

- 1.1 This inquiry comes at a crucial time and we welcome the opportunity to contribute in this joint submission. Educational under-achievement by children living in poverty in Wales can be seen as early as the age of three, when they enter nursery. The scores in standardised tests for those on Free School Meals can be up to a year behind those of children not receiving FSM. This gap is often closed in the early years of primary education, but it widens again by the age of eleven (Egan, 2013).
- 1.2 Although the Welsh Government's Child Poverty Strategy 2015 follows previous strategies in emphasising action on early years and education, real progress on narrowing the attainment gap has proven much tougher than research might have indicated. This suggests that the issue is not just a matter of new funding streams and programmes. Instead some clear thinking is needed about how a complex set of factors both inside and outside the current range of programmes coalesce. In particular we would emphasise two points.
- 1.3 First, money matters. At the UK-wide level families with young children are at particular risk of poverty – 30% of families with a child aged one or under are in poverty, along with 23% of families with a child aged two to four. In comparison, 26% of families with a child aged five to ten are in poverty. Improving financial support for low-income families when children are young would support children's development and educational prospects.

- 1.4 A 2013 review carried out by researchers at the LSE for JRF of 34 relevant studies confirms that children in lower-income families have worse cognitive, social-behavioural and health outcomes in part because they are poorer, not just because low income is correlated with other household and parental characteristics. The strongest effects are in relation to cognitive development and school achievement, followed by social-behavioural development. Income also affects outcomes indirectly impacting on children, including maternal mental health, parenting and home environment. Money (or the lack thereof) in early childhood appears to make most difference to cognitive outcomes. In later childhood and adolescence it makes more difference to social and behavioural outcomes).
- 1.5 Crucially, the impact of increases in income on cognitive development appears roughly comparable with that of spending similar amounts on school or early education programmes. Increasing household income could substantially reduce differences in schooling outcomes, while also improving wider aspects of children's well-being. Rough calculations suggest that increases in household income would not eliminate differences in schooling outcomes between low-income children and others, but could contribute to substantially reducing these differences. For example, increasing household income for children in receipt of free school meals (FSM) by £7,000, which would raise them to the average income for the rest of the population, might be expected to eradicate around half the gap in Key Stage 2 outcomes between FSM and non-FSM children (Cooper and Stewart, 2013).
- 1.6 Second, the four core elements of the Flying Start programme focus on the right things but the effectiveness of it and other Welsh programmes should be more rigorously monitored (JRF, 2016). In England, a new measure of child development at age 2-2½ is being developed and should provide useful data to assess the impact of policies such as the Healthy Child Programme and Healthy Start. JRF recommends that the Welsh

Government ideally adopt the same measure and methodology to enable robust data and evidence to be gathered across the nation. This is important not least because a robust case will need to be made for additional funding if programmes are to begin addressing the true scale of need.

## References

Cooper, K and Stewart, K (2013) *Does money affect children's outcomes?* JRF: York. Available at: <https://www.jrf.org.uk/report/does-money-affect-children%E2%80%99s-outcomes>

Egan, D (2013) *Poverty and low educational achievement in Wales: student, family and community interventions*. JRF: York. Available at: <https://www.jrf.org.uk/report/poverty-and-low-educational-achievement-wales>

JRF (2016) *UK Poverty: Causes, costs and solutions*. York. Available at: <https://www.jrf.org.uk/report/uk-poverty-causes-costs-and-solutions>