

this is  
child  
poverty



we support **end**  **child poverty**

# Foreword



Child poverty stifles potential and opportunity and this report shows the terrible impact it can have on families. Every child matters and the cost of even one wasted life is too high to count. That

is why this government remains absolutely determined to continue with the investment and intervention we need to end child poverty in this generation.

**Rt. Hon. Gordon Brown MP,**  
Prime Minister



It is shocking that despite being one of the richest nations in the world, we still have a terrible rate of child poverty. People get cynical and think we can't change this, but I believe we can. Children in

poverty are some of the most vulnerable people in our society. We must act now to increase both income and opportunity for families who need it most.

**Rt. Hon. Nick Clegg MP,**  
Leader of the Liberal Democrats



This report is a valuable contribution to a vital issue. It is essential that we address, patiently and systematically, the root causes of poverty and deprivation in this country to achieve the goal we

all share of making British child poverty history.

**Rt. Hon. David Cameron MP,**  
Leader of the Conservative Party



As a party committed to social justice, Plaid Cymru is working for a fairer society. The number of children currently living in poverty in Wales is unacceptable and we are determined to tackle this

at every level. I commend the valuable work that Citizens Advice is undertaking on child poverty.

**Ieuan Wyn Jones AM,**  
Leader of Plaid Cymru

# Introduction



The government has made some progress in lifting children in Britain out of poverty and has promised to halve child poverty by 2010 and end it by 2020. Yet, one in three children in the UK now live in poverty, and the figures are rising again.

Since Citizens Advice was founded in 1939, we have taken part in numerous significant campaigns to improve the lives for children and families. Today we are partners in the Campaign to End Child Poverty and are working with other organisations to encourage government to find new ways to eradicate child poverty in our country.

In June and July 2008, Citizens Advice asked parents across England and Wales to tell us their experiences of struggling to make ends meet, and to show how this impacts on their children. We have presented some of these stories in this report, in order to provide an insight into the financial, emotional and physical impact of poverty on children.

All children deserve to grow up in an environment where they can prosper, where their family can afford the essentials that many of us take for granted, with access to a free education, good housing and work that pays. We hope this report will give children and families who live in poverty a voice, to tell the government that more must be done to keep their promise to end child poverty.

A handwritten signature in black ink that reads "David Harker". The signature is written in a cursive style and is positioned above a horizontal line.

**David Harker**  
Chief Executive of Citizens Advice

“My kids don't have birthday parties like their friends as

I can't  
afford it.

If the kids need new clothes, then one of my bills don't get paid so then I end up falling behind with the payments, therefore our phone got cut off. My kids don't have pocket money on a regular basis.”



**Sue** 31 has six children under 14

# To end child poverty...

## Benefits and tax credits

The benefits and tax credits systems need to be dramatically improved to increase full take up of vital benefits and put more money into the pockets of the poorest households.

## Supporting the move from benefits to work

Families who move from relying on benefits to work need more support and better financial incentives so that they are genuinely better off as a result. Families who continue to rely on benefits should be allowed to work more without losing benefits. Families who receive working tax credits should have access to free school meals. Where Jobcentre Plus provides advice and calculations to people to encourage them to move off benefits and into work these need to provide a complete picture of all the additional costs the family may face, otherwise they may risk being worse off or getting into debt.

## Debt and the cost of living

The rapidly rising costs of essential services such as gas and electricity need to be brought under control and all creditors should always treat poor families fairly – taking into account their ability to repay debts at a rate they can afford.

## Housing

All families should be able to live in secure, affordable and decent homes. The government must ensure it meets its target to increase the number of social rented homes. In addition it must improve access to financial support and advice for families who find it difficult to pay their rent or mortgage and who risk losing their home. No family should have to live in a property in poor condition, but where this is happening tenants must have the right to complain without fear of being evicted from their home.

## Education

All children and families should have access to an education which is truly free of charge.

## Advice makes a difference

Advice services play an essential role in helping maximise income for families with children, and advising people on their rights at work and as consumers. Advice services could do more to help end child poverty – and would welcome more support to do so.

## Methodology

One in three children in the UK live in poverty according to the Department for Work and Pensions (2008). With this mind Citizens Advice wanted to hear from those families who experience child poverty. In June and July 2008 Citizens Advice asked parents from England and Wales who find it hard to make their money last, how this affects their children. They were asked to tell their story by filling out a postcard or by going online to [www.adviceguide.org.uk](http://www.adviceguide.org.uk) or [www.citizensadvice.org.uk](http://www.citizensadvice.org.uk). This report presents a selection of the stories received. The recommendations on what needs to be done to end child poverty are based on these stories and the ongoing analysis of the 5.7 million client problems Citizens Advice helps resolve every year.

“ Me and my husband have only just been able to live together. We have extortionate fuel bills. My husband has a few debts and they're eating up all of his wages every month. Along with all the bills we're trying to keep on top of the mortgage. Because we've just moved in we have to change our tax credit claim – so they have cancelled the old one and it may take up to two weeks to send us a new application form – before we have even filled it in – can't do it online cause that service isn't working at the moment. So,

we're  
**stuck**

with just the child benefit money for three children to live on for a few weeks until we can get the tax credit claim sorted ”



Rhiannon 23 has three children under 14

# Benefits and tax credits

In 2007, almost £10 billion of means tested benefits went unclaimed. Increased take-up of benefits and tax credits could have a huge impact on many families. For example, a lone parent with two children working 30 hours a week earning the minimum wage, could almost double their income by claiming child and working tax credits.

For families with children who experience poverty, the benefits and tax credits system can mean the difference between having food on the table and not. The system therefore needs to work for all. When it doesn't, children can go through extensive periods where their parents can't make ends meet.

When trying to apply for working tax credit it has taken 3 weeks to just get through on the phone to get an application form, two weeks after that, still waiting. Income support has been cancelled. 16p in the bank – what a mess!  
**Judy** 41 has two children

I'm a lone parent of two children. Last year they went into temporary care and I got them back a few months back. I had to make new claims for child benefit and tax credits. I have now been waiting for three months and trying to get by on the money I am receiving. They say let's stop child poverty, well the whole system is rubbish, you try ring to them and you get nowhere. I know people say just start work but it's not as easy as that and I've tried and actually ended up worse off  
**Jessa** 19 has two children under 14

The benefits and tax credits system is complex. Many people lack basic literacy and numeracy skills, yet claiming and renewing tax credits, and keeping HM Revenue & Customs informed about changes of circumstance, mean that people must be able to handle complex information and maintain full household records.

As a family of four we struggle to make ends meet week to week. My eldest child's birthday is coming up and I think she is going to be let down badly unless I do something silly but I don't wanna go back to jail. No one gives us the time to see if we need financial help. The job seekers allowance people just fob me off coz they know I'm not smart enough to understand what I need to know  
**Jonathan** 28 has two children under 14.

It's crucial that families get advice and support to access, and retain the correct entitlement of benefits and tax credits. HM Revenue & Customs and Jobcentre Plus must ensure that current claimants are receiving their correct entitlement and are able to manage their claims successfully throughout the period of the claim.

To end child poverty the benefits and tax credits systems need to be dramatically improved to increase full take up of vital benefits and put more money into the pockets of the poorest households.

I have had both good and bad experiences whilst being on benefits. A lot of problems when I was pregnant and when I complained by letter no response at all! – very disappointing. Also, when I moved into a refuge my benefits were suspended – at my most vulnerable time.  
**Ruth** 26 has one child under 14

“ I feel that although my partner is disabled and we have three young children, I am being pushed to return to work straight away. The thing is we cannot afford for me to work, with the cost of child care, petrol and everything else it is impossible. My partner is unable to look after them full time due to his disability. Shopping is getting harder as food prices are going up. My children cannot have all the new toys and clothes that other children have. I have taught them that it doesn't matter what everyone else has as long as you are happy. This is the moral we live by

although  
it's getting  
harder

as the years go by ”

Anna 22 has three children under 14





# Benefits to work

Citizens Advice believes work should pay and that parents moving from benefits to work should be protected during this transition. However, this is not always the case for families with children who experience poverty. Many parents find themselves in a job that does not necessarily make them better off financially.

I work full time in a school. I struggle to make ends meet. Things have got worse since the 10p tax rate was removed and I now have less money – I am a single parent and don't want to rely on benefits but I think I'm worse off because I choose to work.

**Lisa** 31 has two children under 14

There are a wide range of factors parents take into account when evaluating whether they will be better off in work, such as the additional cost of losing access to some passported benefits like free school meals. Also, working part time and earning above a certain level may result in benefits and tax credits being cut, making the advantages for parents to go into work insufficient.

Parents need advice to calculate how to maximise their income. Jobcentre Plus provides some people with a 'Better-off calculation' as part of their benefit to work support. This service must be personalised to truly maximise a person's income.

Some parents who want to go into work experience barriers to take up benefits while working, through lack of awareness of which benefits they are entitled to claim or because of inconsistencies in the benefits and tax credits system.

I'm a single parent of two. I take home £1500 with child benefit and working tax credit. I have to pay about £200 on travel to get to work each month. With my mortgage and all the other bills to pay each month I find it a real struggle. I earn over the threshold so I don't get benefits like free school meals. I am also very deeply in debt. On top of that I am going to be made redundant soon, so I plan to go back to study to try to improve my situation. I am dreading the next year

**Daniella** 43 has two children under 14

The lack of incentives for some parents to go into work can also have long lasting consequences for how children view their future in work.

My take home pay is £1200 per month. After mortgage repayment, council tax and other bills I have £200 left to cover all other expenses for me and two teenagers. The effect on them is (and has been all their lives) one of being second class citizens who have not been able to do many of the things their peers do – school trips, holidays etc. – they have become very disillusioned with the work ethic that I have always tried to instil as they see families on benefits living on the same street as much better off than them.

**Suzanne** 42 has two teenage children

To end child poverty families who move from relying on benefits to work need more support and better financial incentives so that they are genuinely better off as a result. Families who continue to rely on benefits should be allowed to work more without losing benefits. Families who receive working tax credits should have access to free school meals. Where Jobcentre Plus provides advice and calculations to people to encourage them to move off benefits and into work these need to provide a complete picture of all the additional costs the family may face, otherwise they may risk being worse off or getting into debt.

“

With the hikes in petrol, gas, electricity and food bills, I'm dreading Christmas and my son's birthday.

This  
year  
is going to be a

bleak  
one.”



Colleen 45 has one child under 14

“

It all started when the social stopped my money 10 weeks ago.

Now  
I have  
no money  
for bills.

My landlord is trying to get us out and my life is falling apart. It's making me ill. My child is very depressed.

”

Fran 51 has one teenage child



“ I live in a private rented house which costs £128 a week. It’s far too expensive for me to live here as I’m a single parent. I can’t even take my kid out on day trips as I don’t have any spare money for luxuries. The house I live in has been bothered with mice and rats now for nearly two years. I caught 12 rats in the attic in a few days and I had to get rid of everything out of it which was worth well over £1000. I lost my kid’s school work, baby stuff, bears etc. But last Monday I got a mouse again in the attic.

# I can't bring my daughter up in this house



let alone a new born baby, think of the diseases. Cracks are also starting to appear along the stairs and the bathroom floor is sinking. What if someone comes through it, this house is a joke and the landlord will do nothing about it.”

Anne 28 has one child under 14 and is four months pregnant

# Housing

For families on a low income it can be very difficult to find somewhere to live. There is a huge shortage of affordable council and housing association homes to rent, whilst private renting can offer very little security, with high rents and landlords who may be reluctant to rent to people on benefit. For many, home ownership is completely out of reach.

“ I cannot have my children with me because I am without a home to house them. My children are suffering so much and I don't want to lose them  
**Maria** 37, four children under 14 ”

**Citizens Advice heard from parents who got into financial difficulties and didn't get the help or advice they needed in time to avoid homelessness.**

“ I've just been given 14 days' notice to quit my two bedroom flat with my 12 year old son. Due to rent arrears I have been to the county court and they wanted repossession with immediate effect but the judge has granted me 14 days, then me and my son are on our own, nowhere to go, no family. I am so scared and don't know what to do.  
**Mary** 35 has one child under 14 ”

**Citizens Advice Bureaux help people with rent and mortgage arrears, by ensuring they maximise their incomes from benefits and tax credits, prioritise their debts and set up mechanisms for affordable repayments. But for home owners who are not entitled to income support and perhaps struggling in low paid work, the benefits system simply doesn't provide the help that is needed.**

“ I got divorced in May 2008. My son who's doing his A-Levels was turned down for education maintenance allowance. I'm on incapacity benefit, council tax benefit and child benefit. I'm not eligible for income support or housing benefit and I only get £75.40 in incapacity benefit. The mortgage lender has threatened repossession.  
**Katherine** 52 has two teenage children ”

“ Both me and my husband work and bring in on average £1400 a month and we are struggling to live as price of food and fuel is now too expensive so much so that we have resulted to having to put these essentials onto our credit cards. We feel that the government is not helping families that work and own their own home. We feel that maybe we would be better off if we did not work and just relied on benefits and council homes.  
**Janet** 33 has two children under 14 ”

**During this campaign, parents who are forced to bring up their children in very poor living conditions explained the impact it has on their children's health and well-being. Many parents who rent privately are afraid of exercising their rights to have repairs or health and safety issues addressed in fear of being evicted.**

**To end child poverty all families should be able to live in secure, affordable and decent homes. The government must ensure it meets its target to increase the number of social rented homes. In addition it must improve access to financial support and advice for families who find it difficult to pay their rent or mortgage and who risk losing their home. No family should have to live in a property in poor condition, but where this is happening tenants must have the right to complain without fear of being evicted from their home.**

“ I am a single mum of two living on benefits. My daughter starts secondary school in September and I am panicking about the cost of the uniform as it is so expensive. I just know

I won't  
be able to  
manage

Not only will I have to buy uniform for her there is also my son to consider. He will need new uniform too. I just don't know how I will cope.

Clara 29 has two children under 14



# Education

School should be an exciting and important experience for children and their parents, but for many school means something totally different.

“ Children can be so cruel, and if my children stand out just a little bit because they are wearing second hand uniform for example, then I worry that they will be the target for bullying

” **Kirsty** 34 has two children under 14

“ Even with the benefits I receive, I find it hard to pay all the bills, and I cannot afford proper uniform or shoes for my son, so he gets picked on at school

” **Jamelia** 28 has one child aged under 14

Every child in England and Wales has the right to a free state education. School has the potential to provide all children with opportunities to learn, make friends and participate in activities regardless of family income. School should be a place where children don't feel the effects of living in poverty – but when families are asked to pay for uniforms, activities, school trips and classroom materials, meeting these costs can cause major financial hardship.

“ My daughter has not been on any school holidays because of costs. I have had to take out a budget loan for school uniform over the years. Come September when she goes into 6th form I'll have to pay travel costs as well as uniform. There's no help with these for post 16.

” **Sarah** has one teenage child

At Citizens Advice Bureaux across the country people report their struggle to meet the hidden costs of school. Many say they're not able to get free school meals even when they're struggling to make ends meet.

The Citizens Advice Adding Up Campaign has called for the government to reveal the hidden costs of sending children to school and to support those parents who struggle to meet the costs of school meals and school uniforms.

“ After trying to pay my bills I only have £100 left to buy food for my children for a month. I have to go to the market in the evening to pick whatever food the market people throw away to cook for my children. When I called for help to apply for at least free school dinners for my children they told me that I am not qualified because I am getting working tax credits. My children wear torn clothes and shoes to school. I do not know what to do. I am fed up and feel like dying. I am really tired.

” **Jane** 40 has three children under 14

“ This weekend everything in my house was on emergency and I had no petrol to get to work. I had to send my children to school claiming they had forgotten their packed lunches so the school would provide them with a school meal whilst I asked a colleague to pick me and drop me off again telling her I had a problem starting my car!

” **Rachel** 32 has 2 children under 14

**To end child poverty all children and families should have access to an education which is truly free of charge.**

“ I'm a single parent of three and my youngest has ADHD and is classed as disabled. I struggle week to week to pay my bills, shopping is getting so expensive, my children don't like the school dinners so rather than letting them go hungry I'm having to buy packed lunch stuff which is crippling me. I can't afford any days out, a fun fair was here last week but I couldn't afford it and had to tell the kids no which made me feel guilty but we must put eating first. I need all sorts of things as the youngest breaks things.

” **May** 31 has three children under 14

“ I have applied for a part time job three evenings a week in the local supermarket. I'll earn minimum wage but I have worked it out that if I take the job our tax credits will go down which then means we are £500.00 a year worse off!

# What is the point?

I want to work part time in the evenings so I don't have to put our daughter into care but then our tax credits get reduced and we then have to live off even less money. It doesn't make financial sense. Me and my partner have both worked full time all our working lives and are in our early thirties. We are used to be able to financially support ourselves and we are now finding this very very hard. I can not believe we have to buy birthday presents from a charity shop! We are not even going to be able to have a holiday next year! ”



Janet 34 has two children under 14



# Advice makes a difference

Citizens Advice Bureaux give high quality advice to people experiencing poverty. On average, bureaux across the country secure increases in benefits or decreases in debt of over £3200 per client. Many parents who come to Citizens Advice Bureaux struggle with their income. Advice often focuses on income maximisation through work and increase in benefits and tax credit take-up.

“ I am a single mother with one daughter, and also off work on incapacity benefit. I never had debts before and yet now I have financial problems since being on benefits. What you are given in one hand is immediately taken from the other. It's so bad now that I'm struggling to pay my rent and then could have housing problems. Have approached people for help but get doors slammed in my face.”

**Hannah** 40 has one child under 14

“ I am under a lot of financial difficulty, although I'm working part-time, there are times when I don't eat at lunch time, due to no money. I am unable to buy good quality clothes and barely have money to buy much food. I would appreciate it if I could get some help.”

**Celia** 34 has two children under 14

“ I came to England four years ago. I'm working 48 hours a week and I'm paid £5.54 per hour. My husband is here as well and he is working 40 hours a week. My son is going to nursery two days a week which cost me £316. I try to call and apply for Child Care Cost, but nothing, nothing, nothing because they said I got enough money. I was trying to explain, if I take my son to nursery five days a week it will mean I would work to pay for my son's nursery only...”

**Eva** 23 has one child under 14

“ If you're a single mother there's absolutely no point in working in England. I went to university and gained a first class degree that enabled me to pursue a career as a teacher. Since graduating I've had one problem after another. At one point I was paying more rent than most people's mortgages because I claimed tax credits. Housing benefit considers this as income and reduces your entitlement.”

**Dianne** 32 has two children under 14

**To end child poverty advice services play an essential role helping maximise income for families with children, and advising people on their rights at work and as consumers. Advice services could do more to help end child poverty – and would welcome more support to do so.**

“ I struggle  
to feed and clothe  
my  
children

I feel so bad because they never get any treats or days out. It just breaks my heart and I don't know how long I can keep strong for them.

”

Abena 37 has four children under 14



# Further resources

All the following publications can found on  
**[www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)**

## Education

*Adding Up – the range and impact of school costs on families* (2007)

## From benefits to work

*Barriers to work – Lone parents and the challenges of working* (2008)

*Rooting out the rogues – Why vulnerable workers and good employers need a ‘fair employment commission’* (2007)

## Benefit and tax credits system

*Tax credit take-up resource pack* (2006)

## Housing

*Set up to fail – CAB clients’ experience of mortgage and secured loan arrears problems* (2007)

*The tenant’s dilemma – warning: your home is at risk of you dare complain* (2007)

*Unfinished business – housing association’s compliance with the rent arrears pre-action protocol and use of Ground 8* (2008)

## Advice makes a difference

*An introduction to the Citizens Advice service* (2008)

*Citizens Advice Impact Report – the impact of our social policy work in 2006/2007*

## Citizens Advice

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**[www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)**  
**[www.adviceguide.org.uk](http://www.adviceguide.org.uk)**

Report written by Johan Jensen at Citizens Advice  
Design: Navig8 [www.navig8.co.uk](http://www.navig8.co.uk)

“My fuel bills  
cost a  
fortune”

Last winter it got so cold that my children and I had to sleep in the living room, near the coal fire because we couldn't sleep in our beds, fully clothed and with extra blankets on top of our quilts.

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