

2020 Vision: ending child poverty for good

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2020 will almost certainly be remembered as the year of coronavirus, but 2020 was supposed to be a milestone year for more positive reasons. In 1999, in a speech at Toynbee Hall in east London, prime minister Tony Blair named 2020 as the target year for ending child poverty. To mark the year child poverty was to have been ended, academics, policy analysts and practitioners have contributed to a collection of essays for CPAG on effective approaches to tackling child poverty: *2020 Vision: ending child poverty for good*.



All government departments were involved in the drive to eradicate child poverty, led by the treasury, and child poverty fell.

The coronavirus crisis has created loss, turmoil, anxiety and insecurity in our communities, and the path to recover our nation's health and build a stronger future for us all will be long and difficult. In recent months, however, we have seen what is possible in terms of a state response to a crisis, with unprecedented support for those no longer able to work. Increasingly, we are seeing what is important: that people are supported through tough times, that services are well-resourced so they can withstand a surge in demand and that we follow the evidence to find the best way to respond.

When it comes to tackling the child poverty crisis, we are fortunate to know what works because we've done it before. Between 1998 and 2010, at least a million children were lifted out of poverty. *2020 Vision: ending child poverty for good* examines what went well when child poverty was prioritised by the last Labour government with all-party support, what remains from this strategy and what we need to do now to end child poverty permanently.

How did we get here?

Blair's 1999 speech set in motion an ambitious strategy that focused on:

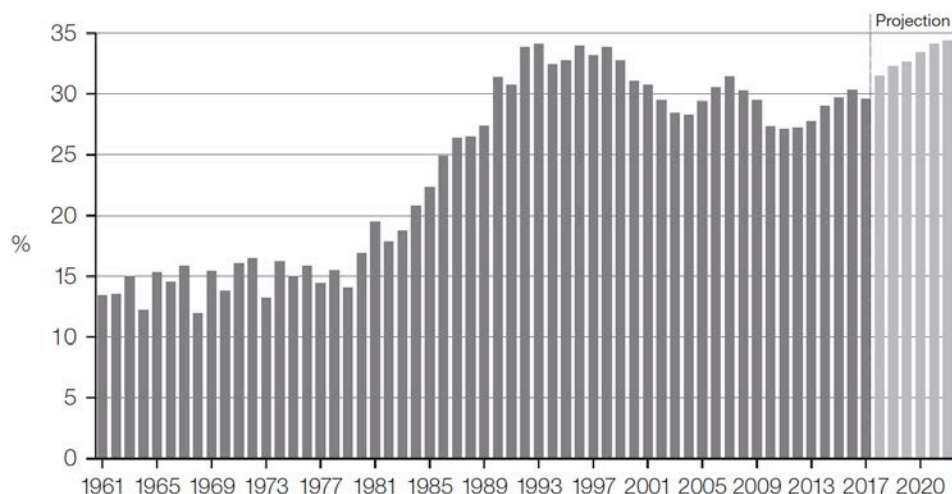
- work, through policies including the New Deal

- financial support in the form of tax credits, increases to out-of-work benefits and child benefit, and help with childcare costs;
- investment in services, such as Sure Start; and
- an expansion of childcare, including extended schools provision from 8am to 6pm and throughout school holidays.

The government made an ambitious attempt to reduce health inequalities and to promote integrated education and children's services under the 'Every Child Matters' agenda. All government departments were involved in the drive to eradicate child poverty, led by the treasury, and child poverty fell.

By the time of the 2010 election, there was cross-party agreement on the need to tackle child poverty. This led to the Child Poverty Act 2010, which set out child-poverty reduction targets and created a duty for the government to introduce, and report on, a child poverty strategy, comprising:

- facilitating parental skill development and employment;
- financial support for children and parents;
- information, advice and assistance to parents and the promotion of parenting skills;
- physical and mental health, education, childcare and social services;



Proportion of children living in relative poverty after housing costs. Child poverty is heading back to highs not since the mid-1990s, and may even surpass them.

Notes: Financial years after 1993. UK from 2002/3; Great Britain before.

Source: Resolution Foundation analysis of DWP, Households Below Average Income (HBAI) statistics; Resolution Foundation projection; P Bourquin and others *Living Standards Poverty and Inequality in the UK: 2019*, Institute for Fiscal Studies, 2019.

- housing, the built or natural environment; and
- the promotion of social inclusion.

The subsequent coalition government’s two-child poverty strategies did not, however, sufficiently address families’ material resources and the high costs they faced, so child poverty started to rise. The first strategy focused on “combating worklessness and educational failure and preventing family and relationship breakdown”¹ rather than family incomes.

Over the course of this strategy, the government began to introduce cuts to social security, including cuts to tax credits, housing benefit and council tax support. The government introduced both the ‘bedroom tax’ and the benefit cap, and moved people from disability living allowance to personal independence payment. They reduced the value and entitlement periods for contributory benefits and abolished the social fund. (In England, the social fund was replaced by non-ring-fenced local welfare assistance schemes, and in Scotland and Wales by new devolved schemes.) Many benefits were also uprated below inflation. In his *2020 Vision* chapter, Mike Brewer shows how cuts to financial support since 2010 have fallen most heavily on families with children. In this period, services were also heavily cut, with the loss of hundreds of Sure Start centres, for example.

The income support measures we’ve seen introduced to deal with rapidly growing unemployment as a result of the COVID-19 pandemic have, paradoxically, highlighted the inadequacy of the existing depleted system. The recent increase of £20 a week to the rate of universal credit (UC), though welcome, was a clear admission that the existing rate did not meet people’s needs and was not judged to be adequate for those needing support during unemployment brought about by the pandemic response. Larger families now thrown on to UC will wonder why their third and subsequent children will receive less help under the two-child policy; parents could not have foreseen a global pandemic when they planned how many children to have.

By 2014, the second strategy included rhetoric on tackling child poverty:

“Whilst some children thrive despite the poverty they grow up in, for many children growing up in

poverty can mean a childhood of insecurity, underachievement at school, poor health and isolation from their peers.”²

At the same time, however, there were further deep cuts to social security, including the four-year benefit freeze, the reduced benefit cap and the new two-child limit. By the end of this parliament almost £40 billion a year will have vanished from the social security budget. In 2017, the Welfare Reform and Work Act 2016 renamed the Child Poverty Act as the Life Chances Act, and removed the requirement for a child poverty strategy. A long-promised ‘life chances strategy’ never materialised, however, and instead the government published *Improving Lives: helping*



We must take action to give all children good childhoods and good life chances.

*workless families.*³ Given that most children in poverty are in working families, that policy was hardly an appropriate replacement. In *2020 Vision*, Torsten Bell and Cara Pacitti note that growing parental employment in recent years “has been no match for the opposing pressure from benefit cuts.”⁴

There is no evidence that the current Westminster government is focusing on tackling child poverty, which has continued to rise and deepen. Tom Lee makes the important point that “the increase in the depth of poverty [since 2010] is even starker than the rise in the number of children living in poverty.”⁵ Poverty depth measures the poverty gap, which is how far the average family in poverty is below the poverty line. From 2012/13 to 2017/18, the poverty gap rose by 30 per cent. Projections for child poverty are also stark: Resolution Foundation analysis

found that the child poverty rate will be 37 per cent by 2023/24.⁶

We know why this matters: when we reduce child poverty, we reduce deprivation and debt, we increase child wellbeing and the educational attainment gap closes. Child poverty can have a devastating effect on children. In their chapter, David Taylor-Robinson and Davara Bennett state unequivocally that “child poverty is toxic for child health.”⁷

Where do we go from here?

As well as drawing on what has and has not worked in the past, we can learn from what is working well in other parts of the world. In *2020 Vision*, New Zealand prime minister, Jacinda Ardern, and director of their child poverty unit, Kristie Carter, share what is important in their approach: ambitious child poverty targets, ongoing political accountability and leadership. (Ardern entered politics to improve living standards for kids, and she aims to make New Zealand the best place in the world for children to grow up.) In New Zealand, multiple agencies are working together to deliver the accompanying child wellbeing strategy. Importantly, Ardern herself is the minister for child poverty reduction, and the child poverty unit sits in the department of the prime minister.

The New Zealand experience also highlights the importance of listening to and being led by families’ experiences. Gill Main highlights that children, young people and parents living in poverty in the UK know what they want from their services, and they also want good educational and employment opportunities. For example, they want financial support rather than unnecessary behavioural-based interventions, such as being placed on a financial management course. Paul Dornan and Diana Skelton draw on research with people experiencing poverty and conclude that vital to tackling poverty are money, voice and control. In particular, policies and systems should not reinforce the feeling of lack of control that is built in to the experience of poverty.

By listening to those who are living in poverty, and with shared purpose, leadership, ambition and effective policy making, we can reduce child poverty. A child poverty strategy needs to take a wide,

coordinated and long-term approach, investing to reduce poverty now and also to prevent poverty in the future. It needs to be integrated with other strategies, including health, and based on the best interests of the child. It needs to take into account children’s rights and be informed by children and their parents. It needs to focus on children at greater risk of poverty, including: children in lone-parent families, larger families and young families; disadvantaged regions of the UK; families where someone has a disability; Traveller and Roma children; children from black and minority ethnic backgrounds; children in care; homeless children; and refugee children. And it needs to balance universal and targeted support, so all children can benefit from a common universal platform, with additional help for those who need more support.



At CPAG, we have determined seven components for an effective UK-wide child poverty strategy:

1. **Clear leadership, infrastructure and targets**
2. **Social security that supports us all**
3. **Decent work, pay and progression**
4. **Quality, affordable childcare**
5. **Inclusive education**
6. **Secure homes for families**
7. **Services and support**

1. Clear leadership, infrastructure and targets

The government needs to commit to ending child poverty. Policy makers should set an ambitious target, such as to end child poverty within 15 years, with interim targets along the way, and back this with adequate resources. (One target could be to ensure that no families have an income below 60 per cent of the national median.) The government must also build lasting public support for ending child poverty. As Alison Garnham says in *2020 Vision*, the state needs to “communicate intentions and engage the public and families in poverty to ensure popular buy-in”.⁸

In his chapter, Jonathan Portes makes the case that the debate on poverty measurement is settled, and that having targets and being able to model the child poverty impact of different policies helps drive sensible decision making. He argues for “cumulative impact assessments across a number of dimensions”⁹ alongside income measures.

To measure progress on the child poverty targets, we need to monitor (before and after housing costs):

- relative low income;
- combined low income and material deprivation;

- anchored (absolute) low income;
- persistent poverty; and
- poverty depth.

To ensure the child poverty strategy is embraced by all government departments, we need a dedicated team in 10 Downing Street. All policy proposals and decisions that have a bearing on children and families should contain an impact assessment on children’s rights, child wellbeing and child poverty. David Taylor-Robinson and Davara Bennett argue that it’s also important to assess “the health inequalities impacts of policies.”¹⁰ The family test has not prevented policies that are detrimental to family life. We need a Child Poverty Commission providing advice and research and holding the government to account on the targets, and we need the UN Convention on the Rights of the Child to be incorporated into UK law.

Commitment and leadership at Westminster must be echoed by devolved administrations and local authorities backed by adequate resources. In *2020 Vision*, John Dickie, director of CPAG in Scotland, outlines how Scotland has pulled ahead of the rest of the UK, including by mitigating the ‘bedroom tax’, and introducing a new child payment for low-income families. These policies are accompanied by a political commitment, legislation and statutory action plans that involve local authorities and health boards.

2. Social security that supports us all



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CPAG’s Secure Futures for Children and Families project has set out the core principles the system should meet. These principles are explained in the panel below.

Social security principles

Prevent and reduce poverty, by providing an adequate income and support with additional costs (such as for people with disabilities and for parents), supporting paid and unpaid work, and protecting people against economic uncertainty.

Provide income security, by responding to life events (such as having a child or becoming unwell) as well as by providing a minimum level of income security at all times.

Promote social solidarity and social integration, support individual autonomy, reduce inequalities and enjoy public trust and support.

Sophie Howes outlines in her chapter the need for a system to “provide a decent standard of living for all children, protect us all against economic and other risks, contribute to a more equal society and treat people with dignity and respect.”¹¹

The system’s delivery should treat people with dignity and respect, be simple for users, be flexible enough to respond to individual needs, promote individual autonomy, be based on human rights and a clear legal framework for entitlements, provide mechanisms for users’ voices to be heard, and the system should maximise take up with support for vulnerable claimants and by providing a right to advice.

Fran Bennett and Ruth Lister make the argument for more universalism to prevent poverty and foster social solidarity. A universal approach reaches more people living in poverty than targeted provision, and removes the poverty trap caused when benefits are withdrawn. Such an approach also promotes human dignity and genuine financial security. Child benefit, for example, is spent on children and follows the child. It should be truly universal (with the high income tax charge removed) and increased. Jonathan Bradshaw remarks in his chapter that the UK

is among a minority in OECD countries to no longer have a universal child benefit.

As Tom Lee notes in his chapter, many austerity measures have not yet fully taken effect. As a first step, it is vital that policies are removed that have severed the link between need and provision, such as the two-child limit, benefit cap and ‘bed-room tax’. Equally urgently, we need to raise the level of support for children and families in the current system by restoring the value lost from working-age benefits due to the four-year freeze, and increasing work incentives in UC, including for second earners. The additional £20 added to UC and tax credits during the coronavirus crisis should be retained. Tess Ridge and Jane Millar point out in their chapter that the system is “now more focused on compulsion than support”,¹² so sanctions and conditionality need rethinking. Furthermore, all families should be able to access welfare rights advice.

3. Decent work, pay and progression

Because the labour market does not always help families move out of poverty, the strategy needs to focus on the world of work. Paid work will sometimes not pay well enough, and some jobs offer insufficient or precarious hours. Caring for family members is unpaid. Lone-parent families are often in poverty despite being in work because they are combining low-paid and under-valued employment with caring for children. In couples, it is often the absence of a



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People are living in a tent on a locked-down shopping street in central London. Homelessness is expected to rise sharply during and after lockdown, increasing the urgent need to build genuinely affordable rented homes and social housing.



second earner that affects whether that family is in poverty. Seven out of 10 children living in poverty have at least one parent in paid work. Wages cannot account for family size, and therefore social security has an important part to play in increasing incomes to meet the additional costs of children.

The government’s child poverty strategy must include action on:

- flexible, family-friendly working;
- the gender pay gap (see also the point below on childcare);
- black and minority ethnic workers disproportionately earning lower wages;
- employment and progression opportunities for second earners;
- maternity, paternity and parental leave;
- employment support that is provided outside of any benefit conditionality regime;
- childcare, so parents can work the hours that suit their family;
- raising the minimum wage to the level of the real living wage for all workers; *and*
- contracts, so workers benefit from greater job security and more predictable hours and shifts, following the standards set by Living Wage Foundation’s Living Hours Standard, for example.

4. Quality, affordable childcare

Naomi Eisenstadt and Carey Oppenheim argue in their chapter that in recent years “quantity of childcare has been prioritised over quality.”¹³ The child poverty strategy needs to include a comprehensive, universal childcare offer for families that is high quality, affordable and available when families need it. This helps parents work and ensures that younger children get the benefit of early years education, and

school-age children can benefit from enriching extra-curricular activities and holiday clubs.

Special attention needs to be paid to childcare for the following groups, to which provision is still woefully inadequate:

- people working outside the usual 9 to 5 pattern;
- children with special educational needs and disabilities; *and*
- school-age children before and after the school day and in the holidays.

A universal programme of high-quality preschool childcare and extended school hours, including the provision of enriching activities and nourishing food, would benefit children, promote inclusion by removing stigmas associated with targeted programmes (such as ‘holiday hunger’ schemes) and allow parents greater flexibility in their working choices.

5. Inclusive education

Poverty can reduce children’s capacity to learn. A child poverty strategy needs to address costs within school as well as support for children living in poverty. In particular it should focus on:

- the pupil premium (in England), pupil development grant (in Wales) and pupil equity funding (in Scotland), which aim to decrease the attainment gap;
- funding for schools in disadvantaged communities;
- implementing universal free school meals;
- efforts to minimise the costs of participation, such as uniforms, equipment and trips;
- deploying school facilities for the benefit of

Like lockdown, child poverty affects more than incomes since both have impacted on child wellbeing and have restricted access to services that many take for granted.

whole communities through, for example, holiday clubs and adult learning; *and*

- an asset-based, approach to education, as advocated for by Karen Laing and Liz Todd in their chapter. This approach focuses on people's and communities' strengths and resources, as opposed to defining a locality in terms of what it lacks.

6. Secure homes for families

A safe, warm and secure home together with a healthy environment provide the foundation for a decent childhood in which children can fulfil their potential. Children need space to do homework and safe outdoor places in which to play. Polly Neate says that children are "at the sharpest end of our housing emergency"¹⁴ and that even when child poverty was a priority under the last Labour government, action on housing did not go nearly far enough.

Initially, a child poverty strategy needs to ensure that housing support covers actual rents. Then, there is an ongoing need to build affordable rented homes and social housing. The strategy should also address:

- the quality and safety of rented homes;
- more security for renters and longer tenancies;
- availability of suitable housing for children with disabilities and long-term health conditions;
- the quality of temporary accommodation *and* how long it is used for;
- energy efficiency to reduce fuel costs;
- affordable local amenities, such as public transport, parks, sports grounds, leisure facilities, youth centres and libraries; *and*
- road safety and air pollution on routes commonly used by children (around schools, for example).

7. Services and support

In addition to material assistance, parents need information, advice and support. A child poverty strategy should provide universal parenting support. Support provided through high-quality children's centres would offer valuable help for development and learning at home. A child poverty strategy also needs to be connected to universal high quality health and social care and youth services, to ensure that all children – regardless of their economic circumstances – can be supported to enjoy good health and wellbeing and reach their full potential.

In his chapter, Omar Khan draws a distinction between reducing the harm of living in poverty through

services, and reducing the risk of living in poverty. Both are important, but we must be particularly ambitious about the latter. All the good services in the world cannot make up for insufficient family resources. By addressing families' material resources, children can have a healthy diet, toys, books and school trips, and the stress and anxiety experienced by parents and children when there are money worries will disappear, as does the sense of exclusion and shame that children experience when they are unable to join in activities with their friends, or when they are bullied for being poor.

What happens now?

When CPAG started this work one relative unknown on the horizon was Brexit, and we still do not know what our future relationship with the EU will look like. In her chapter, Kitty Stewart examines the additional challenges Brexit could pose: from increased inflation, to additional pressures on public services caused by a loss of EU workers, and the potential loss of human rights protections in terms of employment rights for low-paid parents and children's rights. There is also a risk of slower economic growth, which could mean less in the public coffers for social security and services for families. But whatever happens with Brexit, it is the right choice (and it is a political choice) to end child poverty. In his chapter Alan Buckle discusses the "great scope"¹⁵ within the tax system to raise money for the social security system, policies and services needed to tackle child poverty.

The coronavirus has come along at a time when many millions of children and families were already

struggling. Beyond the tragic loss of life, we do not yet know what the full effect of the coronavirus crisis will be. We do not know what will happen to the number of children in poverty as a result of the response to the pandemic and unprecedented government measures. But we do know what we want for our children and for our communities, and we do know how to prevent, reduce and end child poverty. This is our next urgent challenge as a nation.



To give the last word to Gordon Brown, who wrote the foreword to *2020 Vision*: "it's about justice for all – and about hope".¹⁶

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Footnotes

1. DWP & Department for Education, *A New Approach to Child Poverty: tackling the causes of disadvantage and transforming families' lives*, Cm 8061, 2011, p8, available at gov.uk/government/publications/a-new-approach-to-child-poverty-tackling-the-causes-of-disadvantage-and-transforming-families-lives
 2. HM Government, *Child Poverty Strategy 2014–17*, 2014, p11, available at gov.uk/government/publications/child-poverty-strategy-2014-to-2017
 3. DWP, *Improving Lives: helping workless families*, 2017, available

at gov.uk/government/publications/improving-lives-helping-workless-families
 4. CPAG, *2020 Vision: ending child poverty for good*, 2020, p20
 5. CPAG, *2020 Vision: ending child poverty for good*, 2020, p6
 6. A Corlett, *The Living Standards Outlook 2019*, Resolution Foundation, 2019
 7. CPAG, *2020 Vision: ending child poverty for good*, 2020, p75
 8. CPAG, *2020 Vision: ending child poverty for good*, 2020, p4
 9. CPAG, *2020 Vision: ending child poverty for good*, 2020, p34

10. CPAG, *2020 Vision: ending child poverty for good*, 2020, p76
 11. CPAG, *2020 Vision: ending child poverty for good*, 2020, p93
 12. CPAG, *2020 Vision: ending child poverty for good*, 2020, p24
 13. CPAG, *2020 Vision: ending child poverty for good*, 2020, p58
 14. CPAG, *2020 Vision: ending child poverty for good*, 2020, p79
 15. CPAG, *2020 Vision: ending child poverty for good*, 2020, p87
 16. CPAG, *2020 Vision: ending child poverty for good*, 2020, pxi