

Social policy, child poverty and child outcomes in the UK

Kitty Stewart

Centre for Analysis of Social Exclusion, LSE

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Reducing child poverty – what works and how?



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■



Centre for Analysis of Social Exclusion

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Overview

- 25 years of change in social policy for children in the UK
- Outcomes for children: poverty, health and development
- What have we learned about what to do?

The Conservative Governments' Record on Social Policy from May 2015 to pre-COVID 2020: Policies, Spending and Outcomes

An assessment of social policies and social inequalities on the eve of the COVID-19 pandemic

Edited by Polly Vizard and John Hills

Research team

Glen Bramley

Suzanne Fitzpatrick

Nicola Lacey

Abigail McKnight

Mark Stephens

Polly Vizard

Tania Burchardt

John Hills

Ruth Lupton

Polina Obolenskaya

Kitty Stewart

Iona Wainwright

Kerris Cooper

Jarrold Hughes

Lindsey Macmillan

Mary Reader

Kritika Treebhooon|



Benefit changes
& larger families



**Needs and
entitlements**
welfare reform
and larger families

FINAL REPORT

Research Team:

Ruth Patrick
Kate Andersen
Mary Reader
Aaron Reeves
Kitty Stewart



Two distinct social policy eras

1997-2010 Labour

- Target to eradicate child poverty
- New system of tax credits ('progressive universalism')
- Substantial investment in education, health, early years & neighbourhood renewal
- Alongside 'rights and responsibilities' agenda – e.g. more conditionality for lone parents

“Tackling childhood poverty and disadvantage is not about providing either more money or better public services: it is of necessity about both”

Gordon Brown

(HM Treasury, 2001, p.iii).



Two distinct social policy eras

1997-2010 Labour

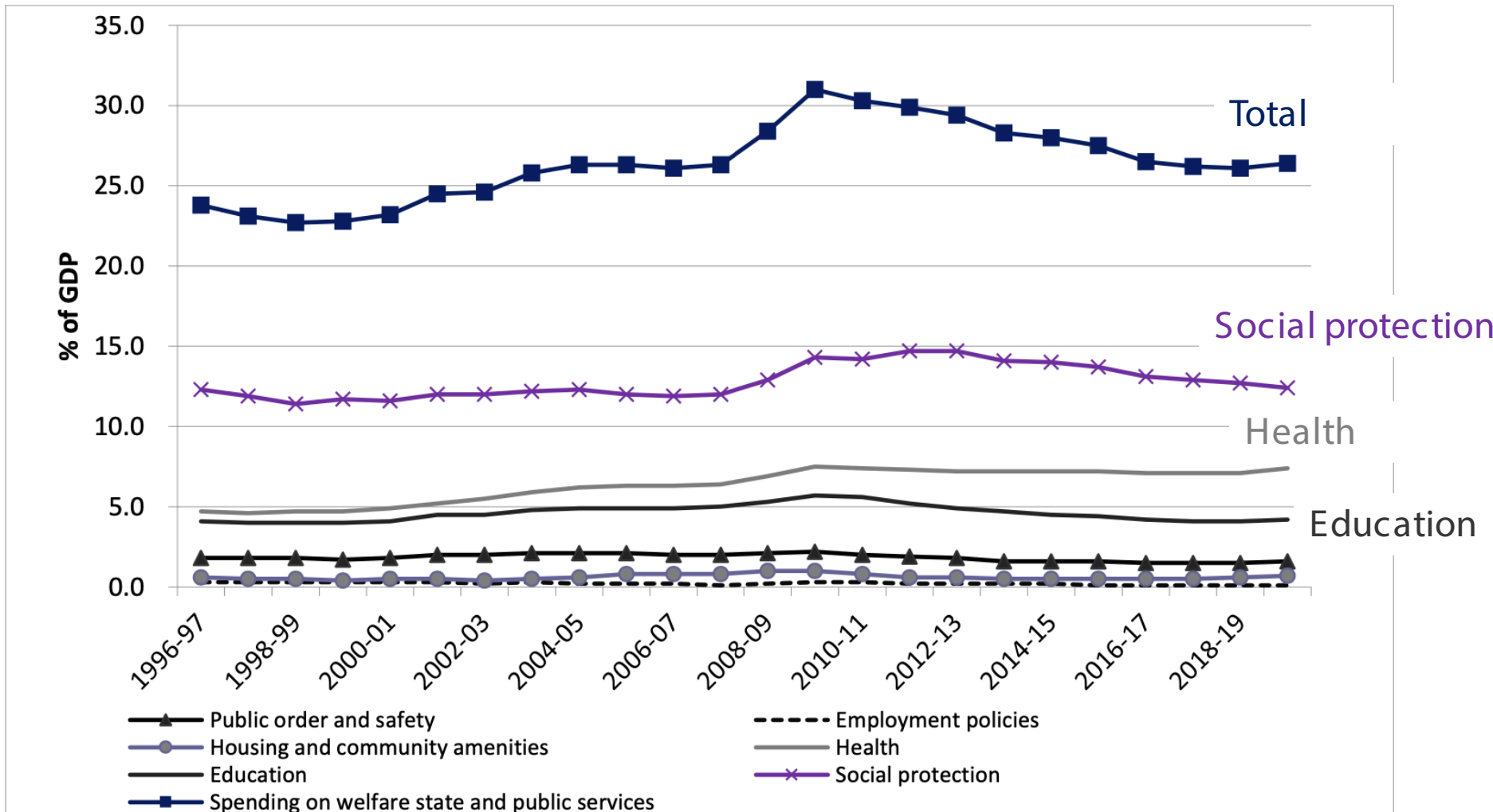
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2010- Coalition/Conservative

- Dominated by austerity and deficit reduction
- Major cuts to social security for working-age families
- Cuts to many services, with relative protection for health
- Intensification of conditionality and sanctioning, requirement on lone parents to work from age 3

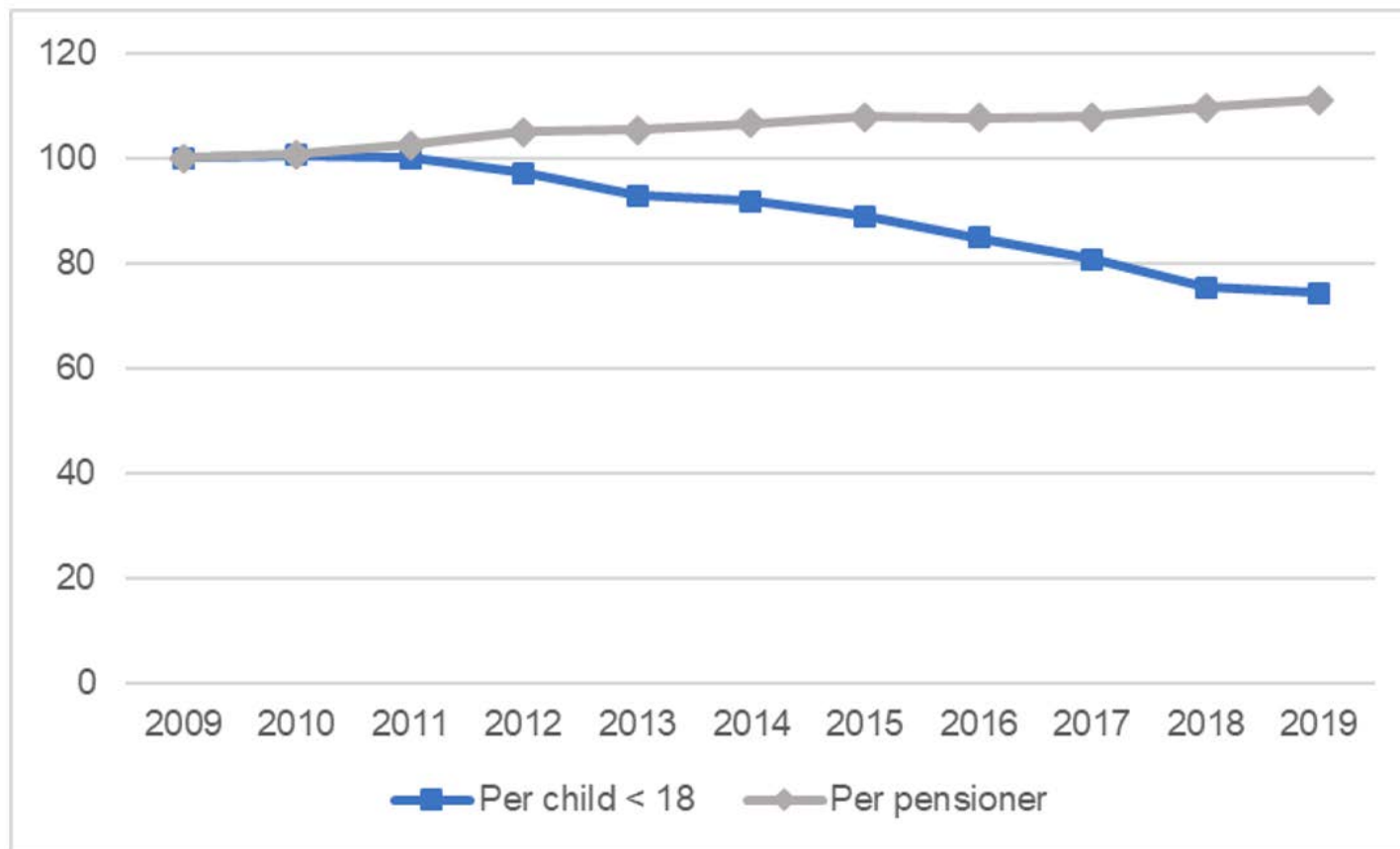


The big picture: Trends in social policy spending in the UK since 1997 (% GDP)



Source: Vizard et al (2021)

Social security spending related to children and on pensioners per capita, 2009-10 to 2019-20 (2009-10=100, 2019-20 prices, GB)



Pensioners protected by 'triple lock' introduced by Coalition Government in 2010.

State pensions rise each year by greatest of price inflation, wage inflation, or 2.5%.

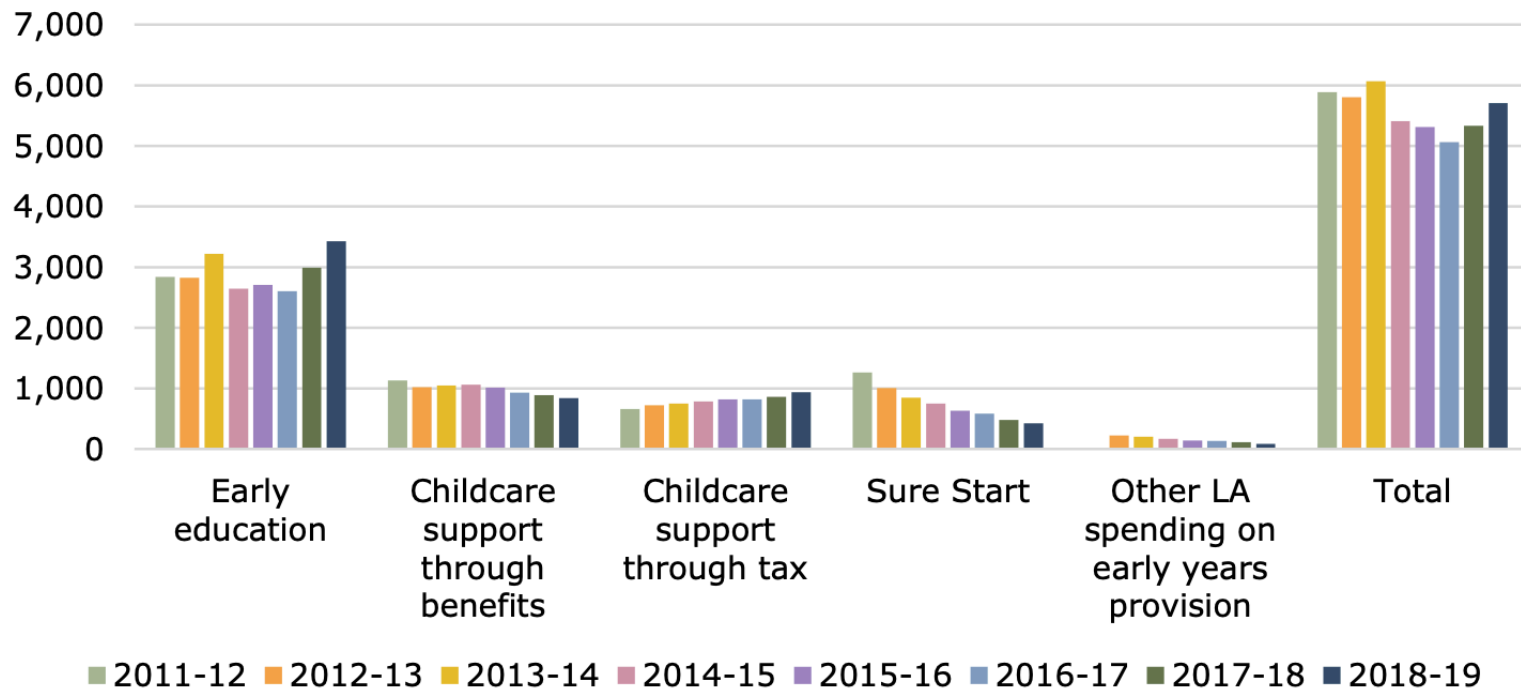
Meanwhile working-age benefits up 1% 2013-2015 and frozen in cash terms 2015-20

Plus a number of other cuts, including
-a 'two-child limit' on means-tested support from 2017
- A 'benefit cap' – maximum total amount if no-one is working

Source: Cooper and Hills (2021)

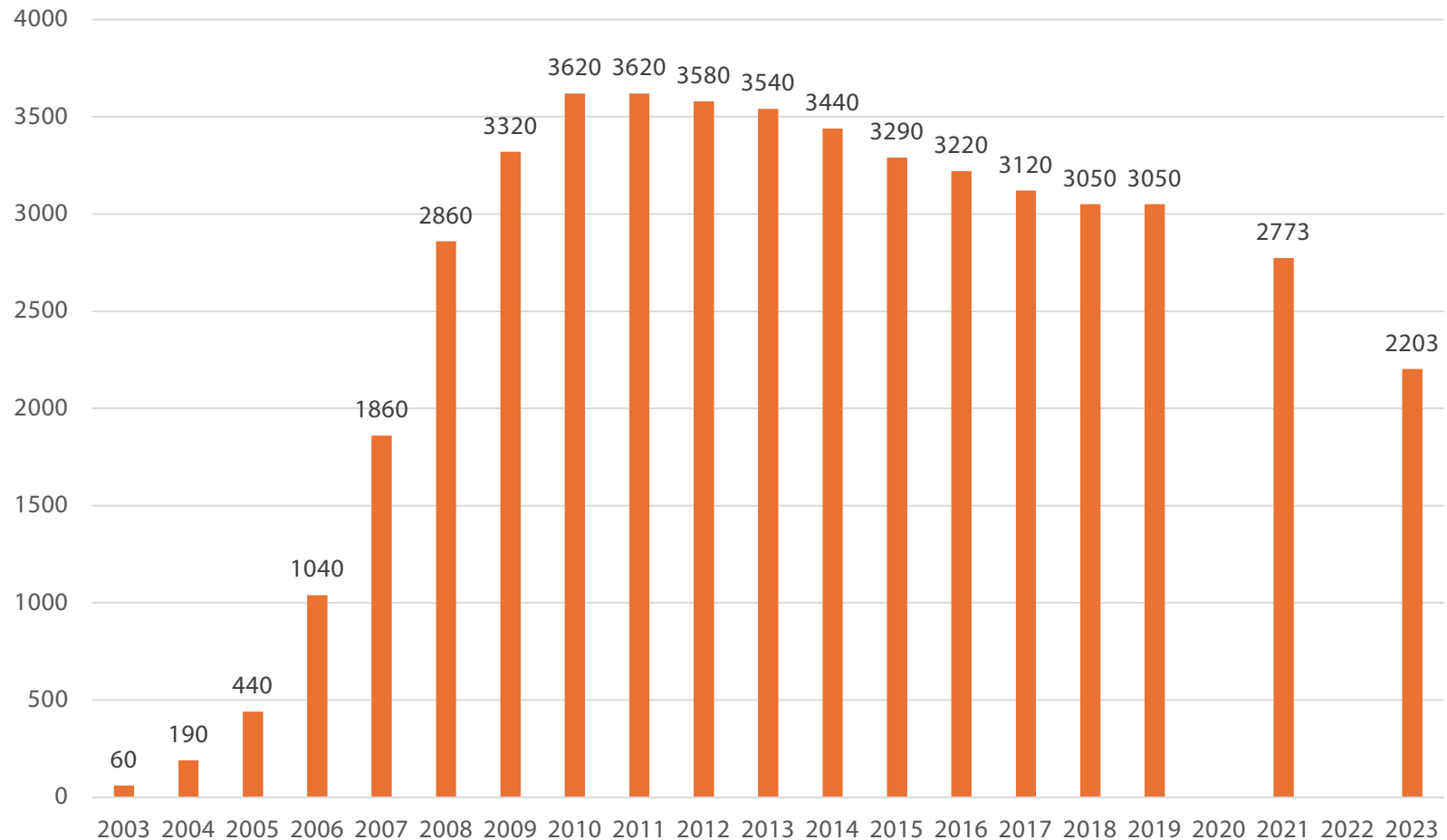
Spending on early childhood services in England has been both squeezed and become less progressive

Figure 6 Spending on services for the under-fives (£ million, 2018-19 prices)



Early education spending: extension of free entitlement from 15 to 30 hours for children of working parents. No investment in quality. Source: Stewart & Reader (2021)

Total number of Sure Start children's centres in England 2003-2023



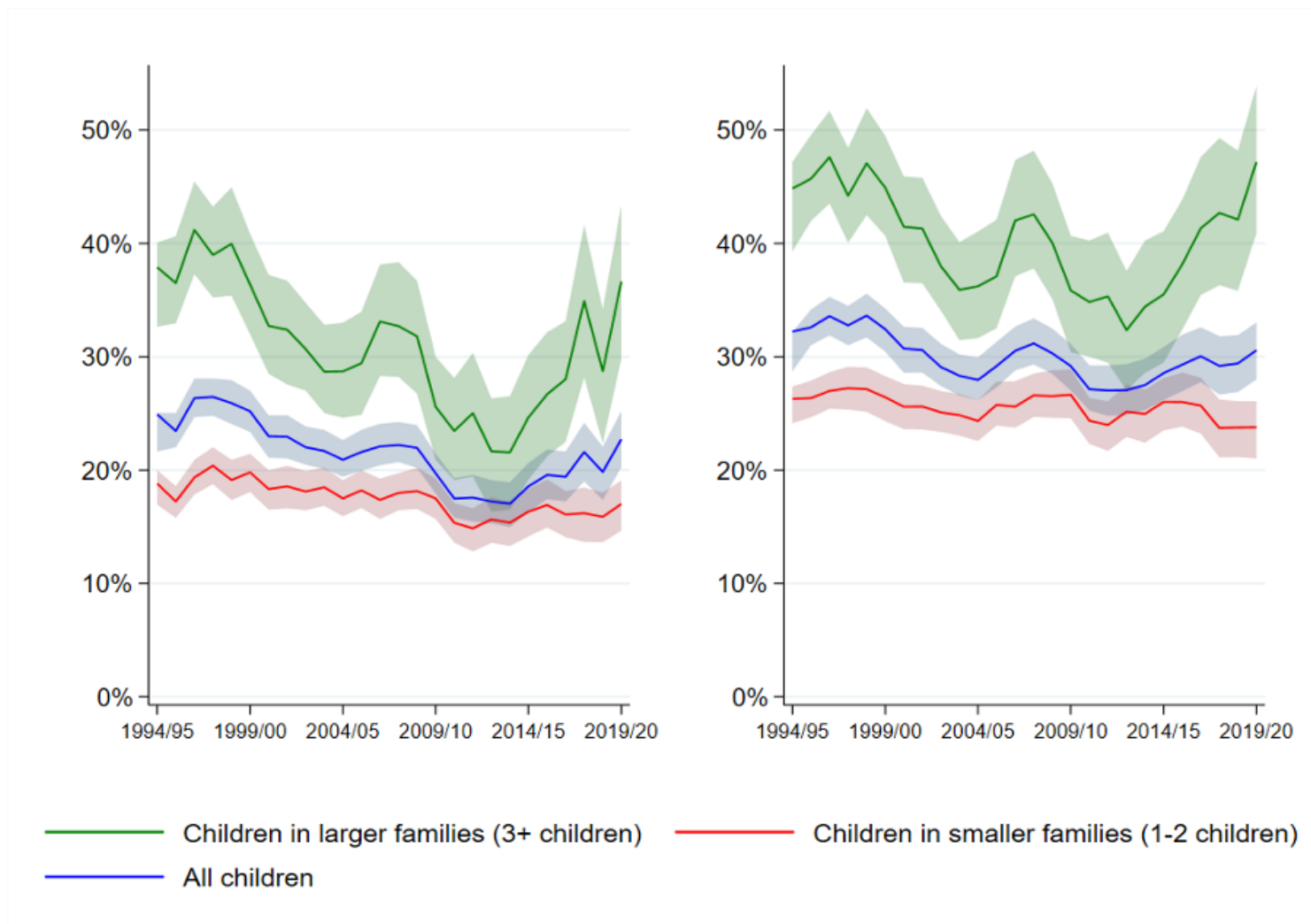
Source: Stewart and Reader (2021) using DfE (2019), updated for [2021](#) and [2023](#) using various sources

Trends in child poverty

Child poverty in the UK by family size (60% median income) 1994/95 – 2019/20

Before Housing Costs

After Housing Costs

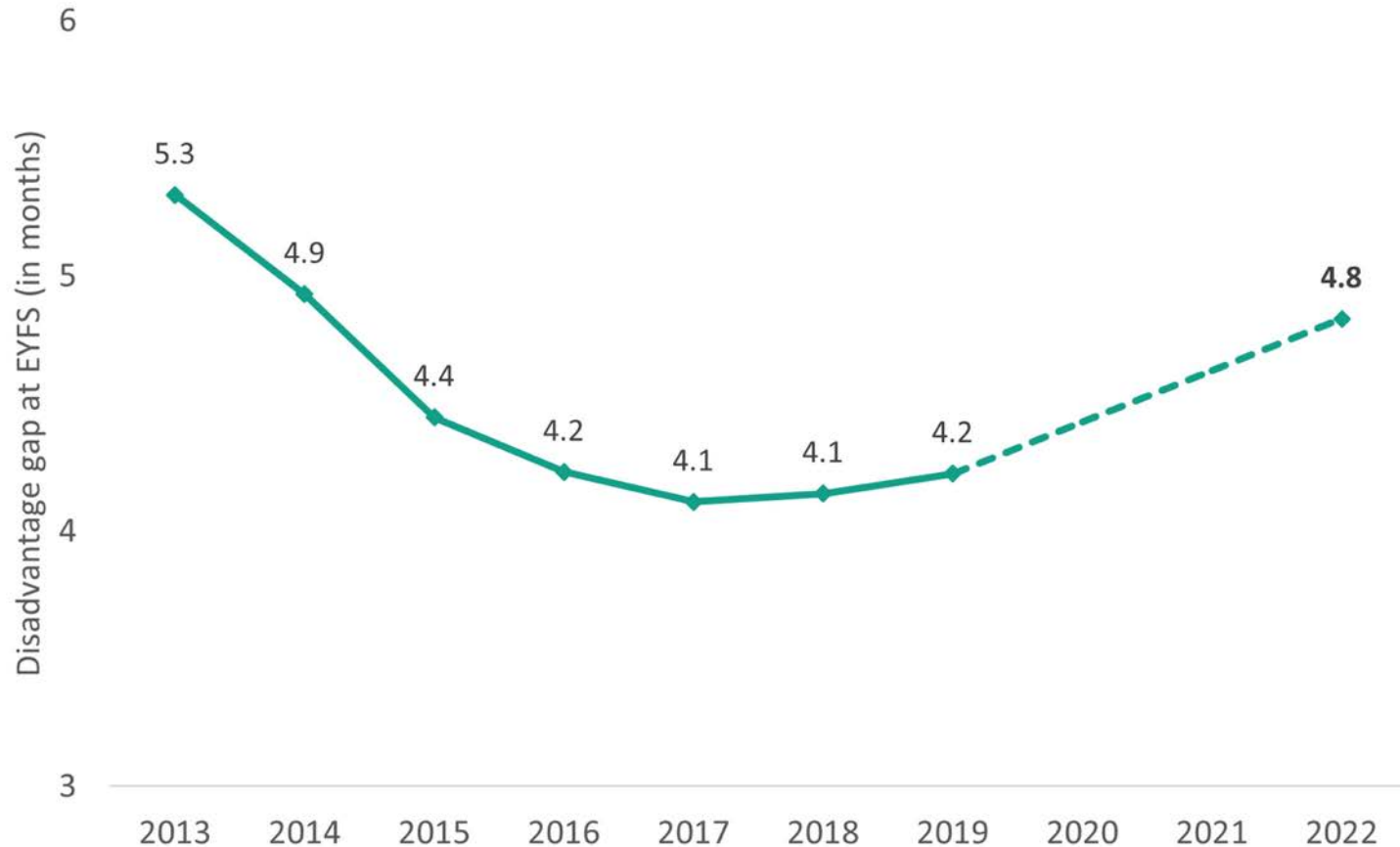


Source: Stewart et al (2023) in Journal of Social Policy using FRS data

Shaded areas show 95% confidence intervals

Disadvantage gap in Early Years Foundation Stage teacher assessments at age 5 in England (measured in months)

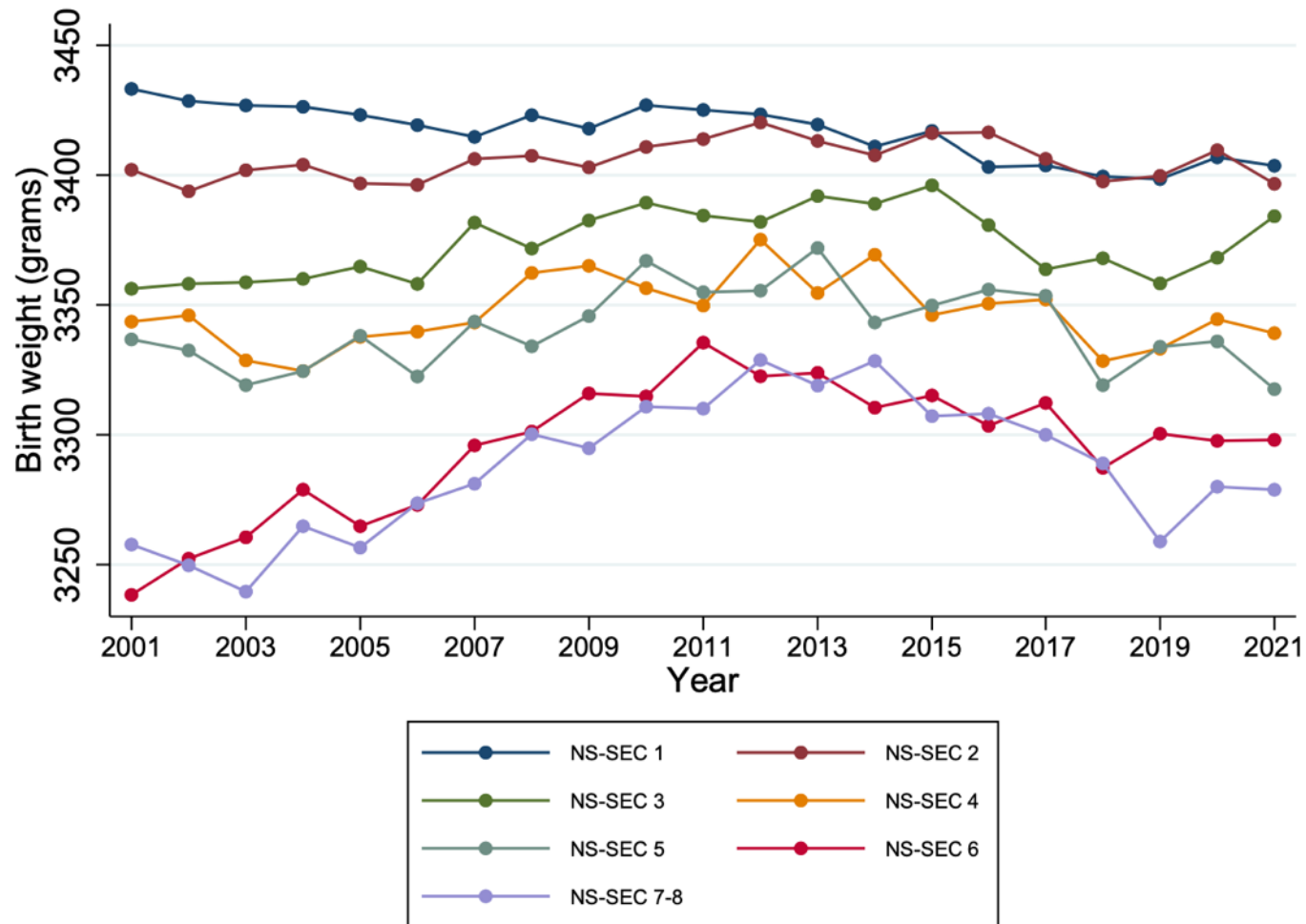
Figure D1: The disadvantage gap for pupils in reception year widened in 2022 to its highest level since 2014



Source: [Education Policy Institute \(2023\)](#).

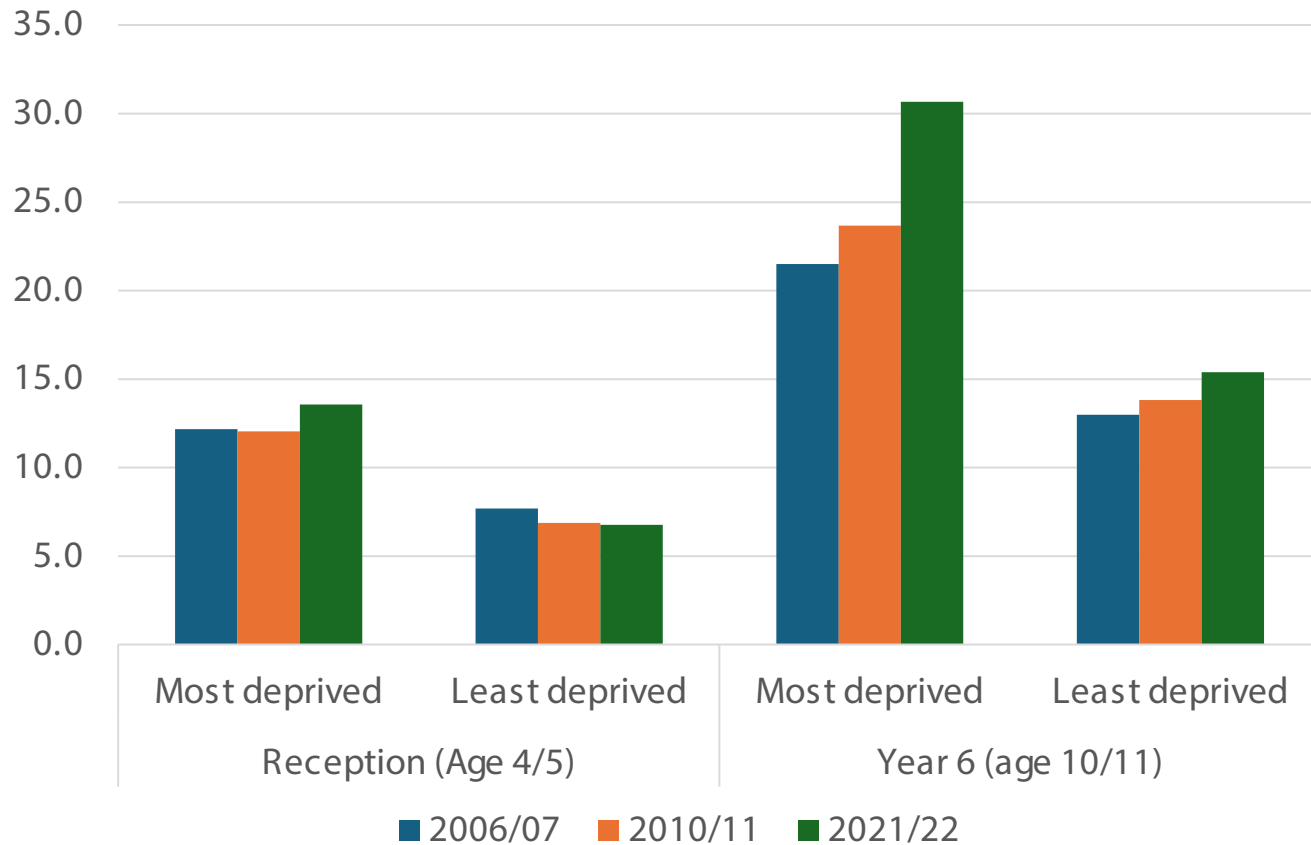
Disadvantage measured using Free School Meal eligibility

Mean birthweight by social class (England & Wales)



Source: Own calculations using ONS birth registrations data. Important Note! This work was produced using statistical data from ONS. The use of the ONS statistical data in this work does not imply the endorsement of the ONS in relation to the interpretation or analysis of the statistical data. This work uses research datasets which may not exactly reproduce National Statistics aggregates.

Child obesity by area deprivation (England)



Source: National Child Measurement Programme 2021/22 [Table 6c](#)

Things can only get better?



The to-do list for an incoming government...

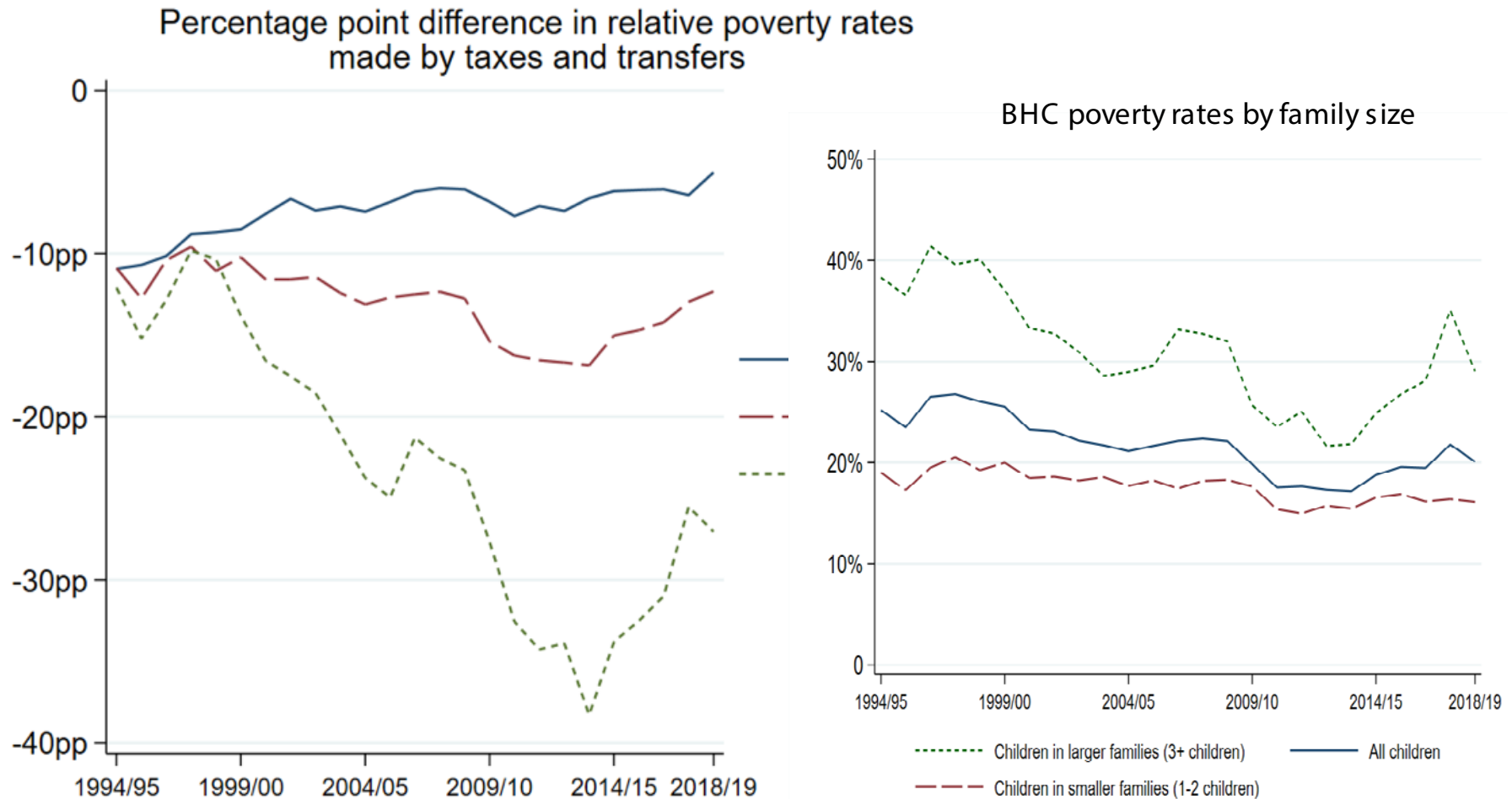
Public services

- NHS in crisis
- Sure Start/family support
- Childcare quality
- Childcare affordability
- Teacher shortages
- Children's social care
- Housing quality and affordability

Child poverty

- Scrap the 'two child limit'
- Scrap the 'benefit cap'
- Restore the value of eroded benefits and protect with a 'double lock'
- Rebuild 'progressive universalism' into our social security system

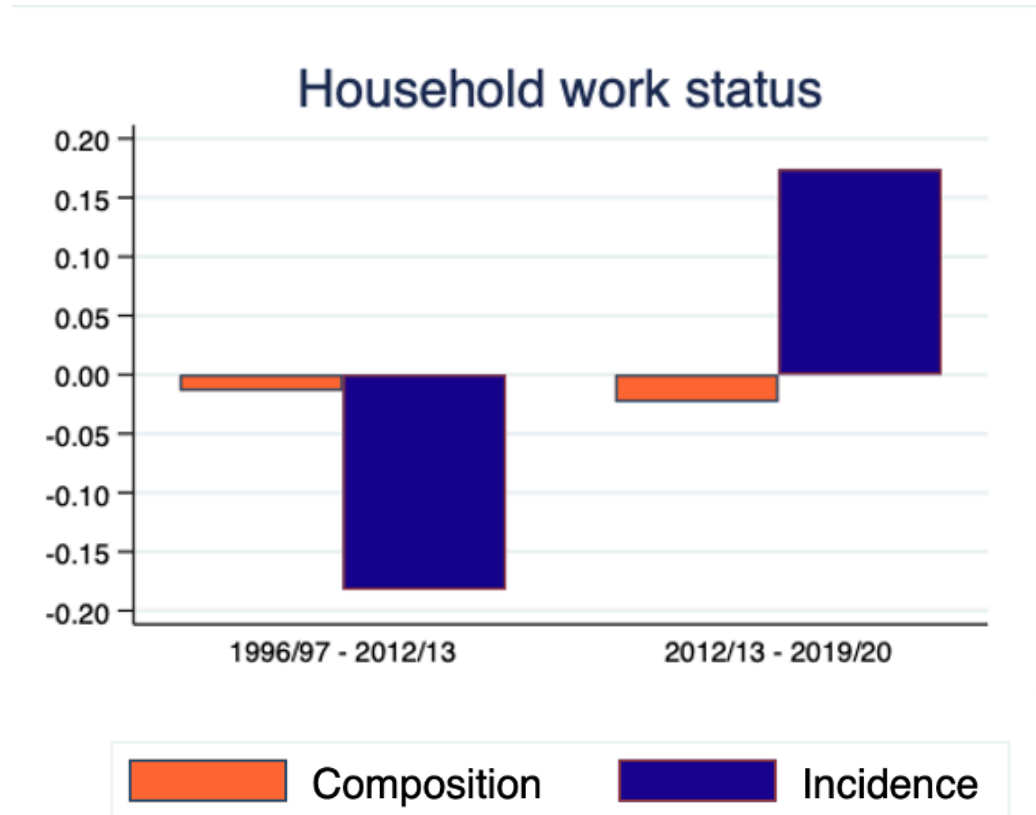
Investing in social security benefits for children is a very effective way to reduce child poverty



Source: Stewart, Patrick and Reeves (2023) 'A time of need: Exploring the changing poverty risk facing larger families in the UK,' Journal of Social Policy

What about parental employment? Isn't that also crucial?

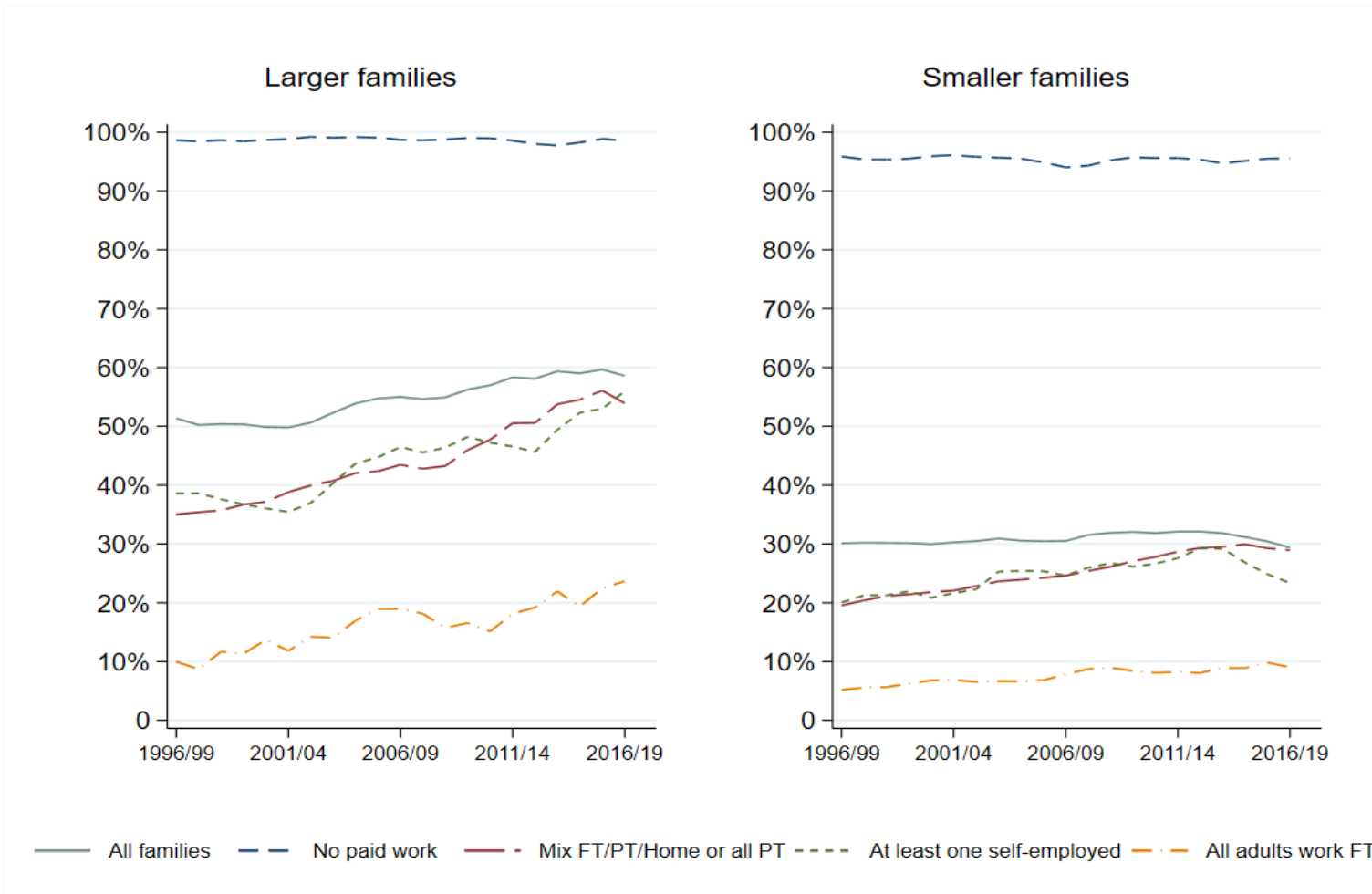
Parental employment has risen steadily in the UK BUT this does little to explain either the **fall** or the **rise** in poverty



Source: Stewart, Patrick and Reeves (2023) in Journal of Social Policy

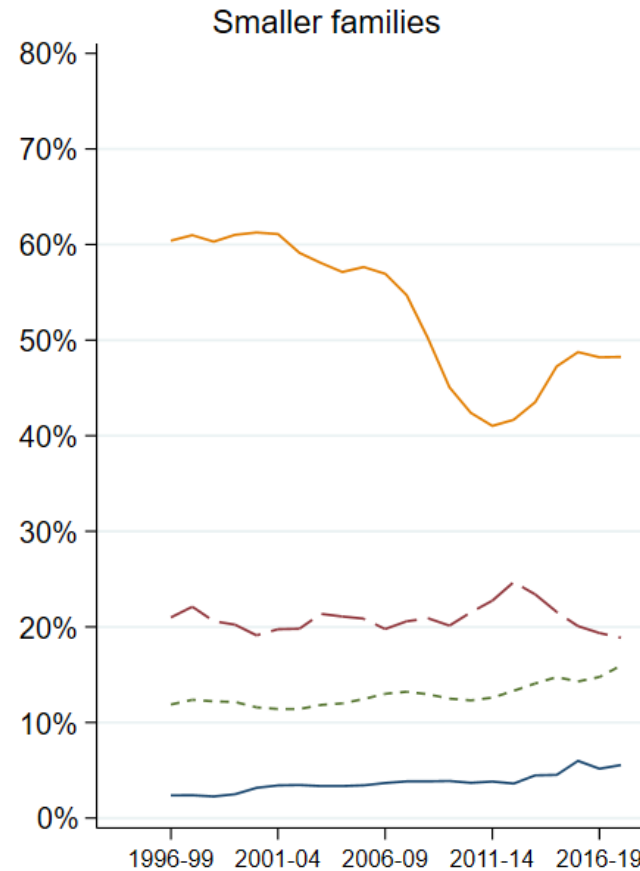
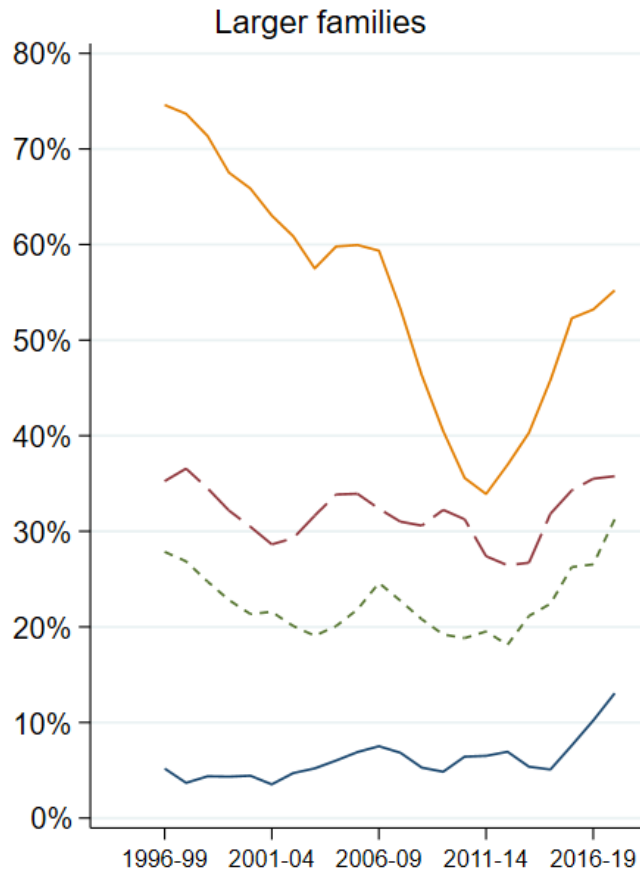
Why is employment not doing more lifting? Several factors: (a) differences in household working hours (b) pay inequalities and (c) the fact that the rising share of 2 FT parent households raises the poverty line for all

Poverty rates pre-tax and transfers (BHC)



Source: Stewart, Patrick and Reeves (2023)

The core effectiveness of Labour's strategy was to reduce poverty for those not working (while also aiming to boost parental employment)



— FT work - - Self-empl - - - Mixed FT/PT/Home — No paid work

Summary

- A bleak decade for children in the UK
- Cuts to both services and benefits have fallen heavily on children's shoulders
- This shows up in sharp increases in child poverty, and in steadily increasing inequalities in health and development outcomes
- Looking ahead to a new government...much to do!
- Alongside service investments, tackling child poverty needs to be high on the agenda – and past evidence tells us that government has powerful levers available, if it chooses to use them.