Socio-economic and environmental conditions

- 2.1 Income/poverty
- 2.2 Deprivation
- 2.3 Employment
- 2.4 Housing
- 2.5 Homelessness



Key messages

- The highest percentages of children in poverty, and greatest concentration of most deprived areas, are in the south Wales valleys and cities. In Wales 142,595 (22%) children and young people aged under 20 live in poverty (defined as a household income less than 60% of the median UK income in 2010) with the highest levels being seen in Blaenau Gwent (30%). In Monmouthshire, which has the lowest percentage, 1 in 8 children and young people (13%) live in poverty.
- Rhyl in Denbighshire and the south Wales valleys have the highest rates of youth unemployment.
 - o In Wales, the percentage of year 11 school leavers known not to be in education, employment or training (NEET) is 4.4%. Cardiff has the highest percentage (7.7%).
 - o Data from the 2011 Census show that 15% of 16-24 year olds (excluding students) in Wales are unemployed. The highest percentage is seen in Blaenau Gwent (21%).
- Across Wales, 16% of all households with dependent children are overcrowded (more than 1.5 persons per room). The percentage is highest within the social rented housing sector at 26%. Overcrowding tends to be a feature of urban areas and is particularly an issue for Cardiff and north east Wales.
- In Wales in 2011/12, 1,250 (45%) of the 2,770 households that were accepted as homeless and temporarily accommodated by local authorities were households with dependent children.



Social inequalities in childhood can impact on health and well-being and lead to disengagement and disadvantage in adulthood.^{1,2} The impact of economic and environmental conditions such as low income and poor housing in a child's early years can affect many aspects of life including health, educational achievement and future economic status.¹

This chapter describes socio-economic factors and environmental conditions affecting children in Wales including income and economic activity, and deprivation and housing.

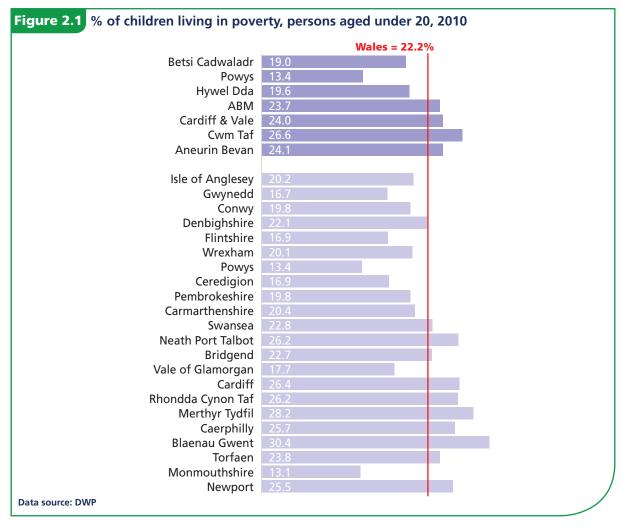
2.1 Income/poverty

Relative poverty is defined with reference to the society being studied and can differ over time. It is defined as when an individual's resources are so seriously below those commanded by the average individual or family that they are, in effect, excluded from ordinary living patterns, customs and activities.³ The Welsh Government aims to eradicate child poverty by 2020.⁴ In addition, 1 of the 3 strategic objectives set out in the *Child Poverty Strategy for Wales* is to

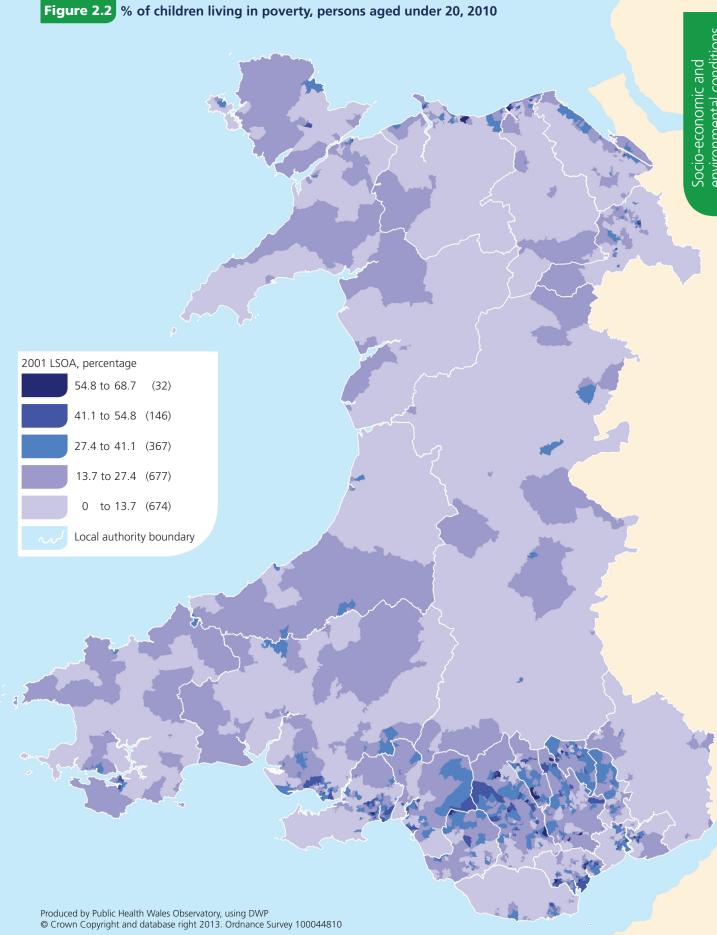
reduce inequalities that exist in health, education and economic outcomes of children and families by improving the outcomes of the poorest.⁴ Figures 2.1 and 2.2 use a measure of child poverty which is defined as children in families whose household income is less than 60% of the median UK income in 2010, or children in families who are in receipt of Income Support or Income-Based Jobseekers Allowance. Income is calculated before housing costs; in 2010 the threshold for the 60% median UK income was £211 per week. Analysis by the Joseph Rowntree Foundation estimated that in 2012 a couple with a single earner and 2 children needed £34,900 per annum to afford a minimum acceptable standard of living.⁵

Governments should '...recognize the right of every child to a standard of living adequate for the child's physical, mental, spiritual, moral and social development'.

The United Nations Convention on the Rights of the Child, Article 27.1



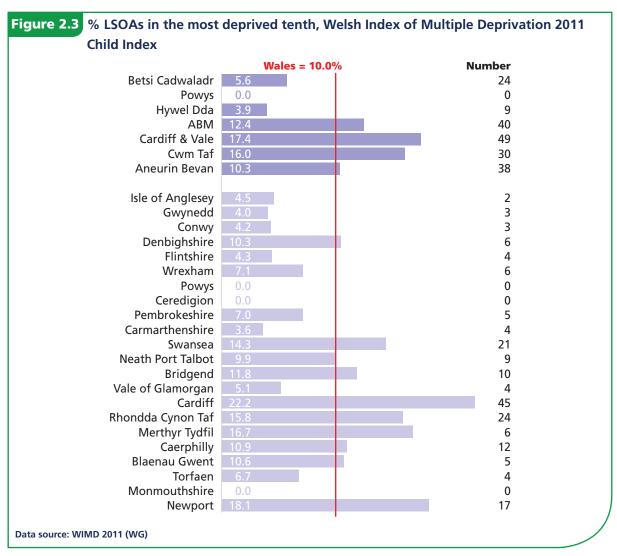
In Wales over 1 in 5 (142,595) children and young people aged under 20 live in poverty (Figure 2.1). At the health board level Powys has the lowest percentage of children in poverty and Cwm Taf has the highest. Across local authorities in Wales this ranges from 13% in Monmouthshire to over 30% in Blaenau Gwent. However, even in Monmouthshire which has the lowest percentage, 1 in 8 children live in poverty. All local authorities in north and mid Wales are under the Wales average, whereas the majority of local authorities in south Wales are above the Wales average.



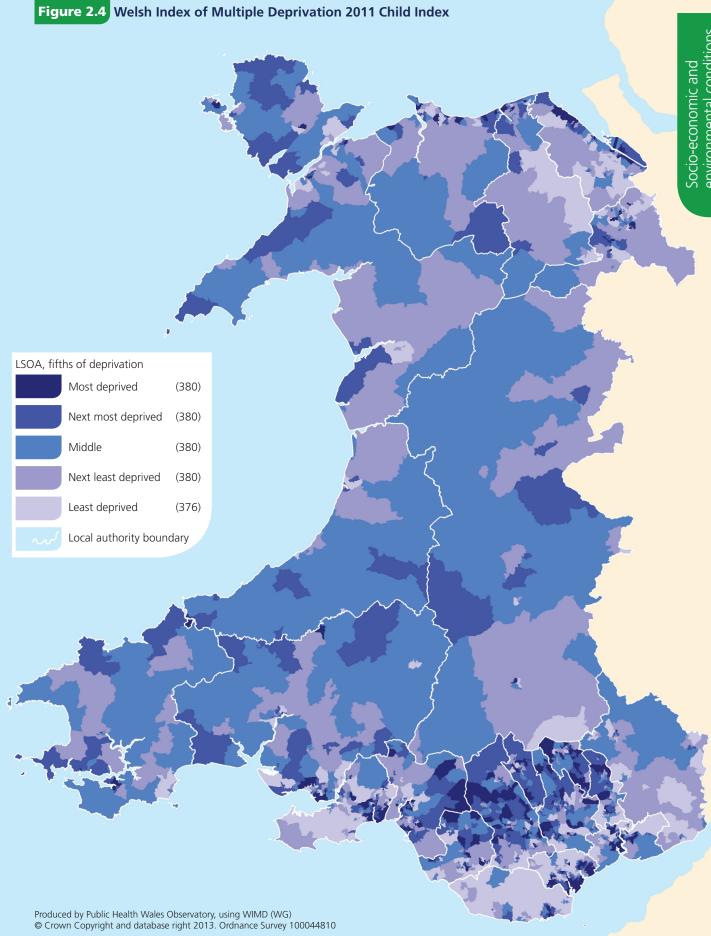
There is variation within local authority areas at LSOA level. Figure 2.2 shows that within local authorities which have a low percentage of children in poverty overall, there are LSOAs which have a much higher percentage of children in poverty. For example in the Vale of Glamorgan a third of LSOAs have a higher percentage of children in poverty than the Wales average. Across Wales there are 69 LSOAs where over half the children live in poverty, this increases to over 60% of children for the 5 worst LSOAs. Of the 5 LSOAs with the highest percentage of children in poverty, 3 are in Rhondda Cynon Taf (Penrhys, Treforest in Pontypridd and Penywaun); 1 is in Merthyr Tydfil (Pen-Y-Darren) and the other is in Denbighshire (Rhyl).

2.2 Deprivation

Deprivation is part of a wider notion of poverty than measures of income alone. The *Welsh Index* of *Multiple Deprivation 2011 Child Index* is a measure of relative deprivation for small areas in Wales for children.⁶ It is constructed of 7 domains: income, health, education, geographical access to services, community safety, physical environment and housing. These domains included in the Child Index are focused on the child population and the types of deprivation which might be expected to affect them.⁶



The percentage of LSOAs in the most deprived tenth in Wales ranges from 0 in Powys, Ceredigion and Monmouthshire to over a fifth of all LSOAs in Cardiff (Figure 2.3). At the health board level Cardiff & Vale and Cwm Taf have the highest percentages of LSOAs in the most deprived tenth at 17.4% and 16.0% respectively.

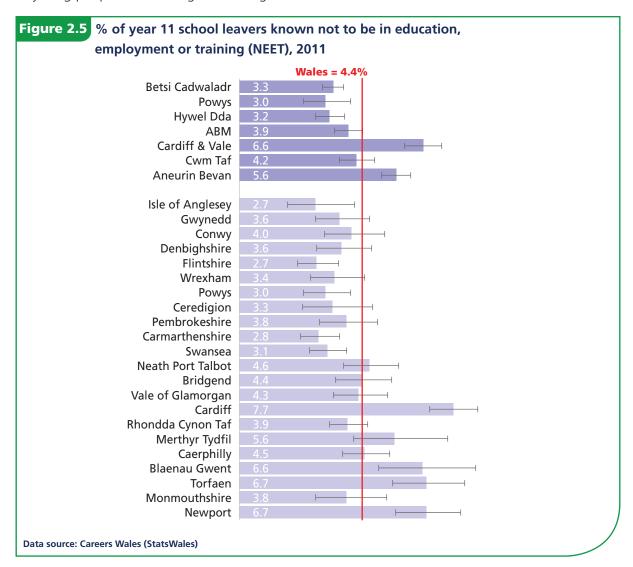


If deprivation was equally distributed we would expect all local authorities to have 10% of their LSOAs in the most deprived tenth for Wales. Deprivation is an area based measure incorporating more factors than income poverty, giving rise to different patterns between these measures.

Figure 2.4 shows the variation in deprivation relating to children within local authorities and across Wales at LSOA level. Every local authority in Wales has at least 1 LSOA in the most deprived fifth. The majority of the most deprived LSOAs are found in urban areas. Three of the top 5 most deprived LSOAs are in Rhyl in Denbighshire; 1 is in the Townhill area of Swansea and 1 is in Pen-Y-Darren in Merthyr Tydfil.

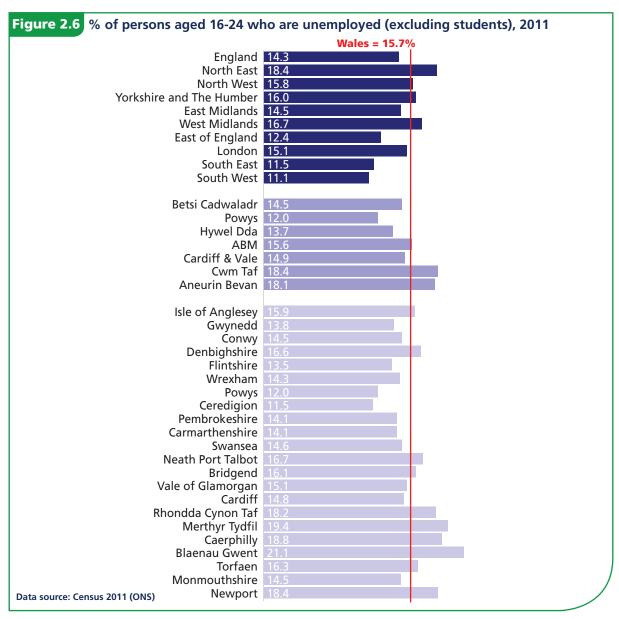
2.3 Employment

Young people who are classified as not being in education, employment or training (NEET) are diverse and can include carers, young job seekers and those on gap years.⁷ For young people, being NEET is associated with poor employment and health outcomes later in life, and a greater likelihood of contact with the criminal justice system.⁸ The cost to society for each person who is NEET between the ages of 16-18 is estimated to be £120,000 in 2009 prices, which includes costs of health services, the criminal justice system and unemployment.⁸ The Welsh Government points to evidence suggesting that early intervention to boost educational engagement can be effective to support young people who are at risk of becoming NEET.^{7,8,9} In support of the Child Poverty Strategy, the *Tackling Poverty Action Plan 2012-2016* focuses on reducing the number of young people not earning or learning in Wales.^{4,10}



The percentage of year 11 school leavers NEET in Wales is 4.4% (Figure 2.5). Across local authorities this ranges from 2.7% in Isle of Anglesey and Flintshire to 7.7% in Cardiff. Five local authorities: Isle of Anglesey, Flintshire, Powys, Carmarthenshire, and Swansea, are statistically significantly lower than the Wales average. Cardiff, Blaenau Gwent, Torfaen and Newport are statistically significantly higher than the Wales average. This is reflected at health board level as both Cardiff & Vale and Aneurin Bevan health boards are statistically significantly higher than Wales.

Youth unemployment numbers in Wales rose in every quarter between 2008 and 2011.¹¹ Economic recessions have a particular impact on young people as decreased job availability makes it harder to enter the job market. Younger staff may be more likely to lose their jobs as employers retain more experienced staff.



In Wales almost 16% of 16-24 year olds (excluding students) are unemployed (Figure 2.6). This is similar to the North West, Yorkshire and The Humber and London regions of England, and slightly higher than the England average (14%). At the health board level Cwm Taf has the highest percentage of unemployed 16-24 year olds (18%) and Powys has the lowest percentage (12%). Across local authorities in Wales there is a difference of almost 10 percentage points between Ceredigion (12%), the local authority with the lowest percentage of unemployed 16-24 year olds, and Blaenau Gwent (21%), which has the highest percentage.

Figure 2.7 % of persons aged 16-24 who are unemployed (excluding students), 2011

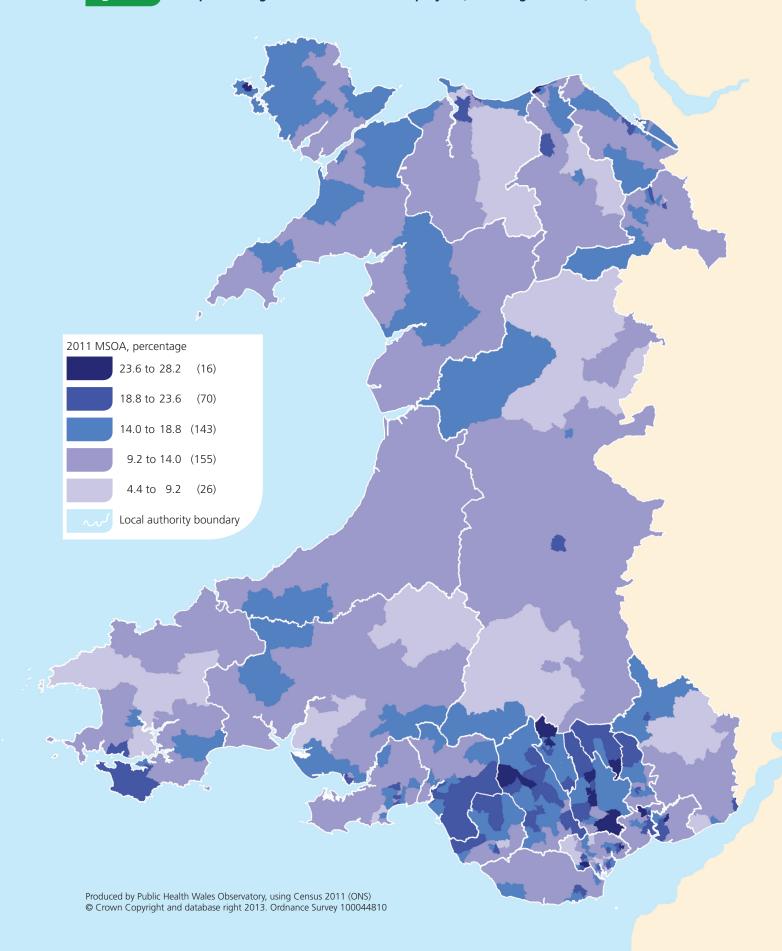
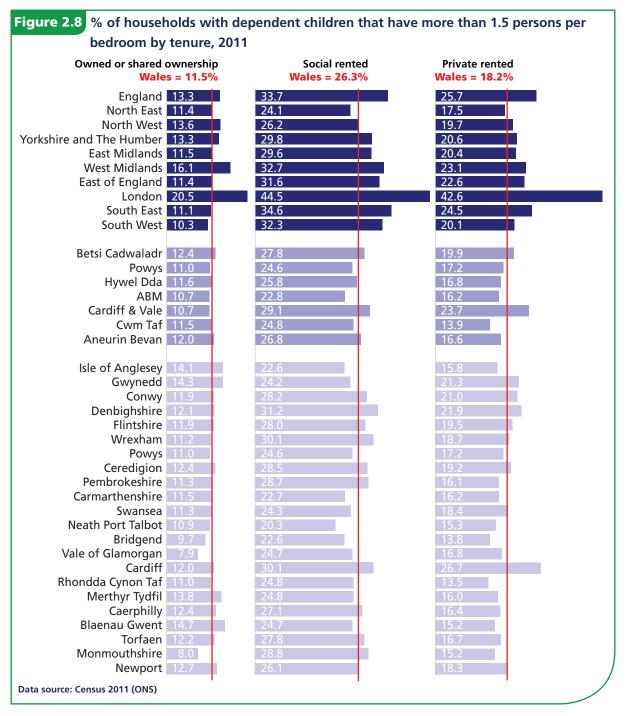


Figure 2.7 shows that in the majority of middle super output areas (MSOAs) in Wales the percentage of young people aged 16-24 years old who are unemployed is between 9% and 19%. There are 6 MSOAs in which 1 in 4 young people are unemployed, 2 of these are in Rhyl in Denbighshire. The remaining 4 are in Treherbert in Rhondda Cynon Taf, Ringland in Newport, Treharris in Merthyr Tydfil and Bargoed in Caerphilly.

2.4 Housing

Families with dependent children are the household type most likely to be living in overcrowded conditions. ^{12,13} People living in cramped conditions report a detrimental effect on physical and mental health, education and general well-being. ¹² Overcrowding impacts personal privacy for all family members and can have a negative effect on relationships between parents and children, and between siblings. ¹⁴ In Wales 16% of all households with dependent children have more than 1.5 persons per bedroom (Census 2011, ONS).



In Wales the percentage of households with dependent children that have more than 1.5 persons per bedroom is highest within the social rented housing sector at 26.3% (Figure 2.8). It is lower in the private rented sector (18.2%) and lowest for homes that are owned (11.5%). The Wales average is lower than the England average for all 3 tenure types. Overcrowded housing tends to be a feature of urban areas such as London and Cardiff. At the health board level Cardiff & Vale has the highest percentage of households with dependent children and more than 1.5 persons per bedroom in the social and private rented sectors. Betsi Cadwaladr also has high percentages in all 3 tenure types. The local authorities of Cardiff, Ceredigion, Flintshire, Denbighshire, and Conwy have levels of overcrowding for all 3 tenure types which are above the Wales average.

At the MSOA level the variation within local authorities shows that overcrowding tends to occur in urban areas (Figure 2.9). Of the 6 MSOAs in which more than a third of households with dependent children are overcrowded, 5 are in Cardiff in the areas of Cathays, Adamsdown, Grangetown, Plasnewydd, and Butetown, and 1 is in Newport in the Pillgwenlly area.

2.5 Homelessness

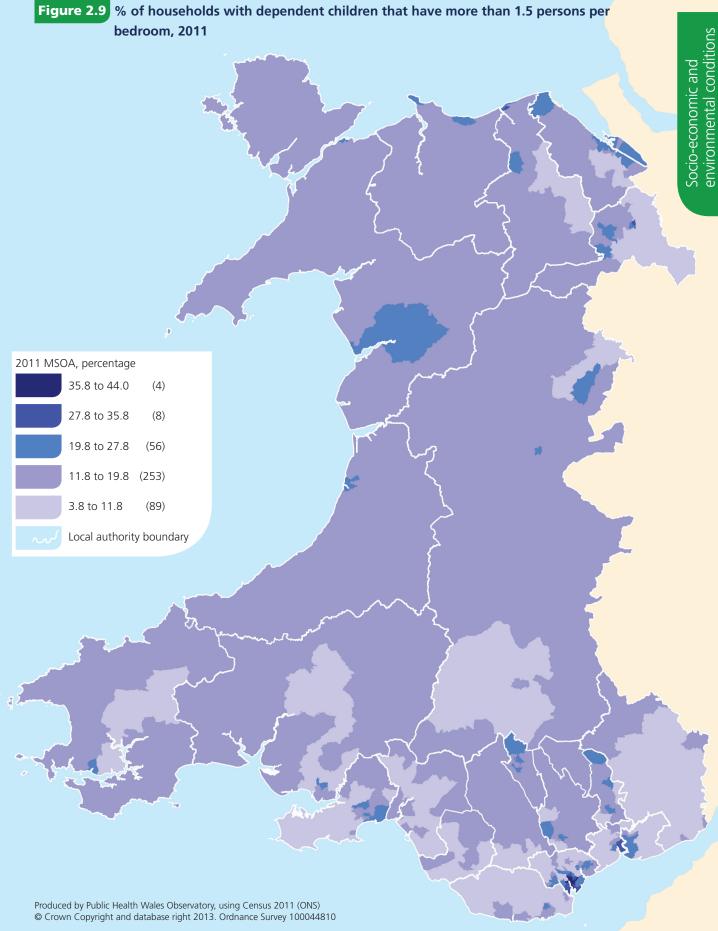
In Wales just under half of households accepted as homeless have dependent children. In 2011/12, 1,250 of the 2,770 households that were accepted as homeless and temporarily accommodated by local authorities were households with dependent children:

- 645 (52%) of which were temporarily accommodated in private sector accommodation;
- 185 (15%) were in public sector accommodation;
- 140 (11%) were accommodated in hostels and women's refuges;
- The remaining 280 households were accommodated in other types of accommodation.

Factors which contribute to a household becoming homeless include relationship breakdowns, substance misuse, unemployment, financial hardship and physical or mental health problems. ^{15,16,17} Domestic violence is a factor which particularly affects women and could also impact any children in the relationship. ¹⁵ Leaving an institution such as prison or the armed forces was a contributing factor particularly for men. ¹⁶ Services should be provided to counter the factors that are placing households at risk of homelessness before they reach crisis point. ¹⁷

2.6 Criminal justice

In 2010/11 there were 210,660 arrests in England and Wales of young people aged 10-17 for an offence, accounting for 15.5% of total arrests. However 10-17 year olds account for only 10.7% of the offending age population of England and Wales (i.e. 10 years and over) suggesting that 10-17 year olds are over-represented in the criminal justice system.¹⁸ Children in the youth justice system are predominantly drawn from the poorest and most disadvantaged families and communities.¹⁹ Around a half of young people in custody have been in local authority care at some point in their lives and a fifth are still subject to care orders.¹⁹ Despite improvements in recent years, 72% of children released from custody go on to re-offend within one year.¹⁹



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