

July 2024

Towards a Child Poverty Free London

Briefing for MPs

4in10

An old challenge for a new Parliament

Child poverty in London is not a new story. Charles Dickens may be the most famous, but is far from only author, to have brought vividly to life the experiences of children who do not have the material resources they need to thrive in our city, over many generations.

In more recent times, Kenny Imafidon's memoir 'That Peckham Boy' published in 2023, paints a searingly honest picture of what it was like to grow up in his corner of south east London in the 1990s and 2000s. The London Child Poverty Network was formed during these years to focus on tackling the issue and has been known ever since as '4in10' – the shocking rate around which child poverty stubbornly hovers, equating to an estimated 700,000 children who on a daily basis lack the essentials they have a right to including a safe secure home, warm, properly fitting clothes and enough nutritious food.

However, while the problem isn't new, it has been re-shaped in recent years by austerity policies, the 'hostile environment', the Covid-19 pandemic, the cost-of-living crisis and rampant inflation. Important [new analysis](#) from Trust for London and WPI Economics has looked at evidence of a small but significant apparent fall in overall poverty numbers in London in the past few years. Their tentative conclusion is that rather than something to be celebrated because things have improved for those on the lowest incomes, this trend reflects the fact that costs, particularly housing, are now so high that for many people the only way to escape poverty in our city is to leave it. If further research backs this up it is a damning indictment of our society and economy in a city ranked as the fourth wealthiest in the world (Henley & Partners, 2023).

At the start of a new Parliament, it is vitally important to take stock of this issue and be crystal clear about what needs to be done to ensure that children in our city have what they need to flourish in life. This briefing aims to do just that by examining the causes and impact of child poverty and then setting out what needs to be done to realise our aim of a child poverty free London.

What do we mean by child poverty in London?

The measure we and others use most commonly to define child poverty is an income related one that draws a poverty line at **60% of median income** and deems children living in households below this to be living in poverty.

This is reported on by Government, alongside several other measures including absolute low income, combined material deprivation and food insecurity, in the annual Households Below Average Income (HBAI) report. The headline relative low-income measure is useful as it gives a transparent and consistent indicator that allows for meaningful comparisons across countries and over time, but it is important to look at it alongside other measures which for example measure depth and persistence of poverty. Taken together these give a more comprehensive picture of children's lives and what it means for them to grow up in financial hardship.

At the tail-end of the last Government the DWP consulted on developing a new poverty measure based on the approach proposed by the Social Metrics Commission (SMC). We hope that the new Government will continue this work and also take steps to improve the collection of this data, over which serious concerns have been raised in recent years, leaving doubt over the reliability of the data.

Child Poverty in London in numbers

The latest figures from the HBAI report, and analysis by the University of Loughborough and End Child Poverty Coalition, show that **34% of London's children live in relative income poverty (End Child Poverty Coalition, 2024)**. There are significant differentials between constituencies, with the rates ranging from 51% in Bethnal Green and Stepney (19 percentage points higher than London's average) to 11% in Richmond New Park (21 percentage points lower than the city's average). We also know from our members that these constituency averages mask significant inequality within local areas. In even the constituencies with the lowest rates of child poverty, there will be individual wards where children are experiencing significant levels of hardship.

The fact sheets that are being sent to MPs as a companion document to this briefing give a more comprehensive breakdown of available data relating to child poverty on a constituency-by-constituency basis.



Which children experience poverty?

We also know that some groups of children and families experience poverty at high rates than others in our city:

In the UK as a whole, **children from Black and minority ethnic groups are more likely to be in poverty**; 48 per cent of children from these backgrounds are in poverty, compared with 25 per cent of children in White British families. Children from Bangladeshi and Pakistani households are the most likely to live in poverty and material deprivation out of all ethnic groups, while children in Indian households are the least likely (DWP, 2024).

Single parents with children are more likely to be in poverty than any other type of household. 45 per cent of single parents in 2021- 22 in London were in poverty, compared to 24 per cent of couples with children (Trust for London, 2024).

Households where there are disabled parents or children that are disabled are also at greater risk of poverty. In the UK in 2021-22, children living in a family where someone was disabled had a poverty rate of 36 per cent after housing costs, compared with 25 per cent for children living in families where no one is disabled. For children who themselves have a disability in London, the estimated child poverty rate is 35 per cent, compared to an estimated 32.8 per cent for children without a disability. (Trust for London 2024)

'No recourse to public funds (NRPF) is a condition attached to visa conditions for many migrants. It restricts access to most benefits, including universal credit and child benefit. Data on the numbers affected are very difficult to come, but the Migration Observatory estimated that 175,634 children live in a family expected to have NRPF (Work and Pensions Committee, 2022). Many families who have 'no recourse to public funds' struggle to make ends meet, dealing with debts, poor housing conditions, and cutting back on heating and food.

48%
**of children
from BME
backgrounds
are in poverty**

45%
**of single parents
in London are in
poverty**

35%
**of disabled children
in London are in
poverty**

Drivers of child poverty

The past few years have been turbulent and anxious ones for families across the country, including in London. The Covid-19 pandemic highlighted for many how precarious their financial situations were and had it not been for significant emergency support in the shape of the furlough scheme, the temporary £20 uplift to Universal Credit and the extension of free school meals to cover the holiday period, then child poverty rates would surely have seen a more significant increase than was in fact the case. And while some of the short-term effects, in relation to child poverty, were mitigated the longer-term impact in relation for example of school and nursery closures on the attainment gap between disadvantaged and their more advantaged peers remains to be fully understood.

The pandemic was of course swiftly followed by a cost-of-living crisis which saw prices increase sharply across the UK during 2021 and 2022. The annual rate of inflation reached 11.1 per cent in October 2022, a 41-year high, before subsequently easing (House of Commons Library, 2024). This had a huge impact on the affordability of goods and services for much of the population, but especially for those living on low incomes.

Housing costs

But while these factors have undeniably had a detrimental impact on families in our city and made the experience of poverty more visible, the underlying drivers have been around for much longer than the past few years. **In large part child poverty in London is driven by the very high costs associated with living here, chief amongst them housing costs which are exorbitant.** A lack of social housing means that many families are forced into the private rented sector where even in the lower quartile median rents are £1,050 per month which is twice as high as in England as a whole [£520 per month] (Centre for London, 2023).

Sky high rents

A household in the lower quartile of income in London spends 51 per cent of their income on a lower quartile private rent, compared to 32 per cent across England as a whole. (Centre for London, 2023)

Childcare and other costs

It is not the high cost of housing alone that is driving child poverty rates in our city. Families are also having to shoulder higher childcare costs than elsewhere in the country; for children under 2, costs are between 25 and 30 per cent higher in London than for Great Britain as a whole (GLA Datastore, 2023). And this burden is felt more by families in poverty who spend 16 per cent of their household net income on childcare compared to 7 per cent of household net income for those who are not in poverty (Poverty Strategy Commission, 2023).

The rampant inflation that drove the cost-of-living crisis means that across the board goods and services have risen dramatically in cost. Trust for London's has calculated that the increase in price that households in London with the lowest incomes would see if they were to buy the same goods and services in March 2024 as they did in the three years to March 2020 is 27% (Trust for London 2024).

While the rate of inflation has thankfully fallen since its peak, prices have certainly not and families continue to face high prices for essentials such as food, fuel and other goods such as clothing and baby equipment.

In 2023, 4in10 member, Little Village which operates a network of baby banks across London supported a record number of families, helping 8,529 children, but the demand for help still outstripped their capacity to respond week on week (Little Village, 2024).

Inadequate income and social security support

Faced with these high costs, many Londoners struggle to make ends meet due to a lack of high-quality, well-paid work and a social security system that fails to support them in times of need and provide the scaffolding they need to get them back on their feet.

Work

Taking work first, in London almost half of those in poverty are in employment and 16 per cent of Londoners in work are paid below the London Living Wage. Many Londoners also face the issues of insecure and/or insufficient work. Research from the Living Wage Foundation has found that there are over 800,000 insecure jobs in London. While this is a slightly lower overall incidence of insecure jobs compared to other regions of the UK, it remains the region with the highest total number of workers in insecure jobs, highlighting the scale of the issue in the capital (Trust for London, Poverty Profile, 2024).

Social security

Today's social security system has gone way off track, and it is now failing to meet its basic objective of effectively supporting people in times of need. The link between levels of support and what is needed to meet basic needs has been broken and the real-terms value of benefits has hit a 40-year low (JRF, Jan 2024). Research from the Joseph Rowntree Foundation shows that this means around 5 in 6 low-income households on Universal Credit are currently going without essentials (JRF, Feb 2024).

The impact of the two-child limit, which denies child allowances in universal credit and tax credits to third or subsequent children born after April 2017, in driving up child poverty rates cannot be over-estimated. In London, 11 per cent of households with 64,000 children are affected by the two-child limit missing out on up to £3,455 per third and subsequent children (End Child Poverty Coalition, 2023).

Local Housing Allowance (LHA) - the maximum amount that Universal Credit (UC) and Housing Benefit claimants can receive to pay their private rents – is another important element of the social security system to consider. Due to the sky-high level of private rents in London, one in seven private renters in London rely on Housing Benefit or UC to pay for housing costs. (London Assembly, 2024). Following a three-year freeze on the level of LHA between 2021 and 2023, it was restored to the 30th percentile of local market rents in April 2024. While this was a very welcome move and one which the new Government must maintain, its beneficial impact is blunted by the fact that it means many more households will run up against the benefit cap, which has not been updated.

Impact of child poverty

Before turning to look at the solutions it is worth pausing to remind ourselves of the damage child poverty does both to children in the here and now and in their futures.

Temporary accommodation

The unaffordability of rents coupled with a lack of security for private tenants has led to huge numbers of families being forced into so-called temporary accommodation, which rather than the emergency circumstances it was originally envisaged for is now being used for months, if not years on end. **84,940 children in our city are currently living in temporary accommodation**, often deprived of basics such as access to a hot nutritious meal, a warm comfortable bed and space to play and learn (DLUHC, 2024).

in Newham more than 200 under-fives and 400 under-18s will go without a home-cooked meal tonight as they live in hotels with no kitchen.

(The Magpie Project, 2024)

Health inequalities

Innumerable research findings have demonstrated that child poverty is a key social determinant of health. In its 2020 report 'Marmot Review: 10 Years On', the Institute of Health Equity highlighted some of the starkest: the most deprived 10 per cent of children are nearly twice as likely to die (5.3 per 1,000) as the most advantaged 10 per cent of children (3.1 per 1,000), and children in more deprived areas are more likely to face a serious illness during childhood and to have a long-term disability (Institute of Health Equity, 2020). More recently the Food Foundation published research showing that the height of 5-year-olds has been falling since 2013 and the rate of obesity among 10- 11-year-olds has increased by 30 per cent since 2006 (Food Foundation, 2024). In London childhood obesity is more prevalent than England overall; in 2022/23, 24.8 per cent of children in Year 6 were considered obese in London, compared to 22.7 per cent in England (Trust for London, Poverty Profile, 2024).

"We used to think of the combination of undernutrition and obesity as a feature of low and middle income countries. We are now seeing it in Britain in 2024, a devastating effect of poverty."

Sir Michael Marmot quoted in Food Foundation Report, 2024

Mental health too is a casualty. In a research project carried out by 4in10 in 2021 about the attitudes towards and experiences of Londoners of living in poverty, participants shared the massive emotional toll that the financial stress and the pandemic had on their mental health. This was often because they felt they could never switch off from thinking about money or because a lack of money severely limited their ability to realise their ambitions. One participant described the experience as trying to "fly against gravity" (4in10, 2021). In 2023 The Buttle Trust found that frontline workers reported 70 per cent of children and young people they worked with as suffering with mental health problems, such as anxiety and depression, due to poverty. (The Buttle Trust, 2023)

Educational inequalities

Education is an area in which London in many ways has a success story to tell. Children in London who live in deprived neighbourhoods are more likely to have a school with a good Ofsted rating in their neighbourhood than those living in deprived neighbourhoods in the rest of the country. And in 2021/22 over three quarters of the London boroughs had a higher GCSE attainment rate than the average rate of England. However, this rosy picture is far from the whole story. To start with the picture across London is not uniform, six London boroughs had a lower GCSE attainment rate than the average rate of England in 2021/22 (Trust for London, Poverty Profile, 2024). Furthermore, as the crisis in school funding deepens, **many schools in London are faced with falling school rolls**. Decline in pupil enrolment will lead to a further reduction in resources and makes the progress that has been made appear more and more fragile. There is a fear that reduced pupil numbers could lead to disadvantaged children being disproportionately represented in undersubscribed schools which will face greater financial challenges than schools which are full, which could then in turn impact on standards of teaching and the opportunities that can be offered to pupils.

We also know that financial hardship can and does have a detrimental impact on many individual children's experiences of education. Research by the Child Poverty Action Group and Children North East as part of their Cost of the School Day project found that *"pupils experiencing poverty in England are financially excluded from full participation in a wide range of school subjects and activities, including PE, music, swimming and art and design' and '[m]any fun and special events at school, which other children look forward to, including trips, fundraising activities, celebrations and community events, are often out of reach for children in poverty"*. In our own research published in 2021 we looked at the intersectional discrimination children face in school on the grounds of experiencing poverty and race. This work focused on and highlighted the disproportionate exclusion of Black children and those living in poverty from school. These exclusions can have wide ranging and long-lasting impacts on children's futures, affecting their educational attainment, mental health, and the likelihood of being involved in crime, either as a victim or perpetrator (4in10, 2021).

Young people's experience of violence

Sadly, far too many young people in London continue to experience violence as part of their lives. Knife crime with injury affecting young people under the age of 25 in London has increased by 7 per cent over the past year (MOPAC, 2024). A link between experience of violence and experience of poverty is irrefutable but not straightforward: income deprivation has been found to be the strongest predictor of violence in London but there are highly deprived areas that do not have high levels of violence and conversely a smaller number of high-violence neighbourhoods exist in areas that are not deprived. At the national level policy responses still too often focus on the downstream causes such the availability of weapons and fail to acknowledge loudly enough that the young people who experience violence on our streets are also disproportionately affected by poverty and lack of opportunity. Within London, the Greater London Authority's Violence Reduction Unit has developed a range of more nuanced responses that seek to recognise the complexity of this picture, including the community led MyEnds programme, but much more remains to be done to tackle the underlying structural inequalities, particularly those related to race and socio-economic status.



Stigma and discrimination

Finally, we must acknowledge the impact of stigma and discrimination on those experiencing poverty. Povertyism may not be as well recognised a term as some of its counterparts, such as racism and disablism, but it is certainly experienced by many of those living in financial hardship. For children a lack of material resources can lead to exclusion from other children and experiences of loneliness and sadness.

“Growing up in poverty meant constant uncertainty and anxiety and meant watching my care giver struggle to make ends meet, sometimes having to choose between paying bills or buying food. It meant missing out on school trips, new clothes, and being pointed out as the free school meals kid.”

Layla, aged 19 from London

Solutions to child poverty

A child poverty strategy that works nationally, regionally and locally

Solving child poverty is a complex challenge for which there is no single quick fix, rather a raft of short, medium, and long-term policy responses are needed to address all its causes. We are therefore very pleased that the new Government recognises the scale of this challenge and has committed in its manifesto to putting in place a child poverty strategy. It is essential that this strategy contains time-bound commitments to reduce and ultimately eradicate child poverty as well as a recognition that achieving this aim will require different approaches in different parts of the country.

As we have set out earlier in this briefing paper, child poverty in London is driven in the main by exorbitantly high housing costs along with costs such as childcare. In other areas the context is different for example, in the North East child poverty is driven in large part by low pay, insecure work and out-of-work poverty (North East Child Poverty Commission, 2024). A national child poverty strategy that fails to recognise these regional differences and allow for differential responses is not going to have the impact it so urgently needs to.

The new Government, must engage with and harness the data and knowledge that the Greater London Authority, combined and local authorities have about their regions and localities and establish mechanisms to ensure sustained focus and action on the issue at regional and local level. Moreover, it needs to recognise the impact that the collapse of local government funding has had on children's services which has undoubtedly affected the poorest children most. It is crucial that a child poverty strategy ensures that local authorities are sufficiently resourced to meet the needs of the children living in their communities.

Key priorities for a child poverty strategy

Social security reform

- Urgent attention must be paid to fixing our broken social security system and key actions to begin this must include **abolition of the two-child limit and benefit cap, restoration of benefit payments to levels which are sufficient to provide families with essentials** and introduction of a mechanism to prevent their value being eroded; doing away with a sanction regime which pushes families into debt rather providing them with the scaffolding they need to escape poverty and reform so that families with disabled members are properly supported.
- **Continuation of the Household Support Fund** which is currently due to come to an end in September 2024 must be a 'Day 1' priority for the new Government. If this goes ahead it will leave London's councils with a huge cliff edge in the support they can provide to families facing poverty.

Decent, well-paid work

- **Ensuring that wages meet essential living costs** must be at the heart of the child poverty strategy, this means at least the real Living Wage (the London Living Wage in London). As part of achieving this it is essential that calculations to set the rate of the National Living Wage are linked to the cost of living.
- We also support calls for **parental leave to be reformed** so that it is more accessible for fathers/ partners and all new parents regardless of whether they are an employee, worker, or self-employed and for all job roles are designed with flexibility in mind, so parents and carers can thrive in work while balancing their caring responsibilities.

A housing plan for London that has tackling child poverty at its core

- All decision-makers with a say in London's future must put the desperate need for more housing supply and most importantly social housing at the top of their agendas. The numbers of children living in temporary accommodation is a scandal and very damaging, especially for the youngest children. Everyone's focus must be on straining every sinew to eradicate the need for its use. This involves all partners in national, regional and local government working together to tackle exorbitantly high rents and **urgently deliver new homes at social rather than just 'affordable' rent across London.**

- While families do remain in temporary accommodation, urgent action should be taken to ensure children’s basic needs are met. This must include **no child being housed in a home without a kitchen.**
- A **review of the support for housing costs in Universal Credit** is needed to ensure that the Local Housing Allowance is increased annually in line with local rents.

Education and childcare that makes sense

- In our report ‘Make Childcare Make Sense’ we set out a full series of recommendations needed to make childcare affordable and accessible for low income-families in London. At the heart of these is **a system which decouples access to state support for early years education and childcare from work requirements.** All children have an equal right to education which should not be limited by their parent’s ability to fund it or their immigration status.
- It is also an essential pre-requisite of any further expansion of entitlements that the Government must provide **adequate funding rates to meet the true costs to providers of providing high quality early education and childcare.**
- The Government should also **increase the early years pupil premium,** to bring it in line with the primary school pupil premium and invest more funding into supporting disabled children and those with SEN in early education and childcare.
- The Government should heed the evidence that is emerging from the roll-out of Free School Meals to all primary school children in London and **commit to extending Free School Meals to all school children on a permanent basis.**

Stop immigration policy driving child poverty

We urge the new Government to **review immigration rules** such as the prohibition on asylum seekers working and No Recourse to Public Funds and amend them so that they do not fuel child poverty rates.

Enactment of socio-economic duty

We are very pleased that the new Government has committed **to enacting the socio-economic duty (s.1 Equality Act 2010)** in its manifesto. This decision recognises the damage that discrimination on the basis of socio-economic status does both to individuals and society and will be a powerful tool to address inequality, especially at local level. We urge the Government to take this step as soon as the parliamentary timetable allows.

Conclusion

All these things (and more) are necessary. For the new Government faced with many competing priorities it will be tempting to focus first on the low hanging fruit, look for quick policy wins, and leave others in the 'next Parliament pile'.

We strongly urge all newly re/elected MPs not to endorse such an approach. Investing in the policies needed to end child poverty is an investment in children's individual futures and the future of our country. Allowing young children to grow up in hotel rooms where they do not have the space they need to learn to crawl because there isn't enough space between the cot and bed is an unconscionable denial of their rights, but it is also short-sighted as it limits their ability to thrive as members of our society both now and in the future.

A successful child poverty strategy requires a fundamental rethink of our priorities for the economy and society; one that is long overdue.

For further information or to discuss any of the issues raised in this briefing please email info@4in10.org.uk



References

- 4in10 London's Child Poverty Network (2020) [Race, Poverty and School Exclusions](#)
- 4in10 London's Child Poverty Network (2021) [Flying Against Gravity - The Lived Reality of Poverty in London](#)
- 4in10 London's Child Poverty Network (2023) [Make Childcare Make Sense: for families on low incomes in London](#)
- Child Poverty Action Group and Children North East (2022) [The Cost of the School Day in England: Pupils' Perspectives](#)
- Centre for London (August 2023) [Homes fit for Londoners: London's homes today](#)
- End Child Poverty Coalition (December 2023) [Children are living in families impacted by the two-child limit everywhere in the UK](#)
- End Child Poverty Coalition, (June 2024) [Child Poverty Across the UK, A briefing on the Local Child Poverty Statistics produced by Loughborough University for the End Child Poverty Coalition,](#)
- Department for Work and Pensions (March 2024) [Households Below Average Income 2022/23](#)
- DLUHC (2024) [Statutory homelessness in England tables](#)
- GLA London Datastore (2023) [Economic Fairness – Childcare Cost](#)
- Henley & Partners (April 2023), World's Wealthiest Cities Report 2023
- House of Commons Work and Pensions Committee (March 2022) [Children in poverty: No recourse to public funds Seventh Report of Session 2021–22](#)
- House of Commons Library (May 2024) [Rising cost of living in the UK](#)
- Institute of Health Equity (2020) [The Marmot Report 10 Years On](#)
- Joseph Rowntree Foundation (January 2024) [UK Poverty 2024: the essential guide to understanding poverty in the UK](#)
- Joseph Rowntree Foundation and Trussell Trust (February 2024) [Briefing – Guarantee our Essentials – summary](#)
- Little Village (2024) [Impact Report 2023](#)
- London Assembly (March 2024) [London's Temporary Accommodation Emergency](#)
- MOPAC (2024) [MOPAC Q1 Performance Report 2023-24](#)
- North East Child Poverty Commission (2024) [No time to wait: An ambitious blueprint for tackling child poverty in the North East](#)
- Poverty Strategy Commission (September 2023) [Interim Report: A new strategy for tackling poverty](#)
- The Buttle Trust (2023) [State of Child Poverty 2023](#)
- The Food Foundation (June 2024) [A Neglected Generation: Reversing the decline in children's health in England](#)
- The Magpie Project (2024) [Homes with kitchens for all our children](#)
- Trust for London (2024) [Poverty Profile](#)
- Trust for London (2024) [London's Cost of Living Tracker](#)