



Submission to the UN Special Rapporteur on Extreme Poverty by the End Child Poverty coalition

For further information please contact: Judith Cavanagh, End Child Poverty Coalition Coordinator on judith@endchildpoverty.org.uk or 07918 567577

About End Child Poverty

End Child Poverty is a campaigning coalition of charities, Unions, faith groups and civil society organisations that work together to hold the Government of the day to account for the impact of their policies on child poverty in the UK. The coalition was established in 2003 in response to the Government's child poverty reduction strategy and since then has argued for the importance of official child poverty measurements and reduction targets. We are campaigning strongly against welfare reforms that since 2010 have ushered in dramatic rises in child poverty, reversing the decline in child poverty of the previous decade.

End Child Poverty is increasingly alarmed that the Government is unwilling to recognise the damage being done by the freeze on children's benefits; the roll out of, and cuts to Universal Credit; and the imposition of a two-child limit on tax credits and benefits. We are particularly concerned that these reforms are disproportionately adversely affecting the most vulnerable households – single parent families, larger families (often in the BAME community) and those living with disability.

Further details can be found on the End Child Poverty Website <https://www.endchildpoverty.org.uk/>

A. GENERAL

Defining poverty

End Child Poverty embraces a definition of poverty encompassing a child's ability to participate in society, such as this one given by the sociologist Peter Townsend,

"Individuals, families and groups in the population can be said to be in poverty when they lack resources to obtain the type of diet, participate in the activities and have the living conditions and amenities which are customary, or at least widely encouraged and approved, in the societies in which they belong."

Measuring poverty

The Government strongly resists measuring poverty and setting targets for reducing it. The 2016 Life Chances Act was passed, scrapping the targets and reporting requirements of the 2010 Child Poverty Act. However, in January 2016 the coalition successfully campaigned against the Government's attempt

to end the legal requirement to measure and publish the numbers of children living in low income households. It therefore continues to publish the widely used Households Below Average Income (HBAI) data, both before and after housing, whereby a household is deemed to be in poverty if income is 60% below the median.

Absolute and relative poverty

The Government's preference is to refer to absolute poverty figures as these invariably show that overall poverty is falling, as national wealth tends to increase over time. However, this fails to acknowledge that the childhood for a child growing up in a low income household will not be keeping pace with those from higher income households, putting them at a further disadvantage to their peers. And more worryingly, by referring to overall absolute poverty levels, the Government is failing to acknowledge that absolute levels of child poverty haven't really fallen since 2010/11. In fact, the Institute for Fiscal Studies is projecting a significant rise in absolute, as well as relative, child poverty over the next 5 years.ⁱⁱ

In-work poverty

We are concerned, particularly in light of the roll out of Universal Credit, that the Government is not accurately capturing or acknowledging the level of in-work poverty. Most child poverty data shows that two-thirds of children living in poverty are from a working householdⁱⁱⁱ. The Government however refers to falling unemployment figures as evidence that household income must be rising, and therefore child poverty falling. Without measuring the impact of reforms such as Universal Credit, or the introduction of the 2-child limit, the rise of child poverty in working households will not be acknowledged or addressed by the Government.

Local child poverty data

End Child Poverty regularly produces data that seeks to demonstrate where child poverty rates in the UK are at their highest. These local child poverty statistics give the rate of child poverty for each constituency, electoral ward and Local Authority across the UK and are published on our website.^{iv} This research is done by Professor Hirsch of the Centre for Research into Social Policy at Loughborough University. His model^v uses the Government's tax credit data and is adjusted to account for the flaws in tax credit data that over counts the numbers in out-of-work poverty, and under counts the numbers in in-work poverty. The figures are then updated using Labour Force Survey data on the number of children in non-working households.

Meetings

End Child Poverty would welcome the opportunity to facilitate meetings with our members so that the Special Rapporteur can get an insight into the lived experience of low income households and their experiences of trying to navigate the benefits system. Our proposal is attached as an Appendix to this submission.

We would also recommend meeting with Professor Hirsch at Loughborough University as a leading expert on UK child poverty data.

B. AUSTERITY

Since 2010 and the introduction of austerity, child poverty has risen more than poverty in other sections of the population^{vi}, with households with more than 2 children, single parent households and those living with a disability disproportionately affected.

The Child Poverty Action Group published a comprehensive study in November 2017 of the impact of austerity on children and we would encourage the Special Rapporteur to read their report *The Austerity Generation*^{vii}.

Poverty and human rights

A child's rights to life and development; to a family life; to not be discriminated against; to an adequate standard of living are all adversely affected by growing up in poverty.

One stark example of the ways in which austerity measures have affected children's rights is the imposition of the two child limit on tax credits and benefits, whereby a family will not receive financial assistance for more than two children. End Child Poverty recently produced a report *Unhappy Birthday! The two child limit at one year old*. It examined the impact of the policy on the first anniversary of its introduction^{viii}. We argue that the policy is very likely to breach the UK's obligations under human rights law: the right to private and family life (Article 8 of the European Convention on Human Rights); the right to marry and found a family (Article 12); and the requirement under the UN Convention on the Rights of the Child to give primary consideration to the best interests of the child.

Local government

Cuts to government spending under austerity have been felt extensively by Local Government, with cuts to local children's services having a severe impact on the ability of Local Government to protect vulnerable children, and to support families in need. This has been well documented in a joint report *Turning the Tide*^{ix} by End Child Poverty members, Action for Children, The Children's Society and the National Children's Bureau.

Similarly, provision of interest free loans to households in times of crisis has been dramatically affected by austerity with the abolition of Crisis Loans in 2013 and significant reductions in Budgeting Loans since 2010.

Local Authorities were expected to take on the role of crisis provision and were provided with some central Government money to do that. However, in our report *Furnishing your home with Rent to Own*^x

End Child Poverty reported that overall lending has reduced from around £790 million in 2009/10, to around £410 million in 2016/17 – a reduction of nearly 50%.

The consequence, as shown in our report, has been a rise in low income households being forced to turn to high-cost credit alternatives in order to buy essential household items such as fridges or washing machines and putting families at risk of an everyday event (such as a washing machine breaking down) throwing them into financial crisis.

C. UNIVERSAL CREDIT

There is a high level of concern among End Child Poverty members of the impact of Universal Credit on low income families and that it is failing in its primary ambition to make work pay and be a route out of poverty. The evidence to date shows that the design and implementation of Universal Credit will, for some families, exacerbate poverty and encourage low-paid, insecure work rather than sustainable employment

Successive reports from various our members have highlighted the financial disarray caused by the transition to Universal Credit, leading to debt, rent arrears and housing crises. For example: Child Poverty Action Group has developed an early warning system early warning system^{xi} as it monitors the impact of the roll out; Gingerbread has reported on the impact on single parent families^{xii} households; and Contact's on how Universal Credit will affect families living with disability families living with disability^{xiii}. The Department for Work and Pensions' own evaluation indicates that nearly half of Universal Credit claimants are struggling to pay household bills^{xiv}.

E. CHILD POVERTY

The latest research from the Resolution Foundation estimates that child poverty was 1.6 million in 2010^{xv}, with the Institute for Fiscal Studies (IFS) forecasting that by 2020 more than 5 million children will be living in poverty with an alarming forecast that absolute child poverty will rise for the first time.^{xvi} The IFS attributes the rise to austerity measures: the freeze on children's benefits; the introduction of the 2-child limit on benefits; and the introduction of (and cuts to) Universal Credit.

These welfare reforms have come at a time of rising prices, with low income households paying more for household essentials than better off households. We produced a report *Feeling the Pinch* that showed a poverty premium of up to £1700 a year for low income households^{xvii}. The Government has demonstrated a willingness to act to tackle this poverty premium, for example, introducing a cap on annual fuel bills for low income households. And the Financial Conduct Authority is in the process of considering a cap on high-cost credit products such as rent-to-own purchases.

However, the Government seems unwilling to address low household income and so End Child Poverty remains committed to campaigning for an increase to household income, supported by the benefits system. The cuts to household income through the Government's welfare reforms has been **the** biggest contributor to rising child poverty since 2010.

End Child Poverty members continue to document the long-term damage done to children of growing up in poverty. For example: the importance of breakfast clubs to ensure children are properly fed to

improve educational outcomes^{xviii}; the impact of poor housing on child health^{xix}; and the impact of poverty on a child's social life and family relationships^{xx}.

CONCLUSION

In January 2018 End Child Poverty published local child poverty statistics for across the UK^{xxi}. For the first time the data showed that there are areas of the UK where **the majority** of children are growing up in poverty. The data also showed that it is the most deprived areas of the UK that have seen the greatest increases in child poverty.

The Government is failing millions of children and is overseeing a growing gap between children from low income families and their better off peers. Whilst their rights to education and health are protected by free public services, children growing up in poverty in the UK have worse outcomes than other children. Poverty – not having enough food, clothes or money to on activities, living in unsuitable housing or in an unheated home – constrains a child's ability to thrive and succeed. Children from poorer backgrounds do less well at school, have poorer physical and mental health, and have fewer employment opportunities. As a country we would like to believe every child has an equal right to a healthy, happy and fulfilled life. The reality is that poverty is robbing millions of children in the UK of these opportunities.

APPENDIX

Proposed outline of UN Special Rapporteur meeting with End Child Poverty members, facilitated by End Child Poverty.

Given that there are End Child Poverty member organisations throughout the UK, we could explore the possibility of holding regional meetings.

A: Overview of child poverty in the UK: 2000 – 2022

Discussion led by Chair, Anna Feuchtwang (Chief Executive of the National Children's Bureau) and Steering Group members (Action for Children, Child Poverty Action Group, the Children's Society, Save the Children, Oxfam, Buttle UK, the Trades Union Congress, Gingerbread, the Church of England)

1. Trends, data, projections
2. Overview of engagement with Government: influencing policy design; measurements of poverty; impact assessments
3. The impact of welfare reforms:
 - the two child limit
 - Universal Credit roll out
 - The freeze in children's benefits

B: The reality of poverty for UK families and children

Presentations from End Child Poverty members covering

- Single parent households
- Families living with disability
- Children in the care system
- Early years childcare: cost and quality
- Poverty premium and household debt

C: Site visit

Visit to projects run by End Child Poverty members with facilitated discussions with parents and families affected by Government welfare reforms.

End notes

- ⁱ Townsend, P. (1979) *Poverty in the United Kingdom*, Allen Lane
- ⁱⁱ Hood, A. and Waters, T. (2017) [Living Standards, Poverty and Inequality in the UK: 2017- 18 to 2021-22](#) Institute for Fiscal Studies
- ⁱⁱⁱ Department for Work and Pensions (2018) [Households below average income](#)
- ^{iv} End Child Poverty (2018) [Local UK child poverty data 2018](#)
- ^v Hirsch, D. and Valdez, L (2014) [Local child poverty research methodology](#) Centre for Research into Public Policy, University of Loughborough
- ^{vi} Hood, A. and Waters, T. (2017) [Living Standards, Poverty and Inequality in the UK: 2017- 18 to 2021-22](#) Institute for Fiscal Studies
- ^{vii} Tucker, J. (2017) [The Austerity Generation: the impact of a decade of cuts on family incomes and child poverty](#), Child Poverty Action Group
- ^{viii} Sefton, T and Tucker, J (2018) [Unhappy Birthday: the two child limit at one year old](#) End Child Poverty, Church of England and Child Poverty Action Group
- ^{ix} Action for Children, The Children's Society and National Children's Bureau (2017) [Turning the Tide](#)
- ^x Rodrigues, L. and Royston, S (2017) [Furnishing your home with Rent to Own](#) End Child Poverty
- ^{xi} Child Poverty Action Group (2018), [CPAG's early warning system – report on universal credit top issues](#)
- ^{xii} Gingerbread (2017) [Written submission to the Work and Pensions Select Committee Inquiry into UC roll out](#)
- ^{xiii} Contact (2018) [Universal Credit and Disabled Children](#)
- ^{xiv} Department for Work and Pensions (2018) [Universal Credit Full Service Survey](#), fig 8.4
- ^{xv} Corlett, A. et al (2018) [Living Standards Audit 2018](#) The Resolution Foundation
- ^{xvi} Hood, A. and Waters, T. (2017) [Living Standards, Poverty and Inequality in the UK: 2017- 18 to 2021-22](#) Institute for Fiscal Studies
- ^{xvii} End Child Poverty (2017) [Feeling the Pinch](#)
- ^{xviii} Education Endowment Foundation (2016) [Magic Breakfast Evaluation and Report](#)
- ^{xix} National Children's Bureau (2016) [Housing and the Health of Young Children](#)
- ^{xx} National Children's Bureau (2016) [Poverty and Children's Personal and Social Relationships](#)
- ^{xxi} End Child Poverty (2018) [Local UK child poverty data 2018](#)