

Work and Pensions Committee

Oral evidence: Two Child Limit, HC 1540

Wednesday 12 December 2018

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Members present: Frank Field (Chair); Heidi Allen; Rosie Duffield; Ruth George; Steve McCabe; Nigel Mills; Chris Stephens.

Questions 1 - 37

Witnesses

I: Josephine Tucker, Senior Policy and Research Officer, Child Poverty Action Group; Tom Waters, Research Economist, Institute for Fiscal Studies; Sian Hawkins, Head of Campaigns and Public Affairs, Women's Aid; Zoe Charlesworth, Policy and Product Manager, Policy in Practice.



Examination of witnesses

Witnesses: Josephine Tucker, Tom Waters, Sian Hawkins and Zoe Charlesworth.

Q1 **Chair:** Thank you very much for waiting. Zoe, might you begin by introducing yourself, which I ask the rest of the panel to do?

Zoe Charlesworth: Yes. I am Zoe Charlesworth from Policy and Practice. Hello, Heidi. I know Heidi.

Heidi Allen: Hello.

Zoe Charlesworth: We are a social policy data analytical company, so the reason we can inform hearings like this is that we have a lot of evidence on low income households. We hold a lot of data on low income households, which means we can model impacts.

Josephine Tucker: I am Josephine Tucker, Head of Policy and Research at Child Poverty Action Group. We are experts in the benefits system and we also run an early warning system for frontline cases.

Tom Waters: I am Tom Waters. I work at the Institute for Fiscal Studies. In particular, I work in the Income Work and Welfare Team, so we look at taxes, benefits and labour market issues.

Sian Hawkins: Sian Hawkins, Head of Campaigns and Public Affairs, at Women's Aid Federation of England. I am here particularly to focus on the experience of survivors of domestic abuse and rape and sexual violence in relation to the non-consensual conception clause.

Chair: Very good. We have quite a lot of questions to ask you. If the person before you has already given the answer, you can take it that we are probably bright enough to realise that. You do not have to keep reciting the same answers to us. We will begin with Chris.

Q2 **Chris Stephens:** Thank you. Sorry, I have a very sore throat so I will be very slow.

Tom, if we could start with you. Obviously, we are concerned about this matter. We are trying to guess what the Government are up to. If you could answer this for me: what do you believe the main policy objective is of the two-child limit, and do you think it is difficult to achieve that policy objective?

Tom Waters: Sure. The policy was announced in the summer Budget of 2015. If you look in the Red Book, the Government's rationale for it was that the Government believe that those in receipt of tax credits should face the same financial choices about having children as those supporting themselves solely through work.

One way to think about that is if the policy is about anything other than just cutting benefit spending. There is a judgment about the extent to which it is fair for taxpayers to pick up some of the bill for other people deciding to have children. Whether that is fair or not is a philosophical



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question and not something that is in my wheelhouse, but I would say a couple of things about it.

First, even if you think there is a limit to the extent to which the taxpayer should be expected to pick up the bill, there is a legitimate question about how many children is the right number. Two is one number but you could choose another one. Certainly, it is at least somewhat harder to see how that justification would justify the approach in Universal Credit where the policy is retrospective.

For tax credits, if you have, say, three children and they were all born before April 2017 you still get credit for all three of them, whereas under Universal Credit you would only get credit for two of those children. Therefore, what that means is that the policy is affecting those who made their choices about whether or not to have another child before the policy was implemented or even announced.

Q3 Chair: Has anyone got anything different to add to that?

Josephine Tucker: Yes, please. Thank you. I would like to challenge this idea that this is only about taxpayers picking up the bill for others. We know that two-thirds of families receiving tax credits for more than two children are in work. Also, the case of people who are having children and never working for long periods of time is very rare. An awful lot of people in fact move in and out of work, in and out of high paid work. People also pay indirect taxes, so the majority of people affected are themselves taxpayers.

Of course 70% of those affected are children rather than adults, so that brings the fairness argument into question as well. From our perspective, the argument is made around fairness but it seems that the primary aim behind the policy was about saving money. I would question the fairness of doing that by targeting cuts and support to families already at the highest risk of poverty. It is projected to go up to 52%.

I completely agree about the retrospective application in Universal Credit. There will also be families, even apart from that, for whom it is retrospective in the sense that they would have made the decision to have children while needing no support from tax credits or the benefit system and, subsequently, become widowed, divorced, lose their job, ill or unwell. We have heard cases like that and then find that there is no support at the time when needed.

Zoe Charlesworth: One additional thing I would like to say is that our data shows that the churn in and out of the dataset is about 10%. That is 10% of people who are not in the low income cohort, who are not on benefits at the moment who will have hit these crises that Josephine was mentioning.

I would also like to bring up the issue of asylum seekers. People who do not have recourse to public funds do get an amount per child, whether it



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is a third, fourth or fifth. If we are looking at fairness—and this is not a call for that to not exist—we are creating different levels of unfairness, even if we might be trying to meet one level of fairness with this.

Sian Hawkins: Just to add, in the case of survivors of domestic abuse particularly, this policy completely fails to understand the lived experiences of families where there is domestic abuse, the level of reproductive coercion that survivors of domestic abuse face, the ability to make informed decisions and consent to having further children, and I think that that needs to be addressed and is a significant concern of ours.

Q4 **Chris Stephens:** Thanks. If we can start with you, Josephine, because I think you touched on this. The Government abolished the Child Poverty Act at the same time as introducing the two-child limit. What do you believe the impact will be on child poverty in the UK?

Josephine Tucker: Very serious. You could not design a policy better to increase child poverty than this one. As I said, a group of families with three or more children have a much higher risk of poverty already. The risk of poverty in these families has already been rising. The rate of child poverty in these families after housing costs is up to 42% in the last dataset. That is projected to go up to 52%.

We have carried out analysis—working with the Institute for Public Policy Research using their modelling—that suggests that at least 200,000 additional children will go into poverty as a result of this policy, and 100,000 into severe poverty. Many more will already be—

Q5 **Chair:** Is there not the 200,000 or is that in addition, Josephine?

Josephine Tucker: The modelling does not allow us to separate, so some of them may already be in poverty but deeper.

Q6 **Chair:** So 200,000 max and maybe 100,000 of that will go into severe poverty?

Josephine Tucker: Some of those 100,000 in severe poverty may already have been in poverty and gone deeper and some may have gone from above, but I am afraid I cannot separate those. I think Policy and Practice have some more detailed analysis that Zoe might want to talk about.

We are also worried about the depth of poverty: how far you are below the poverty line. Some work done by the University of York shows that the depth of child poverty has already been increasing this decade along a whole range of indicators among families with children. This policy will make it worse.

We have published some analysis called “Cost of a Child”. It was done with Loughborough University using the minimum income standard approach. That is the one that is used to set the Living Wage levels based on analysis of what the public think families need for a basic standard of



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living. It has shown that a couple with three children aged four, eight and 12 affected by the two-child limit—this is in the tax credits system and not Universal Credit—even if both parents are working full-time on the National Living Wage, will be 28% short of the disposable income they need to meet the minimum income standards.

Q7 **Chair:** That is different from poverty, though, isn't it?

Josephine Tucker: But it is an indicator of a serious problem in meeting living standards. It is a different indicator from the poverty threshold, yes.

Q8 **Chair:** The Loughborough group have picked on a higher level and, obviously, the higher the level you pick the more people below it.

Josephine Tucker: That is true. I am just showing this to illustrate the shortfalls in material living standards. That is different from the relative poverty line. That 28% shortfall: in the absence of the two-child limit there will still be a 19% shortfall, so this is contributing an extra 9%. Even in full-time work it is hampering larger families' living standards.

Q9 **Chair:** All right. Zoe, your data?

Zoe Charlesworth: To add in the data on that, we have run this across probably about 250,000 real households. We are expecting a 10% increase in child poverty, so we are expecting about 250,000—which chimes very much with what Josephine said—who are not in poverty now being pushed into poverty.

The figures that we have that are just in poverty now and going deeper into poverty, we are getting to just under 250,000 of those as well. It is 250,000 who will be moving into poverty for the first time.

Q10 **Chair:** So 250,000 also reaching the depths of poverty?

Zoe Charlesworth: Yes. The level of poverty is changing for those households.

Tom Waters: The only thing I would add to that is, when you look at the long run effect of the policy when it is fully put in place, we are talking about 700,000 or so families that are affected by it but they are affected to quite a large extent. There is an average loss of about £3,000 a year. That is about 10% of their income.

There are quite a lot of numbers about exactly how many people will be put into poverty as a result, but the reason why you get these quite large impacts is we are talking about quite a large fall in income for those affected and bigger families tend to be further down the income distribution already. On top of that, for every family that is pushed into poverty as a result of this policy, by definition, you are talking about families that have at least three children. Therefore, that increases the child poverty rate more than a similar policy would impact on families with one child. That is why you get these large effects.



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Q11 Chair: It is a scandal, isn't it? If the policy was to try to lessen the size of families of people who are poor with the same marked effects of people who are working, it is outrageous that there is then another benefit that it does not matter when you had your children the rule is going to apply to you.

Tom Waters: Yes. Whether or not it is right to apply the policy retrospectively depends to some extent upon your justification for the policy. If you just, say, cut the value of tax credits, which has been happening through the benefits freeze for the last few years, in one sense that is also retrospective because it affects people who had their children many years ago. If you interpret the policy as just being about cutting benefit entitlements, this policy is in that sense similar to other ones but—

Q12 Chair: Surely not. There is a total difference in saying everybody on tax credits do not get an increase. There is another policy to say that, "Even though you have had three or four children before we introduced the policy, if you go on to a new benefit you are going to have it applied to you". You cannot change your actions, can you?

Tom Waters: That is exactly right.

Q13 Chair: You are going to save money but, surely, it is less fair if you are going to hit people as a group to do it to everybody, but to actually affect a particular group who cannot change their actions. Whether they fly to the moon, whether they jump up and down in trees and all the rest of it, get all sorts of jobs, they cannot change their actions, can they?

Tom Waters: No, that is right. The policy is retrospective in exactly that sense. The only thing I am saying is that any cut to benefits that relate to children is also retrospective in that particular sense. If you just cut the child element in tax credits it would also affect people who made their decisions in the past. That is the only point I am making. That it is similar in that sense.

Chair: Sure. There have been £37 billion-odd cuts in benefits affecting families. Many of the cuts to try to balance the books have been in this area and this area alone. It just seems to me that there is a difference. It is like having a firing squad and you aim the rifles only at those with more than two children.

Q14 Heidi Allen: Thank you all for coming today. It was a little bit short notice on our part because the penny had suddenly dropped with us as a Committee that, crumbs, something is happening in February and that it affects people who perhaps did not know they were going to be affected.

I would be interested in your views as to how widely known you think it is among the general public, among MPs and among those families who might be affected by this. If they already have more than two children they are potentially going to be affected in February and perhaps would not have thought that they would be otherwise, so just about general awareness really.



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Josephine Tucker: I cannot speak about the level of awareness necessarily among everyone, but we are not aware of a particular information campaign that has gone on around this. What we have heard from frontline workers, and also those working in faith communities where we think there is a particularly high likelihood that more numbers of families will be affected, is that there is quite low awareness. As you say, that is problematic.

I would also like to add that, in discussing this with our advice team, it has been pointed out that, at the moment, there are quite a complicated set of rules around who will be entitled to support for a third or subsequent child, whether you are in tax credits or Universal Credit, when the child was born, and whether you fit one of the exceptions. There are transitional rules around people who are moving from one system to the other or claiming Universal Credit, having had support within the last six months, who will still be eligible.

One of them said to me a lot of people need a benefits adviser to understand whether it will apply to them or not. We are really concerned about possible confusion and misunderstanding. I suppose the big picture is expecting people to take informed decisions, in the light of this quite complicated situation, which will persist for many years with these transitional rules, is questionable.

There is also a risk of misinformation. If there was very simple messaging around, "You will not be able to claim for a third child", there is then the risk that people will not understand there are other forms of support they can claim for that child, that they still need to inform DWP about that child and that there is the possibility of benefits and childcare support and so on. While more information is a good thing, in a sense that needs to be done quite carefully but, yes, the big picture is that we are concerned that people are not very aware.

Q15 **Heidi Allen:** Does anybody want to add anything to that? Zoe?

Zoe Charlesworth: We should have started informing people who are in the low income cohort nine months ago. Well, actually, you need to inform all women in the UK, except the small percentage who have enough resilience to see themselves through divorce, bereavement, caring, whatever, because for most people there may well come a time when you might need the welfare state, so we are not talking about just informing those on benefits at the moment. The people we have visibility over, it has to be a wider campaign to all women in the UK, I would have thought, for it to have any effect at all.

Q16 **Heidi Allen:** Tom or Sian?

Sian Hawkins: Yes. From what we are hearing from our member services that are operating domestic abuse support all over the country in England, there are very low levels of public awareness or awareness among service providers about the changes coming into force in



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February. This is going to have a huge impact on the women that we are supporting.

As Josephine was saying, there has been very little to raise awareness of the changes that are coming and how this is going to impact people and what they can do to mitigate the impact and plan for it. That is a really serious challenge and something that we are very concerned about.

- Q17 **Heidi Allen:** Do any of you have a view on the fairness angle? It is probably in a lot of families' subconscious, "If we are going to have more than two children in the future, we know that the Government is not going to support that third child". Is there a fairness issue here around people who are going to move on to Universal Credit that these children who are older are going to be affected? Does anybody have any views on that? Josephine, you are nodding your head.

Josephine Tucker: Yes. I don't want to repeat what I said earlier, but I think there is a question of fairness between children. Children, from their point of view, a complete accident of birth of being born into a larger family, that some children are seen as less worthy of support than others. To us, that undermines a very fundamental principle of the social security system that would ensure that it is fair. That is about ensuring that entitlement is linked to need and not to some other arbitrary circumstance that the person receiving the support—which is the child—cannot control.

Also, in terms of fairness, there is the point about people who decide to have a child when they do not need support. We have heard of cases, through our early warning system and through work returned to us, of full-time professional families having three children and then one partner is out of work with a young baby. The husband becomes severely ill and cannot work. They go to find support when they need it most and are hit by the two-child limit and then, rather than perhaps having support to get back on their feet, find that suddenly they cannot pay bills. Things can spiral.

We have heard of more tragic cases. For example, a family with three children being hit by this, where the mother had a severe brain injury and the father reduced his hours to look after the children. None of us can predict with any guarantee—unless you are seriously wealthy—when you decide to have a child, that 18 years into the future you are going to be able to provide for them without needing any help.

- Q18 **Heidi Allen:** If we accept that this is going to happen in February, you have talked about a lack of general awareness, any views on what the Government should do to help people prepare? Anybody?

Chair: Apart from changing the policy.

Zoe Charlesworth: There is going to need to be a lot of work by local authorities to plan for this. Children will be born. They will need feeding. They will need clothing. If you are making savings from the DWP budget



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it is likely to come back and bite from another budget, and we have seen that with other welfare reform.

The planning isn't just about wide publicity to people to take this into account in making what are personal family choices. It comes down to preparing for how those children are going to be supported, because there will be a need for support. Local authorities will probably be stepping into the breach a lot of the time. We have just heard Stuart Gallimore, who is the Director of Children's Services. In his speech in the summer he was saying that poverty and welfare reform is one of the big drivers in the additional cost within Children's Services.

With preparation, we are not just talking about letting people know, we are talking about working with local authorities to make sure that they understand that there might be a fallback on them in terms of cost.

Q19 Ruth George: Thank you. Very briefly, what are going to be the implications for claimants of not being fully aware of the two-child limit and how it works?

Tom Waters: As has already been highlighted, we are talking about a relatively large amount of cash that people are not going to be entitled to. You can think about how people might respond to it in two ways. They might be able to work more, if that is an option available to them. They could borrow money or they could cut back on expenditure. They pretty much have to do one of those things.

If they do cut back on expenditure, when a household spends money obviously some of it will be spent on the child—children's clothes being the clearest example—or it is spent on the parents, so there is an important question there about the extent to which it will be the parents who will take the brunt versus the children.

We do have some evidence about this from Child Benefit. A colleague first looked at reforms and changes to Child Benefit and generally found that when Child Benefit went up spending on the adult part of household expenditure tended to go up quite a bit and it was less for children. Similarly, when Child Benefit went down it was the adult that took the brunt. That suggests that it might be the adults who take the brunt. That said, that is looking at Child Benefit that until recently applied to literally everyone who had children. We are talking about a very specific, very different group of people here, so it is unknown as to how people will respond in that way.

That is the evidence we do have that applied to literally everyone who had children. We are talking about a very specific, very different group of people here, and so it is fairly unknown about how people will respond in that way, but that is the evidence we do have.

Sian Hawkins: We think survivors of domestic abuse are going to suffer these impacts particularly acutely. They are more likely to be single



parents struggling to meet childcare costs and find flexible work. They are also very likely to be experiencing economic abuse as part of the pattern of domestic abuse that they are experiencing. We are really worried about the impact of this policy, an unintended consequence of which could be to exacerbate the economic abuse that is happening within a relationship, creating additional barriers to women being able to leave and rebuild their lives after leaving abusive relationships.

According to our annual survey of domestic abuse service providers across England, in 2017 14.3% of women who were living in women's refuges—so the women who have had to flee their homes because of the nature and impact of domestic abuse—had two or more children with them. If survivors of domestic abuse are not able to access clear information and support, we know that they are much more likely to stay with abusive partners if they worry that they are not going to be able to financially cope if they leave.

The policy itself, along with the lack of awareness and clear information about it, risks increasing financial barriers for women and creating incredibly stark choices for this particular group between continuing to experience domestic abuse, and their own personal safety and that of their children, and moving themselves into poverty.

Chair: Can Rosie just come in on that, Ruth, as well?

Ruth George: Yes.

Q20 Rosie Duffield: It seems to me, as a woman who has been a single mother on tax credits and among my peers and people that I speak to, having grown up in this country, it is really not rocket science that the Government could have predicted actually that. Did they ask you or services like you what the impacts might be? Because we could have told them and you are the experts, so did they consult you at all before they did this?

Sian Hawkins: We warned DWP about the impact of this policy and that it would have acute impacts for this particular group of women, who are also being impacted by a range of different welfare policies, and we need to look at the cumulative impact of a range of different points here. We were consulted on how this policy would work in practice, and we were consulted on how a survivor of rape or sexual violence would be able to tell the DWP about that rape or experience of coercion and control that led to the conception of their child.

Even though we fundamentally disagree with this policy and how it is working, we feel that the model that is in place is the one that we hope will cause the least distress to women, in that they can tell a Women's Aid member service and that the Women's Aid member service can tick a box on a form, fill it in and send it to DWP and, technically, that should be all that is needed.



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We do not know how that is working in practice because we do not know how many applications are being rejected. Of all the women that we are working with at Women's Aid, and all the survivors who should be eligible for this exemption, pretty much no one will go through with it because facing the reality of having to tell DWP about your experiences of rape, sexual violence and domestic violence, is obviously a massive barrier.

Q21 Rosie Duffield: Then, of course, your child finding out and your wider social circle or your family.

Sian Hawkins: Yes.

Q22 Chair: We will ask for the data that is collected.

Sian Hawkins: We know that there have been 190 exemption applications approved, 7% of which have been for non-consensual conception, so rape or domestic violence related, but we do now know how many have been applied for that have been refused.

Chair: It is a huge number, isn't it?

Q23 Ruth George: Can I ask—because I have a question on this in the chamber in half an hour—whether, particularly, Sian, if you think there will be a disproportionate effect in Northern Ireland, where there is less access to birth control and families tend to be larger?

Sian Hawkins: Yes. That is something we are concerned about. I know colleagues at Women's Aid Northern Ireland have raised concerns about this as well. It would be very timely and useful to raise that question, because it is extremely likely that there will be particular issues for women in Northern Ireland who face criminalisation if they do seek a termination.

Q24 Ruth George: Particularly, as it is obviously low income families who are affected and families with older children. Would any of the other panellists like to comment on that?

Tom Waters: Yes. We did look at this in a report last year. We looked at the regional impact and Northern Ireland did have one of the largest, the second largest impact of the regions.

Q25 Ruth George: Yes, as in the number of children?

Tom Waters: In terms of, sorry, the largest impact on poverty from the two-child limit.

Josephine Tucker: I have a point not on the Northern Ireland question but on your initial question.

Q26 Ruth George: Did Zoe just want to comment on the initial question? No. All right, go ahead then, Josephine.

Josephine Tucker: You asked about the implications of people not being fully aware of the two-child limit and how it works. Tom has commented that obviously people have a child and find that they are in financial



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difficulty. We have been contacted—and I know other advice services have been contacted—by women in distress saying, “I feel I may have to terminate a pregnancy that I wanted” or, “It may not have been planned but I was happy with it” and in great distress about whether that is something they would morally wish to do.

Other families report, “We have two children. We don’t plan any more but we are terrified of the failure of contraception”, which can happen. No contraception method has a 100% success rate. That is an important point when it comes to this idea of: of course, it is important that people are aware of the quality but this idea that if people are well aware of it they can fully plan for it.

I think in some of the debates there has been this idea that any conception or birth of a child is either completely voluntary and planned or completely involuntary—obviously, in the case of a rape or an abuse situation—and we are concerned that, in fact, there is a whole grey area in the middle there around contraception failure, for example, people’s views on terminations and whether they would do that, around women perhaps with learning difficulties who might struggle to make those decisions in a fully informed way or be vulnerable to pressure from partners.

We are a little bit concerned about that tendency to assume that, “If people understand this policy well they can make a fully informed decision, and if they decide to have another child on that basis so be it for them”. That is a slightly worrying way of looking at it, apart from the impact on the children themselves.

Zoe Charlesworth: I would like to put a figure again—we are looking at implications—on the actual loss of household income, because that is the biggest implication. This is based on households that are claiming benefits now. We found an average loss of £340 a month. There is higher loss for people in work. For people out of work there is a lower loss because, of course, they are affected by the benefit cap. The average over all the households in our whole database was £340 a month of those affected.

I would also like to say that I think this might well have an impact. We do not know, but we are obviously going to be tracking this and evaluating impacts over time. We are trying to look at the moment at where we feel the impacts might lie, and one might be around family composition. You sometimes end up with unintended consequences. For a family with four children people make very pragmatic choices about the care of their children. It might be better to split up. We might see some unintentional consequences as time goes on.

I also think that we are likely to see people who, once they get into debt, get into poverty and they have all sorts of crises. This will cause debt. People will have to feed their children. That does create a barrier to the workplace. The intended aim of Universal Credit of making it easier for



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people to move into work, this might actually backfire. There is lots of evidence of, once people do have debt, they are worried about homelessness, they are worrying about paying their rent, it makes the workplace further away from them. It makes work something that they cannot consider at that point because they are dealing with the first impacts of crisis.

Q27 Chair: Can we continue with you, Zoe? Might you talk us through the interactions between the two-child and the benefit cap?

Zoe Charlesworth: Yes. The benefit cap is very limited. It only affects those who are not working. There are lots of exemptions around disability caring, and this creates a two-child limit. It basically creates a cap for those people who the benefit cap misses. It creates a cap for people in work and for those who have disability caring, so all the exemptions are overridden by this, which is basically a new cap.

For people who are capped, it can create a lower cap than the benefit cap so you can end up with a cap below that of the benefit cap. The question about whether this needs to be considered, if the aim is to save money probably not because DWP will still make the money saving. There is this interaction that, in fact, people in work are going to be affected more than people out of work, because people out of work will only be affected up to the benefit cap amount. That is why we have a lower average loss for people out of work than people in work.

Q28 Chair: Any other comments on that?

Josephine Tucker: I could add to that. Ultimately, the two policies broadly work in a similar direction for larger families. Of course, you can also have smaller families also benefit capped. In terms of families with three or more children, many of those who are out of work have been hit overnight by the benefit cap, whereas those that are in work are being hit more gradually by this policy.

For families who are out of work, the effects of the benefit cut versus the two-child limit depends on the composition of your own benefit receipt and your housing costs, versus the number of children. There will be families for whom the two-child limit means that, even if they seek to escape the benefit cut by working, they see very little benefit to their income. For example, for a single parent with three children in the private rented sector, the two-child limit will likely bring their income down to a level more or less similar to the cap. We might be seeing families making that step thinking that will give them a real income boost and finding that it does not.

Q29 Chair: Thank you. Anything to add? Yes, please.

Sian Hawkins: This isn't a point on the technical elements of the interaction, but I think what is common between the two-child rule and the benefit cap is the impact is disproportionately on women. We know



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that the vast majority of people impacted negatively by both of those policies will be women and will most likely be single parents.

The recent statistics released by DWP on the impact of the benefit cap shows that 73% of households that had their Housing Benefit capped in August 2018 were single parent families, and 63% of those who live in areas where Universal Credit has been fully rolled out and had this benefit capped in August 2018 are also single parent families. It is going to be particularly severe for families where there are more than two children, so it is important to make the point that this is something that has more impact on women, women who are single parent families, and also the point I made earlier about this cumulative impact.

We need to look at all of these different welfare policies and the interactions between them together, so the two-child tax credit limit, the benefit cap, the under-occupation deduction, decreasing use of secure lifetime tenancies, and other changes to the tax and welfare systems, and obviously a serious concern of ours is also around single household payments and Universal Credit, which we know are having a particular impact on victims and survivors of domestic abuse.

Q30 **Chair:** We know this is going to work against people making partnerships, isn't it? The overall Government policy is, rightly, to encourage—

Sian Hawkins: Yes. There are significant concerns that this will increase instability within family relationships because of the impact of financial concerns and financial hardship.

Q31 **Chair:** No, mine was different. Mine was that if, in fact, two families are going to come together and try to make a go of it, the rules could then affect you where they do not affect you if you remain apart.

Sian Hawkins: Yes.

Chair: It is against all that we say is good for children in stable relationships, which have a mum and dad to it.

Q32 **Rosie Duffield:** Before I ask my question I need to put on record that I think, personally, this is the single most disgusting policy I have ever heard of. I partly want to be in politics to do something about it and represent women like me.

The question that I am asking is: how does the two-child limit fit with the Government's wider responsibilities and commitments to equality or human rights in your opinion?

Sian Hawkins: I can address that, yes. We know that the two-child limit runs counter to several of the Government's wider responsibilities and international commitments to equality and human rights. It affects both children and women's rights in a range of different ways, and runs counter to a myriad of different Government commitments that there are around international conventions. I can briefly outline some of those, but



just to say to the Committee as well we have been working with Leigh Day, which is a law firm that specialises in human rights, particularly looking at the impact of this policy.

Just to highlight a few points. The two-child provision is incompatible with obligations accepted by the UK under the European Convention of Human Rights and runs contrary to the Human Rights Act, which implements the European Convention on Human Rights. The measure fails to have regard for the individual rights of children and is predicated on the proposition that those unable to support themselves solely through work should have to make particular choices about their intimate behaviour. The rule, thereby, engages Article 8, which is the right to private and family life and Article 12, which is the right to marry.

Further, various groups with status under Article 14 of the European Convention on Human Rights, which protects against discrimination, are subjected to particular disadvantage by this policy. These groups include children, where a child is much more likely to be adversely affected, as we have heard, by this policy than adults. Children with multiple siblings are much more likely to be affected than single children families and women—for the reasons I have already outlined—who are much more likely to be affected.

The two-child rule also breaches other international obligations the Government have accepted, including pursuant to the United Nations Convention on the Rights of the Child and CEDAW, the Convention on the Elimination of All Forms of Discrimination against Women and, further to that, also the Council of Europe's Istanbul Convention.

The key principles of the United Nations Convention on the Rights of the Child that the policy runs counter to is: taking individual account of children in social security systems and settings—so that is Article 26—and making children's best interests a primary consideration, which is Article 3, of which there are a range of different factors to consider. The two—

Q33 **Chair:** How long is the list?

Sian Hawkins: There is only one more, which is brief. The two-child policy undermines the aims and provisions in the CEDAW Convention, particularly Article 13. That states that states parties shall take all appropriate measures to eliminate discrimination against women in all areas of economic and social life, and Article 16, which is around eliminating discrimination against women in matters relating particularly to family and marriage.

There are particular features of the non-consensual conception, which interacts with these different bits of international conventions and legislation, particularly the fact that non-consensual conception is not available when the woman continues to live with the perpetrator. We know that leaving an abusive relationship is not only the most dangerous



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time for women in abusive relationship but incredibly difficult to do, for a whole range of reasons a large part of which is financial constraints.

It would also be apparent from the benefit award notices that a claimant is receiving support for more than two children, and that will be apparent if the woman needs to give that benefit notice to the school for free school meals, for Housing Benefit, Council Tax, a whole host of different things.

Also, the non-consensual exemption operates to create an exemption for children who are conceived as the result of a rape, but only if that is your third or subsequent child. If you are raped or conceived a child in an abusive relationship, and that was your first or second child, the policy and the exemption to it would not hold.

Chair: On this aspect, the charge sheet is so large that we ought to ask the Equalities Commission to look at this. We are hearing such terrible evidence this morning, we might move quite quickly to a report once we have spoken to the Secretary of State. Sorry, I have interrupted you.

Q34 **Rosie Duffield:** No. Thanks. You mentioned the rights of the child and the rights of the women involved, but what we do not talk about much is this confidentiality and criminal aspect where a woman is going to have to go to the police and get them involved and get all sorts of reports generated, presumably to then hand to a load of strangers along the way who are deciding on her benefits. That is quite mind blowing to me. Presumably, you have a view on that as well.

Sian Hawkins: Yes. What we tried to negotiate with the DWP in relation to the implementation of the policy was a third party referral process, where a Women's Aid member service can do that support, so that the evidence provided to prove that you have been a victim of rape, or domestic abuse, does not necessarily have to be a police record. We know most women do not report rape or domestic violence to the police, and will certainly never see any criminal proceedings prosecutions against the perpetrator of those crimes.

I do have some case study examples of survivors of domestic abuse and rape—who have tried to access the policy—which I am very happy to share if that is of interest to the Committee.

Chair: No. I think we will try to talk with the Equalities Commission to see how we can look at this issue, which I do not think should interfere with us trying to get a report out. It is really important. Why have these? Why sign up to these treaties if you are not going to abide by them? There is a huge thing about how families must be suffering more than other families with these rules.

Q35 **Rosie Duffield:** Does anyone else want to add anything to that, about the human rights aspect?



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Josephine Tucker: Yes. I will be very brief. Just to flag that when the UN Committee on Economic, Social and Cultural Rights carried out its review of the UK's compliance in 2016, it raised a specific concern about the effects of cuts on families with more children in its observations. That is something that might be worth going back to.

Also, in terms of the equalities angle, we know that this policy is likely to disproportionately affect certain ethnic and religious communities, widening the income disparities that have already been identified, for example, in the Government's race audit.

- Q36 **Steve McCabe:** It feels a bit like a policy based on petty prejudice. We used to hear a lot about teenage mums getting themselves deliberately pregnant so that they could get a council flat, and there never seemed to be any great evidence around to support that assertion. Is there any evidence to show that a policy like this will really influence family planning decisions?

Josephine Tucker: In short, I don't think there is. DWP commissioned a review of evidence from other schemes. They only had comparable ones that operate differently, but there are some with family caps in some states of the USA and that concluded that they had very little effect on birth rates but had increased levels of hardship. The author concluded that there was no reason to think that would be different in this country. Many states are now repealing these caps for that reason and have recognised that in many cases they were based, as you said, on very negative stereotypes around single parents, which simply did not have a strong basis in fact.

- Q37 **Chair:** We know the opposite does not work, don't we? When there was a very substantial increase in Child Benefit at the end of the Wilson Government, we did not see a rise in the birth rate or a fall. It made no difference at all. It was just that more families got more money, which was rather a good thing.

Tom Waters: The only thing I would add to that—and I am not sure if this is the same report that Josephine was referring to—is DWP had this report in 2009. It looked at the existing research on benefits and childbearing and found similar facts. I think that would be basically how they summarised it.

Some colleagues at IFS did look at the effect of the expansion to tax credits, which happened in the late 1990s and early 2000s. They did find an effect on childbirth for women and couples but not for lone parents. Interestingly, and perhaps particularly relevant to this policy, the effect—and I think this was found in wider studies as well—tends to be larger on the decision to have the first child rather than to have the second or third child and, obviously, here we are talking about having a third plus. The effects that people find tend to be relatively small. That said, we are talking about a very large cut in benefits and so if you were to find an effect it might be here.



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Zoe Charlesworth: I would just like to add to that that I think that we are not talking about an impact on fertility rates just for people on benefits. I know it is coming back to a point we made earlier that there is a 10% churn in our database. That means each year that we see people with more than two children 10% are new that year. The level stays much the same, so 10% are leaving. For this, two have an impact that is measurable. If we are going to have to talk about fertility rates for all women it would have to be a national campaign because over the years, as some move in, some move out, it will not have an effect, so I would just like to add that one.

Chair: I have also found I have never had any experience of a constituent coming up to me knowing how their benefit component rates are determined and saying, "Frank, look, I am not getting that, am I? The figures don't add up". All of this just adds to the general misery of life.

Thank you for cheering us up. We are going to meet now in private session, but thank you for your evidence. I think you have had a feeling from the Committee on how unsatisfactory this is. Heidi has had to leave. She also wishes us to move quickly to a report on this. We have the Secretary of State in next week, so we have these questions now and then we can move to a report. Thank you very much indeed for your time.