019 election have quite high rates Blyth Valley (32%), Bishop Auckland (39%), Sedgefield (36%), Redcar (33%), Durham North West (35%), Darlington (35%) and Stockton South (30%) - all after housing costs. There is also ward level data for each of these constituencies.⁸

Table 2.1: Child poverty rates 2017/18 by constituency

Constituency	% of children living in poverty 2017/18	
	Before Housing	After Housing
Berwick-upon-Tweed	19%	34%
Bishop Auckland	29%	39%
Blaydon	19%	31%
Blyth Valley	22%	32%
City of Durham	22%	31%
Darlington	26%	37%
Easington	32%	40%
Gateshead	30%	42%
Hartlepool	29%	36%
Hexham	14%	25%
Houghton and Sunderland South	25%	35%
Jarrow	22%	32%
Middlesbrough	37%	42%
Middlesbrough South and East Cl	22%	33%
Newcastle upon Tyne Central	40%	48%
Newcastle upon Tyne East	30%	39%
Newcastle upon Tyne North	21%	31%
North Durham	25%	35%
North Tyneside	23%	34%
North West Durham	23%	35%
Redcar	23%	33%
Sedgefield	25%	36%

⁸ <http://www.endchildpoverty.org.uk/poverty-in-your-area-2019/>

South Shields	28%	36%
Stockton North	29%	38%
Stockton South	19%	30%
Sunderland Central	28%	37%
Tynemouth	18%	26%
Wansbeck	24%	34%
Washington and Sunderland West	26%	39%

Table 2.2 gives the child poverty rates by upper tier local authority. Middlesbrough has the highest child poverty rate in the NE BHC and Middlesbrough and Newcastle-upon-Tyne have the highest child poverty rate AHC.

Table 2.2: Child poverty in the NE by local authority

Local Authority	% of children living in poverty 2017/18	
	Before Housing	After Housing
County Durham	26%	36%
Darlington	24%	35%
Gateshead	24%	36%
Hartlepool	29%	36%
Middlesbrough	32%	39%
Newcastle upon Tyne	30%	39%
North Tyneside	21%	30%
Northumberland	20%	31%
Redcar and Cleveland	23%	34%
South Tyneside	25%	34%
Stockton-on-Tees	24%	34%
Sunderland	26%	37%

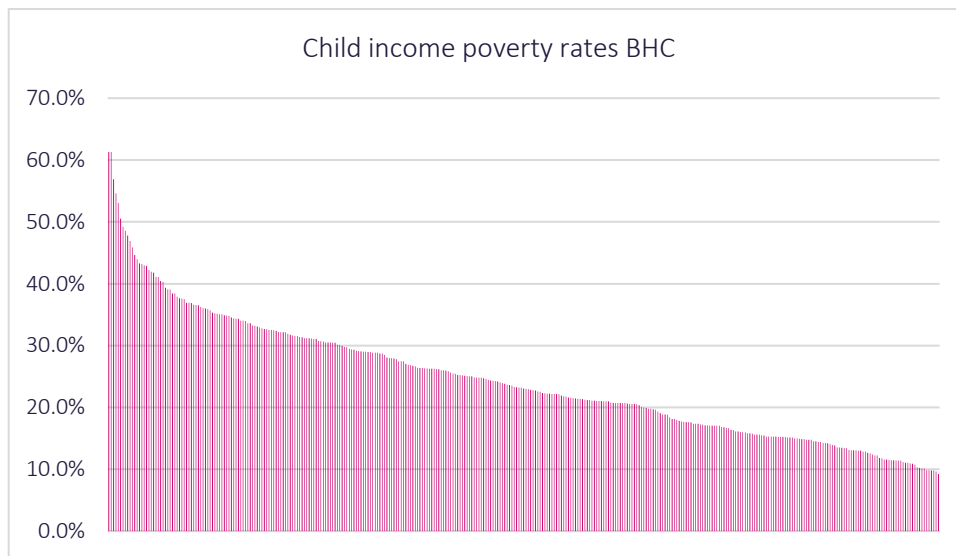
There is also ward level data available.⁹ Table 2.3 gives the highest 20 wards by their child income poverty rates BHC. Middlesbrough has four wards in this list as does Newcastle. Figure 2.1 shows the whole distribution of wards.

⁹ <http://www.endchildpoverty.org.uk/poverty-in-your-area-2019/>

Table 2.3: Highest 20 NE wards child income poverty rates BHC out of 353 wards

Middlesbrough	E05001497	Middlehaven	61.3%
Middlesbrough	E05001504	University	61.3%
Newcastle upon Tyne	E05001096	Elswick	56.9%
Newcastle upon Tyne	E05001091	Byker	54.6%
Middlesbrough	E05001489	Gresham	53.1%
Newcastle upon Tyne	E05001111	Westgate	50.5%
Newcastle upon Tyne	E05001113	Wingrove	49.2%
Newcastle upon Tyne	E05001108	Walker	48.6%
County Durham	E05007989	Horden	47.8%
Sunderland	E05001158	Hendon	46.9%
Stockton-on-Tees	E05001549	Stockton Town Centre	45.9%
Middlesbrough	E05001494	North Ormesby and Brambles Farm	44.6%
Hartlepool	E05001480	Stranton	44.0%
Darlington	E05001572	Northgate	43.3%
Redcar and Cleveland	E05001509	Grangetown	43.2%
County Durham	E05008017	Woodhouse Close	43.0%
Hartlepool	E05001474	Owton	42.9%
South Tyneside	E05001148	Simonside and Rekendyke	42.2%
County Durham	E05007998	Peterlee East	42.0%
Stockton-on-Tees	E05001544	Norton South	41.8%

Figure 2.1: Distribution of all NE wards



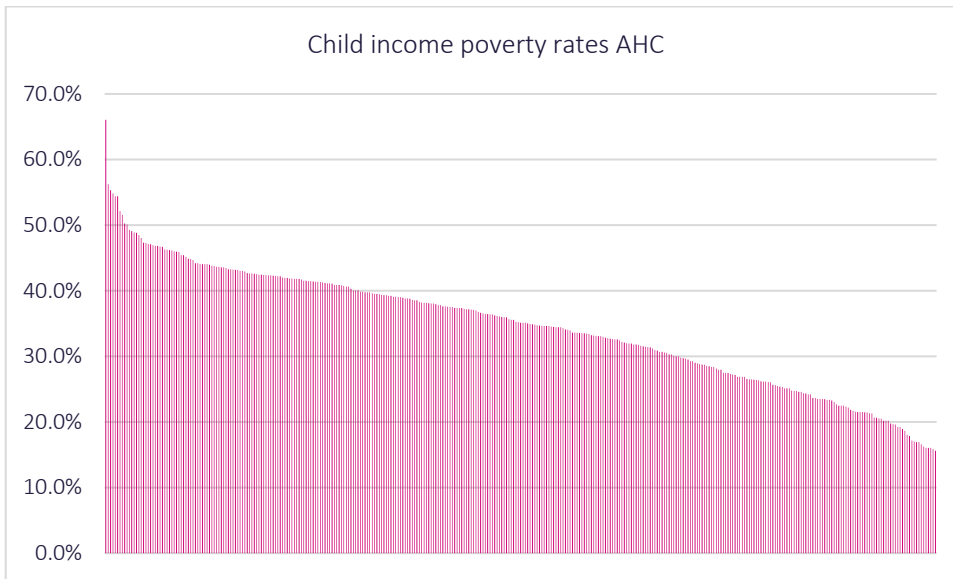
After housing costs Newcastle has the highest four wards and seven wards in the highest 20. Figure 2.2 gives the full distribution.

Table 2.4: Highest 20 NE wards child income poverty rates AHC out of 353 wards

Newcastle upon Tyne	E05001111	Westgate	66.1%
Newcastle upon Tyne	E05001091	Byker	56.3%
Newcastle upon Tyne	E05001113	Wingrove	55.3%
Newcastle upon Tyne	E05001096	Elswick	54.9%
Middlesbrough	E05001497	Middlehaven	54.4%
Middlesbrough	E05001504	University	54.4%
Darlington	E05001573	Park East	52.2%
Gateshead	E05001083	Saltwell	51.6%
Newcastle upon Tyne	E05001108	Walker	50.2%
Middlesbrough	E05001489	Gresham	50.1%
Newcastle upon Tyne	E05001104	Ouseburn	49.3%
Sunderland	E05001169	Sandhill	49.1%
Newcastle upon Tyne	E05001106	South Heaton	48.9%
Gateshead	E05001073	Deckham	48.9%
Middlesbrough	E05001483	Ayresome	48.5%
Stockton-on-Tees	E05001540	Mandale and Victoria	48.1%
Sunderland	E05001163	Redhill	47.3%

Hartlepool	E05001474	Owton	47.3%
Sunderland	E05001158	Hendon	47.1%
County Durham	E05007974	Craghead and South Moor	47.1%

Figure 2.2: Distribution of all NE wards



Part 3: Child poverty at LSOA¹⁰ level using the IDACI¹¹ index in the Index of Deprivation 2019.

There are 1585 LSOAs in the NE. In Table 3.1 we place these in the national decile rank of the 32844 LSOAs nationally. Instead of 10% being in the bottom (highest child poverty rate) decile 22.7% in the NE are. Thus, the NE LSOAs are twice as likely to have the highest levels of child poverty. In contrast only 6.8% of LSOAs in the NE fall into 10th decile with the lowest child poverty rates. Indeed, two local authorities Hartlepool and Middlesbrough have no LSOAs in the 10th decile and they both have more than half their LSOAs in the 1st or 2nd deciles. It is also interesting to observe how unequal local authorities are. Newcastle for example has 30.7% of LSOAs in the poorest decile and 13.9% in the richest decile.

Table 3.1: Decile distribution of LSOAs in the NE

Decile	Decile of LSOA rank										
	1	2	3	4	5	6	7	8	9	10	
Durham	17.3%	18.2%	15.3%	11.2%	8.3%	8.3%	5.8%	6.1%	7.3%	2.2%	100%
Darlington	20.7%	13.8%	8.6%	10.3%	12.1%	3.4%	5.2%		17.2%	8.6%	100%
Gateshead	13.6%	15.2%	14.4%	11.2%	12.0%	8.8%	4.0%	9.6%	6.4%	4.8%	100%
Hartlepool	45.3%	9.4%	1.9%	1.9%	11.3%	7.5%	1.9%	11.3%	9.4%		100%
Middlesbrough	48.1%	4.9%	12.3%	2.5%	2.5%	11.1%	6.2%	4.9%	7.4%		100%
Newcastle	30.7%	12.0%	8.4%	6.6%	4.2%	6.0%	7.8%	4.2%	6.0%	13.9%	100%
North Tyneside	10.2%	16.5%	12.6%	4.7%	4.7%	11.0%	5.5%	11.0%	7.1%	16.5%	100%
Northumberland	14.6%	5.7%	9.9%	9.9%	8.3%	9.4%	9.4%	8.9%	9.4%	14.6%	100%
Redcar	27.8%	10.1%	8.9%	11.4%	8.9%	7.6%	7.6%	6.3%	8.9%	2.5%	100%
South Tyneside	33.7%	15.8%	9.9%	9.9%	5.0%	5.0%	6.9%	4.0%	5.0%	5.0%	100%
Stockton	19.1%	13.6%	9.1%	6.4%	10.0%	5.5%	10.0%	10.9%	11.8%	3.6%	100%
Sunderland	25.0%	15.6%	10.6%	11.1%	7.8%	6.7%	5.6%	7.8%	6.7%	3.3%	100%
Total	22.7%	13.4%	11.2%	8.8%	7.7%	7.8%	6.6%	7.2%	7.9%	6.8%	100%

¹⁰ These are geographical areas first derived in 2004 using 2001 Census outputs. They are spatially contiguous areas with a mean population of 1,500 and a minimum of 1,000 which are designed to be relatively socially homogenous and constrained to 2003 ward boundaries. They have the advantages over wards of being smaller, stable over time and of a more consistent population size. They have the advantage over enumeration districts of having boundaries determined by the character of the population, including size, mutual proximity and social homogeneity³, rather than roads or other physical features. There are 32,844 LSOAs in England in 2011..

¹¹ The IDACI index is the percentage of children under 16 living in families reliant on various means tested benefits (Noble et al. 2004). The indicators are

Children aged 0–15 in households claiming Income Support.

Children aged 0–15 in households claiming Income Based Jobseeker's Allowance.

Children aged 0–15 in households claiming Pension Credit (Guarantee).

Children aged 0–15 in households claiming Working Tax Credit in receipt of Child Tax Credit whose equivalised income (excluding housing benefits) is below 60% of the median before housing costs

Children aged 0–15 in households claiming Child Tax Credit (who are not eligible for Income Support, Income Based Jobseeker's Allowance, Pension Credit or Working Tax Credit) whose equivalised income (excluding housing benefits) is below 60% of the median before housing costs).

This can be seen in summary in Table 3.2 where Newcastle’s standard deviation is the highest of all local authorities in the NE. Also, North Tyneside and Northumberland have the highest mean and a higher than average standard deviation indicating high degrees of inequality in the child poverty rates of their LSOAs. In contrast LSOAs in Middlesbrough tend to have higher rates of child poverty but less difference across the local areas.

Table 3.2: NE LSOAs mean and standard deviation

Local authority	Mean	Standard deviation
County Durham	4.1	2.6
Darlington	4.7	3.2
Gateshead	4.6	2.7
Hartlepool	3.7	3.0
Middlesbrough	3.3	2.8
Newcastle	4.5	3.4
North Tyneside	5.5	3.2
Northumberland	5.6	3.1
Redcar and Cleveland	4.2	2.9
South Tyneside	3.6	2.9
Stockton	4.8	3.0
Sunderland	4.1	2.8
Total	4.5	3.0

Social Policy Research Unit, University of York, Heslington, York, YO10 5DD
 Tel: ++44 1904 321239, email: jonathan.bradshaw@york.ac.uk