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Independent expert review of the Child Poverty Strategy monitoring framework

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Title: Independent expert review of the Child Poverty Strategy monitoring framework

Author: Professor Rod Hick, School of Social Sciences, Cardiff University

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Views expressed in this report are those of the researcher and not necessarily those of the Welsh Government

For further information please contact:

Name: Launa Anderson

Division: Equality, Poverty and Children's Evidence and Support

Welsh Government

Cathays Park

Cardiff

CF10 3NQ

Tel: 03000259274

Email: socialjusticeresearch@gov.wales

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1. Introduction

- 1.1 Too many children in Wales – indeed, across the United Kingdom – live in poverty. Beyond the simple unfairness of children having to grow up not having enough, we know that childhood poverty has negative consequences across a range of outcomes in later life. The Welsh Government’s commitment to tackle child poverty as an absolute priority is thus welcome (Welsh Government, 2024).
- 1.2 The Child Poverty Strategy monitoring framework is multidimensional in orientation and wide-ranging in its coverage, focusing primarily, though not exclusively, on social outcomes relating to child poverty, deprivation and wellbeing. Moving beyond an exclusive focus on one indicator, such as the relative income poverty indicator, can provide a more fine-grained information about the circumstances of children in Wales. That is the approach taken here.
- 1.3 The indicators that have been proposed for selection are mostly taken from the national indicators, align with the objectives and priorities set out in the Child Poverty Strategy (the strategy), relate, in the main, to the experiences of children and young people themselves, and are consistent with the brief that was set by the then-Minister for Social Justice and Chief Whip, Jane Hutt MS. Periodic monitoring against the proposed measures will provide a rich picture of child poverty and wellbeing in Wales and should contribute to ensuring that the position of Wales’s most vulnerable children remains high on the policy agenda.
- 1.4 The indicators chosen include items that relate to children and young people of all ages as well as items that capture outcomes at specific points in childhood. In general, the measures drawn from the national indicators that do not relate to childhood in its entirety relate to its later stages, or indeed to the period of young adulthood. This is a risk arising from the reliance on survey data to populate the monitoring framework – many surveys are fielded only to respondents aged 16 and over – yet this reliance is in many cases necessary if the statistics on which performance is to be evaluated are to be robust. The supplementation of measures from the national indicators with others drawn from the School Health Research Network has allowed greater coverage amongst children under the age of 16. This is welcome.

1.5 As the measures relate in the main to child poverty and wellbeing – that is, to social outcomes – it is likely that triangulation with evidence on the efficacy of specific programmes, as is planned, will be necessary to reach a rounded judgement about the circumstances of children in Wales as well as the success of Welsh Government initiatives that seek to tackle child poverty. In relation to the monitoring framework specifically, the total number of measures is large and, since they are treated implicitly as being of equal importance, the picture provided by these measures is likely to be complex, with areas of progress, stasis and regression to be anticipated in any given monitoring period. Summarising performance across the diverse portfolio of measures may prove challenging and is likely to be open to interpretation depending on the implicit emphasis that readers place on the different items. Equally, the variegated picture that can be expected to flow from this framework is likely to be strong in pointing to areas where particular progress has been made and in identifying areas where further efforts are required.

2. The remit of my review and the approach I have taken

2.1 In launching the Child Poverty Strategy 2024, then-Minister for Social Justice Jane Hutt MS noted that as part of the strategy, the Welsh Government would ‘be producing a monitoring and impact framework’ that would ‘take account of the well-being of Wales national indicators’ and would ‘ensure that our efforts are concentrated where they are most effective’ (Senedd Plenary, 2024).

2.2 I have been tasked ‘to provide the Welsh Government with an expert review of, and independent advice on, the suitability of the draft Child Poverty Strategy measurement framework, developed in-house by Welsh Government analysts.’ The terms of reference for this work proposed that the approach to constructing a monitoring framework would rely on ‘pre-existing indicators, rather devising a new set’ and that, in particular, an important task would be in ‘identifying which of the existing national indicators are relevant and what data is available to report against that data for children in poverty and children in poverty with protected characteristics’.

2.3 This Expert Review is the culmination of a process that has been iterative and consultative rather than consisting solely of a review of the final monitoring

framework. Thus, some suggestions that I made at earlier stages of this process – for example, concerning the inclusion of an introductory narrative explaining the purpose of the framework and how it will function, about ensuring the suite of items is reasonably balanced across the stages of childhood and young adulthood – are now reflected in the framework itself. Nonetheless, the monitoring framework is the work of Welsh Government officials who were tasked by the then Minister to construct it. In terms of the timeline of this work, my involvement commenced in January 2024 and a draft monitoring framework was shared with me in late March. I submitted an Initial Review of this draft framework in the first half of May. Welsh Government officials responded to this Initial Review later in May with a Reflections document, which provided a comprehensive response to the comments and recommendations made in my Initial Review. Meetings with the External Reference Group on the Child Poverty Strategy were held on 21st March and 23rd May and meetings with Welsh Government officials have been held intermittently since January of this year. I have been impressed by the commitment and dedication of officials in designing this framework and by their willingness to give serious consideration to different viewpoints – not only my own, but also those of their External Reference Group – regarding its design.

- 2.4 A measurement and monitoring framework combines areas which concern social scientific best practice with considerations which are more straightforwardly political. Below, I outline a series of principles that have informed my review and which I regard as elements of good practice, which concerns the former. The implication of the latter is that there is no one best way to design a monitoring framework and that political imperatives, including the views of user groups, play a legitimate – indeed, important – role.

3. What is the framework for? What kind of framework is this?

- 3.1 The framework looks to contribute towards monitoring the effectiveness of the Welsh Government's 2024 Child Poverty Strategy. In addition to this social outcomes-based framework, there will also be a policy progress report 'monitoring outputs against the 5 objectives, 5 priorities and 19 commitments in the strategy' and 'evidence from children, young people and families with lived experience of poverty' (Welsh Government, 2024, p. 2) will also be considered when evaluating the impact of the strategy as a whole. Thus, the lessons that emerge from this framework will be triangulated with evidence from these other sources in reaching judgements about the success of the strategy and how the policy response should evolve.
- 3.2 The domains selected in this draft framework align with objectives set out in the Child Poverty Strategy 2024. The indicators and measures proposed relate primarily to outcomes as they relate to children, though there are some adult measures too. This gives the full set a hybrid character, though child outcomes are the predominant focus.
- 3.3 The advantages of a social outcomes-based framework approach are, in my view, (i) that child wellbeing is genuinely multidimensional and that a multidimensional approach can better capture this reality than any single indicator (Hick, 2014b); (ii) that it represents an improvement over exclusive reliance on, especially, a relative income indicator, which is most obviously sensitive to tax and transfer policies that are not, in the main, within the remit of Welsh Government powers. One disadvantage is that there is potential distance between the activities of Welsh Government and these outcomes because they have a variety of influences and determinants besides Welsh Government activities. A focus on such outcomes, as opposed to monitoring progress based on policy outputs, thus involves a certain degree of risk. One such risk is that deterioration in performance on these outcomes may lead to unwarranted and unjustified criticism of Welsh Government, since this may be the result of wider socio-economic trends and not any failure in Welsh Government initiatives. It may also mean that Welsh Government initiatives can 'succeed' against individual programme objectives, but this may not be perceptible

because the outcomes are capturing a broader and more global whole. To this extent, triangulation via the monitoring of policy outputs (and lived experience), as is proposed, will be important in order to provide a rounded assessment of both children's circumstances and the performance of Welsh Government initiatives.

- 3.4 The monitoring framework considers a relatively large number of individual measures. There are, for instance, a greater number of measures included in the draft framework than in the child poverty strategies assessed by Peter Kenway and colleagues on behalf of their review for the Wales Centre for Public Policy (Kenway et al., 2022). There are a larger number than were included in the UK Child Poverty Act targets or in the Irish National Anti-Poverty Strategy, which had an overall or global target of monetary poverty and supplementary targets relating to unemployment, educational disadvantage, urban disadvantage and rural poverty (Layte, Nolan & Whelan, 2000). That is not to say that a more expansive monitoring framework is unique: the United Nations' Sustainable Development Goals is an example of a framework with a large number of goals (17) and targets (169). But it is nonetheless distinctive and will influence how the framework operates in practice.
- 3.5 More highly dimensional structures better represent the experience of the variety of forms of child poverty and child wellbeing, but at the cost of greater complexity (Hick, 2016). One can expect performance to vary across these different indicators, and there will be an important, and potentially challenging, task, in synthesising the lessons from these indicators.

4. What are the desirable properties of a poverty monitoring framework?

- 4.1 In considering this review, I have given regard to the following desirable properties of the measurement of child poverty:
- 4.1.1 The measures chosen should 'identify the essence of the problem and have a clear and accepted normative interpretation' (Atkinson et al., 2002, p. 24).
 - 4.1.2 Where measures relate to child poverty or wellbeing, they should count individual children (rather than households with children), in line with keeping individuals as the unit of analysis (Förster and Mira d'Ercole, 2012, p. 31).
 - 4.1.3 Where appropriate and feasible, the items should give due regard to the views of children and/or the items should be child-specific (Main and Bradshaw, 2012).
 - 4.1.4 Where multidimensional indicators are selected, each item should provide information not offered by another. To that extent, no measure should be redundant.
 - 4.1.5 The indicators should refer to the full age range of children and young people. Ideally this would refer to each individual measure, but the suite, at least, when taken together, should provide this coverage.
- 4.2 Finally, while this cannot be specified as neatly as a general rule:
- 4.2.1 Indicator specification should take due care with respect to the identification of focus and reference groups. In addition, whether indicators are specified as proportions or gaps, etc., should be carefully considered. The importance of these decisions can easily be overlooked, and yet can influence the nature of the results provided by any monitoring framework and thus the messages provided to policymakers.

5. The domains, indicators and measures

5.1 The framework consists of four domains. The standard of living domain is particularly important and captures the experience of child poverty most directly. The education, skills and employment, wellbeing, and inclusive communities domains clearly relate to objectives set out in the Child Poverty Strategy. These four domains are each important and they are distinct. Most of the measures below relate to children and young people themselves, though some relate to outcomes for adults. This varies somewhat across domains; the standard of living and wellbeing domains have better coverage in relation to children and young people directly (with 7/7 and 5/7 measures respectively) than do the education, skills and employment and inclusive communities domains (2/4 and 1/4 respectively). I would regard those measures relating to children and young people directly as being particularly important for evaluating the effectiveness of a child poverty strategy. I discuss these indicators and measures in turn.

Domain 1. Standard of living

5.2 National indicator 18 (relative income poverty). This is a necessary indicator. That the proposed measures are on an after housing cost basis means that this will be sensitive to variations in the affordability of housing over time and place, which is desirable. In relation to this indicator:

5.2.1 There are five relative income poverty measures. It is helpful that the headline measure is included before four disaggregations (by number of children, family type, economic status and disability, respectively).

5.3 National indicator 19 (material deprivation). This is a highly desirable indicator to include in the monitoring framework and I regard this and the relative poverty measures as being particularly important in terms of monitoring material poverty, not least since both capture children across the full age range. Material deprivation measures have been shown to be highly successful in identifying households at risk of a variety of forms of multiple deprivation (Hick, 2014a).

5.4 Breakfast measure: I can see the relevance of capturing extent to which secondary school children do not eat breakfast given the Welsh Government's policy efforts here in relation to primary school children and, at UK level, concerns about rising food insecurity (Welsh Government, 2022).

Domain 2. Education, skills and employment

- 5.5 National indicator 7 (GCSE results). I can see the value of including this measure and its clear relevance in relation to the Child Poverty Strategy. That the national indicators are specified in terms of both totals (i.e. for all children in the cohort) as well as the gap between those in receipt of FSM and those not in receipt of FSM is desirable.
- 5.6 National indicator 16 (Living Wage employment) & national indicator 17 (pay gaps): It must be noted that these indicators are quite different to many of the others in that they do not relate directly to children or young people specifically and so are beyond the principles I have outlined in section 4. The measure relating to living wage employment strikes me as being potentially more relevant for this framework than that relating to pay gaps, though I do not doubt the importance of the latter in intrinsic terms. These items might be justified on the grounds that they represent, or are consistent with, the pathways out of poverty that are envisaged by Objective 2 of the Child Poverty Strategy. Nonetheless, the inclusion of these indicators introduces an element of hybridity to the framework, now moving beyond a purely outcomes-based child poverty and deprivation framework. In my Initial Review of the draft framework, I suggested a narrative explaining this departure from a child-specific focus and I am pleased that this now been included.
- 5.6.1 Regarding national indicator 17 specifically, I am pleased to see that the specification of this measure focusses on both totals as well as gaps (since as a general rule we do not want gaps to be closed by performance disimproving for relatively advantaged groups). Comparing totals over time will require an adjustment for inflation.
- 5.7 National indicator 22 (in/activity rates for young people). This is a welcome measure.

Domain 3. Wellbeing

- 5.8 National indicator 1 (low birth weight) – An advantage of this measure is that it captures a child-relevant outcome at the very beginning of life. This has value in itself and also provides some balance against indicators that sometimes skew towards the older years of childhood.

- 5.9 National indicator 29 (mean wellbeing score). I can clearly see the value in including an indicator of this kind, though it would make sense to me to delimit the focus of this measure to young adults aged 16 to 24. The subsequent measures on emotional difficulties and life satisfaction capture similar, if not identical, information for younger cohorts of children. This is welcome.
- 5.10 National indicator 38 (percentage of people participating in sporting activities). I can see the relevance of this indicator. The three measures listed are not identical to national indicator 38 but are, in broad terms, consistent with it. Since there are no data sources, I have been unable to check the specifications of these variables, and my specific comments should be read in that vein:
- 5.10.1 Regarding the first measure appearing under this indicator (taking part in an organised activity), if the data permitted it, it would be better to count children rather than parents – so, ‘percentage of children living in materially deprived families who take part in regular organised activity ...’ (consistent with counting children, as per paragraph 4.1.2, above).
- 5.10.2 The use of material deprivation as a selection variable is non-ideal since this may fall significantly through time, especially during periods of economic growth. I accept that there is a desire here to focus on wellbeing for children experiencing economic hardship in particular, and that there are real and genuine data limitations, but measures specified in this way may need care in interpretation in later reporting if the headline material deprivation rate changes since this measure may end up capturing changes in levels of activity for a group that is itself changing – potentially shrinking – over time. Ideally, it would be better for this measure to select on economic deprivation using a more-or-less fixed base sample. To that extent, my preference would be to restrict attention to, in descending order or preference: the lowest one or two (equivalised) income quintiles, then income poverty status, then material deprivation status. I accept this may not be possible due to data constraints, but measures specified in this way may require care in interpretation if the proportion of families changes significantly. *Note: The decision to accept recommendation 4 (paragraph 7.4) amending the selection variable from ‘in*

material deprivation' to 'by material deprivation' may help here as this indicator will now be reported on both for families who are experiencing material deprivation and those who are not.

- 5.10.3 More generally, I am unclear why the first activity indicator is measured for *parents* who are *in* material deprivation, while the second and third captures *children* and presents this *by* family affluence. If this is imposed by data limitations, it would be good to note this, as it is an inconsistency.

Domain 4. Inclusive communities

- 5.11 National indicator 24 (satisfaction with access to facilities and services). This is a reasonably indirect proxy of a child outcome. It might be said to relate to 'families', as per the Child Poverty Strategy focus on 'children, young people and their families', but is not specifically delimited in this way and is likely to be influenced by factors quite unrelated to the Child Poverty Strategy (e.g. satisfaction with the performance of services as relate to relatively older people, which may on occasion be in competition for resources with those for children and young people). The second measure seems more appropriate as it is more directly related to the experiences of children, including younger children.
- 5.12 National indicator 27 (belonging): Again, I would regard this as a reasonably indirect measure of a child outcome, especially when it is not delimited to a more focussed group (e.g. older children and young people, aged 16 to 24). Thus, I would tend to place less emphasis on these indirect indicators and, certainly, improvements on these items but deterioration on the more directly child-focussed items would, in my view, be suggestive of deteriorating performance overall.
- 5.13 The inclusion of an indicator of acceptance for primary school children is positive, not least since it provides another indicator relating to children below the age of 16. It is welcome that this is explicitly noted as being both headline measure as well as disaggregated by family affluence.

6. Conclusions

- 6.1 The Child Poverty Strategy monitoring framework will provide the basis for a rich evaluation of social outcomes for children, young people and their families. It has

many desirable properties: it is multidimensional in orientation, but includes and gives prominence to a relative income poverty measure too, a necessary measure, in my view, for any child poverty strategy; it is wide ranging, capturing performance across multiple domains and indicators; it achieves a good balance between items relating to all children and others capturing experiences at specific stages of childhood; it takes children themselves as being the unit of analysis in most cases and not families or, indeed, their parents. It is, as I have noted, a complex framework and summarising performance across the various measures will be challenging. The hybrid nature of the framework, focussing primarily on social outcomes as they relate to children and young people but in some cases relating to adult outcomes, includes measures that might be said to relate to the Child Poverty Strategy, but not to child poverty per se. I accept this as a general principle, though I am less persuaded in some specific instances – I am thinking here especially of the satisfaction with access to services amongst adults measure, but perhaps one or two other items too – and, in general, I would tend to place less weight on these items in interpreting overall performance, since evaluating the effectiveness of a Child Poverty Strategy must surely place particular emphasis on measures that directly capture the incidence and experience of child poverty itself. Overall, when considered alongside evidence of the lived experience of young people and an analysis of policy outputs, this framework will be a very helpful tool for evaluating the effectiveness of the Welsh Government’s activities as they relate to the Child Poverty Strategy for Wales 2024.

7. Recommendations¹

- 7.1 Recommendation 1. In some instances, measures capture the experience of *all* children and young people (that is, they are headline measures), while others specify that a particular measure be disaggregated for specific groups. There could be more consistency in terms of the inclusion of headline measures and their

¹ The five recommendations made in my review of 17th July 2024 are listed here. I also note actions taken after this review and incorporated into the final monitoring framework.

disaggregation. For example, in some instances there is only a headline measure (e.g. in relation to material deprivation). In others, there is a headline measure *and* a disaggregation of this (e.g. in relation to relative income poverty). For others (e.g. low birthweight) there are measures capturing the disaggregated experience for specific groups, but the headline measure itself (in this case, the percentage of live births with low birthweight) is not included. As a general rule, and absent a compelling justification for its exclusion, it would be good to include the headline measure whenever a disaggregated measure is included. *Note: this recommendation was accepted and where disaggregated measures are included, the relevant headline measure will also be reported.*

7.2 Recommendation 2. I am also unclear about the status of the groups that will be used in the disaggregation of the headline measures as they vary across items. If there are *particular* groups that are central to the strategy, as being in line with ‘circumstances and background’ mentioned in the introduction to the framework, then it would be good to make these explicit. If not, and these are indicative groups only, then it raises the question of why they have been elevated to the status of a formal measure. It is not so much that I have questions about the groups included in any particular measure but the rationale for inclusion of the groups selected, and why these vary across measures, could be more clearly explained. *Note: the final version of the framework now expresses a desire to disaggregate the relevant indicators, where possible, by groups with protected characteristics. There can be, I accept, challenges in doing this due to data limitations, but the inclusion of a statement which outlines how the framework departs from the ideal is helpful.*

7.3 Recommendation 3. The introductory narrative is very helpful, but it could be clearer on the point of hybridity. For example, it is noted that a selection criterion is that measures ‘represent an outcome measure for children and young people’, but I am not sure the adult-focused measures would qualify under this definition for inclusion. ‘Represent or relate...’ might be more accurate, though this raises the question of what the adult items relate *to*; this might be discussed a bit more explicitly. In the course of our conversations, one of the limitations on the inclusion of additional measures was data availability. At times, these limitations related to data that might not be collected *at all*, but on other occasions, data might be collected in a form that

does not meet the statistical requirements that Welsh Government is operating to. I wondered whether the point at the top of paragraph 2.11 should read ‘...routinely-available, *robust* data’. *Note: The introductory narrative was adjusted in response to these points.*

7.4 Recommendation 4. In general, my view is that disaggregation *by* material deprivation status is preferable to one that focusses *on* those in material deprivation only, especially given the concerns I have noted about reliance on material deprivation as a selection group, which I appreciate may be unavoidable if some form of economic selection/disaggregation is to be applied. Disaggregating by material deprivation status would facilitate interpretation in a way that may prove helpful. *Note: this recommendation was incorporated into the final version of the monitoring framework.*

7.5 Recommendation 5. I would give consideration to limiting measure 2 in the wellbeing domain (mean mental wellbeing score for adults aged 16 or over by material deprivation) to young people aged 16-24 only. There is perhaps a case for considering this in relation to measure 3 in the inclusive communities domain too (the ‘belonging’ measure), though here the case is perhaps a little less compelling, given the explicitly relational focus of the measure. *Note: This recommendation was accepted in principle but with the caveat that it may be challenging to give effect to it in practice because of low sample sizes in key data sources, especially given the desire to focus on young people and those in material deprivation. To the extent that the focus remains on all adults in subsequent reporting, a narrative explaining the link between these adult outcomes and relevant provisions in the Child Poverty Strategy and/or to child outcomes would be helpful.*

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