



END
CHILDHOOD
CRISIS

Childhood during coronavirus:
protecting children from the effects of poverty

Acknowledgements

We're very grateful to the children, young people and families who shared their experiences with us for this report. The issues it outlines are, for many of them, a daily reality. We want to thank them for their willingness to discuss the impact that the coronavirus pandemic has had on their lives, and their hopes for the future.

We'd also like to thank the many frontline Action for Children staff who supported families to access grants from the Coronavirus Emergency Fund, and who shared their insights with us for this report.

We extend our gratitude to the young people who worked together to produce an accessible, young people's briefing on this report. The briefing shares their perspectives on the report's findings, and their thoughts on the government action needed to tackle child poverty in the UK. Thank you to Mariam and her peers.

Finally, we'd like to thank the following supporters for their generous donations to our Coronavirus Emergency Fund: Advent International; FirstGroup plc; The Olwyn Foundation; Tibra Capital Foundation; and Turner & Townsend.

Childhood during coronavirus: protecting children from the effects of poverty

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About Action for Children

Action for Children believes that every child in the country should have a safe and happy childhood, and the foundations they need to thrive.

We protect and support children and young people, providing practical and emotional care and support, ensuring their voices are heard, and campaigning to bring lasting improvements to their lives.

We helped 368,648 children, young people and their families last year, through 503 local

services across the UK, in schools and online. These services include: fostering, adoption and residential care; short breaks for disabled children; support for care leavers; domestic abuse counselling for children; mental health support for children; and parenting advice.



Executive summary

Action for Children protects and supports children and young people, providing practical and emotional care and support, ensuring their voices are heard, and campaigning to bring lasting improvements to their lives.

Our Coronavirus Emergency Fund

In March 2020, we launched our Coronavirus Emergency Fund (the Emergency Fund), in response to the UK's coronavirus pandemic, and emerging signs of urgent financial needs among the children, young people and families that we support through our services.

The Emergency Fund forms part of our wider organisational response to the crisis. It's operated throughout lockdown and now in this post-lockdown 'recovery' phase, alongside our enhanced coronavirus service offer. We have adapted and expanded our services in line with social distancing measures, and to meet rising demand for support, for example by developing a new online parenting information and advice service, Parent Talk.

The Emergency Fund is open to all children, young people and families currently using our services, who need emergency financial aid to meet the cost of daily essentials such as food, utility bills, baby items, clothing, cleaning products, and home learning resources. It's been a vital lifeline for many families during the pandemic.

Our frontline service staff submit applications for one-off grants of up to £250, detailing the individual or family's needs.

Anonymised data from the grant applications provides highly valuable insight into the financial precariousness of many low-income families with children at this time, including their key characteristics, and the range and severity of their needs.

This report presents findings from an analysis of applications submitted to the Emergency Fund and a survey of our frontline staff. In it, we make recommendations to the UK and devolved governments, on the steps needed to support families to recover from the financial effects of the pandemic, and to reduce child poverty rates.

While the Emergency Fund continues to operate, we felt that now was a key moment, with lockdown measures mostly lifted, and the government soon expected to deliver its Budget and Spending Review, to reflect on the socio-economic consequences of the pandemic for children and families. In doing so, the report also considers the recovery measures needed to ensure that children are supported to thrive – both now, and in the months and years ahead.



**END
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Our findings

Many families were already facing significant financial pressures before the crisis, and now, their situations are deteriorating. Others, meanwhile, who were coping or just about managing before the pandemic, are now experiencing financial hardship for the first time.

As a result of those pressures, many families have struggled to afford the resources necessary to feed their children, educate them at home, and keep them entertained. Some have also had to cope with adult and child mental health concerns arising from the pandemic.

Key findings from our analysis of families' characteristics include:

- 37% of households were single parents.¹
- 19% of households had one or more children with special educational needs and disabilities (SEND), while 10% of households had one or more young carer.

Key findings from our analysis of families' needs include:

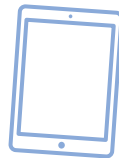
- 37% said that the pandemic had led to financial pressures due to the increased household costs associated with having all the family at home full-time.
- 29% reported that household finances were an issue before the crisis, and they were already in receipt of welfare benefits.
- 21% had seen at least one adult lose their job or have their pay cut.
- 30% were struggling to access enough welfare benefits to meet their daily living costs.
- 40% were struggling to feed their children.
- 31% were lacking access to the resources necessary to educate their children at home.
- 37% had one or more adults experiencing a mental health concern as a result of the pandemic, while 23% had one or more children struggling with their mental health.

37%



said that the pandemic had led to financial pressures, with increased household costs from having all the family at home full-time.

31%



of families were lacking access to the resources necessary to educate their children at home.

40%



of families were struggling to feed their children.

Key findings from our survey of frontline key workers include:

- 86% of staff felt that the crisis had left the family finances of the children they work with worse off (43% said 'significantly worse off').
- 66% of staff predicted that, over the next six months, family incomes would worsen (36% said that they would 'get significantly worse'; and 18% thought that they would 'stay the same').
- When asked what additional support they had provided to families during the pandemic, beyond Emergency Fund grants, 83% of staff said that they had provided extra emotional support to parents; 67% had provided learning support or activities to families; and 66% had provided extra emotional support to children.
- 78% reported that the pandemic was having a negative impact on the mental health and wellbeing of the children they support.

86%



of staff felt that the crisis had left the family finances of children they work with worse off.

66%



of staff had provided extra emotional support to children.

The policy context

Child poverty rates have risen steadily in the UK over the last decade. Now, as a consequence of the coronavirus crisis, the number of children living in financial hardship is set to rise even higher.

Relative child poverty is likely to increase in the long-term, after a temporary drop-off due to the cushioning effect of the government's coronavirus measures (particularly welfare benefit increases) on the household finances of many low-income families with children.²

Despite those measures, the crisis has put families under unprecedented financial pressures, and job losses, together with the imminent phasing out or withdrawal of the government's support package, may result in income shocks for many.

During lockdown, falling incomes (arising from job losses and pay cuts), were compounded by rising household costs, due to the partial closure of education and childcare settings, and workplaces. Parents and carers saw their food and utility bills rise with the whole family at home full-time. Many also incurred the costs associated with home schooling their children.

In response to the crisis, the government acted quickly to protect employment incomes. It also took some steps to increase incomes from welfare benefits and improve the support available locally to low-income households.

Measures included:

- The establishment of the **Coronavirus Job Retention Scheme** and the **Self-Employment Income Support Scheme**.
- The enhancement of **Statutory Sick Pay**.
- Increases to the **standard rate of Universal Credit and Working Tax Credit**.
- Increases to **local housing allowance rates**.
- The establishment of the **Hardship Fund** (England-only).

- Increases to **local welfare assistance schemes** (England-only).
- The establishment of a **Free School Meal voucher scheme** (England-only) and a **technology scheme** (England-only).

However, to date, the government has not announced any dedicated financial support for low-income families with children, beyond the Free School Meal voucher and technology schemes, which have only reached a minority of children.

Furthermore, the planned phasing out or withdrawal of these measures – in particular, the Job Retention Scheme (in November 2020) and the Universal Credit uplift (in April 2021) – may have a significant, detrimental effect on many families, due to the income shocks they would cause.

Our recommendations to the UK government

To help low-income families with children to recover from the short and medium-term financial effects of the pandemic, we urge the government to:



Retain increases in the Universal Credit standard allowance; local housing allowance rates; and (England-only) Council Tax Support.



Increase Child Benefit by £10 per week.



Increase the child element of Universal Credit, and Child Tax Credit, by £20 per week.



End the benefit cap and two-child limit.



Increase funding to local welfare assistance (LWA) schemes (England-only).

To support low-income families with children to deal with the longer-term, lasting financial effects of the pandemic, we urge the government to:



Develop and implement a UK child poverty strategy that sets ambitious targets for its reduction and eradication.



Establish an independent body to provide advice on the adequacy of welfare benefit levels.

Action is needed to ensure that children can recover from the pandemic and lead safe and happy childhoods. **Together we can End Childhood Crisis.**



Our Coronavirus Emergency Fund: what is it and how does it work?

In March 2020, we launched our Emergency Fund, in response to the coronavirus pandemic.

It is widely recognised that coronavirus is detrimentally affecting the household finances of many people across the UK. Low-income families with children are at particular risk of financial hardship and poverty at this time, as reduced incomes (arising from job losses and pay cuts) are compounded by rising household costs (as many families have been at home full-time, due to the closure of education and childcare settings, and workplaces). The pandemic has, for many of these families, worsened their already-precarious financial situations.

At the start of lockdown, our frontline staff began reporting emerging signs of urgent financial need. To better understand those needs, we conducted interviews with staff in 60 of our services.³ The research found that the majority of staff were already, in mid-March, speaking to parents who were worried about not having enough money to stay afloat during the pandemic. Families had told staff that they were most worried about not being able to afford food, followed by electricity and gas, and then nappies. Many were also concerned about not being able to pay their rent if they couldn't work.

The Emergency Fund was established in reaction to that, as part of Action for Children's wider organisational response to the pandemic. It operates alongside our enhanced Coronavirus service offer – we adapted and expanded our services in line with social distancing measures, and to meet increasing demand for support. In many cases, that meant a shift to digital delivery. We have, for example, developed a new online parenting information and advice service, Parent Talk.

Our Emergency Fund, raised through public donations, provides one-off grants of up to £250 (or higher in special circumstances) to children, young people and families supported by our services across the UK, who are struggling to afford daily essentials (such as: food; utility bills; clothing; cleaning products; educational resources; and baby supplies, such as nappies).

Frontline staff complete a grant application form, specifying the child, young person or family's needs, and explaining how a grant could help to alleviate those needs. Later, staff follow up to assess the impact the grant has had.

Our Emergency Fund, raised through public donations, provides one-off grants of up to

£250

Examples

Example 1

The family:

- Mum, six-year-old, and five-month-old.
- The mum has physical and mental health conditions.
- The mum has a limited social support network.

Their needs:

- The mum was awaiting her first Personal Independence Payment (a benefit to help with the costs associated with disabilities and long-term health conditions).
- The family had outstanding utility bills **(our grant: £95)**.
- The six-year-old had outgrown his clothes **(our grant: £50)**.
- The five-month-old needed a supply of nappies **(our grant: £21)**.

Example 2

The family:

- Two children, the youngest of whom is a 14-year-old with autism.
- He has no speech, no sense of danger, and has previously run away from home.

Their needs:

- The family wanted to spend time in their garden, so they could benefit from being outdoors during lockdown; however, the fence was broken, meaning that the garden was unsafe for the 14-year-old, as he might have run away **(our grant for a new fence: £460)**.

Example 3

The family:

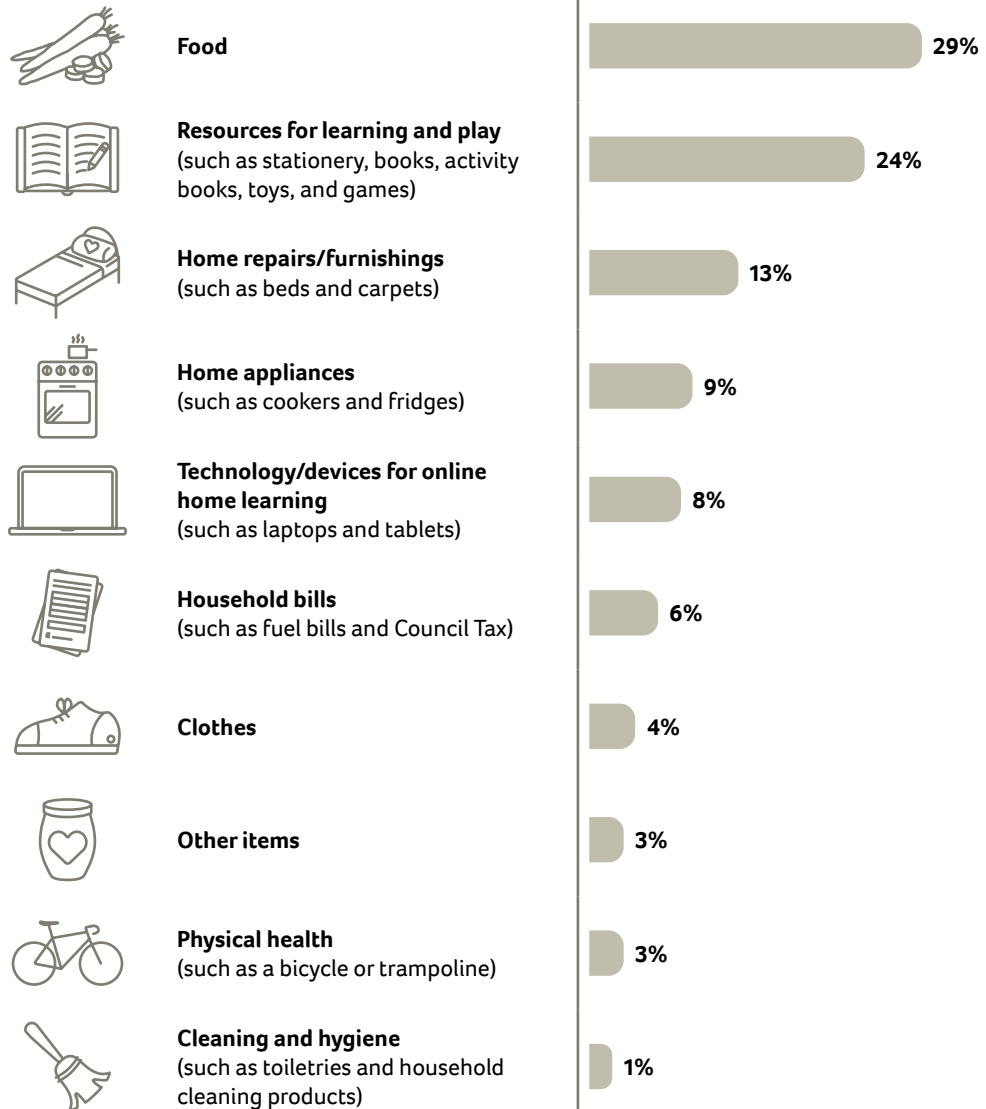
- Mum, 14-year-old, eight-year-old, five-year-old, two-month-old.
- The mum had a difficult pregnancy with her youngest child, meaning that she had been unable to work for a while, and had been struggling financially; financial pressures were compounding the emotional stress of coronavirus.

Their needs:

- The family had outstanding utility and phone bills **(our grant: £100)**.
- The children needed a supply of food, baby formula and nappies **(our grant: £100)**.

So far, we have spent approximately £500,000 on emergency essentials for over 10,000 children and young people, living in more than 4,800 families.⁴

Breakdown of total spend by item category:



Our Coronavirus Emergency Fund:

who are the families and what are their needs?

The Emergency Fund provides highly valuable insight into the financial precariousness of many low-income families with children during the coronavirus crisis. It tells us about the experiences of more than 10,000 children during the pandemic. In doing so, it makes an important and timely contribution to our understanding of the socio-economic impact of the crisis on families across the UK.

The data we have gathered through grant application forms indicates the key characteristics of families in receipt of the Emergency Fund, and the range and severity of their needs.

Methodology

In August 2020, we conducted a **quantitative analysis of anonymised data from a total of 2,760 grant application forms**, submitted between 23 March 2020 and 31 July 2020, to identify key trends among the children, young people and families' characteristics and needs.

We established and operationalised the Emergency Fund within a matter of days. As a result, we began, at the Emergency Fund's launch (23 March), with a basic form management system – applications were submitted as Word documents, and key data captured on an Excel database. Later (11 June 2020), we launched an improved, automated system, using an online service management tool. This enables frontline service staff to complete, submit and track an application online, with the data then automatically collated by the system and readied for analysis.

Alongside launching the new system, we introduced a new application form. The updated form includes a more detailed set of data fields, enabling us to understand more about the families' characteristics and needs. A list of data fields in the original and new forms is included as an appendix to this report.

A total of 2,760 forms were included in our analysis. This is a combination of 2,202 original forms, and 558 new forms. The original forms were imported into the new system to enable the analysis.

The introduction of the new application form, with its additional data fields, meant that analysis of all data fields for all forms was not possible. However, free text sections on the original forms were manually reviewed, to identify any data that corresponded with the new form's fields.

As well as the analysis of data from application forms, we carried out an **analysis of quantitative and qualitative data from a staff survey**. The survey, which ran from 13 July 2020 to 3 August 2020, sought the views of frontline Action for Children staff on the impact that coronavirus is having on the children, young people and families they support. We received 261 responses in total. The survey questions are included as an appendix to this report.

Findings

When we looked at families' key characteristics, we found...

The adults

Household status⁵:

- 37% of households were single parents.
- 33% were 'other'.
- 21% were a couple.
- 9% were young people living (semi-) independently.

Employment status:

- 50% of households (1,376) had at least one unemployed adult.
- 16% (454) had at least one employed adult (whether working full or part-time, or furloughed).

The children

Ages:

- 29% of children (2,903) were under five.
- 34% of children (3,455) were 5–11.
- 25% of children (2,554) were 12–17.
- 5% of young people (552) were over 18.
- (641 children – data unavailable).

Children with a special status:

- 19% of households (538) had one or more children with special educational needs and disabilities (SEND).
- 10% (283) had one or more young carers.
- 9% (245) had one or more children with child in need status.
- 8% (231) had one or more looked-after children (whether living with foster or kinship carers).
- 6% (155) had one or more children on a child protection plan.

37%

of households were single parents.

19%

of households had one or more children with special educational needs and disabilities (SEND).

CASE STUDY



“We had no idea how we were going to cover the bills. It just got really scary, really quick...”

Nikki and her partner, Adam, have four daughters, aged 2–10. Action for Children supports their eldest child, who looks after her younger siblings when Nikki is caring for Adam, who has osteoarthritis.

Before the pandemic, the family was managing financially, though it was sometimes a struggle, as Nikki and Adam both had to give up work when he received his diagnosis.

“We managed to get by, and would make every penny stretch. The kids were able to get [Free School Meals] and they never went without.”

However, during lockdown, with the whole family at home full-time, their situation changed.

“My wee one got sick, and we were told to isolate for 14 days... Then we were in the house more and the electric bills started going up. We were going behind the kids turning the lights off... And then

there were no online delivery slots to get food, and we were getting down to the last scraps.”

“When we got out of isolation, we had to shop locally because we couldn’t afford fuel to drive to the nearest supermarket six miles away. But that was really expensive... We were getting the bare essentials but nothing else.”

“We had no idea how we were going to cover the bills. It just got really scary, really quick...”

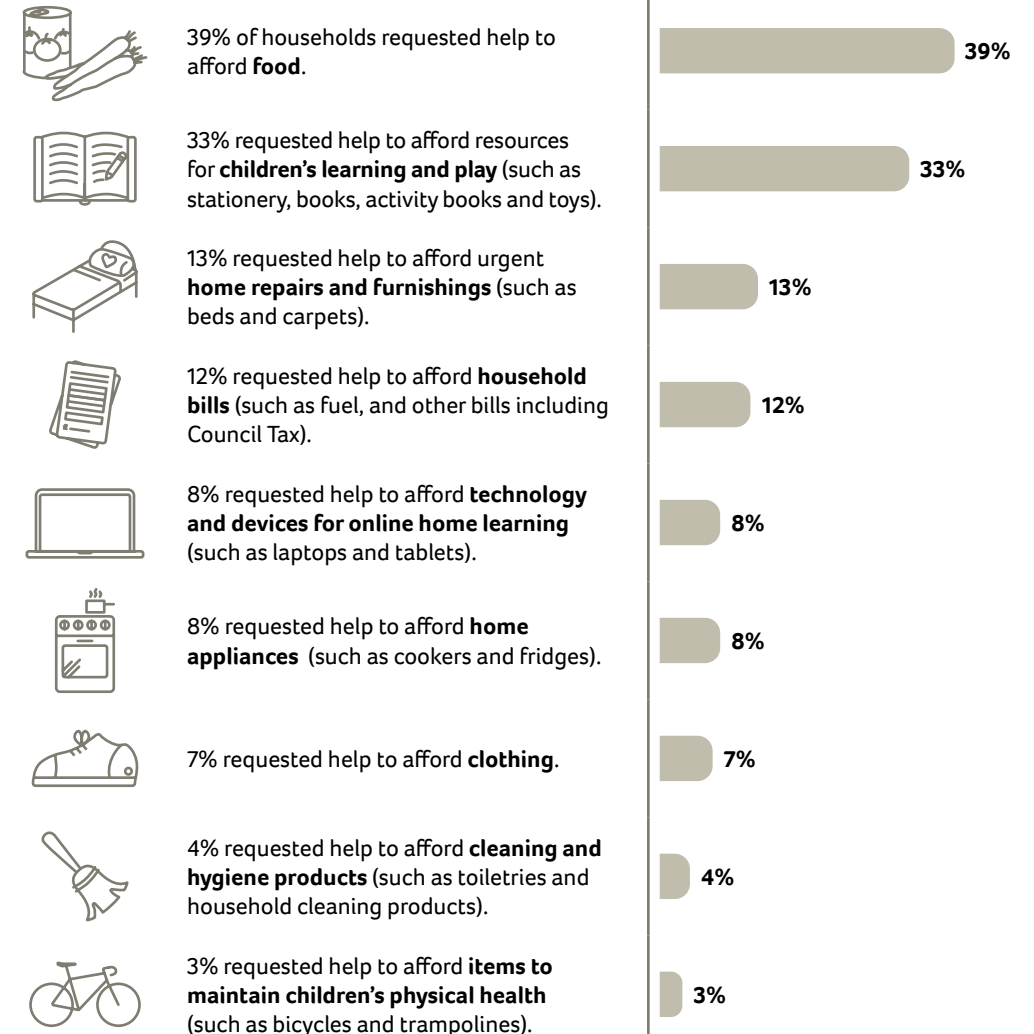
The family’s Action for Children support worker, who had already been helping with supplies of nappies, food and educational activities, told them that she would apply for a grant from the Emergency Fund.

“And then I got a message... saying [we] had been granted £250 to help us with the electric bills, food... and fuel to ensure we could get to the supermarket.”

“It was so overwhelming... I remember reading the message and I just broke down... Neither of us knew what to say.”

When we looked at families’ needs, we found...

Breakdown of requests by item category:



Looking in more detail at families' needs, we found...

Household finances

The pandemic had worsened the household finances of many families, including those who were already struggling before the crisis. For others, a change in employment status or pay had left them struggling to meet their family's needs, sometimes for the first time.

- 37% of households (1,013) said that the pandemic had led to financial pressures due to the increased household costs associated with having all the family at home full-time.
- 29% (807) reported that household finances were an issue before the crisis, and they were already in receipt of welfare benefits.
- 21% (584) had seen at least one adult lose their job or have their pay cut.

“A lot of the families we work with don't have savings they can dip into for going and buying essential items.”

— Support worker

“It was nice to know we had that safety net, having never really struggled [financially] or needed to ask for help before.”

— Parent

Figures released by the Office for National Statistics in August 2020 showed that the number of workers on company payrolls had fallen by 730,000 since the start of the pandemic, in large part due to cutbacks by employers affected by the crisis.⁶

Pay had also fallen, and the number of people on zero-hour contracts had risen to the highest level on record. It concluded that further rises in unemployment in the coming months were inevitable, as the furlough scheme winds down.

Furthermore, a Citizens Advice survey, published in August 2020, found that 31% of people with children under 18 were facing redundancy.⁷ This compared to only 7% of people without children under 18. Overall, 17% of the working population were found to be facing redundancy.



CASE STUDY

After becoming estranged from her parents, Robyn, 20, became homeless, at 16. She initially moved into an Action for Children housing support service, but now lives with her partner and two-month-old baby. She is a full-time hairdresser.

Robyn* was on maternity leave when the pandemic hit, meaning her income was lower than normal, and she was already struggling financially.

“... I am supposed to be on maternity leave so already I was stuck with just pennies for food. Then I was really stuck when COVID hit. I needed baby milk, nappies, food for myself... It was really difficult.”

Robyn received a grant through the Emergency Fund, to put towards her daily living costs.

* We have changed Robyn's name to protect their identity.

“I was really stuck when COVID hit. I needed baby milk, nappies, food for myself... It was really difficult.”

“Ben has colic, so they got me the special bottles and now he doesn't seem to be in as much pain anymore. He even settles for a few hours now... He is just so happy now, smiling and laughing, and we are bonding so well.”

CASE STUDY

Clare lives with her partner, Gavin, and two sons, Aaron and Mason. Aaron has attended an Action for Children respite care service, three hours a week, for five years. He has ADHD, and is currently being assessed for autism. Mason is also being assessed for ADHD.

Before the pandemic, the family was coping financially. However, just before lockdown, Gavin gave up his job to become self-employed.

“We went from good monthly earnings, to nothing. We had nothing for food, our car, our house, clothes. We managed to cope for a while with savings and a refund from a holiday... I tried to apply for Free Schools Meals but the council... saw what Gavin had previously earned, and [said] we weren't entitled. We were worrying.”

Action for Children then contacted the family to offer them a grant through the Emergency Fund.

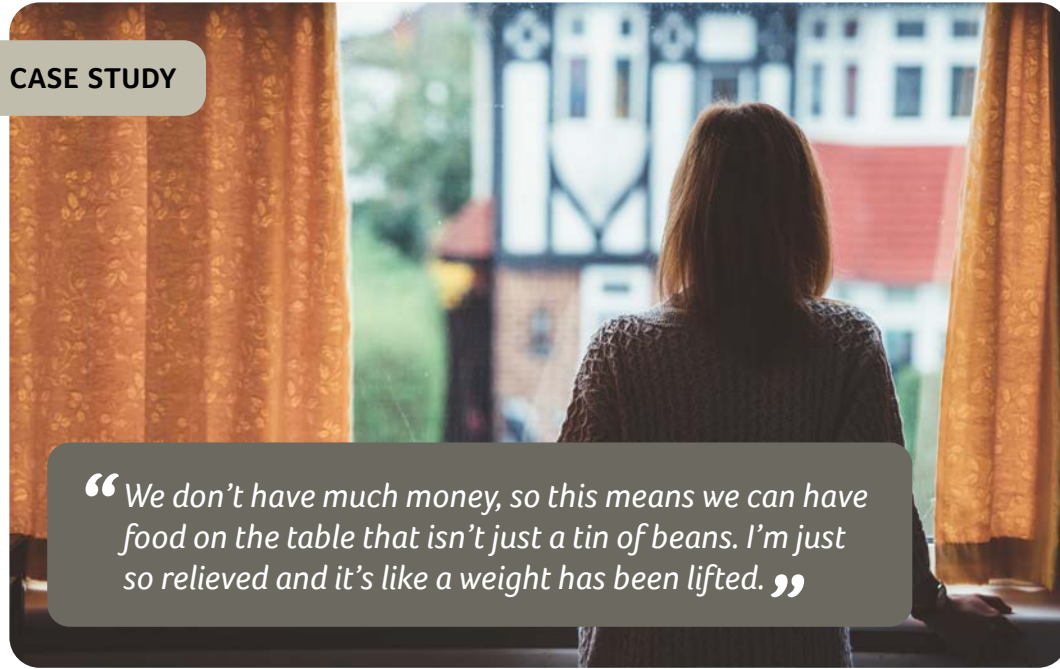
“I thought I might get £25 or something little, but when [the support worker] gave me two food vouchers for £50 each, I felt like crying.

We were able to get... food shops, and it was just so helpful.”

“I'm not embarrassed that we needed help, but it had never been an issue before. But then I realised it is OK to ask for the help no matter what your situation.”

“We went from good monthly earnings, to nothing. We had nothing for food, our car, our house, clothes.”

CASE STUDY



“We don’t have much money, so this means we can have food on the table that isn’t just a tin of beans. I’m just so relieved and it’s like a weight has been lifted.”

Jackie*, 22, has been a carer for her mother, Fiona*, for as long as she can remember. She has received young adult carer support from Action for Children since she was 18. Her mother sadly only has a few months left to live, as her health condition has significantly worsened.

Before the pandemic, Jackie was just about managing financially, as she worked part-time alongside her caring responsibilities.

Now, Jackie and Fiona are shielding, meaning that Jackie is unable to work. They are also struggling to afford the high electricity bills that result from her mother’s need for an oxygen machine and other electric healthcare equipment.

“The council were setting us up with food parcels... but... Mum’s oxygen has to be on all the time and that takes up a lot of electricity. And we have a hospital bed for [her] comfort plus other critical care machinery.”

“...If we don’t have that, my mum can’t breathe. And without that bed, she is so uncomfortable, and she needs to be comfortable, especially right now. We’ve put the bed in the living room so that we can sit and watch things together.”

“[But] I was talking to a friend and we use three times more [electricity] than they do in a month, so the bills are so expensive, and we have no money.”

Jackie’s Action for Children support worker explained that she would be eligible for a grant through the Emergency Fund.

“The voucher has meant I don’t have to be constantly worrying about that. And we got a food shop of things we could never have afforded otherwise, like good meats and vegetables, [which] will help me keep Mum’s iron levels up, and help her keep on some weight.”

“Getting this money just means that I am able to help Mum. We don’t have much money, so this means we can have food on the table that isn’t just a tin of beans. I’m just so relieved and it’s like a weight has been lifted.”


Welfare benefits

Many families were struggling to access enough social security support to meet their daily living costs, whether due to the overall inadequacy of benefit levels; being affected by a cap, limit or sanction; waiting for an advance on (or their first) Universal Credit payment; or being unable access advice to understand their entitlements and make a claim.

- 30% of households (817) were struggling to access welfare benefits to meet their daily living costs.
- 21% (586) reported that the welfare benefits they currently receive are insufficient to meet their daily living costs.
- 5% (133) were waiting for an advance on, or their first, Universal Credit payment.

A survey of parents on Universal Credit or Child Tax Credit by the Joseph Rowntree Foundation and Save the Children, conducted in May and June 2020, found that 60% had needed to borrow money since the start of the crisis (often relying on payday loans or credit cards).⁸

The study also found that 50% had fallen behind on rent or other household bills, and 70% had needed to cut back on food and other essentials.

30% 
of households were struggling to access welfare benefits to meet their daily living costs.

Furthermore, official statistics show that, in May 2020, 154,000 households were subject to the benefit cap, a 93% increase since February 2020, and the biggest increase since the policy was introduced in 2013.⁹ 86% of those households included children.



* We’ve changed Jackie and Fiona’s names, and used an alternative image, to protect their identities.

CASE STUDY



“With everything happening...the budget we had for usual groceries just didn't cover it all.”

Daryl* and his partner, Samantha, have two children, Luca and Marcus. Both children attend an Action for Children children's centre, where a family support worker from the service is helping the family to manage Luca's challenging behaviour. Luca's also undergoing an autism assessment.

Before the coronavirus crisis, the family was dependent on welfare benefits, as Daryl had to give up work to care for Samantha, who has a mental health condition. Despite this, they were managing financially.

When the pandemic hit, their finances were put under strain, as the whole family has been at

home full-time, meaning that their household bills have increased.

“...With everything happening... the budget we had for usual groceries just didn't cover it all.”

Action for Children then contacted Daryl to explain that a grant from the Emergency Fund would be available to them.

“Our worker got in touch and asked how we were getting on, and then there was a parcel delivered. There was cereal, tinned foods, juice, basic essentials and loads of fresh food. All paid for by the Fund.”

“There are so many people and families like us that need this help, [but] there isn't enough help out there – Action for Children is filling some of that void.”

Food insecurity

A significant proportion of families said they were skipping meals in order to feed their children, cutting back on food portions and, in some cases, having to choose between eating meals or paying household bills. Many also said that they would have struggled to feed their children without Action for Children's emergency grant.

- 40% of households (1,103) were struggling to feed their children.
- 20% (551) were struggling to feed their children, while unemployed.
- 9% (260) were struggling to feed their children, having experienced a change in their employment status or pay during the pandemic.
- 7% (189) were struggling to feed their children, while employed (with at least one adult working full or part-time).

“One of the first families I spoke to had just managed to get a home before the lockdown, after being homeless. I phoned her and she was in tears as she hadn't been able to work...she didn't know how she'd afford food.”

— Key worker

“When [my support worker] told me that she could get me a food basket...I get emotional thinking about it now. It was like Christmas day.”

— Parent

April 2020 was the Trussell Trust food bank network's busiest ever month. It saw an 89% increase in emergency food parcels provided to people across the UK, compared to April 2019, including a 107% increase in parcels provided to children.¹⁰



40%



of families were struggling to feed their children.

* We've changed Daryl, Samantha and their children's names, and used an alternative image, to protect their identities.

CASE STUDY



“We don't have any family support around us. We are on our own and having that support from Action for Children... I can't put into words how grateful I am.”

Pauline and her partner have two children, Iona and Angus. Iona attends an Action for Children service twice a week to take a break from her responsibilities to support her family with housekeeping tasks, as her mother has a mental health condition, and her father is often away for work.

Before the coronavirus crisis, the family was struggling financially, and dependent on welfare benefits (Universal Credit) and Free School Meals. When the pandemic hit, their financial situation worsened.

Accessing Free School Meals during school closures was challenging, as the family lives in a remote area. Added to that, the closest supermarket is a 14-mile round-trip, and the local shop is expensive.

“The children used to both get school meals, and they were still available, but you had to travel to the school to get them.”

“...We didn't have any way of getting there to collect the Free School Meals because we couldn't afford that extra fuel. So we weren't able to pick them up. And then we couldn't get to the supermarket, so we were having to go to the small [local] shop. And with everyone [clearing] the

shelves, there weren't any affordable essentials left. Our budget would allow for the cheapest pasta at 25p, but because of the situation, there was only the expensive stuff left. It might not sound like a lot but that adds up and we don't have savings.”

Action for Children then got in touch to explain that an Emergency Fund grant would be available to them.

“When we got the call, honestly we were so excited. We got £200 and that meant we could get fuel to go to the shop. We were also able to get a big food shop to get food on the table.”

“We don't have any family support around us, or that can help us when it gets difficult. We are on our own and having that support from Action for Children... I can't put into words how grateful I am.”

“I am still so worried about everything though. I am worried about my mental health and the effect it will have on the kids. The kids will be feeling so isolated; they need their friends and the social interactions.”

“We were already worried about the effects of Brexit on food, and now this. We have thankfully started growing little things to hopefully help us out, but you just don't know. And we don't have that safety net of extra funds.”

“...It's really quite a scary time.”

Home education

We found that a significant number of families were struggling to afford resources to support their children's learning and development. This included a lack of access to items such as stationery, books, activity books, toys, educational games, and digital devices for online home learning.

- 31% of households (861) were struggling to access resources for their children's education.
- 4% (119) were struggling to access resources for their children's education, while employed.
- 6% (179) of households had one or more disabled children, and were struggling to access resources for their children's education.

Many families also reported being unable to afford resources for their children to have fun at home during the pandemic, including games and toys.

- 19% (536) reported needing resources for their children to have fun at home during the pandemic.

A survey of parents conducted by the Institute for Fiscal Studies, in April and May 2020, indicated that children's home learning environments in lockdown were affected by their household income.¹¹ The research found that higher-income parents were much more likely than less well-off families to report that their child's school provided online classes and access to online videoconferencing with teachers.

“I was really worried that the lockdown would undo the progress Olivia has made at school, but now [because of the tablet device] she can still access some schoolwork.”

— Parent

31%



of households were struggling to access resources for their children's education.

Children from more well-off families were also spending 30% more time on home learning than those from less well-off families. And more well-off children had access to more resources for home learning.



* The family in the photograph is not Pauline's. We've used an alternative image to protect their identity.

CASE STUDY

“One of the best bits was we were able to buy paint for Molly. Because of her disabilities, she struggles with talking and doesn't like touching a lot of things, but she loves paint.”



Kim* receives advice and support from Action for Children for her daughter, Molly*, who has disabilities.

Kim and her partner had always managed financially, however, when the pandemic hit, his working hours were halved.

“[My partner] delivers cookers and big housing appliances, but obviously people don't want you coming into [their] home [at the moment], so he isn't needed as much now. His hours have been getting cut every week, and [soon] he might not get any. Suddenly we are having to really worry about rent, Council Tax, bills, on top of everything else.”

Kim's Action for Children family support worker told her about the grants available through the Emergency Fund.

“At first, I didn't want to accept. But then I didn't want Molly to struggle.”

Kim was given a grant for food, nappies, and paint for Molly's playtime.

“One of the best bits was we were able to buy paint for Molly. Because of her disabilities, she struggles with talking and doesn't like touching a lot of things, but she loves paint. So we were able to buy her paint and she can just get messy with it in the garden and she seems so happy.”

* We've changed Kim and Molly's names, and used an alternative image, to protect their identities.


Mental health

Many families said that the pandemic was affecting their mental health. Both adults and children were experiencing anxiety, stress and mental health concerns.

- 60% of households (1,653) were struggling with adult or child mental health concerns as a result of the pandemic.
- 37% (1,031) had one or more adults experiencing a mental health concern due to the crisis.
- 23% (622) had one or more children experiencing a mental health concern arising from the pandemic.

“A lot of the families are scared. They're really scared.”

— Key worker

60% 
of households were struggling with adult or child mental health concerns as a result of the pandemic.

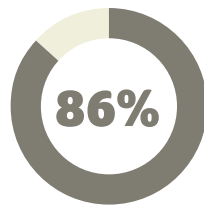
The Children's Society annual survey of children's wellbeing, conducted in April and June 2020, found that 18% of children were dissatisfied with their lives overall during lockdown. This was an increase on a figure that has ranged from 10% to 13% over the last five years.¹²

The research also found that 50% of parents expected the crisis to harm their children's happiness over the coming year.

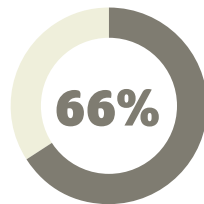


Our survey of 261 frontline keyworkers found...

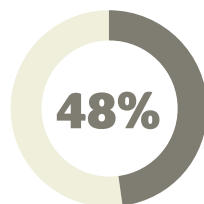
On the topic of household finances:



86% of staff felt that the crisis had left the family finances of children they work with worse off (43% said 'significantly worse off').



66% of staff predicted that, over the next six months, family incomes would worsen (36% said that they would get 'significantly worse'; and 18% thought that they would 'stay the same').



48% of staff expected the government's financial support (such as the Job Retention Scheme and increase to Universal Credit) to be 'fairly effective' in helping families and preventing the crisis from harming children's wellbeing and life chances; 15% thought it would 'not be at all effective'; and 12% thought it would be 'totally effective'.

When asked what additional support they had needed to provide to families, beyond the Emergency Fund...

- **83% of staff** had provided extra emotional support for parents;
- **67%** had provided learning support or activities for families who did not have the technology they needed;
- **66%** had provided extra emotional support for children;
- **57%** had arranged socially distanced doorstep visits;
- **49%** had worked longer or unusual hours to provide the support needed;
- **30%** had topped up food parcels (from another provider) with healthy and nutritious food; 20% drove long distances to get the food families needed;
- **13%** negotiated with supermarkets and other food shops to get the food families needed;
- and **9%** had donated food from their own cupboards.

When asked what examples they had seen of families facing additional financial pressures as a result of the crisis, and what effect it was having on children, staff commonly identified...

- Additional financial pressures: change in employment status (job loss, pay cut, change in working arrangements due to childcare responsibilities); and rising household costs (higher food bills, higher utility bills, costs associated with home education – including access to resources and technology, costs associated with recreational activities – including access to resources and technology).
- Effect on children: anxiety, stress and mental health issues (including exposure to parental financial stress); and loss of contact with wider family and friends (often associated with a lack of digital access).

Our key workers said...

“[I have seen] a rise in parental mental [ill-]health, with parents worrying [about] how they [will] provide, together with a strain on having to have children at home. Children have missed friendships where they do not have access to social media, when parents have no funds for internet...packages. For some children this has delayed them being able to access schoolwork, too.”

“[They] are normal everyday things that families need, and their money just does not stretch.”

“I have seen families having to choose between feeding their children, or heating their homes.”

“School closures have placed additional strain on families who rely on kids getting [free] school meals. Parents have used foodbanks for the first time during this pandemic.”

“The children begin to take on the adult worry...”



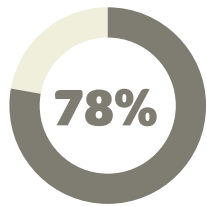
83%

of staff had provided extra emotional support for parents.

66%

of staff had provided extra emotional support for children.

On the topic of mental health and wellbeing:



78% of staff reported that the pandemic had had a negative impact on the mental health and wellbeing of the children they are seeing; 13% reported that while it had not yet had a negative impact, it would do so in the months ahead; and only 3% reported no negative impact on mental health and wellbeing.

When asked what examples they had seen of families facing additional anxiety and mental health problems as a result of the pandemic, and the effect it was having on children, staff commonly identified...

- Additional anxiety and mental health problems: anxiety about their children’s physical and mental health; anxiety about income and household finances; concern about children’s development and education; concern about entertaining children; concern about managing children’s behaviour; concern about lack of opportunities for the family to socialise.
- Effect on children: fear of them or their loved ones catching the virus; concern about family finances; concern about returning to school; concern about their development and education (particularly exams).

Our key workers said...

“I have seen an increase in behaviours such as bed-wetting, night-waking, not settling for bed without [their] caregiver being in the room, more aggressive behaviours...”

“[I have seen] children picking up on parents’ anxieties, which links to [children’s] sense of wellbeing...”

“Children are experiencing difficulties sleeping, increased worry and stress dealing with the changes at home, at nursery or school.”

“Adult mental health is impacting massively on children’s emotional wellbeing... Finances impact on mental health, parents are stressed... Children don’t [always] understand this... Parents and children have lost the structure, boundaries and routine that school provides, resulting in more stressed parents... and children feeling insecure and unsafe.”



Child poverty and financial hardship in the UK – the policy context

Defining and measuring child poverty

At Action for Children, we define poverty as: the state of lacking the resources to participate in ordinary life.

Two commonly used measures of poverty¹³ are:

- **Relative low-income:** Those living in households with an income below 60% of the median income in that financial year. This measure compares low-income households with the rest of the population.
- **Absolute low-income:** Those living in households with an income below 60% of the median income (adjusted for inflation) in a base year (2010/11 is often used). This measure allows us to see if living standards at the bottom of the income distribution are improving over time.

Income can be measured before or after housing costs have been deducted ('BHC' or 'AHC').



Prevalence

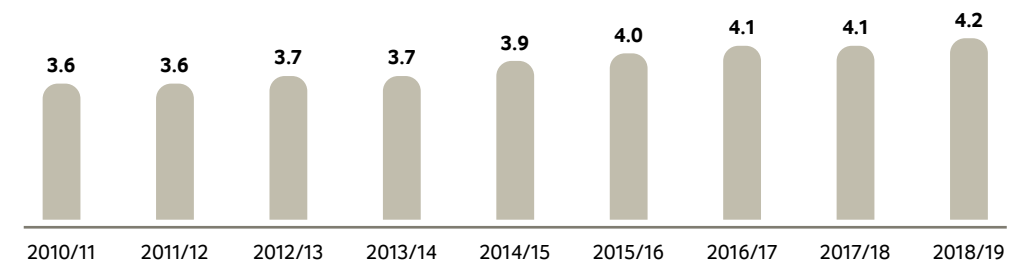
Child poverty rates have risen steadily in the UK over the last decade (from 3.6 million in 2010/11 to 4.2 million in 2018/19).¹⁴ That was 30% of all children, 72% of whom were in working families.¹⁵

Furthermore, the depth of child poverty is worsening. The proportion of children in households with incomes below 40% of median incomes (i.e. very low incomes) was at a record high of 13% in 2018/19.¹⁶

30%  
of all children in the UK
were living in poverty
(in 2018/19).

Child poverty levels since 2010/11¹⁷

Number of children falling below 60% median income AHC (millions):



The impact of coronavirus

Now, as a consequence of the coronavirus crisis, the number of children experiencing financial hardship is set to rise. Absolute poverty is expected to rise, too.

The Resolution Foundation has warned that, because of rising unemployment and the withdrawal of temporary benefit increases, relative child poverty could increase in the long-term, after a temporary drop-off due to the cushioning effect of the government's coronavirus measures on the household finances of many low-income families.¹⁸

While the number of children in poverty may worsen, so too may the depth of their poverty (their experience of it), as the crisis is likely to worsen their existing situations.

Falling incomes, arising from job losses and pay cuts, were compounded by rising household costs, due to the closure of education and childcare settings, and workplaces. Parents and carers saw their food and utility bills rise with the whole family at home full-time. Many also incurred the costs associated with home education (such as toys, books and activities, and digital devices to enable online home learning).

The pandemic has occurred at a time when many low-income families with children had little financial resilience to manage its impact. It has followed a long period of low wage growth, benefits cuts (including the benefits freeze), and rising living costs (most notably, housing costs). Low paid, insecure work was restricting the incomes of many families with children, leaving them dependent on a social security system that was often unable to meet their basic living costs. Furthermore, Local Welfare Assistance Schemes (local authority support for low-income households in times of financial crisis, which replaced discretionary aspects of the Social Fund) have been undermined in recent years through underfunding and the absence of a statutory duty

on local authorities to provide the support. This has left many families without a safety net when their income from employment and/or benefits is insufficient to meet their daily costs.

Low-income families with children were, therefore, already financially exposed before the crisis hit. Our April 2020 analysis of official household income statistics showed that, going into the coronavirus pandemic, 63% of children in the UK (8.6 million) were living in families with savings less than the average monthly income (around £1,500), meaning that they were 'a pay cheque away' from being unable to afford everyday essentials.¹⁹ Furthermore, 51% were living in families with no savings at all.

Going into the coronavirus pandemic...

63%
of children were living in families with savings less than the average monthly income (around £1,500).

51%
were living in families with no savings at all.

The government's response

On announcing lockdown, the government acted quickly to protect employment incomes.

It introduced the **Coronavirus Job Retention Scheme** in April 2020 (under which eligible employers could claim for 80% of an employee's wages while they are on temporary leave – 'furlough'), and the **Self-Employment Income Support Scheme** in May 2020 (which enabled eligible self-employed individuals, whose businesses have been adversely affected by coronavirus, to claim grants to cover their financial losses).

Statutory Sick Pay was also increased, and regulations introduced to enable payment from the first day of an employee's absence from work due to coronavirus (rather than the fourth day, pre-coronavirus).

Meanwhile, the government also took some steps to increase incomes from welfare benefits.

As many people would be ineligible for the employment protection schemes, the **standard rates for Universal Credit and Working Tax Credit** were increased by £20 a week, April 2020 – April 2021. They are means-tested benefits for working-age adults on low-incomes.

Furthermore, **local housing allowance rates** (the maximum amount a private renter can claim towards the cost of their rent) for the housing element of Universal Credit, and Housing Benefit, were also increased from April 2020, to the '30th percentile' – meaning that claimants should now be able to afford 3 in 10 properties in their local area, without needing to supplement the benefit with another income source.

The government also boosted support available at the local level.

It introduced: a £500 million Hardship Fund for local authorities; £63 million in funding for local welfare assistance schemes; a Free School Meal voucher scheme; and a technology scheme to enable online home education.

The **Hardship Fund** (England-only), announced in March 2020, enables local authorities to provide Council Tax relief to residents who are currently struggling to pay it.

(In 2013, the national Council Tax Benefit was replaced by local Council Tax reduction schemes. The latter were funded at a lower level, meaning that those previously deemed too poor to pay became liable for Council Tax bills.)

The **funding for local welfare assistance schemes** (England-only), announced in June 2020, enables local authorities to support residents experiencing financial crisis (for example, those unable to afford food and other essentials) during the pandemic. Local authorities can use the funding to distribute cash payments, food vouchers and other forms of direct financial support.

The **Free School Meal (FSM) voucher scheme** (England-only), announced in March 2020, provided £15 weekly (per child) supermarket vouchers to families with FSM-eligible children in England, during the partial closure of schools (when only vulnerable children and the children of keyworkers were eligible to attend).

Ordinarily, FSMs are available during term time in England to all infants (reception, year 1 and year 2) in state schools, and on a means-tested basis to children in year 2 and above. Schools are funded to provide FSMs to children during the school day through their catering services.

During the coronavirus crisis, universal infant FSMs were withdrawn. This meant that FSMs were only available to benefits-eligible infants and children (that is, those that qualified on a means-tested basis). Some schools continued to provide meals direct to children through the distribution of food parcels, while others offered families supermarket vouchers under the national voucher scheme. When the scheme was established, vouchers were available in term time only, but were later extended to cover the Easter, May half-term and summer holidays.

A technology scheme (England-only), launched in April 2020, aimed to increase access to online home learning during the partial closure of schools. The government provided a number of devices (laptops and tablets) and internet connections (routers) to local authorities, for onward distribution to children and young people most in need of them (those at 'vital stages of their education', those with social workers, and care leavers).

The government's measures, designed to protect incomes and support those facing financial pressures as a result of the pandemic, are unprecedented in scale. The Office of Budget Responsibility has estimated that the Job Retention Scheme and Self-Employment Income Support Scheme alone are expected to cost £75 billion.²⁰

However, to date, no dedicated financial support for low-income families with children has been announced, beyond the Free School Meal and technology schemes, which have only reached a minority of children, and have been beset with operational issues, hampering their effectiveness.

Furthermore, the planned phasing out or withdrawal of these measures – in particular, the Job Retention Scheme (in November 2020) and the Universal Credit uplift (in April 2021) – may have a significant, detrimental effect on many families, due to the income shocks they would cause, at a time of rising unemployment.

The policy context in the devolved nations

In **Scotland**, prior to the crisis, over 230,000 children were living in poverty.²¹ That is nearly a quarter of all children in the country.

Poverty had been rising as a consequence of, among other things: low-paid and insecure employment; welfare benefit cuts, sanctions and payment delays; and the high cost of childcare.

With the added financial pressures on families as a result of the crisis, the government looks set to fall short of its child poverty targets, which aim to reduce the number of children living in poverty in Scotland by 2030.

Many families with children who were previously just about coping, are likely to be pushed into financial crisis, making those targets even less achievable than before.

In response to the crisis, the government:

- Announced £350 million for local authorities, charities, businesses, and community groups, to support communities most affected by coronavirus.
- Extended Free School Meals to the summer holidays.
- Announced a £30 million package to support digital inclusion, including £9 million for the distribution of laptops and internet connections to disadvantaged children.
- Prioritised the introduction of the Scottish Child Payment (which will be worth £10 per week, per child).

In **Wales**, before the pandemic, 28% of all children were living in poverty.²²

That figure is likely to increase as a result of the crisis, in line with a decrease in incomes from employment. A study by Citizens Advice Cymru in April found that around 17% of the total workforce had already seen their hours cut, been laid off, or made redundant; 42% of people had seen a decline in their household income, with 7% having lost 80% or more; and 25% had applied, or expected to apply, for benefits.²³

In **Northern Ireland**, before the crisis, approximately 107,000 (24%) children were living in poverty.²⁴ That number is now likely to rise, with the pandemic expected to heighten existing vulnerabilities among low-income families with children.

Concerns have been raised that many have struggled to access government support. Some families are unaware of the financial assistance available to them, and others have been unable to navigate the digital Universal Credit claim process.

In response to the crisis, the government:

- Allocated £1.5 million to local authorities to alleviate poverty, through engagement with voluntary and community sector organisations.
- Offered Free School Meal-eligible families £27 every fortnight, during school closures.
- Made discretionary housing payments available to private renters on Universal Credit, or Housing Benefit, who were unable to afford their rent.

Our recommendations to government

It is widely recognised that poverty can harm children's life chances. Economic disadvantage has been shown to decrease children's resilience to physical and mental health illnesses, and can restrict academic attainment.

Poverty can also affect parents' outcomes. Financial stress can undermine their physical and mental health, and the quality of the inter-parental relationship. Those can, in turn, affect their parenting capacity and the quality of the parent-child relationship.

Furthermore, poverty not only affects the children, young people and families who experience it, but also wider society – it costs money to address. Poor child outcomes, such as physical and mental ill-health, and low academic attainment, necessitate public spending (for example, on the NHS and social security system).

Investment in anti-poverty measures is, therefore, an investment in children, in society and in the economy.

Those measures are needed now more than ever, due to the compounding effect of the pandemic on the household finances of low-income families with children.

Measures are needed immediately, to aid families' financial recovery now and in the months ahead, while longer-term, strategic planning and investment is required to reduce child poverty and financial hardship across the UK.



To help low-income families with children to recover from the short and medium-term financial effects of the pandemic, we urge the government to:

Retain increases in the Universal Credit (and Working Tax Credit) standard allowance; local housing allowance rates; and (England-only) Council Tax Support

It is vital that these policies are retained in the autumn Budget, to provide ongoing support to low-income families while the financial effects of the crisis unfold.

The £20 increase in the standard allowance for **Universal Credit** (and 'basic amount' in Working Tax Credit) should be retained, given how much it has supported many low-income families during the crisis²⁵. The planned withdrawal of the increase in April 2021 could have a significant, detrimental effect on their household finances and drive up child poverty, due to the income shock it could cause.

Universal Credit (and Working Tax Credit) are made up of a 'standard allowance' ('basic amount') and any extra payments that a claimant may be eligible for (if they have children, for example, or a disability or health condition). The standard allowance is calculated based on a claimant's circumstances, such as their age and whether or not they are in a couple.

As a result of the pandemic, the number of newly-started Universal Credit claims increased to 1.2 million in both April and May 2020. That is six times more than the average number of starts in the 12 months prior to March 2020.²⁶

Secondly, the increase to **local housing allowance rates** should be retained, to provide ongoing support to low-income households who rent their homes from private landlords.

It is anticipated that the increase will end in April 2021, meaning that the link between the benefit and actual local housing costs will be broken again, and the support reduced.

Local housing allowance rates are used to determine how much Universal Credit (or Housing Benefit) a private renter is entitled to.

Thirdly, the increase in **Council Tax Support** should be retained, to help low-income families who are struggling to afford their Council Tax bills.

The support is due to be reduced in April 2021, when a £150 a year reduction for low-income working-age households expires.

Council Tax Support is a benefit available to those on low incomes, or who are claiming certain benefits. The amount received is dependent on circumstances such as age, income, savings, and who lives in the household.

Increase Child Benefit by £10 per week

Child Benefit reaches many more families than Universal Credit and Working Tax Credit (which were increased in April 2020). Given that so many more families with children are now, as a result of the pandemic, facing financial hardship, and that many of them will be just below the threshold for entitlement to means-tested benefits, increasing Child Benefit represents the best available option for supporting them.

Child Benefit is a monthly benefit available to people responsible for the care of a child (under 16, or under 20 if they are still in education or training). While it is not means-tested, people earning over £50,000 (before tax) are required to pay some or all of it back, in the form of an income tax charge.

Increase the child element of Universal Credit, and Child Tax Credit, by £20 per week

The increase in the standard allowance of Universal Credit, and Working Tax Credit, from April 2020, was very welcome. However, it does not account for variation in needs across family sizes or types – the increase is the same, in cash terms, for a lone parent with two children, as it is for a single adult.

Families with children have tended to experience falls in employment incomes, and higher household costs, so dedicated support is needed for Universal Credit and Child Tax Credit claimants with children.

... The child element of Universal Credit, and Child Tax Credit, are benefits available to low-income households to help with the costs of raising children.

End the benefit cap and two-child limit

These policies prevent many of the lowest-income families with children (particularly lone-parent families) from accessing the welfare support that they would otherwise qualify for.

The risk of poverty also rises with the number of children in a family – while the risk for families with one child is 23%, it rises to 43% for families with more than two children.²⁷

... The benefit cap limits the total amount a household can receive from (certain) benefits. The two-child limit, which applies to the child element of Universal Credit and Child Tax credit, restricts the number of children families can claim for – it is not possible to claim for third and subsequent children (born on or after 6 April 2017).

Increase funding to local welfare assistance (LWA) schemes (England-only)

We welcomed the announcement of £63 million for the schemes in June 2020, but additional, sustained funding is needed to enable local authorities to support all families facing financial crisis as a result of the pandemic.

Underfunding of the schemes in recent years, coupled with the absence of a statutory duty to provide them, has affected their availability; many local authorities are operating reduced schemes, while others have ended them entirely – one in seven local authorities in England is without one.

... LWA schemes in England, operated by local authorities, support residents in times of financial crisis, when their income from employment and/or benefits is insufficient to meet their daily living costs. They replaced discretionary aspects of the national Social Fund scheme, which were abolished in 2013.

To support low-income families with children to deal with the longer-term, lasting financial effects of the pandemic, we urge the government to:

Develop and implement a UK child poverty strategy that sets ambitious targets for its reduction and eradication

A cross-government child poverty strategy is needed to set ambitious targets for its reduction and eradication across the UK.

It must, as its primary aim, **tackle the key drivers of child poverty**, including:

- Low wages
- The proliferation of insecure, short-term and zero-hour employment contracts ('the gig economy')
- Social security support – issues relating to its design, access, and adequacy
- High housing costs
- High childcare costs
- Public service cuts
- Regional inequalities

The strategy must complement and build upon child poverty strategies in the devolved nations and local authorities across the UK.

It should be jointly led by the Treasury and Department for Education, which must in turn coordinate the work of all relevant departments and agencies across the UK and devolved nations.

As well targeting the causes of child poverty, the strategy must **tackle its effects**. It must promote investment in evidence-based early intervention for children and their parents, to reduce its impact on child development and life chances.

The views of children, young people and families who have experienced poverty must be sought in the development and implementation of the strategy. Ministers and officials should also, on an ongoing basis, seek the input of organisations representing low-income families with children.

Establish an independent body to provide advice on the adequacy of welfare benefit levels

An independent body is needed to depoliticise welfare benefits uprating decisions. The body should be consulted by government on all such decisions, to ensure that benefit rates, at a minimum, rise in line with living costs – similar to the role played by the Low Pay Commission in relation to the National Minimum Wage.

This would help to address the current inadequacy of benefit levels; after a decade of cuts, rates no longer reflect the present-day cost of living.

In addition to the above recommendations to the UK government, we urge the governments of the devolved nations to take the following actions:

WALES

Increase funding to the Discretionary Assistance Fund, and ensure it is well-publicised

The Discretionary Assistance Fund (DAF) provides grants on an emergency basis to people unable to afford daily essentials, such as food, utility bills and clothing.

Given the scale of the coronavirus crisis, DAF funding should be increased, to ensure that it can meet rising levels of urgent financial need.

Its promotion should also be improved, to raise awareness of its availability among those who could benefit from it, so that they can self-refer. Existing communication channels (such as schools) should be used, in addition to new ones, and efforts should be made to alert new Universal Credit claimants to its existence. In addition, the number of DAF referral partners should be increased.

NORTHERN IRELAND

Conduct a review of the social security system, engaging a wide range of stakeholders

The Northern Ireland Executive should act on their existing commitment to conduct a review of the social security system. The views of children, young people and families should be sought, alongside non-statutory agencies, to ensure that an alternative system is developed that better responds to needs.

SCOTLAND

Provide low-income families with children with a £10 per week (per child) payment, until the new Scottish Child Payment is operational; and protect the Payment's value on an ongoing basis

The Scottish Child Payment is an income supplement for households (who are in receipt of certain benefits) with children. It is due to be available to families with children under six by February 2020, and to families with children under 16 by the end of 2022.

A temporary arrangement is needed to support low-income families with children to deal with the financial effects of the pandemic, until the Payment is available.

Furthermore, once operational, the Payment should be protected through a 'double lock' – it should increase in line with either the consumer price index or median income growth (whichever is higher).

The government must also ensure high uptake of the Payment, through effective promotion of its availability.



Conclusion

The findings of this report indicate a clear need for government action to improve the financial support available to low-income families with children.

Many families were already facing significant financial pressures before the crisis, and now, their situations are deteriorating because of it. Others, meanwhile, were coping or just about managing before the pandemic, and are now experiencing financial hardship for the first time.

As a result of those pressures, many families have struggled to afford the resources necessary to feed their children, educate them, and keep them entertained. Some have also had to cope with adult and child mental health concerns arising from the pandemic.

At Action for Children, we will continue to support children, young people and families experiencing financial hardship and poverty, both now and in the longer-term. We will continue to try to meet their

urgent financial needs through our Emergency Fund; we will provide emotional care and practical help through our services; and we will campaign for improved financial support, and measures to reduce child poverty in the UK.

However, that is not enough. Charity appeals, such as our Emergency Fund, cannot act as national safety nets for families. The government must play a greater role in maintaining living standards, and supporting all children to thrive.

The upcoming Spending Review is a key opportunity for departments to engage in the ambitious and coordinated policy thinking that is urgently needed to tackle these issues, and put anti-poverty measures at the heart of the levelling-up agenda.



References

- 1 This statistic is based on the 502 applications for which the data was available.
- 2 Resolution Foundation (July 2020), The Living Standards Audit 2020, available at: <https://www.resolutionfoundation.org/app/uploads/2020/07/living-standards-audit.pdf>
- 3 Action for Children (March 2020), Children's charity frontline workers warn families fear 'going under' during Coronavirus outbreak, available at: <https://www.actionforchildren.org.uk/news-and-blogs/press-releases/2020/march/childrens-charity-frontline-workers-warn-families-fear-going-under-during-coronavirus-outbreak/>
- 4 The total number of families exceeds the total number of application forms because a small number of applications were made for multiple families – for example, for mass distribution of children's activity packs, or to top up families' food parcels.
- 5 These statistics are based on the 502 applications for which the data was available.
- 6 Office for National Statistics (August 2020), Labour market overview, UK: August 2020, available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/august2020>
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Appendix

The grant application forms

Please note: data fields for internal processing purposes are not included in the below.

Original form (23 March – 11 June)

PART 1 (grant application)

- Please give a brief summary of the individual/family (how many children do they have; what age are they)? *(Free text)*
- Please give a brief summary of the individual's/family's current situation (why do they require an emergency grant; what impact is the family's situation having on the children/on the young person)? *(Free text)*
- What are you requesting funding for? (Select all categories that apply, then specify the reason and amount):
 - Home and furnishings
 - Nutrition, health and hygiene
 - Clothing
 - Learning and play
 - Transport
 - Other *(please specify)*

PART 2 (impact of grant)

- Why is the child/young person, or their parent/carer, accessing an Action for Children service? *(Free text)*
- How were the family struggling (what hardship were they facing; what did this mean for the child/young person)? *(Free text)*
- What difference did the emergency funding make for the family and their children (what did they say; what did they do; what did it mean to them)? *(Free text)*
- This funding has helped the child/young person/individual because...? *(Free text)*
- Please tell us anything else about receiving the grant that you feel is relevant to demonstrating the positive impact this fund has had on the applicant. *(Free text)*

New form (11 June – present)

PART 1 (grant application)

Family information:

- Ethnic origin:
 - Asian
 - Black
 - Mixed – Asian and White
 - Mixed – Black African and White
 - Mixed – Black Caribbean and White
 - Mixed – Other (please specify)
 - White
 - Other (please specify)
 - Family prefer not to say
- Parent(s)/carer(s)/young person in the household is/are (tick all those applicable):
 - A couple
 - A single parent
 - Young parent(s) (one or both are under 25 years old)
 - Young person living (semi-) independently
 - Adoptive parent(s)
 - Foster carer(s)
 - Kinship carer(s)
 - Disabled
 - Family prefer not to say
 - Other (please specify)
- Number of children/young people in the household:
 - Number aged under 5
 - Number aged 5 to 11
 - Number aged 12 to 17
 - Number aged 18+
- If applicable, please specify the number of children/young people in the household for each category:
 - Looked after child(ren)
 - On child protection plan(s)
 - Child(ren) in need
 - Disabled
 - Young carer(s)
 - The child(ren) is/are eligible for Free School Meals
- Summary of the family's current situation (*Free text*)

Family circumstances and needs (for each question, select all options that apply):

- Parent(s)/carer(s)/young person's employment situation:
 - At least one parent/carer/young person is working full-time
 - Parent(s)/carer(s)/young person working part-time
 - Parent(s)/carer(s)/young person furloughed
 - Parent(s)/carer(s)/young person not working
 - None applicable
 - Other (please specify)
- Trigger(s) for the family's/young person's emergency financial need:
 - COVID-19 has led to a/the parent(s)/carer(s)/young person losing their job(s)
 - COVID-19 has led to a/the parent(s)/carer(s)/young person having their pay cut
 - COVID-19 has led to financial pressures due to having all family at home (increased living costs)
 - Household finances were already an issue prior to COVID-19 and the family/young person was already in receipt of welfare benefits
 - The family/young person is currently accessing other forms of emergency support in addition to applying for this Action for Children grant (e.g. foodbanks or local authority hardship funds)
 - None applicable
 - Other (please specify)
- Problems accessing welfare benefits:
 - The family/young person is unable to access welfare benefits advice to understand their entitlements to make a claim
 - The family/young person is waiting for an advance on their first Universal Credit payment
 - The family/young person is waiting for their first Universal Credit payment
 - The family's/young person's income from benefits is affected by the benefit cap
 - The family's income from benefits is affected by the two-child limit
 - The family's/young person's income from benefits is affected by benefit sanctions
 - The benefits the family/young person currently receives are insufficient to meet their living costs
 - Other (please specify)
 - None applicable

- Problems accessing food:
 - Parent(s)/carer(s) skipping meals in order to feed their children
 - Family/young person is cutting back on food portion sizes
 - Family/young person is having to choose between eating meals or paying bills
- Wellbeing, learning and development:
 - Play/learning resources required for child's learning/development
 - Play/learning resources required for children to have fun during the pandemic
 - Technology/devices required for online learning/education
 - Parent/carers/young person experiencing anxiety/stress/mental health concerns as a result of the pandemic
- What are you requesting funding for? (Select all categories that apply, then specify the reason and amount):
 - Food
 - Cleaning and hygiene
 - Clothing
 - Household bills – fuel
 - Household bills – other
 - Home repairs/furnishings
 - Home appliances
 - Without Action for Children's grant the parent(s)/carer(s) would struggle to feed their children
 - Other (*please specify*)
 - None applicable
 - Children experiencing anxiety/stress/mental health concerns as a result of the pandemic
 - Difficulties due to not having respite/childcare/school during the pandemic
 - Other (*please specify*)
 - None applicable
 - Physical health
 - Learning and play
 - Access to learning – educational resources
 - Access to learning – technology and appliances
 - Other

PART 2 (impact of grant)

- Who has the Emergency Fund helped? (*Free text*)
- Why are they or their parent/carers accessing an Action for Children service? (*Free text*)
- What difference did the funding make to the family and their children (what did they say; what did they do; what did it mean to them)? (*Free text*)
- To show how this funding has helped the child/young person, please select from the following outcomes (select all that apply):
 - Improved parent/carers wellbeing or reduced anxiety
 - Improved child/young person wellbeing or reduced anxiety
 - Improved access to learning – primary
 - Improved access to learning – secondary
 - Improved access to learning – 16+
 - Improved learning/play – pre-school
 - Improved basic care – food
 - Improved basic care – hygiene
 - Improved basic care – clothing
 - Reduced stress of homelife/improved quality of family life
 - Reduced financial burden
 - Improved communication/information through access to digital/technology
 - Other (*please specify*)
- Please tell us anything else about receiving the grant that you feel is relevant to demonstrating the positive impact this fund has had on the applicant (*Free text*)

The staff survey

- Which Action for Children service do you work for?
 - Children’s centre
 - Build Sound Minds
 - Family support
 - Digital parenting support
 - Centre-based services (other)
 - Spring nurseries
 - Youth support, including leaving care
 - Young carers
 - Intensive family support
 - Mental health in schools, including The Blues Programme
 - Residential short breaks
 - Children’s rights and independent visitors
 - Youth employment support
 - Youth justice
 - RAF services
 - Fostering
 - Adoption
 - Foster care short breaks
 - Schools
 - Services for children with disabilities (excluding residential care)
 - Residential care (looked-after children)
 - Residential care for children with disabilities
- In which region is your service based?
 - North-east
 - North-west
 - Yorkshire and the Humber
 - East midlands
 - West midlands
 - East of England
 - London
 - South-east
 - South-west
 - Scotland
 - Wales
 - Northern Ireland
 - Prefer not to say
- What effect has the coronavirus crisis had on the family incomes of the children you work with?
 - No change
 - Slightly worse off
 - Significantly worse off
 - Slightly better off
 - Significantly better off
 - Don’t know
- Thinking about the next six months, do you think the incomes of the families you see will...
 - Stay the same
 - Get a little worse
 - Get significantly worse
 - Get a little better
 - Get significantly better
 - Don’t know
- How effective will the government’s financial support (such as the Job Retention Scheme and increases to Universal Credit and Housing Benefit) be in helping families, and preventing the current crisis harming children’s wellbeing and life chances?
 - Fully effective
 - Fairly effective
 - Not effective
 - Don’t know
- What examples have you seen of families facing additional financial pressures as a result of the crisis, and what effect is this having on the children of these families? (*Free text*)
- What additional support have you had to provide to families (over and above applying to the Emergency Fund)?
 - None
 - Donated food from own cupboards
 - Drove long distances to get the food that they need
 - Negotiated with supermarkets to get the food that they need
 - Topped up food parcels with healthy/nutritious food
 - Provided extra emotional support for parents
 - Provided extra emotional support for children
 - Provided learning support/activities for families without the technology they need
 - Worked longer or unusual hours to give them the support they need
 - Arranged socially distanced doorstep visits (e.g. with food parcels as a reason to check in on families at risk of domestic abuse)
 - Other (*Free text*)
- Has the coronavirus crisis had a negative impact on the mental health and wellbeing of the children you are seeing?
 - Yes
 - No
 - Not yet – but I expect it will in the months ahead
 - Don’t know

- What examples have you seen of families facing additional anxiety and mental health problems as a result of the crisis, and what effect is this having on the children of these families (e.g. night terrors, children afraid to leave the house, or afraid to socialise)? *(Free text)*
- Are you worried that the coronavirus crisis is leading to more children being at risk of abuse and neglect?
 - Yes
 - No
 - Not yet – but I expect it will in the months ahead
 - Don't know
- What examples have you seen of the impact of reduced safeguarding (e.g. children not at school, less access to early help services) on children and young people? *(Free text)*
- Overall, do you believe the coronavirus crisis is leading to a crisis facing children in the UK?
 - Yes
 - No
 - Not yet – but I expect it will in the months ahead
 - Don't know
- Overall, with the right investment from government, do you believe it is possible to transform the lives of vulnerable children in the UK?
 - Yes
 - No
 - Don't know



Safe and happy childhood

Action for Children protects and supports children and young people, providing practical and emotional care and support, ensuring their voices are heard, and campaigning to bring lasting improvements to their lives.



**END
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for safe and happy childhoods

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