

November  
2015Mobilizing critical research for  
preventing and eradicating poverty**THE CONSENSUAL APPROACH  
TO CHILD POVERTY  
MEASUREMENT**

Shailen Nandy &amp; Gill Main

**Introduction**

Two previous CROP Briefs detail the negative impacts of poverty on children's survival and healthy development [No. 7, Lipina, S.J., & Farah, M.J. (2011) 'Poverty under the lens of Cognitive Neuroscience' and No. 12, Lipina, S.J., & Posner, M.I. (2012) 'Developing Poor Connected Brains']. Another CROP Brief [No. 23, Delamonica, E., (2014) 'Separating and combining child and adult poverty: Why? How?'] sets out why child and adult poverty need to be distinguished from one another and explains the importance of developing child-relevant indicators and measures to assess child poverty. In this brief we do not revisit these issues; instead we set out the rationale behind a methodology that is being increasingly used in high and low income countries to assess poverty.

It has long been argued that conventional measures of poverty fail to reflect adequately the reality and lived experience of people in poverty. While food-based poverty lines have been abandoned in many (high income) countries, their persistence in others (mainly low and middle income) is perhaps more due to habit than to inherent merit. Over the last 30 years, international poverty research has seen the development of new methods and measures, which reflect the maxim that 'Man does not live by bread alone'. Peter Townsend's theory of relative deprivation forms the basis of many internationally-accepted definitions of poverty, including that of the European Union where "the poor" are those "persons, families and groups of persons whose resources (material, cultural and social) are so limited as to exclude them from the minimum acceptable way of life in the Member State in which they live" (European Economic Commission, 1985).<sup>1</sup> Deciding what constitutes the minimum acceptable way of life is not without controversy, and poverty literature is replete with arguments as to why and how this can or cannot be done. In the face of controversy and contestation, social science researchers and others have developed methods to apply Townsend's theory and to operationalise the definitions resulting from it. One method gaining traction and interest is the Consensual Approach, which has been used successfully across a range of low, middle and high income countries, including the UK, Sweden<sup>2</sup>, Australia<sup>3</sup>, Japan<sup>4</sup>, South Africa<sup>5</sup> and Benin<sup>6</sup>. Its strengths lie in the fact that it produces socially realistic, valid and reliable indicators of people's living standards, and that it can be used to assess the poverty of both adults and children.

This brief argues that:

- Conventional estimates of poverty relying on minimalist definitions and indicators underplay its extent and nature.
- The consensual, or democratic, approach produces valid and reliable indicators with which to estimate poverty and reflect on its multidimensional nature.
- The consensual approach has been successfully used to assess child poverty in both high and low income countries.
- It offers a unique opportunity to go beyond the "what is" to the "what should be".



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## The consensual approach and child poverty measurement

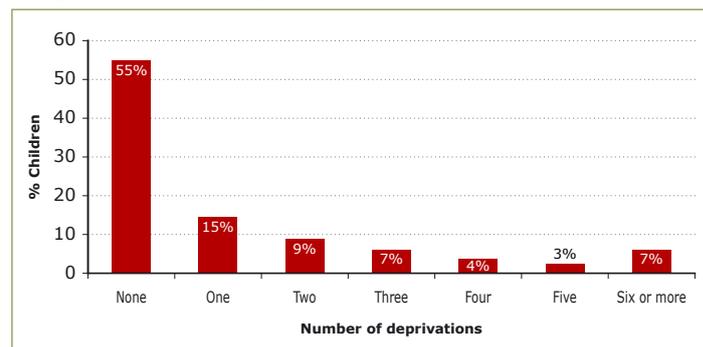
The consensual, or democratic, approach to poverty measurement bases an assessment of poverty on individual and household access to a range of items and activities that are deemed necessities by the majority of the population of interest. Pioneered by Mack and Lansley<sup>7</sup>, the approach involves a two-stage process: firstly, a representative sample of the population is asked to identify which items and activities they consider to be necessities. Then those seen as necessities by 50% or more are deemed *socially perceived necessities* (SPNs): things the majority believe no-one should have to go without. Next, a further representative sample is asked whether they have or lack each SPN<sup>8</sup>; if they lack it they are asked whether this is because they cannot afford it, do not want it, or for some other reason. Only those items people lack through an inability to afford them are treated as *deprivations*. Children's specific needs, and the needs of sub-groups of children, are acknowledged within the approach: only items and activities relevant to the specific age of the child are included in the calculation of their level of deprivation. Thus the approach avoids the shortcomings of using income as an indirect measure of poverty<sup>9</sup>. The process of including only those items relevant to sub-groups of children can also be used to construct measures of deprivation relevant to children and adults alike, with household SPNs treated as potential deprivations for both adults and children, and child- or adult-specific SPNs only applied to the relevant sub-group. Thus the approach provides a means of developing a measure of poverty tailored to life stage but without losing the capacity to generate consistent population-level estimates of poverty rates. Such estimates are of key importance to policymakers who may require top-line figures to assess existing poverty and develop new interventions to combat it.

In a previous CROP Brief [No. 20, Bessell, S. (2014) 'The individual deprivation measure: a new approach to multi-dimensional, gender sensitive poverty measurement'] three concerns are raised in relation to poverty measurement: (1) a tendency to focus on household rather than individual units of analysis, (2) measurements based on already-existing data, and (3) expert (rather than popular) determination of which dimensions of poverty are measured. The consensual approach addresses all of these: poverty is conceptualised and measured at the individual level but with an acknowledgment of the importance of household resources; the use of popular assessments of necessity allow for (indeed, require) ongoing efforts to update indicators and generate new data; and popular consensus (rather than expert judgement) of what poverty constitutes is the fundamental basis of the approach.

Gordon and Nandy<sup>10</sup> demonstrate a method for combining SPN deprivation with household income to estimate a combined poverty measure, reflecting both income and living standards. This has the advantage of

enabling identification not only of those living in and out of poverty, but also those likely to be moving out of poverty (i.e. those with a high income but low living standards) and into poverty (i.e. those with low income but high living standards). This captures the idea that there will be a lag effect in the impact of income changes on living standards: those with increased incomes may take time to achieve higher living standards as they gradually acquire material resources and service debts, and those with lowered incomes may appear to enjoy higher living standards as their reserves, in terms of possessions and savings, are gradually used up.

**Chart 1: Number of deprivations experienced by UK children**



Source: Own analysis of the 2012 UK Poverty and Social Exclusion Survey

In the UK, the consensual approach has been used repeatedly over the past three decades. Beginning with Mack and Lansley's work in 1985, the method has been refined and developed<sup>11</sup> culminating in the 2012 UK Poverty and Social Exclusion (PSE) Survey ([www.poverty.ac.uk](http://www.poverty.ac.uk)). The PSE identified 24 SPNs for children; Table 1 shows what these are, along with the proportion of adults indicating that they are necessities for children. It also shows the proportion of children having, lacking through inability to afford, or lacking for other reasons. Chart 1 shows the distribution of children on the resulting index. Headline findings show that children are at higher risk of poverty than adults (with a combined poverty rate of 27% compared to 22% for adults). 13% more children were in a 'vulnerable' situation (that is, low income but not deprived), while only 1% were in a 'rising' situation (deprived but not low income). While the poverty rate was lower for adults overall, PSE evidence suggests that adults living in households with children make efforts to protect children from the worst impacts of poverty: the combined poverty rate among these adults was 32%, higher than for children and much higher than for adults in general. Further questions about sacrificing behaviour patterns, ranging from cutting back on social outings to inadequate food consumption in order to provide for others, also indicate that adults aim to protect children in their households when resources are scarce. A more detailed analysis of child poverty based on the PSE data can be found in Main and Bradshaw<sup>12</sup>.

**Table 1: Children’s socially perceived necessities in the UK PSE 2012 survey (%)**

Items						
	% saying necessity	Has	Does not have, does not want	Does not have, can't afford	N/A	
A warm winter coat	97	97	1	1	0	
Books at home suitable for their ages	91	97	1	2	0	
Three meals a day	93	97	2	1	0	
Indoor games suitable for their ages	80	95	2	1	1	
Fresh fruit or vegetables at least once a day	96	95	2	3	0	
Some new, not second hand, clothes	65	95	1	4	0	
Meat, fish or vegetarian equivalent at least once a day	90	94	1	3	1	
New, properly fitting shoes	93	94	2	4	1	
At least four pairs of trousers	56	93	1	5	1	
A garden or outdoor space nearby	92	92	2	5	1	
A suitable place at home to study or do homework	89	92	2	5	1	
Computer and internet for homework	66	90	2	6	2	
Enough bedrooms for every child of 10 or over of a different sex	74	84	4	11	1	
Outdoor leisure equipment	58	81	11	6	2	
Construction toys	53	70	23	5	3	
Pocket money	54	69	13	16	2	
Money to save	54	60	6	33	1	

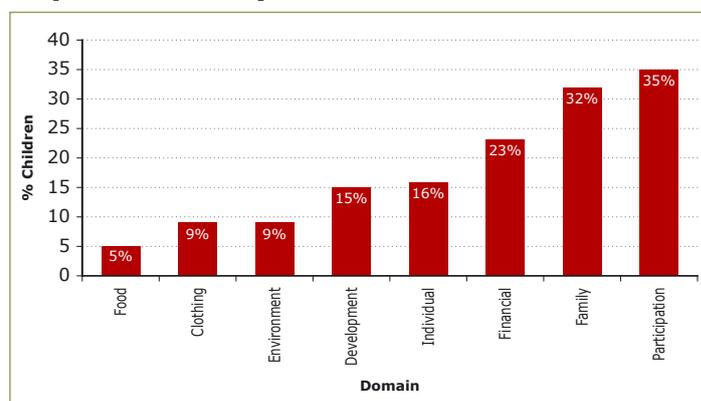
  

Activities						
	% saying necessity	Does	Does not do, does not want	Does not do, can't afford	Does not do, other	N/A
Celebrations on special occasions	91	97	1	2	0	0
A hobby or leisure activity	88	86	5	6	3	0
Going on a school trip at least once a term	55	79	5	7	9	0
Toddler group, nursery or play group once a week	87	73	13	4	10	0
Children’s clubs or activities	74	71	11	9	8	1
Day trips with family once a month	60	66	8	21	5	0
A holiday away from home at least one week a year	52	64	6	26	2	1

Source: Own analysis of the 2012 UK Poverty and Social Exclusion Survey.

A further advantage of this approach is that different domains of deprivation, as well as overall deprivation, can be examined. The PSE SPNs for children were grouped into eight overlapping domains: food<sup>13</sup>, clothing<sup>14</sup>, environment<sup>15</sup>, development<sup>16</sup>, individual<sup>17</sup>, financial<sup>18</sup>, family<sup>19</sup>, and participation<sup>20</sup>. Chart 2 shows the proportion of children deprived in each of these domains. Thus, the approach allows for an examination of overall poverty rates among children as well as acknowledging and allowing for analysis of the multidimensional nature of child poverty.

**Chart 2: Deprivation rates by domain experienced by UK children**



Source: Own analysis of the 2012 UK Poverty and Social Exclusion Survey

## Conclusions

It is now widely acknowledged that poverty assessments, for both adults and children, require better indicators. A continued reliance on narrow definitions and absolute, minimalist measures is no longer acceptable (as reflected by the new Sustainable Development Goals) or desirable (as reflected by the wide and growing body of evidence that relative poverty has devastating effects on the poor). Every major human rights convention and declaration states the rights of people to an adequate standard of living, to protection from poverty and destitution. The consensual approach provides not only a means to assess how prevalent poverty is, but also a means for societies to define the standards of living they expect. Such information provides an ideal tool for policymakers, enabling them to develop and monitor interventions that will address poverty as it is understood by the society in which it is experienced, and by definition have the mandate of the population. That is, the approach offers a unique opportunity to go beyond the “what is” to the “what should be”.

## About the author

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## Notes

- 1 EEC (1985), *On Specific Community Action to Combat Poverty* (Council Decision of 19<sup>th</sup> December 1984) 85/8/EEC, Official Journal of the EEC, 2/24.
- 2 Halleröd, B. (1995) ‘The Truly Poor: Direct and Indirect Consensual Measurement of Poverty in Sweden’, *Journal of European Social Policy*, 5(2): 111-129.
- 3 Saunders, P. (2011) *Down and Out: Poverty and Exclusion in Australia*, Bristol: The Policy Press.
- 4 Abe, A., and Pantazis, C. (2014) ‘Comparing Public Perceptions of the Necessities of Life across Two Societies: Japan and the United Kingdom’, *Social Policy and Society*, 13(1): 6988.
- 5 Noble, M.W.J., Wright, G. and Wiseman, K. (2008) ‘Developing a Democratic Definition of Poverty in South Africa’, *Journal of Poverty*, 11(4): 117-141.
- 6 Nandy, S., and Pomati, M. (2014) ‘Applying the Consensual Method of Estimating Poverty in a Low Income African Setting’, *Social Indicators Research*, DOI: 10.1007/s11205-014-0819-z.
- 7 Mack, J. and Lansley, S. (1985) *Poor Britain*. George Allen and Unwin.
- 8 A two-stage process is not always necessary or used; researchers have successfully combined both stages in a single survey. See Saunders (2011) or Nandy and Pomati (2014) for examples.
- 9 Ringen, S. (1988) ‘Direct and indirect measures of poverty’, *Journal of Social Policy* vol.17 no.3 pp351-365.
- 10 Gordon, D. and Nandy, S. (2012) ‘Measuring child poverty and deprivation’, in Minujin, A. and Nandy, S. (Eds) *Global Child Poverty and Well-being*. Bristol: Policy Press.
- 11 Gordon, D., and Pantazis, C. (Eds) (1997) *Breadline Britain in the 1990s*, Aldershot: Ashgate; Pantazis, C., Gordon, D. and Levitas, R. (Eds) (2000) *Poverty and Social Exclusion in Britain*. Bristol: Policy Press.
- 12 Main, G. and Bradshaw, J. (2014) *Child poverty and social exclusion: Final report of 2012 PSE study*. Available online from <http://poverty.ac.uk/pse-research/working-papers>.
- 13 Comprising 3 meals a day; fresh fruit or vegetables at least once a day; meat, fish or vegetarian equivalent at least once a day.
- 14 Comprising a warm winter coat; new, properly fitting shoes; some new, not second hand, clothes; at least four pairs of trousers.
- 15 Comprising celebrations on special occasions; a hobby or leisure activity; children’s clubs or activities; day trips with family once a month; a holiday away from home at least one week a year; outdoor leisure equipment.
- 16 Comprising books at home suitable for their ages; a suitable place at home to study or do homework; indoor games suitable for their ages; computer and internet for homework; construction toys; going on a school trip at least once a term.
- 17 Comprising a garden or outdoor space nearby; enough bedrooms for every child of 10 or over of a different sex.
- 18 Comprising pocket money; money to save.
- 19 Comprising a holiday away from home at least one week a year; day trips with family once a month; celebrations on special occasions.
- 20 Comprising a hobby or leisure activity; children’s clubs or activities; going on a school trip at least once a term; outdoor leisure equipment.

The CROP Poverty Briefs are a series of short research notes highlighting recent research and trends in global poverty. The ideas contained in CROP Briefs are those of the named authors and do not

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