

Introduction

The purpose of this report

In 1999 Tony Blair announced the historic aim of ending child poverty within a generation. In 2006, Conservative policy director Oliver Letwin announced that his party shares that ambition. While poverty has many dimensions and many definitions, this shared mission has given our society and our government a core set of targets which, if fulfilled, will go a long way towards ending the worst forms of hardship suffered today by millions of children growing up in families with low incomes.

The central objective of ensuring that children do not have to live in households with incomes below a certain level, relative to contemporary norms, has produced some specific target milestones. These are that the percentage of children in households with below 60 per cent median income should fall from its 1998/99 level by a quarter by 2004/05, by half by 2010 and to a minimal level (variously interpreted as between 5 per cent and 10 per cent of children) by 2020.

In 2006, data on the first target showed that a substantial fall in child poverty had gone most, but not all, of the way towards meeting it. While this may be taken to show that the government is 'nearly on target' in carrying forward its long-term anti-poverty drive, the situation is in fact more complicated. This is because measures that succeed in raising the first quarter of children out of poverty, if simply carried forward, will be less effective in reducing poverty among the other three quarters, whose situation is more severe.

The Joseph Rowntree Foundation has brought together leading experts in this field to consider what needs to happen now in order to maintain the required progress (see the Appendix for details of this project). This report sets out their findings. It starts by looking at the nature and underlying causes of the problem of child poverty in the UK, and then considers the various factors that can contribute to its eradication. Chapter 4 reports specifically on a modelling exercise that projects the effect of current policies on future levels of child poverty and looks at what new policies might be capable of in terms of meeting or progressing towards the 2010 and 2020 targets.

This exercise needs to be understood in the context of what it is trying to do and what it is not.

First, the focus of this report is on meeting relative income targets. The fall in the percentage of children on relatively low incomes is an important but not the only indicator of reduced hardship among poor children. One other indicator being adopted by the government,

which measures material deprivation, will also be valuable, but is not yet adequately developed to be subject to these projections. More generally, overall government progress in tackling childhood disadvantage will be judged by a wider range of criteria than those on which this report concentrates, including the extent of experiences such as homelessness and other forms of disadvantage.

Second, while the report refers to a wide range of factors that will influence relative incomes, it is not able to project the long-term impact of all these influences. When thinking about child poverty in 2020, we are considering children who have not yet been born, many of whose parents are themselves still young children today. Ambitious policies to eradicate child poverty need to influence their futures and opportunities through changes in society that cannot be projected in the same way as more direct measures, such as moving individuals into work or increasing tax credits. Our modelling work concentrates on the latter.

For these reasons, this report is not a blueprint for a full programme to end child poverty. Nevertheless, its findings are immensely important for the design of long-term strategies. The results give an indication of the magnitude of the task ahead and of the extra measures, with both tangible and less measurable impacts, that will need to be introduced in order to fulfil it.