

A Look Back at the UK Child Poverty Target

Transferable Themes for the United States

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With a new legislative agenda for 2015, Congress has a fresh opportunity to address child poverty and inequality through cooperative, bi-partisan means.

In order to significantly reduce child poverty in the U.S. we need to establish a target to cut child poverty in half in ten years. Creating this type of national target is not unprecedented. In 2000, the UK established a national child poverty target, which united the Tory and Labour parties behind a goal of halving child poverty in ten years. Through a mixture of investments for children, measures to make work pay, and efforts to increase financial support for families, the British government (using an absolute, or fixed, measure of poverty) halved child poverty by 2009.



A Look Back at the Child Poverty Target provides a 14-year retrospective on the UK's Child Poverty Target, which builds on a UK study visit and comparative studies carried out by First Focus over the past 5 years. Released with the Centre for Economic and Social InclusionUS, it draws upon on UK-based policy research, published commentary from national and local leaders, and interviews with national and local policy leads.

The paper discusses the creation, implementation, and future outlook for the target, as well as recommendations for the establishment of a US child poverty target.

The Target, Legislation and Governance

In 1999, Prime Minister Tony Blair announced that the Labour Government of the time, and future governments, would work to eradicate child poverty with targets to reduce it by one-quarter by 2004-05, by half by 2010, and eradicate it by 2020. This remained an overarching policy strategy for a decade. Parliament then passed The Child Poverty Act 2010, requiring measurements and targets for: relative poverty, combined low-income and material deprivation, persistent poverty, and absolute poverty. The law requires the Government to regularly publish a UK Child Poverty Strategy, requires the nations (Scotland, Wales and Northern Ireland) to publish their own strategies, and places new duties on local governments to address child poverty. Accountability and governance are managed by the UK Child Poverty Unit (a policy team of civil servants jointly sponsored by the UK Department for Work and Pensions, the UK Department for Education and Her Majesty's Treasury), the Social Mobility and Child Poverty Commission (an independent monitoring body), the Nations and Local Governments, and the All-Party Parliamentary Group on Poverty (likened to an issue-driven Congressional Caucus).

Successive National Strategies

The period of the greatest decline in the UK child poverty rate (1998-2004) corresponds with strong GDP growth and certain poverty reduction policies. The UK made considerable strides in reducing child poverty through a mixture of short and long-term measures: investments for children, measures to make work pay, and efforts to increase financial support for families. In the first decade of the target, the UK child poverty rate decreased significantly. This coincided with policies such as in-work tax credits, increasing incentives for parents to work, improving earnings from employment, early education programs, and a new child support agenda. Later years, characterized by the global recession, focused on aggressive use of tax credits and increasing the contributions of second earners to family incomes.

Localizing the Target

How the target is interpreted and understood by local governments, particularly during the transfer from one UK Government to the next, is critically important to its success. Both the UK and the US share a classic tension between national and local government, and in both countries there is a strong desire for local autonomy. Over time, the national-local relationship, the role of civil society, and the structure of local child poverty strategies have evolved and matured to contribute to the national target and to meet the local requirements of the Child Poverty Act 2010. Local governments are considering the role of issues such as economic growth, skills funding, local employer needs, a living wage, cost-of-living, and transportation policy in their child poverty planning. Notably, Scotland's child poverty strategy can be compared to State efforts and should be referenced for its progress.

The Next 6 Years

The stage is set for the remaining six years of the target. Between now and 2020, we can expect the 2015 UK General Election to be a litmus test for the lingering effects of the Global Recession. This includes the question of reduced financing of the welfare system and policies for mitigating the negative effects on children in high-poverty households. The target remains in place and the ruling party will inherit the framework of the Child Poverty Act of 2010. The next stage will also have to take in to account the changing public attitudes about 'poverty' and 'responsibility,' and be mindful of the demands by the Nations (Scotland, Wales, Northern Ireland and perhaps England itself) for greater local autonomy on UK-wide policies that affect their economic concerns.

Transferable Themes for the United States

The report concludes with recommendations from both UK policy and research experts and those working on child poverty locally in the UK. These sit alongside recommendations from the authors, which are:

- A national child poverty target and timeline should be the centerpiece of a national poverty-reduction strategy.
- A small, independent, cross-departmental analytical unit should be established to manage the target.
- The target should be linked to broader economic policy, such as measurements of economic growth and a definition of full employment.
- The policy strategy for meeting the target should be a combination of "short" and "long-term" policies that purposefully focus on education, benefits programs, workforce development, health, etc.
- The policies chosen for reaching the target should be rooted in an evidence base that demonstrates results and efficiency.
- Any national target must include a cohesive and co-operative Federal, State, and Local partnership.

The UK's Child Poverty Target is an example of a long-term policy goal, from a country that is an excellent international comparator for the US given similarities in poverty levels, parliamentary process, policy development, and overall economic performance.