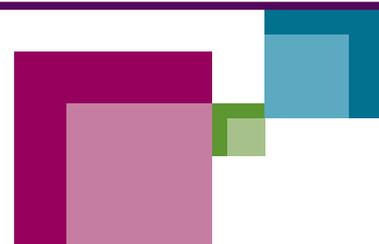




Families At Risk

Background on families with multiple disadvantages





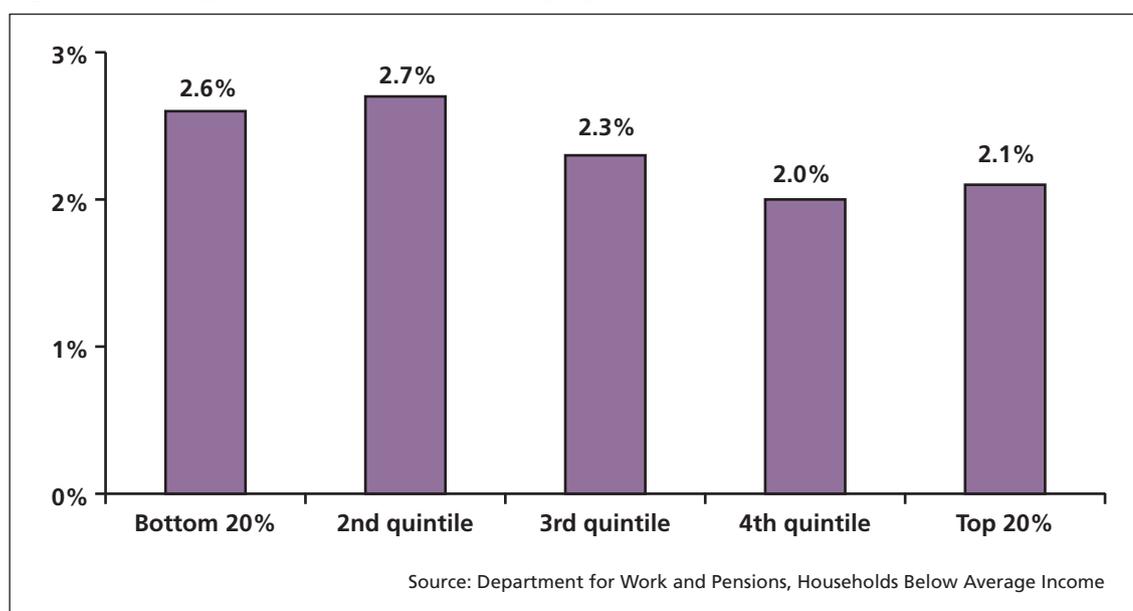
The Government has made major progress in improving services and outcomes for the vast majority of children and families

Over the past decade, the vast majority of the population has experienced significant improvements in income and wellbeing. Poorer groups have benefited particularly, with economic growth, the tax

and benefit system and the national minimum wage helping to ensure that they have a share in rising prosperity. Improved public services have helped increase quality of life for the most disadvantaged groups, and have contributed to improved outcomes for them and their children through investment in education, employment and training.

Figure 1 shows income growth rates for the different income groups within the population, between 1997/98 and 2004/05.¹

Figure 1. Average annual income percentage growth, 1997/98 to 2004/05



This figure illustrates the overall picture of rising incomes and living standards across the board over the last 10 years, including for the less well off:

- The bottom 20% of the population have seen their incomes rise faster since 1997 than the richest 20% of the population, at 2.6% average annual income growth compared with 2.1%.
- By comparison, between 1979 and 1997, the top 20% of the population saw their average annual incomes grow at three times the rate of the bottom 20%, at 2.5% compared with 0.8%.

¹The bottom quintile is the poorest 20% of households. Figures quoted are on a total equivalised household disposable income (after housing costs) basis. For further information, see the Government's latest Households Below Average Income series at www.dwp.gov.uk/asd/hbai/hbai2005/contents.asp

There has been good progress in tackling poverty and improving other outcomes for children

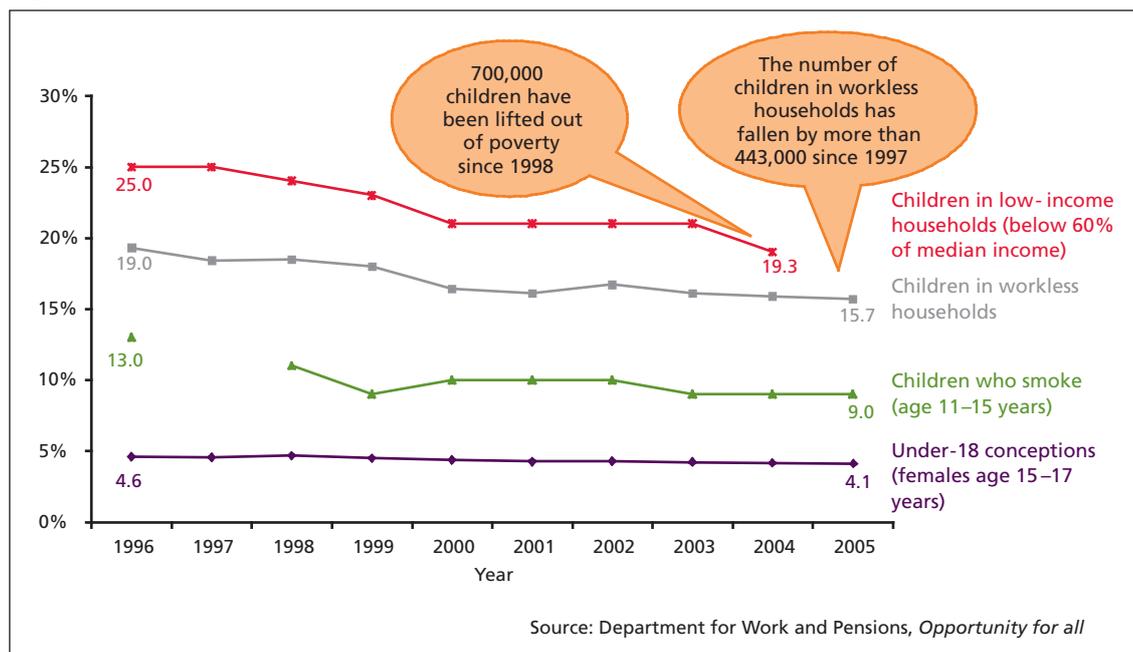
Linked to this good performance on income growth over the past 10 years, the Government has made good progress in tackling poverty among families with children:

- 700,000 children have been lifted out of relative poverty since 1998.² The Government has

succeeded in arresting and reversing the long-term trend in rising child poverty, and the UK made the biggest improvement since 1997 of any EU country.

- Families with children are on average £1,550 a year better off than in 1998.
- Families with children in the poorest fifth of the population are on average £3,450 a year better off than in 1998.

Figure 2. Trends in outcomes for families with children, 1996 to 2005



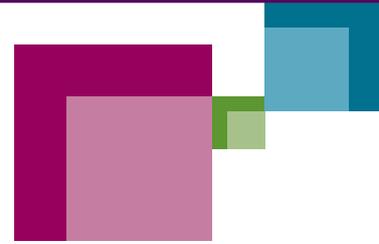
The data presented in Figure 2 demonstrate the progress the Government has made in improving a variety of other outcomes for families with children since 1997. The figures for this decade illustrate the progress that has been made since the data presented in the recent report by UNICEF on child wellbeing, which uses data covering the period from 1997/99 to 2003.³

Employment

- Between 1992 and 1996, the proportion of children living in working-age workless households was broadly constant at around 19%. Since then, the proportion has fallen to around 16% in the early years of this decade and stood at 15.7% in 2005.

² Relative poverty refers to the low-income threshold of 60% median household income each year.

³ UNICEF (2007), *Child poverty in perspective: An overview of child well-being in rich countries*, Innocenti Report Card 7, UNICEF Innocenti Research Centre, Florence.



- This means that the number of children in workless households has fallen by more than 443,000 since 1997.

Health

- The percentage of secondary school children who regularly smoke has fallen from 13% in 1996 to 9% in 2005.

Teenage pregnancy

- The rate of conceptions among 15–17-year-old females has also fallen slightly over the period, to 41.1 per 1,000 in 2005 (or 4.1%). This represents an 11.8% decline since 1998.⁴

There have been significant improvements in educational outcomes, including for children at risk of social exclusion

Having a decent education is paramount to ensuring that children and young people have the opportunity to fulfil their potential. Figure 3 shows that

significant progress has been made in improving the educational outcomes of children and young people.

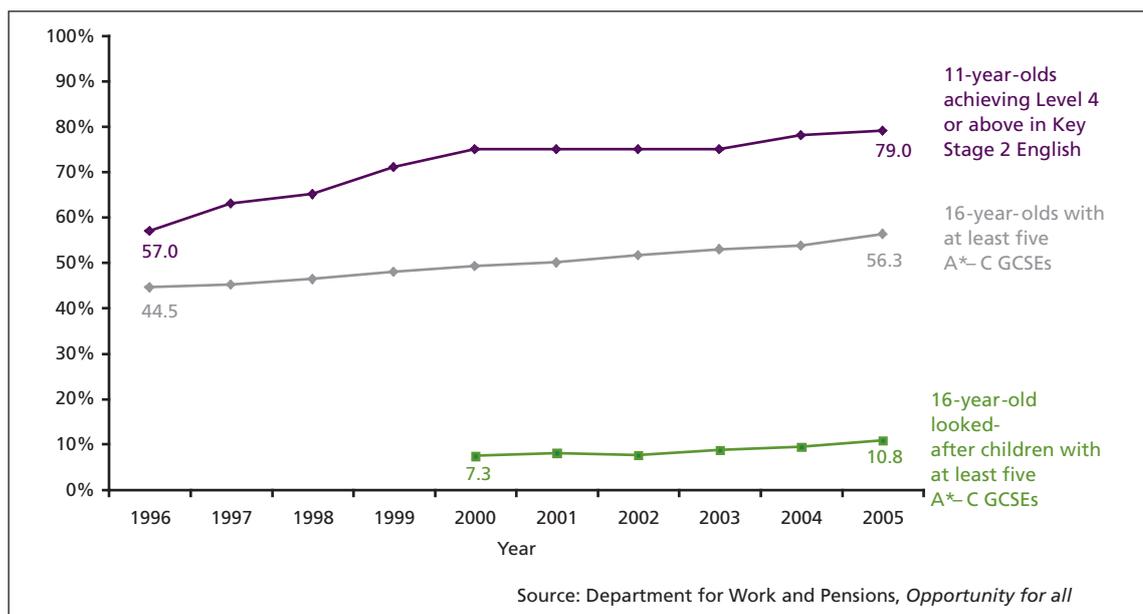
There has been an overall increase in the proportion of pupils achieving Level 4 or higher in Key Stage 2 tests for both English and maths:

- The percentage of 11-year-olds achieving Level 4 or above in Key Stage 2 English has increased from 57% in 1996 to 79% in 2005.
- The proportion of young people gaining five good GCSEs (at grade A*–C) has risen from 45% to 56%.

There has been an improvement in attainment for groups of children at risk of social exclusion:

- The percentage of 16-year-old looked-after children with five or more A*–C GCSEs has increased from 7.3% in 2000 to 10.8% in 2005.
- The percentage of Black Caribbean students achieving five or more A*–C GCSEs has also risen, up from 35.7% in 2004 to 41.7% in 2005.⁵

Figure 3. Trends in educational outcomes for children, 1996 to 2005



⁴ *Teenage conception statistics for England 1998–2005*, Teenage Pregnancy Unit.

⁵ *National curriculum assessment, GCSE and equivalent attainment and post-16 attainment by pupil characteristics in England 2005*, Department for Education and Skills.

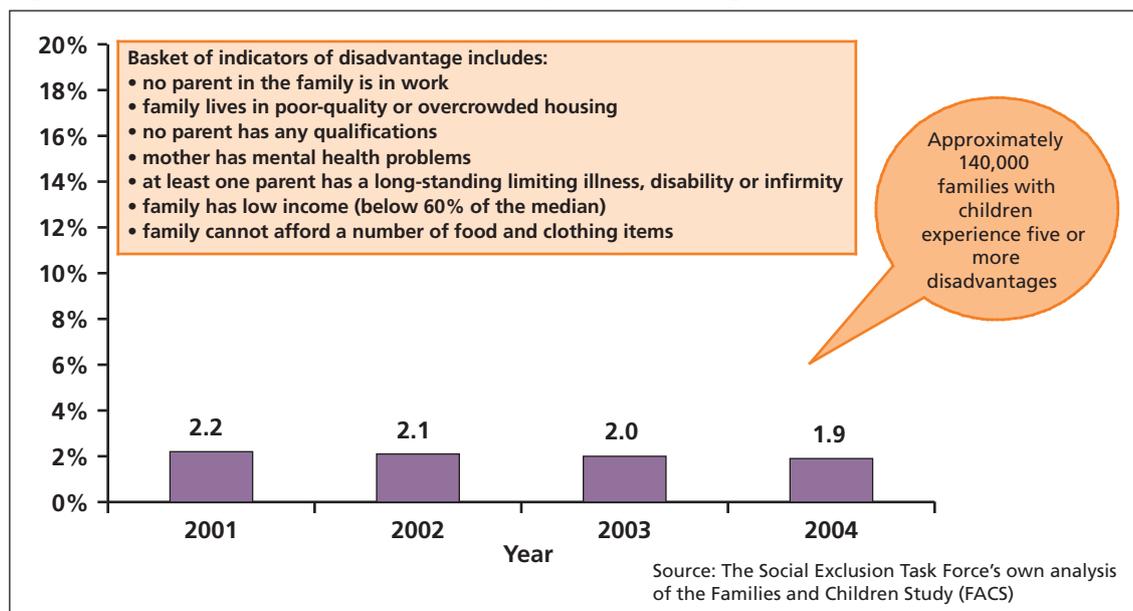
The Government is now in a position to focus its attention on the complex needs of a small minority of families who face multiple and entrenched problems

While most families with children have seen improvements across a range of outcomes since 1997, a small minority continue to suffer from

a large number of problems and are deeply disadvantaged.

Figure 4 presents new analysis by the Social Exclusion Task Force using the Families and Children Study.⁶ This shows that around 2% of families with children in Britain experience five or more disadvantages. In 2004, this represented around 140,000 families. The proportion of families experiencing five or more problems has remained relatively consistent since 2001.

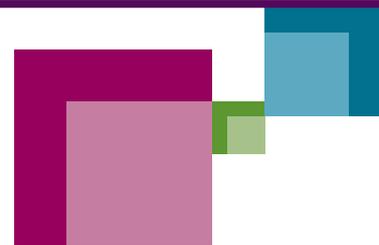
Figure 4. Families with children with multiple disadvantages, 2001 to 2004



The analysis focused on disadvantages experienced by families across a range of outcome areas that reflect the cross-cutting nature of social exclusion. These were:

- no parent in the family is in work;
- family lives in poor-quality or overcrowded housing;
- no parent has any qualifications;
- mother has mental health problems;
- at least one parent has a long-standing limiting illness, disability or infirmity;
- family has low income (below 60% of the median); and
- family cannot afford a number of food and clothing items.

⁶The Families and Children Study (FACS) is a refreshed longitudinal or panel study of approximately 7,000 families in Britain with dependent children (defined as aged 16 years or younger, or 17 or 18 years and in full-time education). FACS provides nationally representative cross-sectional estimates for all households with dependent children as well as panel data for all six of the annual survey collections that have been completed thus far. FACS is commissioned and managed by the Department for Work and Pensions and is co-sponsored by HM Revenue and Customs, the Department for Education and Skills, Communities and Local Government, and the Department for Transport. According to FACS, there were approximately 7 million families with dependent children in Britain in 2004.



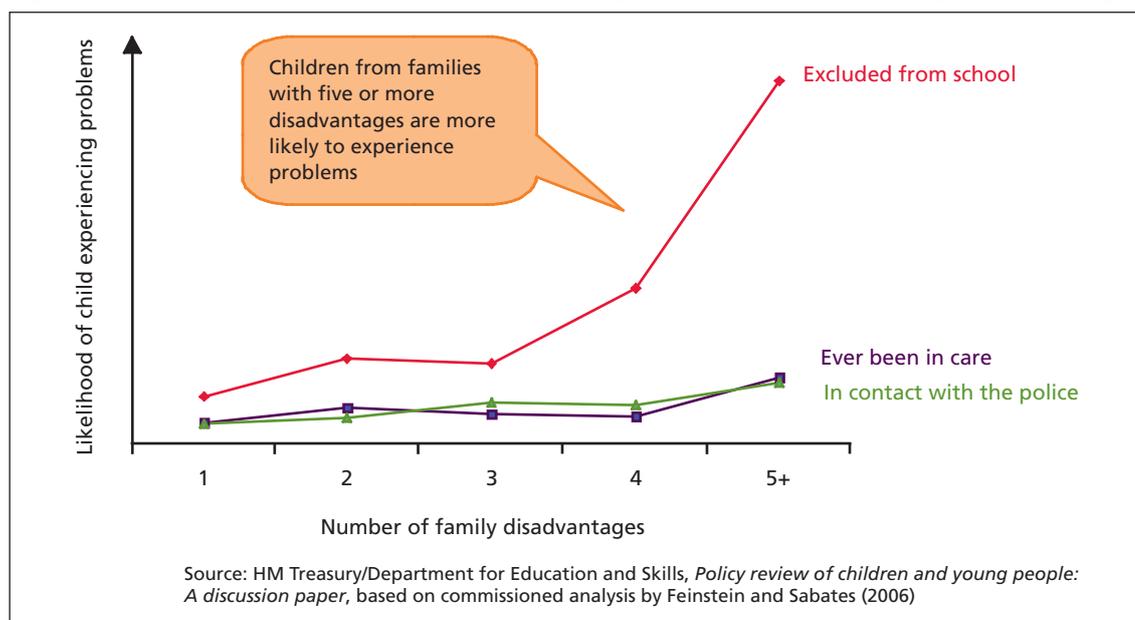
These indicators were selected not as a definition of social exclusion, but to illustrate a range of problems across some of the key areas of disadvantage. The analysis focused on families with five or more disadvantages because some families may experience one or two of these problems but are able to cope well and do not suffer disadvantage. However, the more of these problems a family experiences, the more likely they are to experience poor outcomes and be socially excluded.

This analysis is to help us gain a better understanding of the complex patterns of exclusion faced by families with children and should be treated as preliminary findings. The Social Exclusion Task Force will continue to examine the characteristics of families with children who have multiple problems to gain more detail about who they are, the nature of their problems and how these problems group together, as well as the risk factors that lead families to experience multiple problems. Findings from the full analysis will be published in summer 2007 as part of the Social Exclusion Task Force's *Families At Risk Review*.

This work is important because the evidence shows that exposure to parent-based risk factors can harm children's life chances

Children in families that experience multiple problems are themselves much more likely to have poor outcomes. Figure 5 presents research commissioned for HM Treasury and the Department for Education and Skills, *Policy review of children and young people: A discussion paper*, that uses evidence from two national longitudinal studies.⁷ This shows that children aged 13 to 14 years who live in families with five or more problems are 36 times more likely to be excluded from school than children in families with no problems and six times more likely to have been in care or to have contact with the police.⁸

Figure 5. Likelihood of poor child outcomes at age 14 by number of family disadvantages



⁷The Millennium Cohort Study is a large-scale survey of the new century's babies and the families who are bringing them up, for the four countries of the United Kingdom, first collected during 2001/02. The National Longitudinal Survey of Young People in England follows a large cohort of young people (up to 20,000), initially contacted at age 13/14, to be followed up every year until they reach their mid 20s. The first sweep of information was collected in 2004.

⁸The research examined data from surveys of families experiencing problems in the wider family environment (mental health, physical disability, substance misuse, domestic violence, financial stress, neither parent in work, teenage parenthood, poor basic skills and living in poor housing conditions) and the outcomes of the children in the household.

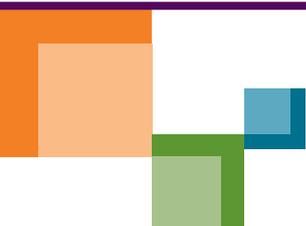
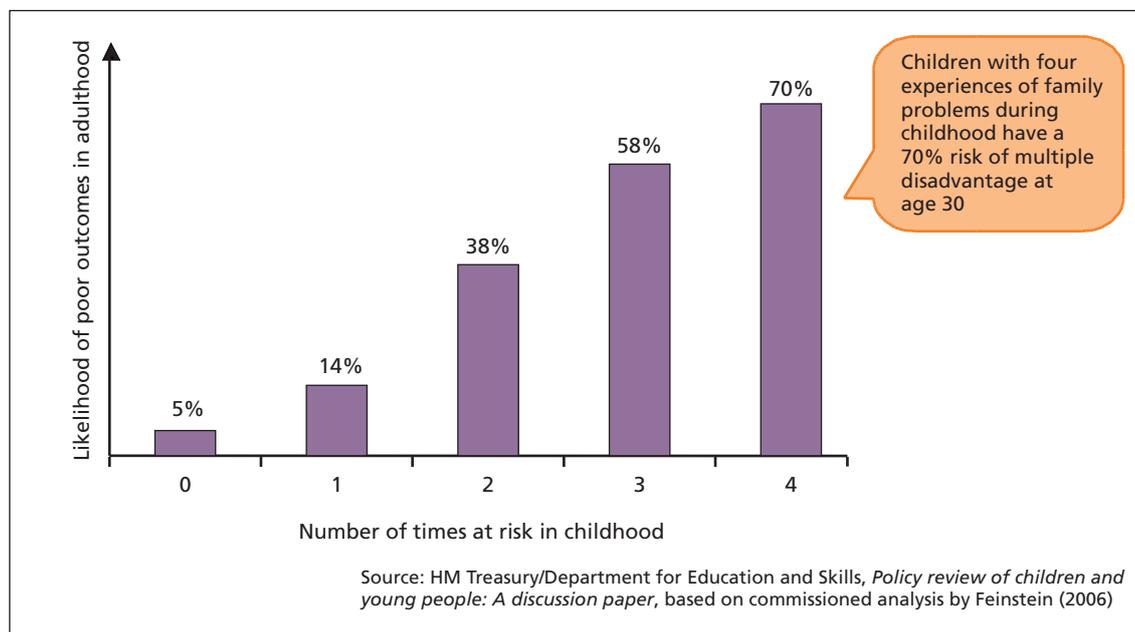


Figure 6 shows how the likelihood of poor outcomes in adulthood increases with the number of times children experience poor outcomes during childhood. For example, the probability of experiencing multiple problem outcomes at age 30 rises from 5% for those who did not display any

problems in childhood to 70% for those who experienced problems at four separate stages during childhood.⁹ For some vulnerable children, therefore, persistence of 'risk' through childhood leads to a very high probability of poor adult outcomes.

Figure 6. Likelihood of poor outcomes at age 30 by number of times at risk in childhood



The negative consequences of exclusion can inflict huge costs on the individual, the economy and society

The costs associated with poor outcomes for children and young people are difficult to estimate. However, the costs to public services of supporting families with multiple problems are likely to be particularly large. This is not just because of the sum

of the individual problems. Multiple problems within the family can often interact and exacerbate each other, leading to more harmful and costly outcomes, especially for the children in the family. Some of the problem outcomes children experience as a result of growing up in disadvantaged families are presented in Figure 7, as well as the cost of these problems to society.

⁹Information in Figures 5 and 6 is taken from HM Treasury and the Department for Education and Skills (January 2007), *Policy review of children and young people: A discussion paper*, based on commissioned analysis by Feinstein, L (16 October 2006), *Predicting adult life outcomes from earlier signals: Modelling pathways through childhood* (report for HM Treasury, version 1.3), Centre for Research on the Wider Benefits of Learning, Institute of Education, University of London; and Feinstein, L and Sabates, R (30 October 2006), *The prevalence of multiple deprivation for children in the UK: Analysis of the Millennium Cohort and Longitudinal Survey of Young People in England* (report for HM Treasury, version 1.4), Centre for Research on the Wider Benefits of Learning, Institute of Education, University of London.

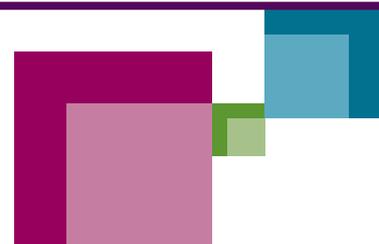


Figure 7. Examples of the costs of children living in families that experience disadvantage

Costs to child	Costs to society
<p>Exposure to parent-based risk factors can be devastating for children's life chances:</p> <ul style="list-style-type: none"> • Children from the 5% most disadvantaged households are more than 50 times more likely to have multiple problems at age 30 than those from the top 50% of households¹⁰ • 63% of boys whose fathers go to prison are eventually convicted themselves¹¹ • 61% of children in workless couple households live in poverty¹² • 60% of children in the lowest reading attainment group at age 10 had parents with low literacy scores¹³ • Children who experience parental conflict and domestic violence are more likely to be delinquent and to commit violence and property offences¹⁴ 	<p>The negative consequences of exclusion inflict huge costs on the economy and society:</p> <ul style="list-style-type: none"> • Anti-social behaviour costs the public £3.4 billion a year¹⁵ • The annual cost of school exclusion is estimated at £406 million¹⁶ • The additional costs of being not in education, employment or training at age 16 – 18 have been estimated at around £8.1 billion in terms of public finance costs¹⁷ • We could save £300 million over three years if care leavers had the same rates of going into education, employment and training as their peers¹⁸ • If one in ten young offenders received effective early intervention, it would save in excess of £100 million a year¹⁹

Preventing negative outcomes from arising in the first instance reduces the costs of failure, which fall on the taxpayer when more intensive and expensive interventions become necessary. The costs of failure are also borne by society more widely, for example the lost economic contribution, poor health, or the effects of anti-social behaviour in some cases. For children and young people themselves, the failure to prevent problems from developing or getting worse has adverse consequences for their life chances.

The Social Exclusion Task Force will continue to investigate the complex issues surrounding the social exclusion of families with children

Social exclusion is a deeply complex phenomenon and poses considerable challenges for empirical investigation. The Social Exclusion Task Force is undertaking a programme of work to examine social exclusion among families with children to understand the nature of the problems families face, what drives these problems and how policies can

¹⁰ Feinstein, L and Sabates, R (2006), *Predicting adult life outcomes from earlier signals: Identifying those at risk*, Centre for Research on the Wider Benefits of Learning, Institute of Education, University of London

¹¹ Farrington, D and Coid, J (editors) (2003), *Early prevention of adult anti-social behaviour*, Cambridge University Press

¹² Department for Work and Pensions, *Revised child poverty strategy* (forthcoming)

¹³ Moser, C (1999), *A fresh start – Improving literacy and numeracy*, Department for Education and Employment

¹⁴ HM Treasury (2004), *Child poverty review*

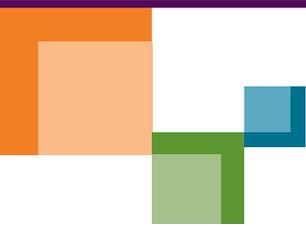
¹⁵ Home Office (2003), *Costing the response to anti-social behaviour: A note*

¹⁶ Social Exclusion Unit (2001), *Preventing social exclusion*

¹⁷ Godfrey, C et al (2002), *Estimating the cost of being 'not in education, employment or training' at age 16–18*, Department for Education and Skills Research Report No. 346, Social Policy Research Unit, University of York, University of Hull

¹⁸ Jackson, S, Feinstein, L, Levacic, R, Owen, C, Simon, A and Brassett-Grundy, A (2002), *The cost and benefits of educating children in care: A report to the Social Exclusion Unit*, CLS Cohort Studies Working Paper No. 4, Institute of Education, University of London

¹⁹ Audit Commission (2004), *Youth justice 2004: A review of the reformed youth justice system*



tackle the drivers of such deep-seated exclusion. A brief description of this programme of analysis is outlined below.

The Social Exclusion Task Force recently published a research report looking at strategies for measuring the most severe forms of social exclusion.²⁰

The next stage of this research programme is to undertake analytical work to investigate the circumstances of the most excluded families and what drives social exclusion for these families. This work will include:

- identifying how many and what type of families experience social exclusion;
- exploring the forms of exclusion that tend to be most strongly (and weakly) associated with one another;
- investigating how long social exclusion lasts and how often it recurs, and how different combinations of social exclusion problems interact over time; and

- pinpointing what events can trigger experiences of social exclusion and what the key drivers of social exclusion are.

The Social Exclusion Task Force is also leading a cross-Whitehall review on at-risk families, to be published in summer 2007.²¹ The aims of the review will be:

- to set out a vision for an effective family support system for at-risk families;
- to identify barriers and practical solutions to the provision of a coherent whole-family approach for these families. A key focus will be on how adults' services respond to their clients as parents or carers; and
- to agree action to better integrate adult, child and community services around the needs of excluded families in order to tackle the drivers of deep-seated exclusion.

²⁰ www.cabinetoffice.gov.uk/social_exclusion_task_force/publications/research/multidimensional.asp

²¹ You can contribute to the call for evidence by visiting the website at <http://survey.cesi.org.uk/setf/MainPage.htm>