

# It Takes a Village

The Little Village family poverty report, 2022

Executive summary



## Introduction

Little Village is a charity that fosters a village of support and solidarity for families on low incomes with children under five in London. We equip families with pre-loved kids' clothes and baby essentials as well as linking them with key services. We also work alongside parents to fix the system that keeps them trapped in poverty.

For a second year, we have commissioned exclusive research from the Joseph Rowntree Foundation looking at the rates, patterns and severity of poverty among families with babies and pre-school children in the UK. In addition, we have conducted our own focus groups, interviews, and a national survey of nearly 1400 families in the UK, exploring their experiences of

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life on a low income while raising children under five as well as a quantitative survey and focus groups specifically with the families we have supported in London through our baby banks.

The findings from the analysis are stark. Half of children in poverty live in a family with an under five. This demonstrates how the presence of younger children in the household exacerbates the prevalence of poverty due to the increased financial pressures families with young children face.

1.3 million of the 4.2 million children in poverty in the UK are babies and children under the age of five.

This is a situation that is getting worse. The total number of children in poverty is predicted to rise by 2023/24 to 5.2 million – an additional 1.1 million children.

It doesn't need to be like this.

### Why is it so critical to prevent poverty in the early years of life?

The importance of children's early years is well evidenced and the impact of poverty at this stage can be profound. What happens during the first few years of a child's life sets the parameters for the rest of their childhood. Many of the families we have supported at Little Village report having had inadequate provision of key items such as a crib, toys, bottles, or suitable clothing. As well as practical impact, the emotional impact of poverty on their parents affects children directly and indirectly.

### What the data tells us

#### Housing

Housing can be seen both as one of the primary drivers and one of the key indicators of child poverty.

Children under five are much more likely to be living in rented accommodation, and families

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with under-fives in rented accommodation face much higher poverty rates than other families. This reliance on the rented sector, combined with comparatively lower incomes for families with young children, means families are more likely to be in poverty.

Our analysis demonstrates that housing instability compounds other forms of structural disadvantage. Households with children and households with children under five are more likely than on average to be overcrowded; one in five BME households with under fives are overcrowded, as are around 15% of families with an under-five that are headed by a single parent or that have a disabled child. Over eight in 10 children in single parent and young parent families (with one parent under the age of twenty five) with under-fives live in rented accommodation, as do over six in 10 children in Black and Minority Ethnic households with under-fives.

#### Location

We saw child poverty levels among families with a child under five vary heavily geographically, both in prevalence and depth. The North East has the highest poverty rates, with 47% of children in families with an under-five facing poverty.

However, London has the largest number of children living in poverty, and a higher proportion of children in London are living in deeper poverty. Location will heavily influence how far the money a family has can go, due to the varying cost of living.

#### Employment

The proportion of children in poverty who have one or more parent or carer in work has been increasing steadily over time. This is corroborated by 40% of Universal Credit claimants being in work, many of which are families.

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Three quarters of children in a family with an under five from a BME background who are in poverty have one or more parent in work. However, due to both childcare costs and the lack of a secondary caregiver, single parent families find it harder to be in work with an under-five.

### Family Background

Our research shows that poverty does not affect all children equally. Systemic inequalities intensify poverty.

We have found that marginalised groups (those from racial minority backgrounds, or those with a disabled family member), lone parent families and families with young parents are at greatest risk of poverty. We believe that poverty alleviation requires an intersectional lens, as these groups are at risk of not only poverty but heightened stigma, prejudice, and barriers.

## Behind the data

### The experiences of real families with young children

Qualitative research conducted with families with young children facing financial hardship conducted by Little Village told us that:

- Poor housing is both a cause and a symptom of poverty in the early years
- Unaffordable childcare is driving parents out of work and into debt
- Essential purchases for young children make difficult decisions about which costs to prioritise even harder
- Early years services are essential to child development and parental mental health, but access is challenging and services are being cut
- Stigma and stereotyping create unnecessary obstacles for families with young children

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## What needs to change?

Early intervention measures to offset current barriers to financial security for families with children under five are urgently needed, as the negative impact of growing up in poverty means that the current systemic challenges in place have long lasting implications. We know that with the right support, poverty does not have to be a permanent experience, but it is imperative that we change the conversation on child poverty and shift perceptions of families experiencing financial hardship.

The themes arising from both the stories families have shared with us and the analysis undertaken by the Joseph Rowntree Foundation reveal the necessity of pragmatic policy solutions.

Our primary recommendations are:

- Invest in **affordable quality childcare** for all children, and particularly children from low income households.

- Re-invest in local authority **early years support services**, to help close the gap by the time children start school.
- Make **Universal Credit** work for families and remove the two-child benefits limit to lift a significant number of children out of poverty.

Little Village will continue to work with families to support them when they need it most, with the clothes, kit, books and toys that our donors lovingly pass on. But we will also redouble our efforts to highlight why families have been pulled into poverty in the first place, and why they get trapped there.

All children deserve a decent start in life. Join us in helping to make this possible.

