

Written evidence from the Children's Society (CPM0034)

About The Children's Society

The Children's Society is a leading national charity committed to improving the lives of thousands of children and young people every year. We work across the country with some of the most disadvantaged children and young people through our specialist services. We place their voices at the centre of the work that we do. We continue to do all we can to support the collective effort to face the Covid-19 crisis, and to ensure the social and economic effects of the coronavirus are not felt in the lives of our children in the years ahead.

Introduction and summary

- The Children's Society believes that lack of income is a root cause of child poverty and policies such as the two-child limit, benefit cap and freeze on working age benefits since 2016 have reduced family incomes, with evidence suggesting they have had damaging consequences on levels of child poverty.
- Any measure or definition of child poverty must be inclusive of marginalised groups, including children who are experiencing poverty because of their parents' immigration status as these children are more likely to experience severe poverty and destitution.
- We recommend that children's subjective well-being should also be used as an indicator of the impacts of child poverty. We know that children living in poverty are more likely to experience low-wellbeing than their more affluent peers and such a measure would enable the government to move beyond a headcount measure of children in poverty and allow them to better understand children's experiences of poverty.
- In addition to low-wellbeing, children living in poverty are more likely to experience mental ill-health, bullying and social exclusion. They are more likely to miss out on things like school trips. Parents struggling to afford the costs of school uniform can also mean children are excluded from fully taking part in the school day.
- Children in poverty may also experience hunger, poor health and learning outcomes and so we recommend government carry out a review into expanding Free School Meals eligibility – including extending Free School Meals to every child (up to age 16) living in a household where the parent or guardian is in receipt of Universal Credit (or equivalent benefits) and making permanent the temporary extension of Free School Meals to children whose parents have No Recourse to Public Funds.
- Children in poverty are also at increased risk of experiencing child criminal exploitation, child sexual exploitation, violence and abuse. It is vital that safeguarding responses address all issues in a child's life, including poverty and inequality of opportunities.
- We believe that the Department for Work and Pensions has taken welcome steps to help mitigate the impacts of child poverty, specifically through the Covid Winter Grant Scheme.
- The DWP must now build on the progress made, and provide long-term funding to local authorities for local welfare provision to enable them to continue meeting increased levels of hardship.
- We would welcome a cross-government strategy to tackle child poverty, but any strategy would need to be accompanied by a reframing of how child poverty is measured and defined, recognising that a

Measurement and targets

How should child poverty be measured and defined?

The Children's Society believes that any measure or definition of child poverty should take into account lack of income as a root cause of poverty.

The Welfare Reform and Work Act 2016 removed the duty on the Government to report on four key income-based indicators of child poverty: relative low income, combined low income and material deprivation, absolute low income and persistent poverty. These measures ensured the scale of child poverty in the UK was measured and understood, and helped to drive social action to eliminate this. Since 2016, the government have instead published data on children living in workless households and the educational attainment of children as measures of poverty.

While these measures and outcomes are important, they fail to provide a full picture of child poverty and detract from the fact that poverty is very much linked to income. For example, the government's own figures show that 72% of children living in poverty are living in families where at least one adult works.¹ This shows employment does not always guarantee a route out of poverty and child poverty is not simply defined or measured by worklessness. Child poverty is multifaceted and measures must take this into account.

We know that some groups are disproportionately affected by poverty and it's important that any measure of child poverty captures this. For example, children who are facing poverty because of their parents' immigration status should be represented in measures, especially as we know that for many families, their children's experience of material deprivation is caused in part by Home Office conditions placed on their status. For example, our research has shown that the No Recourse to Public Funds condition and other immigration policies cause thousands of children to grow up in long-term poverty, trapped in cycles of homelessness, destitution and mounting debt. Home Office restrictions hit such families on low income most severely and are made worse by other factors, including being an ethnic minority, having a disability or being a single parent.²

Measurement of Children's Subjective Well-being³

We recommend that when measuring child poverty and its impacts, the government should use children's subjective well-being as an indicator. We recommend that the Treasury and Cabinet Office should lead, and fund, a cross-government programme of comprehensive measurement of children's subjective well-being in England.

Children living in poverty are more likely to experience low well-being than their more affluent peers. A measurement of children's subjective well-being would enable the government to move beyond a headcount of the numbers of children living in poverty. While the data which shows 4.2 million children are living in poverty in the United Kingdom is useful in understanding the scale of child poverty, a well-being measurement would enable the government to move beyond this and better understand children's experiences, including how growing up in poverty impacts their well-being and lives as a whole.

¹ <https://www.gov.uk/government/statistics/households-below-average-income-199495-to-201819>

² <https://www.childrenssociety.org.uk/sites/default/files/2020-10/a-lifeline-for-all-summary.pdf>

³ More detail on The Children's Society's proposal for a national measurement of children's subjective well-being is freely available on request.

It would also enable the government to better target and direct investment in support services, helping to mitigate against the impacts of child poverty. For example, the best available data suggests that the proportion of children (aged 15) growing up with low well-being is almost twice as large in Birmingham (16%), where 41.6% of children are living in poverty, than it is in Woking (10%), where 21.6% of children live in poverty.^{4,5}

What has been the effect of removing from law the targets in place between 2010 and 2016?

The removal of targets has meant there is little impetus for the government to prioritise tackling child poverty. Child poverty has continued to rise steadily since 2012 and latest government figures estimate that 4.2 million children are living in poverty.⁶

While the removal of targets may be responsible for contributing to rising levels of child poverty, the Welfare Reform and Work Act 2016 also introduced a raft of welfare reforms that have reduced family incomes, and increased child poverty.

The reforms introduced a freeze on most working age benefits until 2020 and although benefits were uprated at a rate of 1.7% in April 2020, a great deal of value has been lost since 2016 and many families are now worse off; it was estimated that the benefits freeze cut around £560 per year from families living in poverty.⁷

The introduction of a limit to the child element of Child Tax Credit and the child element of Universal Credit to a maximum of two children per household, regardless of household need, has had damaging consequences for children. Child Poverty Action Group estimate that 1.8 million children will be living in families affected by the two-child limit in 2023/24 and of those, an estimated 300,000 children will be pushed into poverty and a further one million will be pushed deeper into poverty by the two-child limit.⁸

The benefit cap has also had negative impacts for children and families living in poverty. Our evidence collected from emergency financial support services at the frontline of the Coronavirus pandemic shows that groups such as lone parents and those with young children who may find it difficult to work are being affected by the cap. Families subject to the cap have been unable to benefit from the £20 uplift in the Universal Credit standard allowance or the uprated Local Housing Allowance.⁹ This has limited families' incomes and we heard how some families affected by the cap are routinely accessing foodbank support to feed their children. This demonstrates the need to reverse damaging policies such as the benefit cap and the two-child limit.

⁴ <https://www.childrensociety.org.uk/information/professionals/resources/good-childhood-report-2020>

⁵ End Child Poverty coalition local child poverty statistics, calculated for 2018-19. Available from: <http://www.endchildpoverty.org.uk/child-poverty-in-your-area-201415-201819/>

⁶ <https://www.gov.uk/government/collections/households-below-average-income-hbai--2>

⁷ <https://www.jrf.org.uk/report/end-benefit-freeze-stop-people-being-swept-poverty>

⁸ <https://cpag.org.uk/sites/default/files/files/All%20Kids%20Count%20report%20FINAL.pdf>

⁹ <https://coordinatedcommunitysupport.org.uk/sites/default/files/Emergency%20Support%20Evidence%20Note%2007.pdf>

In order to reduce child poverty, we recommend that the government reintroduces key targets for eradicating child poverty. However, it is vital that these targets are accompanied by a recognition that the best way to reduce child poverty is to ensure that all families have access to adequate levels of income to lift them out of poverty. Improvements to levels of support via the social security system and ensuring all parents can access well-paid, quality employment will mean that families have more income and fewer children will be living in poverty.

What is the impact of child poverty and how can it best be measured?

Growing up in poverty can have far reaching and negative consequences. The Children's Society's research has highlighted how the experiences of child poverty can affect children's lives in a variety of ways, including their ability to afford basic essentials, their mental health and well-being and their safety.

Families struggling to afford the basics

Our research has shown that families living in poverty struggle to afford essentials such as food, access to school uniform, a secure place to call home and the same experiences as other young people.¹⁰ This means that often, parents have to make the difficult decision to cut back on areas of their household budget to help make ends meet.

Our research on children in migrant families shows how families can spiral into poverty without access to the social security safety net when crisis hits, or when the NRPF condition perpetuates their financial hardship. The children in these families often go without things that other children get to enjoy such as school trips and days out with the family. One father told us that if his son's classmates were going on a trip, he would not take him to school that day because he did not want his son to see his friends going and have to stay behind. Missing out on these experiences is undoubtedly tough on the children involved, who may not fully understand why they are not able to do things that they perhaps could in the past or which they see their peers doing. But being excluded from educational visits is also likely to have a detrimental impact on their school attainment, their learning and development.¹¹

Research into the costs of school uniforms¹² found that one in five families from lower income backgrounds reported cutting back on food and other essentials because of school uniform costs, compared to one in nine families with higher incomes, highlighting how uniform costs have a disproportionate impact on those children and families already facing financial barriers. Nearly one in five parents from low-income households also reported borrowing money from someone else because of high uniform costs, compared with around one in 13 families with higher incomes.

The cost of school uniforms is having a serious impact on children and their ability to make the most of their education. Our survey showed that nearly a quarter (23%) of parents said that the cost of school uniform had meant their child had worn ill-fitting, unclean or incorrect uniform.

¹⁰ Our research into housing insecurity highlighted the experiences of young people living in poverty who are growing up in insecure housing, not knowing where to call home. Access from:

<https://www.childrenssociety.org.uk/information/professionals/resources/moving-always-moving>

¹¹ <https://www.childrenssociety.org.uk/sites/default/files/2020-11/a-lifeline-for-all-report.pdf>

¹² <https://www.childrenssociety.org.uk/information/professionals/resources/the-wrong-blazer>

Wearing the wrong uniform can lead to children being bullied, feeling left out or even being sent home from school, which can leave them missing out on education or fully participating in school life because their parents cannot afford to buy specific school uniform items.

“My daughter has requested I write a letter saying she is injured in order to miss PE as she had lost her socks and I couldn’t afford to replace them (so I had asked her to tell the teacher and ask if she could borrow some from lost property). My daughter would rather have skipped PE (which she enjoys) than possibly be overheard by one of her peers and risk the embarrassment of being poor.” - Parent, February 2020

We know that for many families, poverty can also manifest in the form of food poverty. Although this is an impact of child poverty that existed long before the pandemic, income shocks and higher household costs as children have been at home more during lockdowns has caused families to struggle.¹³ One parent, whose child receives means-tested free school meals, said to us:

“I tell my kid to make sure they eat all their school meals as it may be the only meal they have. I often have nothing to eat and any food I do have I give to my kid as they only get 1 meal a day – I don’t have a meal many days” [Parent response from TCS survey, September 2020]¹⁴

Free schools meals provide a lifeline for around 1.4million children (as of January 2020) – though by the government’s own measure, there are 4.2 million children living in poverty. Many children living in poverty will be missing out on this support because of currently too-low income thresholds for eligibility.¹⁵ We recommend government carry out a review into expanding Free School Meals eligibility – including extending Free School Meals to every child (up to age 16) living in a household where the parent or guardian is in receipt of Universal Credit (or equivalent benefits) and making permanent the temporary extension of Free School Meals to children

¹³ According to the Food Foundation, in the first lockdown (March-August), 2.3 million children experienced food insecurity and during the 2020 summer holidays 850,000 children reported that they or their families visited a food bank.

¹⁴ The Children’s Society commissioned a poll of 1,002 parents of school-age children (aged 5-16) in state schools across the UK (representation based on natural fall out of respondents) about the cost of their children’s food during the average school week, after they returned to school (since Covid-19 closures). The poll was carried out by Censuswide in September 2020. Parents of children from independent schools were not included in the sample, nor were parents whose children don’t attend school at all. This quote is from a parent who took part in the survey, whose child is in receipt of Free School Meals. See: <https://coordinatedcommunitysupport.org.uk/sites/default/files/Cost%20of%20School%20Food%202020%20Policy%20Briefing%2022.10.20.pdf>

¹⁵ Currently only those families on Universal Credit who earn less than £7,400 a year are eligible for Free School Meals (excluding those covered by temporary transitional protections). This very low income threshold means that many low-income families risk being on the edge of Free School Meals eligibility, even though they might otherwise be struggling and would benefit from their children having Free School Meals. In a 2020 poll of parents, the Children’s Society found that one in seven parents surveyed whose children are not receiving Free School Meals have been struggling with the costs of food during the school day, since their child returned to school following the Covid-19 school closures. We estimate that this could represent around 885,000 children. Of those who have struggled, four in ten said they had cut down on the amount of food they bought for themselves and their family to be able to pay for their child’s food during the school day, while others had borrowed money from friends and family (one in five). See: <https://coordinatedcommunitysupport.org.uk/sites/default/files/Cost%20of%20School%20Food%202020%20Policy%20Briefing%2022.10.20.pdf>

whose parents have No Recourse to Public Funds. This will ensure children living in poverty do not go hungry, and face poor health and learning outcomes.

Mental health and well-being

The Children's Society's previous research into the links between childhood poverty and mental health found that children living in poverty are more likely to feel like a failure, useless and hopeless about their future than their more affluent peers. The same report found links between poverty in childhood and aspirations, highlighting that 29% of children in poverty do not feel optimistic and 22% of children in poverty do not feel useful.¹⁶

Our research has also shown that debt, when coupled with financial difficulties, can also negatively impact children's well-being. Our research found that the number of debt types, rather than the overall amount of debt a family has, is associated with poorer mental health in children. Children in families with multiple debt types are at greater risk of experiencing mental ill-health than children in families with fewer debt types.¹⁷

We found that children in families on a high income without financial difficulties appear to be protected from the potential negative impact of number of debt types on their mental health. Around 5% of children in households that have no difficulties with debt are predicted to have low well-being, compared to 23% of children in households that have debt with arrears – this means that children in households that have debt with arrears are five times more likely to have low well-being than those with no difficulties with debt.

Children reported feeling stressed and anxious about their family's debt and there was also a sense of shame and embarrassment in being unable to afford 'normal' things like their peers and being unable to socialise.

Our analysis of the Millennium Cohort Study data in the 2019 Good Childhood Report showed that there were statistically significant links between household financial strain and children's low well-being. Our analysis showed that 11% of parents reported they were finding it difficult or very difficult to manage financially and these households were classed as being in financial strain. Of those children in households in financial strain, 14.6% experienced low life satisfaction compared to 10.5% of children in households not in financial strain. Similarly, 20.1% of children in households in financial strain experienced high depressive symptoms, compared to 13.6% of children in households not in financial strain.¹⁸

Increased risk of grooming and exploitation

¹⁶ Ayre, D. 2016. *Poor Mental Health: The links between child poverty and mental health problems*. The Children's Society. (Temporarily unavailable online but freely available on request).

¹⁷ Ayre, D. & Emmott, E. and Pinter, I. 2016. *The Damage of Debt: The impact of money worries on children's mental health and well-being*. The Children's Society. (Temporarily unavailable online but freely available on request).

¹⁸ The Children's Society. 2019. *The Good Childhood Report 2019*. (Temporarily unavailable online but freely available on request).

The Children's Society have a long history of working with young people at risk of grooming, child sexual exploitation (CSE) and child criminal exploitation (CCE). The grooming cycles for both forms of exploitation follow very similar patterns. The grooming stage is often the start of the manipulation faced by young people. Through the grooming process, perpetrators offer and provide the young people with something they need or want. We know that for many of the young people we work with, this might be material things needed due to experiences of poverty and deprivation or items wanted such as trainers or phones the young person desires as a means of obtaining status within their own social groups. These things are provided by the criminal groups/perpetrators, as the young person has no other legitimate means of obtaining them.¹⁹

We know that any child can be at risk of exploitation. However, a combination of vulnerabilities including living in poverty place children at increased risk. Poverty in families and communities is frequently noted by our practitioners as creating opportunities for perpetrators to groom and exploit young people.

A further factor that is frequently attributed to increasing a young person's risk of exploitation is being out of mainstream education – whether this is in alternative provision, a pupil referral unit or being permanently excluded. Exclusions are by no means the root cause of this increased risk but rather indicate larger issues in a young person's life that have not been addressed.²⁰ Some groups of children are disproportionately affected by school exclusions with the Institute for Public Policy Research (IPPR) finding that excluded young people are four times more likely to have grown up in poverty than their non-excluded peers.²¹

There is a clear need for a long term, coordinated safeguarding response that addresses the issues in a child's life (including poverty and inequality of opportunities), nurtures children's and families' resilience to exploitation, offers a meaningful alternative to offers made by criminal groups and helps children feel safe and protected.

Increased risk of experiencing violence and abuse

We see through our direct practice that violence and abuse can be experienced by any young person irrespective of their age, race, culture, sexuality or socio-economic background. However, we know that some factors in a child's life, such as previous experiences of abuse or domestic violence at home, poverty, and inequality of opportunities in their communities can make some young people more likely to become a victim of violence.

Living in families and communities with high levels of deprivation is often noted by our practitioners as exacerbating experiences of violence. Whilst violence and abuse can happen in any community and to a person of any background, it is vital that we build a better understanding of the prevalence of violence and abuse and how it is experienced by some groups who experience greater levels of inequality and discrimination. For example, young migrant people may experience more violence and abuse due to experiences of trafficking and because of inadequate support through the immigration system, which often results in them experiencing poverty and/or being housed in accommodation together with adults who may pose risk to children.

¹⁹ <https://www.childrensociety.org.uk/sites/default/files/2020-10/counting-lives-report.pdf>

²⁰ *Ibid.*

²¹ <https://www.ippr.org/files/2017-10/making-the-difference-report-october-2017.pdf>

Joint working

How effectively does the Department for Work and Pensions work with local authorities and with support organisations to reduce the numbers of children living in poverty and to mitigate the impact of poverty on children?

Based on The Children's Society's research and practice, we believe local welfare provision is an area where the Department for Work and Pensions (DWP) can continue to do more to work with local authorities and local organisations to mitigate against the impacts of child poverty.

Local Welfare Assistance (LWA) schemes can provide a lifeline for low-income families when they experience a financial crisis. They can support families to access emergency food or fuel, urgently replace white goods or furniture, or provide emergency travel expenses.

Yet in 2015/16, the DWP ceased ring-fenced funding for LWA schemes and in 2018/19, just £41 million was spent on LWA schemes, compared to £291 million (in real terms) in 2010/11 on crisis provision through the nationally administered Discretionary Social Fund.²²

This has meant that increasingly, families living in poverty have nowhere to turn when they experience a financial crisis. Our previous research has shown that 1 in 7 local authorities no longer operate a LWA scheme at all²³. Instead a patchwork of provision exists across the country, and in the absence of central guidance from DWP about how LWA schemes should operate, there is a range of eligibility criteria, repeat access rules and types of awards provided. Local voluntary and community sector organisations also often step in to fill gaps in provision²⁴

We welcome the recent steps the DWP has taken to mitigate against child poverty, most notably providing the £170 million Covid Winter Grant Scheme to local authorities in November 2020. This has helped reduce the effects of child poverty by providing a safety net for families already living in poverty who have been pushed further into crisis by the pandemic, or for families who have been affected by rapidly changing financial circumstances during the last year.

We know from insights gathered from around 50 local authorities that the majority used the Covid Winter Grant Scheme funding to deliver holiday support for families with children who have free school meals eligibility. Some supported a wide remit of children, including children in early years who have a pupil premium entitlement, young people in post-16 education who are eligible for Free School Meals, care leavers, families with No Recourse to Public Funds, kinship carers and households with children in receipt of out-of-work benefits or council tax support.

This DWP funding was ring-fenced in two ways: 80% was ring-fenced for households with children, with 20% available for any household type; 80% was allocated for food and energy and water costs, and 20% for other essentials. Although this has provided welcome financial support to low income families, given no other government funding was available for school holiday provision during the Christmas and February half term 2020 school holidays, it is important that Free School Meals provision and food related support are not conflated in the long term with discretionary emergency financial support. Both mechanisms play important and complementary roles in helping to tackle child poverty. From our research, some of the most effective uses of winter grant funding have been where it has been used to develop a mixed

²² <https://www.gov.uk/government/collections/final-local-government-finance-settlement-england-2020-to-2021>

²³ <https://www.childrenssociety.org.uk/sites/default/files/2020-10/leave-no-family-behind.pdf>

²⁴ <https://coordinatedcommunitysupport.org.uk/content/not-making-ends-meet-0>

support offer: used flexibly to deliver both holiday provision for low-income families, and also strengthening LWA schemes to provide a wider offer of emergency support to those families facing financial hardship more broadly.

We believe the DWP can also improve how it works with local authorities in delivery. We heard from one council how the stringent legislation that the DWP works within prevents opportunities to mitigate child poverty.

“My most recent experience was around the use of the Winter Grant funding. We chose to utilise this funding to issue vouchers to children eligible for free school meals and pre-school aged children who would be eligible under the criteria, if they were of school age over the Christmas and February school holidays.

To allow for a more streamlined digital approach we asked the DWP if we could use the contact details for the parents in receipt of UC, from the files we receive from the them (the DWP), as these would probably be more up to date than the historic records we have but unfortunately they refused. We managed to get the vouchers out to the parents of the children but it involved a lot more time and effort on our part.”

The DWP should build on the progress already made with the Covid Winter grant and commit to provide a sustained £250 million per year to local authorities to deliver LWA schemes. With high levels of financial hardship expected to continue, this is not the time to discontinue investment in emergency assistance, but rather to build on it and enable councils to continue to support the most vulnerable and limit the impact of child poverty in the coming months.

In addition, the DWP should provide accompanying guidance to local authorities which sets out strong expectations for how the money should be spent to ensure that all families and children across the country receive the same level of support.

What would be the merits of having a cross-government child poverty strategy? How well has this worked in the past?

The Children’s Society would welcome a cross-government strategy to tackle child poverty as this would demonstrate that child poverty is a priority for government. However, it is vital that any strategy is accompanied by a piece of work which reframes how child poverty is defined and measured, specifically taking into account a lack of income as a key driver of poverty.

It is vital that any cross-government strategy is inclusive of marginalised groups, including those with irregular status and protected characteristics. We strongly recommend that policies which limit household incomes regardless of need – such as the benefit cap and the two-child limit – are reversed to reduce the numbers of children living in poverty. Yet, we also recognise that these types of policy changes would not benefit those children living in families who are locked out of the social security system, such as those subject to the No Recourse to Public Funds condition. Therefore, any child poverty strategy should include a commitment to review policies such as the NRPF condition, which can result in families facing destitution and hardship.

The period in which the previous child poverty strategy was enacted between 1997 and 2010 saw large numbers of children lifted out of poverty. Investments in child benefit and tax credits and the introduction a national minimum wage were prioritised.²⁵ Such success suggests that child poverty levels are something that government policies can affect and it is vital that the government now prioritises child poverty once again to reduce the steadily rising levels.

²⁵ A Garnham, 'Progress Made and Policy in Retreat', in J Tucker (ed), *2020 Vision: ending child poverty for good*, Child Poverty Action Group, 2020.