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# Local indicators of child poverty, 2017/18

Summary of estimates of child poverty in small areas of Great Britain, 2017/18

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## Acknowledgements

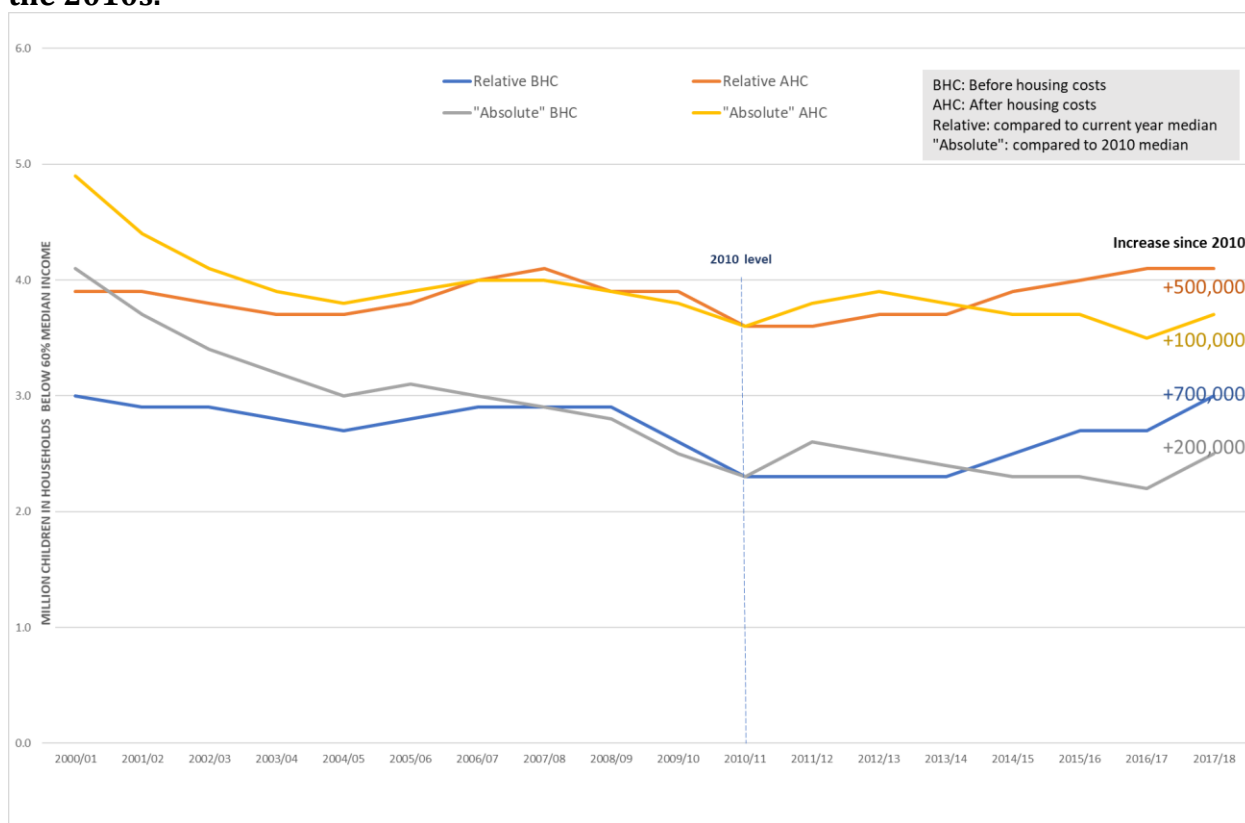
Dr. Francisco Azpitarte (Department of Social Sciences, Loughborough University) contributed to the development of the method for estimating local child poverty rates as described in this summary report. Kirsten Piller at the Office for National Statistics provided additional advice on the statistical approach.

# 1 Introduction

Child poverty in the UK is rising. After a long period in which it fell, between the late 1990s and around 2010, the child poverty rate fluctuated in the first half of the present decade, but the trend is now upwards on all indicators.

The national figures are shown in Figure 1. This shows that both “relative” and “absolute” poverty are now higher than in 2010, whether measured before or after housing costs. Relative poverty, based on whether households have less than 60% of the current median household income, did not immediately rise during the economic downturn a decade ago. Even though family incomes were falling, they fell across the board, so relative to the median, the incidence of low income did not increase. However, general incomes have since seen a modest rise, but the income of less well-off families has been hit by severe real-terms cuts in benefit levels and by higher housing costs, while being constrained by limited opportunities to improve earnings from work. At least half a million more children are in relative poverty as a result, with two thirds of child poverty occurring in working families. Even on the “absolute” measures – based on a fixed income threshold set at 60% of 2010 income (inflation-uprated) - more children are in poverty than at the start of the decade, despite incomes having risen overall.

**Figure 1: On four main measures, child poverty fell in the 2000s and has risen in the 2010s.**



Child poverty exists in every part of the UK, but in some local areas, the risk is far higher than in others. In some local areas, the majority of children are below the poverty line. As the present national increase is projected to continue under present policies, with rates set to reach record levels by the early 2020s<sup>1</sup>, children's life chances in the worst-hit areas are set to diminish further.

This year's local child poverty data report on percentages of children in poverty before and after housing costs in wards, parliamentary constituencies<sup>2</sup> and local authorities. Using a new method that draws in more information than the previous series, it pinpoints the areas that are most affected. It also gives some indications of where child poverty is rising fastest, although because the figures are estimates, the rate of change in specific locations need to be treated with some caution. More significantly, the figures suggest overall that child poverty is rising fastest in places where it is already high, and we report on evidence to suggest that inequalities between areas are growing.

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<sup>1</sup> Hood, A. and Waters, T. (2017), *Living standards, poverty and inequality in the UK: 2017–18 to 2021–22*. London: Institute for Fiscal Studies.

<sup>2</sup> Throughout the report, “parliamentary constituency” refers to Westminster parliamentary constituencies in England and Wales; Scottish Parliament constituencies are used for Scotland.

## 2 Method

These indicators have been compiled using a new, improved method for estimating child poverty in local areas.

Such figures cannot be calculated precisely, because surveys of household incomes are based on national samples, which typically include an average of only about one participant per local ward, from which the numbers in poverty cannot be estimated.

The new method makes the best estimate of child poverty in a local area using a wide range of indicators. These are combined employing a statistical technique that is widely used in estimating local data, including by the Office for National Statistics and the World Bank. The technique considers how known features of local areas, such as the unemployment rate and the number of families on tax credits, are associated with the probability that people taking part in income surveys in those areas will be in poverty. For example, in an otherwise “average” area, if the percentage of the workforce claiming unemployment benefits is 4% rather than the average of 3%, the risk of child poverty rises from 30% (the average after housing costs) to 37%.

A fuller description of the method and why it has been selected can be found [here](#).

## 3 Overview of local results

### 3.1 Where child poverty is highest

Child poverty estimates tend to be the highest in large cities, particularly London, Birmingham and Greater Manchester – as shown in Tables 1 to 4. The results differ according to whether we look at the figures before or after deducting housing costs. In terms of overall income, the highest rates are found in northern and Midlands cities. However, when taking account of the higher cost of housing facing families on low income in London, it is the capital that dominates, with four of the six constituencies and all four of the local authorities showing the highest “after housing costs” poverty rates being in London.

**Table 1 Top 20 parliamentary constituencies\* with highest levels of child poverty across the UK – after housing costs**

<i>Constituency</i>	<b>% of children in poverty 2017/18</b>	<b>Number in poverty</b>
<b>(UK)</b>	<b>30%</b>	<b>4.1 million</b>
Poplar and Limehouse	58.5%	23,706
Bethnal Green and Bow	55.3%	19,318
East Ham	53.8%	26,130
Birmingham, Hodge Hill	53.5%	23,985
Blackburn	52.4%	17,108
Islington South and Finsbury	52.2%	11,425
Manchester, Gorton	52.1%	16,830
Blackley and Broughton	51.3%	19,956
Bradford West	50.9%	17,853
West Ham	50.5%	23,045
Birmingham, Ladywood	49.6%	19,364
Peterborough	48.9%	15,404
Hackney South and Shoreditch	48.7%	13,518
Tottenham	48.6%	18,107
Edmonton	48.5%	17,439
Manchester Central	48.5%	18,611
Vauxhall	48.1%	10,273
Newcastle upon Tyne Central	48.0%	13,720
Hackney North and Stoke Newington	47.9%	19,376
Birmingham, Hall Green	47.2%	19,628

**Table 2 Top 20 parliamentary constituencies\* with highest levels of child poverty across the UK – before housing costs**

<i>Constituency</i>	<b>% of children in poverty 2017/18</b>	<b>Number in poverty</b>
<b>(UK)</b>	<b>22%</b>	<b>3 million</b>
Bradford West	50.4%	17,669
Birmingham, Hodge Hill	49.0%	21,965
Manchester, Gorton	48.7%	15,733
Birmingham, Ladywood	46.8%	18,287
Blackley and Broughton	45.5%	17,736
Blackburn	44.1%	14,388
Bradford East	44.1%	19,495
Birmingham, Hall Green	42.6%	17,693
Leeds Central	41.6%	17,215
Manchester Central	41.3%	15,837
Glasgow Southside P Const	40.4%	5,479
Newcastle upon Tyne Central	40.2%	11,503
Sheffield, Brightside and Hillsborough	39.6%	13,103
Rochdale	39.5%	12,461
Walsall South	39.1%	11,897
Nottingham East	37.9%	10,255
Middlesbrough	37.1%	9,449
Poplar and Limehouse	37.0%	14,999
Bolton South East	37.0%	13,163
Stoke-on-Trent Central	36.8%	7,579

\* Westminster parliamentary constituencies (England and Wales) and Scottish parliament constituencies (Scotland)

**Table 3 Top 20 local authorities with highest levels of child poverty across the UK – after housing costs**

<i>Local authority</i>	<i>% of children in poverty 2017/18</i>	<i>Number in poverty</i>
(UK)	<b>30%</b>	<b>4.1 million</b>
Tower Hamlets	56.7%	42,775
Newham	51.8%	48,862
Hackney	48.1%	32,786
Islington	47.5%	22,257
Blackburn with Darwen	46.9%	19,859
Westminster	46.2%	23,217
Luton	45.7%	28,373
Manchester	45.4%	63,427
Pendle	44.7%	10,293
Peterborough	43.8%	23,663
Camden	43.5%	24,118
Sandwell	43.2%	38,260
Stoke-on-Trent	43.2%	27,421
Brent	43.1%	36,685
Barking and Dagenham	42.8%	29,192
Lambeth	42.8%	29,156
Enfield	41.7%	38,102
Walsall	41.4%	30,551
Leicester	41.3%	39,776
Hyndburn	40.7%	8,307

**Table 4 Top 20 local authorities with highest levels of child poverty across the UK – before housing costs**

<i>Local authority</i>	<i>% of children in poverty 2017/18</i>	<i>Number in poverty</i>
(UK)	<b>22%</b>	<b>3 million</b>
Manchester	40.0%	55,939
Blackburn with Darwen	38.1%	16,149
Birmingham	35.6%	115,575
Bradford	35.2%	54,614
Luton	35.2%	21,845
Tower Hamlets	35.1%	26,493
Blackpool	34.6%	11,023
Stoke-on-Trent	34.1%	21,652
Leicester	33.8%	32,543
Sandwell	33.6%	29,741
Kingston upon Hull, City of	33.3%	21,034
Rochdale	32.9%	18,818
Wolverhampton	32.8%	21,662
Nottingham	32.7%	27,510
Walsall	32.5%	23,989
Peterborough	31.9%	17,226
Middlesbrough	31.9%	11,555
Liverpool	31.8%	35,023
Pendle	31.7%	7,299
Salford	31.6%	19,541

At a more local level, in some electoral wards, there is an even greater concentration of poverty. In over 200 (about one ward in 40), the majority of children are in poverty, and in wards, shown in Table 5, it is above 60 per cent.

**Table 5 Electoral wards with the highest levels of child poverty across the UK (after housing costs)**

<i><b>Electoral ward</b></i>	<b>% of children in poverty 2017</b>	<b>Parliamentary Constituency</b>
Bastwell	69.6%	Blackburn
Bradley	69.2%	Pendle
Audley	68.8%	Blackburn
Biscot	66.6%	Luton South
Werneth	66.2%	Oldham West and Royton
Westgate	66.1%	Newcastle upon Tyne Central
Dallow	64.8%	Luton South
Daneshouse with Stoneyholme	64.0%	Burnley
Toller	63.7%	Bradford West
Springfield	63.5%	Hackney North and Stoke Newington
Whitefield	63.2%	Pendle
Walverden	63.2%	Pendle
New River	63.0%	Hackney North and Stoke Newington
Park	62.4%	Peterborough
Spring Hill	62.3%	Hyndburn
Central	62.3%	Hyndburn
Saints	62.0%	Luton North
Palfrey	61.9%	Walsall South
St Mary's	61.8%	Oldham West and Royton
Bradford Moor	61.8%	Bradford East
Queens Park	61.7%	Bedford
Central	61.4%	Peterborough
Blackwall and Cubitt Town	61.1%	Poplar and Limehouse
Hanley Park and Shelton	60.9%	Stoke-on-Trent Central
Bordesley Green	60.9%	Birmingham, Hodge Hill
Coldhurst	60.9%	Oldham West and Royton
Joiner's Square	60.7%	Stoke-on-Trent Central
Shear Brow	60.3%	Blackburn
Millwall	60.0%	Poplar and Limehouse



## 3.2 Change over time

The full tables on parliamentary constituencies and local authorities show estimates of how much child poverty rose in the latest year for which figures are available – between 2016/17 and 2017/18. Although this uses data which in both cases employ the new estimation method referred to above, they need to be treated with some caution, since we cannot say with confidence that the estimates are accurate to the nearest percentage point, so one should not take say a 1% increase as evidence that child poverty is rising in a given area. Nevertheless, a striking feature of these changes overall is that most of the areas with the largest increases are those where child poverty is high, as shown in Table 6.

**Table 6: Parliamentary constituencies\* with the greatest increase in child poverty (after housing costs), 2016/17 to 2017/18**

	<b>Constituency with at least 5% increase in child poverty rate</b>	<b>% child poverty 2017/18</b>	<b>Child poverty rank out of 650</b>
Most (17 out of 28) of the constituencies where child poverty is rising fastest are among the 100 constituencies where the problem is most serious...	Blackburn	52%	5
	Islington South and Finsbury	52%	6
	Manchester Central	48%	16
	Vauxhall	48%	17
	Glasgow Southside P Const	46%	26
	Cities of London and Westminster	46%	30
	Pendle	45%	32
	Bermondsey and Old Southwark	44%	44
	Telford	43%	50
	Liverpool, Riverside	42%	57
	Salford and Eccles	42%	59
	Glasgow Shettleston P Const	42%	62
	Glasgow Kelvin P Const	41%	64
	Stoke-on-Trent South	41%	70
	Battersea	39%	80
	Nottingham South	39%	91
Newcastle upon Tyne East	39%	94	
...and all but three of the remainder have child poverty rates at least at the average of 30%.	Sheffield Central	37%	115
	Sedgefield	36%	129
	North West Durham	35%	152
	Berwick-upon-Tweed	34%	166
	Cardiff Central	32%	218
	City of Durham	31%	239
	Edinburgh Northern and Leith P Const	31%	258
	Ceredigion	30%	289
	Leeds North West	27%	378
	Hexham	25%	412
Edinburgh Central P Const	24%	459	

\* Westminster parliamentary constituencies (England and Wales) and Scottish parliament constituencies (Scotland)

The fact that the most serious increases in child poverty are coming in areas where the risk is already high underlines the importance of monitoring local child poverty rates rather than just assuming that national trends will affect all areas equally. With the large projected increase in child poverty, the new local data series launched this year will help tell us whether child poverty is becoming more concentrated. There are already some preliminary indications that this is the case. Comparing the overall distribution in 2016/17 and 2017/18, more children in poverty live in the 10% of local authorities<sup>3</sup> where child poverty is worst. In 2017/18, 16.9% of children in poverty lived in these most deprived 10% of local authorities, up from 14.9% the previous year.

This change over a single year is not conclusive evidence of a growing concentration of child poverty. While a longer series on local child poverty using the new method is not available, it is revealing to look over a longer period at the change in geographical concentration of claimant count unemployment. This is the single factor which, in the model for estimating child poverty, has the strongest predictive value.

Here again, there is evidence of some increasing concentration of the problem in the worst-hit areas. For example, we can consider the proportion of unemployed claimants who live in the 10% of “worst-hit” areas<sup>4</sup>, and how this has changed over time. In 2013, 21.4% of claimants lived in these 10% of deprived areas; in 2019, this has risen to 23.4%.

Future annual presentation of this data will track whether these indicators continue to show the worst off areas suffering the greatest increases in child poverty and the factors that drive it.

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<sup>3</sup> More precisely, local authorities that contain 10% of the child population that are also the places where child poverty is highest

<sup>4</sup> Defined again as areas where 10% of the child population lives, that are also the most deprived areas. In this case, areas are defined as deprived based on the claimant count rate in a small area similar in size to a local ward.