



POVERTY IN THE PANDEMIC: An update on the impact of coronavirus on low-income families and children

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Written and researched by Zhané Edwards,¹ Sophie Howes,¹ Jessica Reedy² and Tom Sefton³

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. Child Poverty Action Group is a charity registered in England and Wales (registration number 294841) and in Scotland (registration number SC039339).

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Acknowledgments

We are grateful to all of the families who completed our online survey on the financial impact of coronavirus for sharing their stories with us.

Thank you to Entitledto for allowing us to use their online benefit calculator to identify and invite families to complete the survey, without which this research would not have been possible. Thank you to Lizzie Flew for editing and designing the final report.

¹ Child Poverty Action Group

² Parliamentary Assistant to the Bishop of Durham

³ Church of England's Mission & Public Affairs Team

Summary

In August, Child Poverty Action Group and the Church of England published a report, *Poverty in the Pandemic*, which offered a glimpse into the lives of low-income families trying to survive the impact of the coronavirus pandemic. This report provides an update on how families with children are managing financially, based on an additional 393 online survey responses received in the period since the last report was published, up to the end of November 2020. The key findings are:

- Overall, around three quarters of the families who responded to our survey said they are finding it “difficult” or “very difficult” to manage financially. This proportion has remained fairly constant throughout the pandemic, with no sign of improvement in recent months.
- In the three months to November 2020, nearly nine in 10 respondents had experienced a significant deterioration in their living standards compared with their situation before the pandemic – up from eight in 10 families who responded to our survey between May and July 2020.
- A higher proportion of families who responded to our survey from September to November 2020 reported losing employment. Many said they had never been in this position before, having worked all or most of their working lives, and were struggling to cope on universal credit.
- Even among those who were not previously in paid work, or whose employment had not been disrupted, around three-quarters of families are finding it harder to manage financially, due to rising living costs, additional caring responsibilities, reduced child maintenance payments and problems accessing other financial support.
- As a result of the pandemic, nearly six in 10 families said they are struggling to cover the cost of three or more basic essentials, including food, utilities, rent, travel or child-related costs. Around half of all families said they have a new or worse debt problem.
- A high and rising proportion of low-income families have also experienced a mental or physical health problem as a result of the pandemic – up from 48 per cent between May and July to 56 per cent between September and November 2020. The open-ended survey responses include a worrying number of references to the effect on the wellbeing of children, as well as adults. It is clear that financial problems are adding considerably to the pressures on families, pushing many of them to breaking point.
- An increasing proportion of families are becoming reliant on the social security system, as the unemployment rate continues to rise. This is exposing problems with the current system, including the five-week wait for the first payment in universal credit, inadequate benefit levels, and the severe effect of the benefit cap and two-child limit on families.
- To address increasing financial difficulties, we recommend that: the £20 per week uplift to universal credit and tax credits is retained and extended to other legacy benefits; children’s benefits are increased; eligibility for free school meals is expanded; and the two-child limit and benefit cap are lifted. Only then will we ensure that low-income families with children receive the support they need over the difficult months and years that may lie ahead.

Introduction

In August 2020, Child Poverty Action Group (CPAG) and the Church of England (CofE) published a report, *Poverty in the Pandemic*, which provided a glimpse into the lives of low-income families trying to survive the financial impact of the coronavirus pandemic. What was clear in this report was that family life has been turned upside down by coronavirus. Sudden loss of earnings, additional caring responsibilities in the face of school and nursery closures, caring for elderly relatives, increased costs and home schooling were just some of the challenges facing families during the peak of the crisis. And there is no doubt, as our report highlighted, that coping with these challenges is a lot easier if you have money and access to other resources.

Our research found that eight in 10 low-income families with children had experienced a significant deterioration in their living standards as a result of coronavirus, caused by a combination of a drop in income and rising costs. This follow-up report is designed to give an update on the financial impact of coronavirus on families – we wanted to understand whether things had got worse for families, or got better, or perhaps a bit of both. Sadly, but perhaps unsurprisingly, there has been no bounce back for families, no V-shaped recovery. Many families are facing a future of long-term unemployment and deteriorating finances. They need financial help urgently. This is why CPAG and CofE are calling for increased investment in children's benefits as a way of getting money to families with children quickly – alongside some other urgent priorities set out in the recommendations at the end of this report.

Methodology

This report is based on an online survey of 678 low-income families with children between May and the end of November 2020 (including 393 responses received since our first report in August).⁴ Our survey was carried out using the Entitledto benefits calculator to identify families who are likely to qualify for free school meals, based on their household income and other criteria. Potential respondents were invited to complete a short questionnaire about the financial and non-financial effects of the pandemic on them and their children, as well as the support they have received from the government and others.

In addition to the survey responses, in-depth interviews were carried out with 21 families (in May/June 2020) and follow-up surveys were completed by 10 of these families (in November 2020). *Poverty in the Pandemic* (August 2020) was largely based on the findings from the interviews.

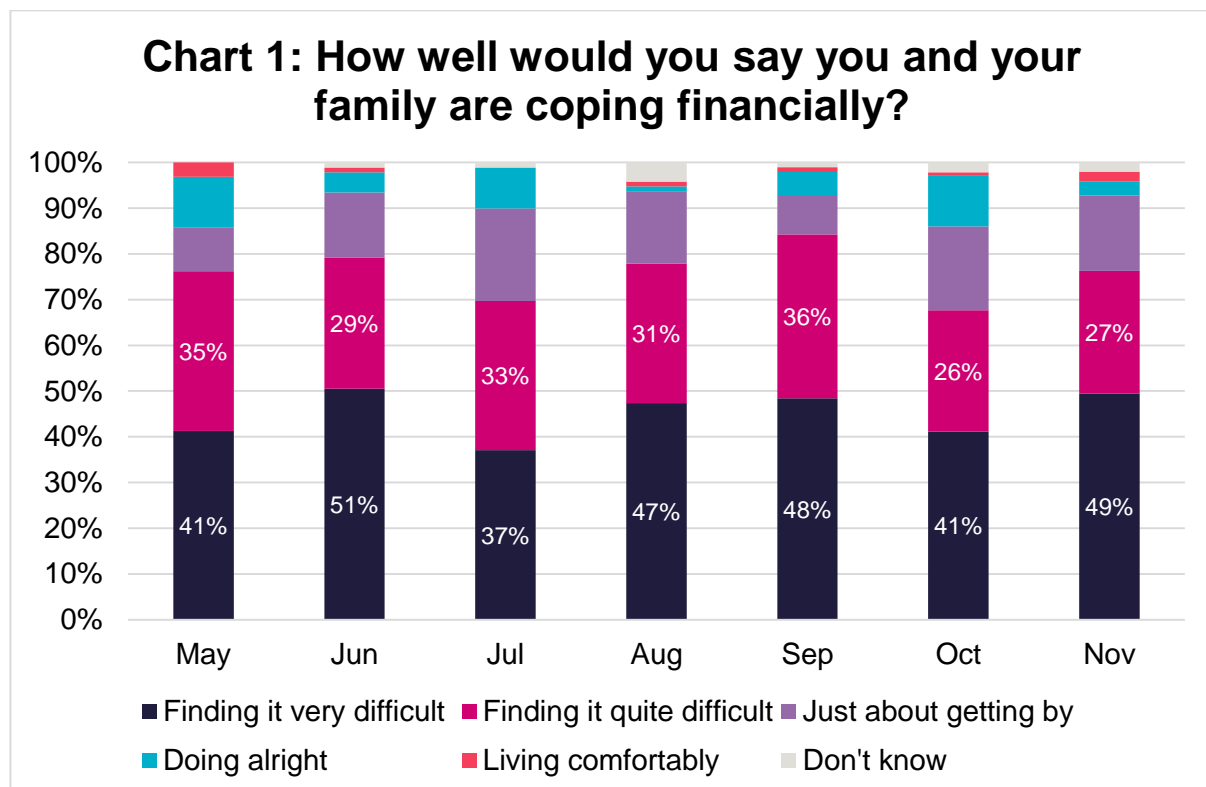
The qualitative data in this follow-up report is based on the online survey responses received in the months since *Poverty in the Pandemic* was published (August-November), as well as the follow-up survey with interview participants.

⁴ The survey questions can be found in the Annex to *Poverty in the Pandemic*: <https://cpag.org.uk/sites/default/files/files/policypost/Poverty-in-the-pandemic.pdf>

Financial effects

Overall, around three-quarters of the families who responded to our survey said they are finding it “difficult” or “very difficult” to manage financially. This proportion has remained fairly constant throughout the pandemic, with no sign of improvement through the autumn months (see Chart 1).

In the three months to the end of November, nearly nine in 10 respondents reported experiencing a significant deterioration in their living standards, compared with their situation before the pandemic – up from eight in 10 families who responded to our survey between May and July.



Prior to the coronavirus, around two-thirds of respondent families had at least one adult in paid work. In most of these families, either one or both parents had lost their job/hours or experienced a significant reduction in their earnings or income from self-employment, as a direct result of the pandemic.

In contrast to the previous *Poverty in the Pandemic* report, when families reported accessing financial support from the Job Retention Scheme (JRS) or the Self-Employment Income Support Scheme (SEISS), families who responded to the survey in more recent months were more likely to report job loss or redundancy⁵ – in many cases this was after being on furlough for a period. For these families, in most cases their only option was to access support from the social security system. Many respondents said they had never been in this position before, having worked all or most of their working lives, and

⁵ Across our whole sample, 31 per cent of survey respondents said they and/or their partner had lost their job since the start of the pandemic. This proportion has risen from 27 per cent of those who responded between May and July, up to 35 per cent of those who responded between September and November.

were struggling to manage on universal credit:

“I was furloughed from work, but got a call on 30 June to say I was being made redundant. My employer has stopped paying me, so I have no income. My partner lost his job on 4 July and has just started getting JSA (jobseeker’s allowance). We are on the breadline and living on credit cards.”
(Couple with one child, East Midlands, previously working full time)

“Me and my partner have both worked since 16 and both lost our jobs due to coronavirus. We were forced to live off JSA and universal credit which made our net income £600 less than our normal wages. As a result we had to rely on friends and selling anything valuable we had to get money for food and electricity.” (Couple with two children, East of England, previously working full time)

“I was in a decent £40k a year job, financially stable. Now following redundancy, I am applying for universal credit. I have worked full time since I left school at 16 and never claimed any benefits. This has affected my mental health and having always been at a senior level in management I am struggling with everything. I have never had issues with money, health, emotions, stress until now.”
(Single parent with three or more children, East Midlands, previously working full time)

“I worked in hospitality in a self-employed capacity and was in the second year looking to make a good profit, for Covid to appear and ruin everything, I cannot afford rent, food, school clothes.”
(Couple with one child, East of England, self-employed)

In some cases, families were ineligible for benefits, or failed to qualify for one of the government’s support schemes, the JRS or the SEISS, leaving them with little or no financial support.

“Since March and Covid I lost my contracts and haven’t been able to find work since. I cannot claim [government] support as I am not eligible as I have only been self-employed since September 2019... I own a shared ownership [property] and likely to have to sell my property as my rent arrears are being chased. I cannot find financial support.” (Single parent with two children, South East, self-employed)

“I was working more than 40 hours a week running my own cleaning company as a sole trader. Now I am doing two days a week and I have taken a large reduction in income... I can’t claim SEISS according to HMRC. Need some kind of help.” (Couple with one child, South East, self-employed)

Contracting Covid-19 or having to self-isolate has also had a direct impact on people’s finances, as well as on their physical and mental health:

“I caught coronavirus in April, and six months on I am still ill and unable to work due to ‘long haul Covid’. While off work I have lost my job. My 11-year-old daughter has looked after me which has been a terrible strain on her... she has found the worry of seeing me so ill, and our money-worries, too much to cope with.” (Single parent with one child, South West, previously working part time)

“I’m struggling even though I’ve started work 16 hours a week. I’ve just had to isolate for eight days, so will lose pay. I was not working throughout lockdown as I couldn’t get a job as I’m a single parent and had to take care of the children. I barely ate throughout that time. I’m losing a week’s pay and my children need shoes and clothes... I need to feed them and keep them warm.” (Single parent with three or more children, North East, working part time)

In our first report, we found that even among those who were not in paid work or whose employment has not been disrupted by the pandemic, the majority of families were worse off than they were before the pandemic. This continues to be the case, with nearly three-quarters of this group reporting a significant worsening in their financial situation. Reasons for this include rising living costs, additional caring responsibilities, reduced child maintenance payments and problems with accessing other financial support:

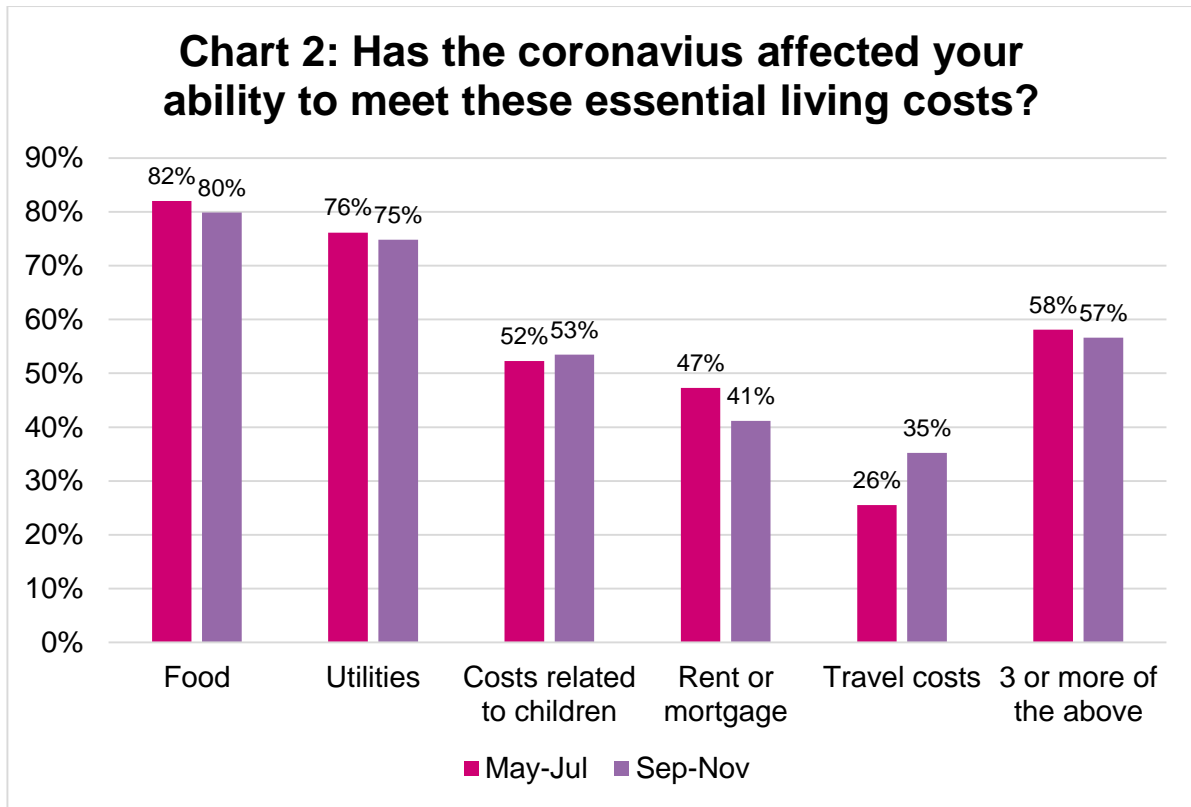
“My ex-partner reduced child maintenance payments significantly, which has left me in hardship. My bills have increased, I spend more money on food. I have struggled with new school uniform costs.” (Single parent with two children, West Midlands, not in paid work)

“This has affected me so much: as I care for my disabled daughter, we can’t go out so having to spend so much more on shopping as can’t get to the big (supermarket) shops with her. Some days I go days without eating so I can feed them which is making me physically ill.” (Single parent with three or more children, South East, not in paid work)

“With both teenagers being at home for months on end all they seem to do is eat, my food, gas and electric bills have all gone up and I’m spending an extra £35 a week.” (Single parent with two children, West Midlands, working part time)

“During lockdown prices were crazy and I couldn’t brave the huge queues with all the children. So we had to rely on the corner shop a lot, where prices were even higher... I had to compensate for schools closure by buying educative toys, craft materials or at-home activities for three children, it adds up very quickly... and just [the] stress and anxiety in general, makes you take the wrong financial decisions or buy things that could have been cheaper somewhere else.” (Single parent with three or more children, London, not in paid work)

As a result of the pandemic, nearly six in 10 families said they are struggling to cover the cost of three or more basic essentials, including food, utilities, rent, travel or child-related costs – and around half the families said they now have a new or worse debt problem. Again, there is no indication that people’s financial problems have eased in recent months (See Chart 2).



When we asked people to describe the situation in their own words, many talked about the struggle to feed and clothe their children, often at the expense of their own welfare:

“After paying my bills I have been left with about £50 a week to live on and feed my children, some weeks I have gone hungry so that they could eat. There is nothing left for clothes, shoes, little treats.” (Single parent with two children, East of England, not in paid work)

“...Money-wise, it’s more not having enough food to have lunch and dinner so we will have one or the other.” (Single parent with one child, London, not in paid work)

“It’s terrible, I’m scared every day. I kept my children off school as I can’t afford uniform. I live on porridge or cereal.” (Couple with three or more children, Yorkshire and The Humber, self-employed)

“Family can’t even afford the basics: masks, hand sanitiser.” (Single parent with one child, South East, not in paid work)

“Went from being able to provide quite well for me and my son to now being unemployed, extremely anxious of how I’m going to cover the costs of bills and general cost of living especially coming into winter months when heating and electric costs will increase.” (Single parent with one child, Northern Ireland, previously working part time)

As outlined above, many families are struggling with mounting debt. This confirms findings from other research showing that families with children, and particularly single parent families are disproportionately affected by a new or worsening debt problem as a result of coronavirus.⁶

“Struggle to pay my bills, feed my children. I’m slowly sinking into debt.” (Single parent with two children, South West, working part time)

Non-financial effects

Many families have been affected in other ways, other than financially (see Chart 3). For example, more than half of respondents said they have experienced a mental or physical health problem as a result of the pandemic. This proportion has increased over time from 48 per cent in the first three months of our survey (from May to July) up to 56 per cent in the latest three months from September to November 2020.

Mental health problems were mentioned frequently in the open-ended responses, including some worrying references to the effect on children, as well as adults:

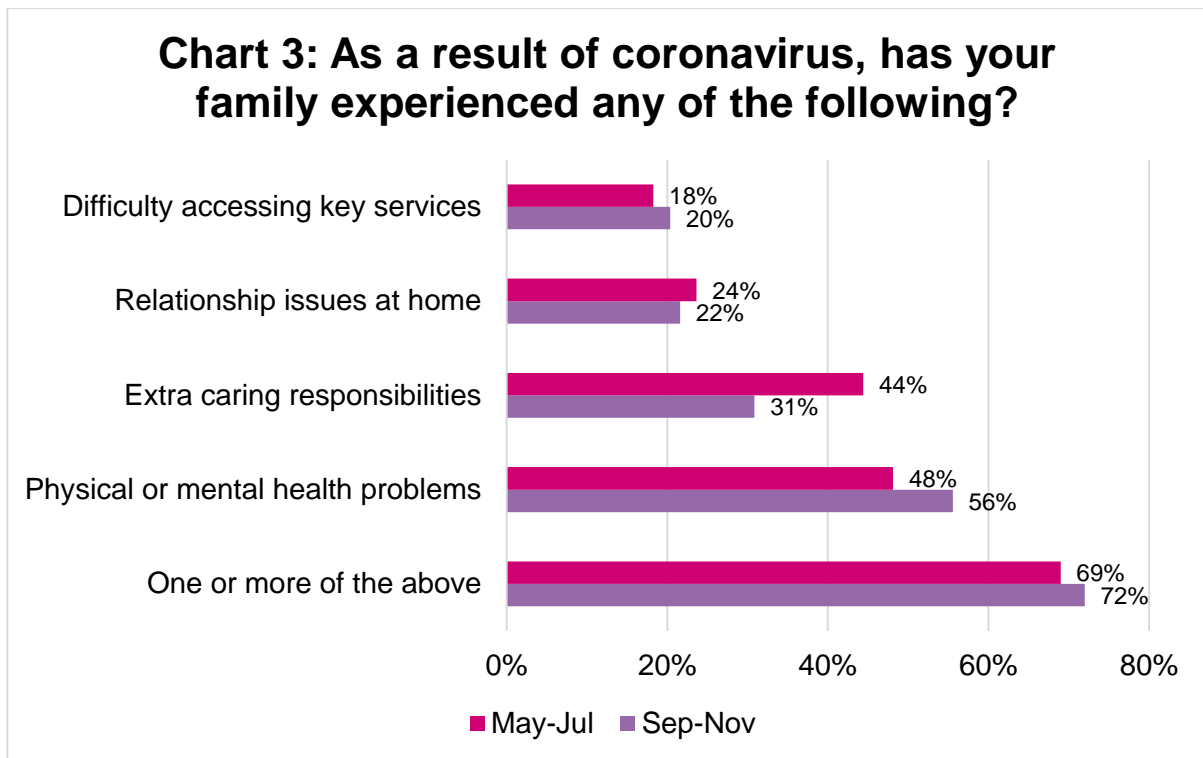
“It’s extremely hard being at home all the time just me and my daughter. My daughter has started self-harming again and my mental health has gotten worse. We argue more than usual but we love each other and that is what’s getting us through.” (Single parent with one child, London, not in paid work)

“I care for my adult son who has autism, his mental health has suffered, and of course it causes extra stress and pressure, having to feed the children more during lockdown and trying to keep them entertained was not only a financial impact but for our mental health too, I’m a single parent and it’s exhausted me, now my hours have been reduced and I’m having to claim universal credit.” (Single parent with three or more children, East of England, self-employed)

“Since the lockdown my child has become increasingly anxious and very emotional. It has been very hard finding the money for extra entertainment.” (Couple with two children, London, not in paid work)

“I have mentally got worse – not only depressed but afraid to go outside my door... [we have] no cash, no food, nothing.” (Single parent with one child, Wales, not in paid work)

⁶ [Tackling the coronavirus personal debt crisis](#) (November 2020) StepChange



While the coronavirus restrictions and resulting social isolation are evidently having a negative effect on people’s mental health, it is also clear that financial problems are adding to the pressures on families, pushing many of them to breaking point. Overall, nearly a quarter of respondents said that the pandemic had led to relationship issues at home:

“Coronavirus has exacerbated my whole family’s mental health to the point that we are about to break up. Stress, anxiety and strain in terms of finances have broken us as a family and created so many other issues between us all.” (Couple with one child, South East, previously working full time)

“We have been struggling financially and mentally... me and my partner are continuously arguing due to financial difficulties.” (Couple with three or more children, Yorkshire and The Humber, self-employed)

In addition to relationship issues, families described the lack of support services available during the pandemic as a particular challenge, contributing to the deterioration of wellbeing more generally during this period.

“My younger son has hearing problems and cannot access health care specialists and I cannot visit my GP due to restrictions on Covid-19. I am in a progressively worse mental health state than I was six months ago.” (Single parent with two children, East of England, previously working full time)

“If children’s centres were open... I could take my youngest child there.” (Single parent with two children, South East, previously working part time)

Sources of financial support

In our previous report, we reported on the different types of financial support that families had been accessing as a result of being financially impacted by the pandemic. These included:

- Financial support from the JRS / SEISS
- Free school meal vouchers
- Financial support from the social security system
- Financial assistance from local authorities – including local welfare assistance or council tax support
- Financial assistance from the private sector – including mortgage holidays and help with managing household bills
- Financial assistance from the voluntary sector – including food banks and other charitable support
- Financial assistance from families and friends

Financial support from the social security system

While all of the different types of financial support outlined above featured in the open-ended responses from families, the overwhelming majority of responses received from August 2020 onwards included information about their experiences of accessing support from the social security system. This may reflect the fact that an increasing number of families are now reliant on the social security system, or that at this point in the pandemic families had more experience of claiming benefits than those families surveyed during May and July 2020. This section of the report highlights some of the key issues that families reported with regards to accessing financial support from the social security system.

Delays in the first payment of universal credit

New claimants of universal credit must wait five weeks to receive their first payment. For families that have experienced a sudden drop in income as a result of coronavirus, this delay in receiving the first payment is often problematic, as some of our survey respondents outlined:

“I lost my job due to coronavirus, the delay between applying for benefits and receiving them has put me in debt. It’s nearly a month on and I’m still not getting the full benefit amount.” (Single parent with three children, North West, previously working full time)

For some families, there may be reasons for why they have delayed making a claim for benefits, which can add to the five-week wait in universal credit and cause further financial difficulties:

“I have been so ill (with Covid) that I did not know until weeks later that I had lost my job, as I had not been able to deal with any post. I have only just managed to apply for any benefit help, so we have had no income for many, many weeks, I can’t even think clearly enough to work out how long. The fatigue, and brain fog, make seeking help right now so hard – even the simplest things like conversations are difficult to comprehend, so trying to apply for benefit has taken me several attempts over about four weeks, even with the help of a friend. All that time is obviously lost now as benefits start from the day the claim is finally finished and submitted.” (Single parent with one child, South West, previously working part time)

“The company I worked for went into liquidation in August and things fell apart overnight. I stupidly didn’t apply for universal credit straight away, it was about two weeks later. I then waited six weeks for my first payment. The money I get on universal credit is substantially less than I was earning previously and even though I have cut my outgoings considerably, there is very little to live on.” (Single parent with one child, London, previously working full time)

It is possible to receive an advance payment in universal credit to help cover costs during this period where claimants are waiting for the first payment. However, this advance must be paid back, which can be difficult to manage, as one family described:

“We had no choice but to claim universal credit in May 2020. [There was a] five-week wait until first payment. Had to apply for an advance of £1500 (£900 paid for rent arrears to cover the weeks missed and five weeks upfront universal credit payment. £150 Council tax arrears. Left £450 for food and utility bills for five people for five weeks.) For the advance, £125 per month is taken back from the universal credit award to pay it back.” (Couple with two children, North West, previously working full time/part time)

£20 uplift in universal credit / working tax credit

In March 2020, the government announced a temporary £20 increase in payments to households receiving universal credit, or working tax credit. This represented the biggest increase in working-age benefits for decades, and immediately provided some financial relief to families affected by the pandemic. Some respondents highlighted the £20 increase as one of the main sources of support they had accessed during the pandemic. However, some groups have been excluded from receiving the increase, despite facing the same financial difficulties as other low-income families. Claimants of other legacy benefits – including income support, jobseeker’s allowance, carer’s allowance and employment and support allowance – have not received this increase, and some families told us how this money was needed to cover basic living costs.

“The extra £20 universal credit has received from [the] beginning of coronavirus [would help] especially now the weather has changed, [it] could go towards the extra electric and gas that we now use.” (Couple with two children, South East, full-time carer for husband)

Other families have not been able to benefit from the increase because they have been affected by the benefit cap, which limits the total amount of support a household can receive, so they have not seen an increase in their benefit payments:

“The government has given single over 25s an extra £20 a week to help out in the pandemic, but with three kids... it has taken me over benefit cap... so they give to us in one hand and snatch the majority of it back before [we have had the] chance to close the hand.” (Single parent with three children, North East, not in paid work)

Adequacy of benefit payments

As outlined in the first section of this report, some working families have experienced sudden and severe drops in income, as a result of losing well-paid employment and being forced to rely on universal credit, which is paid at a flat rate regardless of previous earnings. Many respondents outlined how difficult this has been:

“Financial help! We have both worked full time since leaving school in 1995. I have NEVER claimed out of work benefits and now I am in a situation where I am going to have to apply for this. But how can a family of five live on £77 a week???” (Couple, three children, East Midlands, previously working full time)

“I’ve gone from earning £2,500 [a month] to getting benefit of £74 a week. I’ve worked all my life, have 37 years of [National Insurance] contributions and they have given me £74 a week. I will lose my house, my car, my life through no fault of mine.” (Single with one child, East of England, previously working full time)

The adequacy of benefit payments is not just an issue affecting people who were previously in well-paid jobs. Many families already claiming benefits highlighted how difficult it has been to manage financially. For some families, they had been working and benefits topped up their income; now they are managing on benefits alone as they have lost their job or their hours have been cut. For others, they are still working, but due to the taper rate in universal credit, they are not feeling the financial benefit of working, as one parent, who works in food retail, described:

“You need to increase the universal credit payment. When I earn extra to help with the online delivery crisis by working extra hours, you need to stop taking 63p out of every £1 I earn off me. I am working for £3.10 an hour.... I claim childcare back at 85 per cent. It costs me £9 an hour for two kids in childcare, so I pay £1.35 an hour childcare after the universal credit refund. But I only earn £3.10 to begin with... this is not sustainable and does not include my petrol or other working expenses.” (Single parent with two children, South East, working part time)

The benefit cap and two-child limit

Some respondents have been affected by the benefit cap and/or the two-child limit, which reduces the amount families can receive from benefits, regardless of need. Some families had been newly affected by the benefit cap as a result of losing work,⁷ and described the day-to-day struggles they had experienced as a result:

“I have lost my job due to the impact of coronavirus. I applied for universal credit which leaves me hundreds of pounds worse off each month. After bills we barely have any money left for food and gas/electricity... The benefit cap is crushing my income at the moment. I cannot live on the universal credit payment with four children to feed. It is very worrying.” (Single parent with four children, North West, previously working part time)

⁷ Some claimants who were previously working are exempt from the benefit cap for nine months, however they must have a consistent work history over the previous 12 months to qualify for the ‘grace period’. For claimants who lost employment at the start of the pandemic (March 2020) the ‘grace period’ will come to an end in December 2020.

Some families have been affected by both the benefit cap and the two-child limit, severely limiting their family income:

“Before covid I was a full-time working mum of four children... due to covid I have lost my job, been forced to go to a food bank so I could feed my children, and had to rely on family members to help towards my bills. My 13-year-old son now has to cycle four miles to and from school as I cannot afford a bus pass or the fuel to take him daily. My 10-year-old has to walk to school, two miles each way. My two-year-old daughter no longer goes to her childminder as I cannot afford it. I have four children yet only get help with two of them even though I’ve worked full time for six years. Covid-19 is the reason I no longer have a job and it’s wrong to penalise hardworking parents.” (Single parent with four children, South East, previously working full time)

“[Coronavirus has] totally wiped us out in more ways than one. And because of the two-child limit plus the benefit cap... we now have our creditors chasing us for payments. We are behind with everything. This has had a major impact on the whole family... removing the two-child limit or the benefit cap would help thousands of people and end poverty and not create it.” (Couple with three children, South East, previously working part time)

Help with accessing benefits

Some families reported that they had difficulties accessing help to claim benefits and work out what they might be entitled to:

“There is not enough help to see what benefits you are entitled to. It’s difficult to access information. And universal credit is never a set amount so hard to budget.” (Single parent with one child, West Midlands, previously working full time)

“Clearer guides on what help there is, simple precise guides on where to turn to for help and also guidance on how to apply for any benefits that I may be entitled to.” (Single parent with one child, Northern Ireland, previously working part time)

Free school meals

In addition to sharing their experiences of receiving support from the social security system, many families mentioned free school meals in their open-ended responses. Families who were eligible for free school meals spoke of the difference it had made financially, now that their children had returned to school and were getting free school meals.

“I am now saving nearly £10/£15 a week on food as now my daughter is back to school and on free school meals.” (Single parent with one child, South East, working part time)

For this family, the child is eligible for universal free school meals (provided to all children in reception, year 1 or year 2 in England and Scotland), but was not eligible for free school meal vouchers, so they did not receive free school meal vouchers during the school closures or school holidays. Another parent told us how in her children’s school free meal provision had been extended (beyond the statutory

requirement) to cover early years, and this was hugely appreciated by families. However, the school had decided to cut back this provision at the start of the September term.

“My children were not able to start preschool due to lockdown. Since the school reopened, I found out that the school doesn't offer lunchtime for youngest children (nursery school) any longer. I have twins and I was really looking forward to the free school meals.” (Single parent with three children, London, not in paid work)

As more families experience job losses or a reduction in hours, they will become eligible for free school meals. However, families need to apply for these, and eligibility is determined on past income which is currently set at £7,400 for families claiming universal credit in England and Wales.⁸ Some families reported difficulties applying for free school meals, or frustration at being just above the eligibility threshold, despite experiencing financial hardship as a result of the pandemic:

“It will be another month before I can claim free school meals as I only just received my last pay from employment... it would be better if we could immediately claim but the council won't let me.” (Single parent with two children, South West, previously working full time)

“My children don't qualify for free school meals as I normally work 16 hours a week and get working tax credits. I work employed and self-employed and last year my annual income was £5,600... I could really use a free school meal for my children... I wish free school meals on working tax credits were possible.” (Single parent with three children, East of England, working part time)

Recent analysis by CPAG shows that two in five children living in poverty in the UK, or 1.3 million children, are not eligible for free school meals because of the stringent eligibility criteria.⁹

Looking ahead

We asked some of the families we had previously interviewed as part of this research how they were feeling about Christmas this year. Survey respondents also shared some of their feelings about the future, particularly their prospects for finding work and improving their family finances.

Work prospects

Several respondents described the challenges of looking for work in a bleak job market with rising unemployment:

“I apply for 20-30 jobs a day but have had no success. I have a visual impairment which makes some tasks difficult.” (Single parent with one child, London, previously working full time)

⁸ Further information about free school meals eligibility in England is available at www.gov.uk/apply-free-school-meals.

⁹ [Expanding eligibility for free school meals in England](#) (December 2020), Child Poverty Action Group

“I was put on furlough in April and unfortunately found out two weeks ago that my job was no longer viable so have been made redundant. I feel anxious about the future. As a single mother with two teenage children I feel I have to keep positive and keep everyone motivated. Sometimes it can be difficult. I am looking for work now and it feels very frustrating with the lack of decent jobs available.” (Single parent with two children, West Midlands, previously working full time)

One respondent described the additional challenges faced by single parents looking for work that can fit around caring responsibilities, and pays a decent wage:

“[What would help] is to have more family friendly jobs that are suitable for single parents and have decent wages. I feel so stretched and it is a challenge to work and bring up my children. As a single parent, it's a hard slog to maintain a home living on just benefits. Finding child friendly work with a decent wage has always been difficult – since coronavirus, it's been impossible – too many apprenticeships, government employment schemes are aimed at just young people when they should be provided across the working age range.” (Single parent with three children, Scotland, not working)

One family described how their employment had been affected as a result of coronavirus, and due to the casual nature of this work, they were now feeling anxious about whether they would have a job over the coming months:

“The next few months I don't know... I am panicking because my job, it's only from an agency, they only call when they have work. Until Christmas time I have a job, after I don't know how we will manage.” (Couple with two children, working part time / previously working full time)

Christmas

Some families, although financially struggling, were positive about the Christmas period, highlighting the resources they have that are not dependent on money, such as loving family relationships.

“Christmas can be a tough time for anyone but just being able to spend it with family is something money cannot buy... “I love you” is the best present money can't buy.” (Single parent with one child, South East, working part time)

However, the majority of families reported feeling worried and anxious about the festive season, and how they were going to meet the additional costs of a family Christmas.

“It's scary as we don't know what's happening after this lockdown. I fear more of being on my own with my son the whole of Christmas rather than financial worries. Financial worries are also at the top of my list and I worry I won't be able to give my son food and keep him warm over Christmas as it's getting colder and more expensive to heat the home and feed us both.” (Single parent with one child, Yorkshire and the Humber)

One parent, who usually saved money throughout the year to pay for Christmas, reported that it had not been possible to do so this year, with obvious consequences for their family Christmas:

"[Christmas] will be very much a struggle, we won't be able to do gifts this year as [we] had no money to put away towards Christmas so it's going to be a sad year that my children won't have gifts to open from us." (Couple with two children, South East, full-time carer for husband)

One parent, when asked about Christmas, answered with one word.

"Scared." (Single parent with one child, North East, working part time)

Recommendations

Maintain the £20 increase to universal credit / working tax credit and extend to legacy benefits: the coronavirus has exposed the inadequacy of benefit levels. The £20 increase to universal credit and working tax credit has been a welcome step that has helped hundreds of thousands of families financially. The increase must be made permanent and extended to families who are in receipt of other legacy benefits.

Increase children's benefits: child benefit should be increased by at least £10 per week as the best way to get money to families quickly via existing government infrastructure. £10 should also be added to the universal credit child element / child tax credit, to provide an extra financial boost to those families on the lowest incomes.

Expand free school meals eligibility: in the short term, free school meals should be provided to all families who are in receipt of universal credit or tax credits. In the long term, the government should review eligibility for free school meals given that so many families living in poverty are not eligible.

Abolish the benefit cap and the two-child limit: the benefit cap and the two-child limit should be abolished, or at the very least suspended for the duration of the pandemic. Families affected by the benefit cap are being driven into poverty, with very little means of remedying their situation as working more or moving into cheaper housing – the two ways to escape the cap – are much more difficult as a result of the pandemic. Many families affected by the two-child limit were supporting themselves solely through work until the pandemic hit, and are now finding that the social security system is completely inadequate to meet their families' needs.