

# Measuring child poverty: A consultation on better measures of child poverty

## Adfam, Alcohol Concern and DrugScope response

### Introduction

1. This response has been written jointly by Adfam, Alcohol Concern and DrugScope. We as organisations have a shared interest in the impact of parental drug and alcohol use on children and are concerned with the accurate and appropriate reflection of this within policy. We have restricted our comments to the particular issues arising from the relationship between drug and alcohol problems and child poverty, as well as the associated issues worklessness and unmanageable debt.
2. **Adfam** is the national umbrella organisation working to improve the quality of life for families affected by drug and alcohol use. Adfam works with a network of organisations, practitioners and individuals who come into contact with the families, friends and carers affected by someone else's drug or alcohol use and works extensively with professionals and Government to improve and expand the support available to families.
3. **Alcohol Concern** is the leading national charity working on alcohol issues. Alcohol Concern's goal is to improve people's lives through reducing the harm caused by alcohol. It has an ambitious long-term aim to change the drinking culture in this country. Alcohol Concern works at a national level to influence alcohol policy and champion best practice locally. It supports professionals and organisations by providing expertise, information and guidance. It is a challenging voice to the drinks industry and promotes public awareness of alcohol issues.
4. **DrugScope** is the leading UK charity supporting professionals working in drug and alcohol treatment, drug education and prevention and criminal justice. It is the primary independent source of information on drugs and drug related issues.

DrugScope has around 450 members, primarily treatment providers working to support individuals in recovery from drug and/or alcohol use, local authorities and individuals. Its member agencies are amongst those providing support to over 200,000 people receiving community and residential treatment, plus harm prevention, advice, education and related recovery services.

## KEY MESSAGES

- Our organisations welcome the commitment to improving understanding of child poverty, including the impact of parental drug and alcohol problems.
- It is important to distinguish between factors that may contribute to child poverty and the definition of child poverty. Household income should remain the central measure.
- We recognise that there are public concerns about the impact of parental drug and alcohol problems on children, but the findings of opinion surveys should be interpreted and applied with caution.
- We note that only a fraction of the 2,300,000 children currently living in poverty will be living with a parent with a drug or alcohol problem.
- There is a lack of reference to research on the impact of parental drug and alcohol problems on child poverty in the consultation document, this needs to be scoped out and suggests that further research would be beneficial.
- The Department should actively monitor the impact of welfare reforms (for example, the introduction of Universal Credit) on people with histories of substance misuse and dependency, including the impact on children. We are particularly concerned about the move to a single, monthly direct payment to one member of the household under Universal Credit.
- Unsecured household debt is often a serious problem for people affected by drug and alcohol problems. Should the Department include debt as a measure of poverty, it should focus particularly on payday loan companies, high street loan firms and unregulated loan providers.

## The Consultation

5. We welcome the Government's commitment to ending child poverty and agree that child poverty is a complex issue with multiple causes which can be hard to measure and to define. One of the current measures is that of household income being less than 60% of current median income.
6. No single system of measurement is perfect, and all could be open to criticisms of some sort, a fact reflected in the 2010 Act by the inclusion of a further three measures alongside the one referred to above. We welcome and encourage any work which attempts to further understand the nature and causes of child poverty. A composite measure of poverty would naturally require multiple sets of data from disparate sources to be combined and compared. At present that data does not exist in such a form – to get to this point would necessitate significant investment in data collection and management
7. We welcome the assertion that 'central to any measure of child poverty will be the inclusion of household income', and believe that this is and should remain not just a central measure but the central measure of child poverty.
8. Some of the other dimensions cited, for instance 3: unmanageable debt, 4: poor housing and 8: parental health may represent a risk factor for, or a result of poverty rather than a cause. This conflation of cause and consequence is confusing and potentially obscures the central, most important indicator of child poverty – dimension 1: income and material deprivation.

9. The additional piece of work on the topic of child poverty ‘Public Views on Child Poverty: Results from the first polling undertaken as part of the Measuring Child Poverty consultation’<sup>1</sup> announced in January 2013 presents potential concerns when used to determine how child poverty could be measured in the UK. Whilst we welcome public discussion and debate on the pressing issue of child poverty we believe it needs to be informed by robust evidence and research, and we do not think this brief survey provides that context or background to facilitate an informed response.

The headline finding of the consultation (that 90% of respondents thought having parents who is addicted to alcohol or drugs is important/very important in determining child poverty) may be of limited use. As Poverty and Social Exclusion in the UK point out<sup>2</sup> ‘determining’ is ambiguous – it could refer to direct social causation in real life, with social attributes or resources explicitly determining outcomes, or it may be asking how policy-makers and government should determine or define child poverty. The 2009 British Social Attitudes survey asked a similar (though arguably less ambiguous) question and found that only 19% of respondents picked ‘parents suffer from alcohol, drug abuse or other addiction’ as the main cause of child poverty, and 75% included it when allowed to pick a range of multiple causes.

Lastly, there is the problem of terminology: drug misuse, drug use, drug abuse, substance use and problem drinking are all amongst phrases in current usage. ‘Addiction’ surely reflects the most extreme end of parental drug and alcohol use, whereas many of the statistics available concern ‘problem drug users’ (the 250,000 – 300,000 children cited in Hidden Harm<sup>3</sup> as having a problematic drug user for a parent) or ‘parental alcohol misuse’ (the 1.1-1.3m children cited as affected by parental alcohol misuse). It is therefore difficult to compare like with like and measure public perception against the limited data that does exist.

## Dimension 2: Worklessness

10. Parental worklessness is often an important contributory factor in determining whether or not a child will grow up in poverty. Welfare benefits rarely provide a level of income sufficient to lift a child out of poverty using current definitions, and we appreciate and welcome the prominence given to employment in the 2010 Drug Strategy<sup>4</sup> and acknowledge the challenges faced by people with histories of drug and alcohol use to gain paid employment.
11. However, to focus unduly on worklessness may mean a failure to take into account changes in the labour market and wider economy that may indicate that paid employment is no longer a reliable way out of poverty. Recent research by the Joseph Rowntree Foundation<sup>5</sup> suggests that in-work poverty is increasingly common due to a combination of involuntary part time working, low pay and repeated journeys through the low pay – no pay cycle: sometimes referred to as the “precariat”. In its report, the Foundation found that over half of the children living in poverty in the UK lived in working households.

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1 Available at [http://statistics.dwp.gov.uk/asd/asd1/adhoc\\_analysis/2013/public%20\\_views\\_on\\_child\\_poverty.pdf](http://statistics.dwp.gov.uk/asd/asd1/adhoc_analysis/2013/public%20_views_on_child_poverty.pdf)

2 Available at [www.poverty.ac.uk/articles/dwp-adds-confusion-over-consultation-child-poverty-measurement](http://www.poverty.ac.uk/articles/dwp-adds-confusion-over-consultation-child-poverty-measurement)

3 Advisory Council on the Misuse of Drugs (2003), Hidden Harm: responding to the needs of children or problem drug users

4 Home Office (2010), Drug Strategy 2010 Reducing Demand, Restricting Supply, Building Recovery: Supporting People to Lead a Drug-Free Life

5 Aldridge et al (2012), Monitoring Poverty and Social Exclusion, Joseph Rowntree Foundation

- 12.** The length of time that households have been workless in any one episode may be no more important than the cumulative impact of going through recurrent spells of worklessness. As many of this group often fail to make welfare benefit claims and may make use of informal networks to seek and obtain paid work<sup>6</sup>, identification and subsequent support may pose a particular challenge to the Department.
- 13.** Given the above, we have concerns about the inclusion of worklessness as part of a compound measure. However, we believe there would be value in the Department focusing on the impact of welfare reform, and in particular on the introduction of the Personal Independence Payment (PIP), the continued roll out of Employment Support Allowance (ESA) and Universal Credit and how this relates to people with histories of substance use and fluctuating conditions. Attention should be given to whether or not the policy intent of a stronger incentive to work is achieved: the Department's Impact Assessment for Universal Credit<sup>7</sup> suggests that for many households this financial incentive will be weak or non-existent.
- 14.** We believe the Department should also focus on the impact of its active labour market interventions such as the Work Programme and Work Choice, and evaluate their effectiveness in supporting people with histories of drug or alcohol use into employment.
- 15.** To conclude on worklessness, we acknowledge the role that this has to play and would welcome further steps to better understand how policy can meet the needs of those who are unemployed or economically inactive. However, it is not clear from the consultation document how the Department anticipates doing this, and we are particularly concerned about the potential risks associated with introducing what may be perceived as a values-laden element that might further increase stigmatisation of people with histories of drug and / or alcohol use, including stigma in the labour market: Whilst developing an improved understanding of the contribution worklessness makes to child poverty and the steps needed to respond to it are vital, we would argue that it is better to be considered alongside a poverty indicator rather than as part of a composite one.

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6 Shildrick T., MacDonald R., Webster C. and Garthwaite K. (2012), *Poverty and Insecurity: Life in low-pay, no-pay Britain*, Policy Press

7 Department for Work and Pensions (2012), *Universal Credit Impact Assessment*

### **Dimension 3: Unmanageable debt**

16. Unsecured household debt is problematic in the UK. Should the Department include debt as a measure of poverty, it should focus particularly on so called payday loan companies, high street loan firms and unregulated loan providers that operate either on the margins of or beyond the law.
17. As organisations that have an interest in the welfare of people who are, or have, experienced problems related to substance misuse or dependency, we are particularly concerned about the move to a single, monthly direct payment to one member of the household under Universal Credit. Whilst we acknowledge and welcome recent announcements made by the Department to provide safeguards for people including those who have experienced dependency or addiction<sup>8</sup>, the mechanisms to trigger this, including identification and disclosure at Jobcentre Plus, is unclear and from our experience has not always worked well in the past.
18. As with some other proposed dimensions, it is unclear whether unmanageable debt is a cause, consequence or correlate of child poverty, and whilst we acknowledge the importance of understanding debt, we feel that to include it as part of a composite measure may not shed much light of the nature of this relationship.

### **Dimension 8: Parental health**

19. It is estimated that 4% of all children under 16 years old in the UK live with a dependent drinker (over 700,000 children)<sup>9</sup>. A further 22% (over 2.5 million children under 16) live with a hazardous drinker ('hazardous drinking: a pattern that increases the risk of harm of harmful consequences to the user or others')<sup>10</sup>. Unfortunately, there is currently no data on how many children are affected by FASD (foetal alcohol spectrum disorder) but 31,000 babies under 1 in the UK live with a dependent drinker<sup>11</sup>.

It is estimated that there are between 250,000 and 350,000 children with a problematic drug user as a parent<sup>12</sup>. Just over 50% of everybody in drug treatment is either a parent or lives with children and around 104,000 under 18s in England are currently living with people in drug treatment.<sup>13</sup> This number must be seen in the context of the 2,300,000 children currently living in poverty according to the relative measure in the 2010 Act: the problem of child poverty is of a totally different scale.

Children living with parental alcoholism face a range of increased risks in their lives including the likelihood of being in trouble with the police and experiencing difficulties in school<sup>14</sup>. They

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8 Department for Work and Pensions (2013), Universal Credit Local Support Services Framework

9 Manning V, Best D, Faulkner N & Titherington E (2009), New estimates of the number of children living with substance misusing parents: results from UK national household surveys. BMC Public Health 9: 377.

10 Ibid

11 Ibid

12 Advisory Council on the Misuse of Drugs (2003), Hidden Harm: responding to the needs of children or problem drug users

13 National Treatment Agency (2012), Parents with drug problems: How Treatment Helps Families

14 Sher, K.J. (1997), Psychological characteristics of children of alcoholics, Alcohol Health and Research World, Vol. 21. No.3

are more likely to miss out on family effectiveness and parenting needed for full and healthy development<sup>15</sup> and as a group they are far more likely to develop alcohol issues themselves<sup>16</sup>.

- 20.** Poor parental health, including drug use, and alcohol use disorders and dependence, can increase the risks of poverty but certainly does not necessarily precipitate poverty. We cannot assume a linear relationship where substance use leads to child poverty, or vice versa. Not all vulnerable or marginalised families will exhibit harmful drug or alcohol use. The extent to which alcohol misuse impacts on parental capacity to provide financially is unclear. Parental drug and alcohol use may be useful as a risk factor in identifying child poverty, but further robust and detailed work must be carried out to fully understand and separate cause and effect before it can play a larger role.
- 21.** Alcohol misuse cuts right across the socio-economic strata of society and contrary to popular perception, alcohol use is higher and more frequent amongst higher earners - 30% more high earners than low earners consumed alcohol in the previous week<sup>17</sup>. The difference is most pronounced amongst women, 7 in 10 women earning £1000/week or more had an alcoholic drink in the past week, compared with 4 in 10 women earning up to £200/week<sup>18</sup>. In 2009, half of those in the lowest income quintile report abstaining over the last week compared with only a fifth in the highest quintile<sup>19</sup>.

Increased alcohol consumption is reflected not only in earnings but in educational attainment and employment hierarchy. Women educated to degree level are three and a half times more likely than women with no qualifications to consume alcohol on most days<sup>20</sup>. On average in 2010, higher ranking employed men and women consumed 3 units more of alcohol per week than their lower ranking employed counterparts<sup>21</sup>.

- 22.** We welcome efforts to improve understanding of the impact of poor parental health (including that caused by drug use and alcohol use disorders) on children's welfare, both emotional and financial. Although harms associated with drug and alcohol dependency do disproportionately impact on the poorest, the relationship between them and poverty is complex, and the extent to which misuse impacts on parental capacity to provide financially is unclear.

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- 15 Moos, R.H & Billings, A.G. (1982), Children of alcoholics during the recovery process: alcoholic and matched control families. *Addictive Behaviours*, 7:155-163
- 16 Fawzy, F.I., Coombs, R.H, & Gerber, B. (1983), Generational continuity in the use of substances: the impact of parental substance use on adolescent substance use. *Addictive Behaviours*, 8, 109-114
- 17 Office for National Statistics (2012), *General Lifestyle Survey Overview; A Report on the 2010 General Lifestyle Survey*, Newport, Office for National Statistics
- 18 Ibid
- 19 NHS Information Centre (2010), *Health Survey for England, 2009. Volume 1: Health and Lifestyles*, London, NHS Information Centre for Health and Social Care
- 20 OECD Directorate for Education (2010), *Education, Alcohol Use and Abuse among Young Adults in Britain*. Education Working Paper No. 50, Paris, OECD Publishing
- 21 Office for National Statistics (2012), *General Lifestyle Survey Overview. A Report on the 2010 General Lifestyle Survey*