



CPAG'S RESPONSE TO THE QUEEN'S SPEECH

A BRIEFING FOR PARLIAMENTARIANS

10 May 2022

The Queen's Speech was a missed opportunity for the government to introduce legislation that would support people in the short term and improve living standards in the longer term.

The speech announced the Levelling Up Bill, which purports to give 'people the opportunities they want, where they live', alongside Bills that will undermine the government's ability to achieve this and leave families unsupported in the midst of a cost of living crisis.

This is a legislative agenda that risks leaving increased levels of child poverty – currently at almost 4 million and expected to rise further – as its only real legacy.

Levelling up during a cost of living crisis?

Low-income families are hardest hit by price increases. As inflation pushes a thirty-year high and energy bills soar by 54 per cent, millions are worried about how to pay their bills and provide for their children over the coming weeks and months. The levelling up white paper pledged that people everywhere would benefit from 'sustained rises in living standards and well-being', but instead we are on course for the biggest hit to living standards since the 1950s. The Queen's Speech included no measures to avert this.

With high inflation set to persist, and energy bills predicted to rise by another £830 in October,¹ additional support will be needed to prevent unmanageable debt and harm throughout the year. Investment in the social security system is the most effective way to quickly provide extra support to households most in need. **The government must increase benefits in line with inflation in October** to avoid an additional 500,000 children being pushed into absolute poverty,² and to ensure that families don't face a bleak winter with inadequate financial support.

¹ OBR, *Economic and fiscal outlook*, 2022, p8

² T Bell and others, *Inflation Nation: Putting Spring Statement 2022 in context*, Resolution Foundation, 2022

Investment in social security would help families through the current cost of living crisis, *and* contribute towards levelling up in the longer term. It leads to improved living standards and improved health, education and employment prospects for children.^{3,4}

In a stark example of the kind of positive impact the social security system can have on children and families, child poverty statistics published earlier this year showed that child poverty in the UK fell by 400,000 in the first year of the pandemic. This was likely in direct response to the increase of £20 a week to universal credit. However, because the government removed this in October 2021, the children who had been pulled above the poverty line will almost certainly have already sunk back underneath it. Long-term investment in children and families via the social security system will be essential to ending child poverty and ensuring that every child can reach their potential.

No Employment Bill

Increasing 'pay, employment and productivity' in every area of the UK, as promised by the levelling up white paper, will be harder now the proposed **Employment Bill** has been shelved. The Bill was supposed to introduce measures to encourage flexible working and an entitlement to leave for unpaid carers. This would have made it easier for people to access and keep quality jobs across the UK.

The Queen's Speech was also silent on **childcare**, which is both a major cost pressure on families and a barrier to employment, especially jobs that offer career advancement. The UK has one of the most expensive childcare systems in the world.⁵ Improving access to quality childcare would make the UK more productive and help children reach their potential.

Education

The **Schools Bill** promises to level up education so no child is left behind. But given income is the strongest predictor of educational outcomes⁶ it is hard to see how the forthcoming legislation can achieve this.

The Bill will implement a new direct national funding formula. But these planned changes do not appear to address the problem with the current funding formula that sees some schools in the most deprived areas losing out in comparison to those in more affluent areas.⁷

The Bill will also require schools to publish an attendance policy. Attendance at school is crucial to improving attainment, but getting children in the school building is not the same as removing the barriers to learning they face. Our extensive research with pupils and families shows that children are often locked out of schooling

³ A Aizer, S Eli, J Ferrie and A Lleras-Muney, 'The long-run impact of cash transfers to poor families', *American Economic Review*, 106(4), 2016, pp935–71

⁴ H Hoynes, DW Schanzenbach and D Almond, 'Long-run impacts of childhood access to the safety net', *American Economic Review*, 106(4), 2016, pp903–34

⁵ OECD, *Is childcare affordable?*, 2020

⁶ T Morris, D Dorling and G Davey Smith, 'How well can we predict educational outcomes? Examining the roles of cognitive ability and social position in educational attainment', *Contemporary Social Science*, 11:2-3, 2016, pp154-168

⁷ Education Policy Institute, *The National Funding Formula: consideration of better targeting to disadvantaged pupils*, 2021

because of the costs associated with it – that includes the cost of school food, learning resources, trips, school uniform and participation in fun events.⁸

The Schools Bill must include measures for schools to remove barriers to participation. Increasing eligibility for free school meals, and investing in breakfast clubs and after-school activities, will all improve educational outcomes, boost household incomes and enable parents to choose more productive jobs.

Managed migration

An issue that has been woefully absent in Westminster debates, but will feature prominently in constituency surgeries during this parliament, is the managed migration to universal credit.

Over the coming months the government will begin transitioning 2.6 million people from legacy benefits to universal credit. This week, the DWP started to send out letters instructing legacy benefit claimants to make a claim for universal credit before the 'deadline date'. Anyone who misses the deadline, even those in the most vulnerable circumstances, faces losing their benefit income altogether. For many of those affected, benefits make up the vast majority, if not all, of their income. Not making the transition successfully will result in destitution.

Moving people on a low income from one benefit system to another was never going to be an easy task, which is why it's deeply concerning that the DWP intends to proceed with a process that has only been trialled on 38 people and was never evaluated. It is extremely worrying that legislative changes to the agreed schedule of work will be pushed through parliament through the negative procedure, minimising the ability of MPs to scrutinise the government's plans. It should not be the responsibility of MPs to solve problems caused by managed migration through their constituency surgeries. It's the government's duty to ensure people are safely moved over to universal credit.

Human Rights Act

Against this backdrop, it is very concerning that the government has confirmed plans to replace the Human Rights Act with a Bill of Rights. The Act is a unique legislative instrument that gives power and protections to ordinary individuals (including children), many of whom rely on the obligations it places on public bodies to comply with human rights and to treat children without discrimination. The government's consultation document on the Bill identified no coherent need for an overhaul of the Human Rights Act of the kind proposed by the government. The proposed changes would reduce the ability of children and families living in poverty to hold the government or other public bodies to account for breaches of their human rights, and would be a profoundly regressive move.

Not good enough

With 38 Bills but no direct help with the rising cost of living, the Queen's Speech failed to offer families what they need to get through the coming months and years. The speech included no measures to support parents struggling to make ends meet in the short term, and no credible Bills to deliver on the pledge to increase living standards. When questioned on the omission from the levelling up white paper of any action on reducing and

⁸ Child Poverty Action Group, [The cost of having fun at school](#), 2022

ending child poverty, the prime minister declared it to be 'an accident'. Yet nothing in today's speech will do anything to stop an additional 500,000 children being pushed into absolute poverty.⁹

The government must respond now to the scale of the current living costs crisis by committing to an increase in benefits in line with inflation from October. This is the bare minimum needed to support families.

In the longer term we need a clear package of reforms that will end child poverty. This must include legislation and action on employment, education and childcare. And the government must prioritise getting more money to families via the social security system.

About CPAG

Child Poverty Action Group works on behalf of the more than one in four children in the UK growing up in poverty. It doesn't have to be like this. We use our understanding of what causes poverty and the impact it has on children's lives to campaign for policies that will prevent and solve poverty – for good. We provide training, advice and information to make sure hard-up families get the financial support they need. We also carry out high profile legal work to establish and protect families' rights.

⁹ See note 2