

### 3) Make sure that all parents can combine work and family life through the provision of a sufficient supply of high quality, affordable, accessible childcare

The Government recognised in 1998 the importance of childcare when it launched the National Childcare Strategy; acknowledging that “there was a shortage of places, information was scarce on how parents could find them, and places were often expensive.” According to the latest comparative figures the Government invests a quarter of the relative amount that Denmark spends on early childhood education and care, and about a third of the investment that Sweden and Norway make.<sup>6</sup> Whilst progress has been made since these figures were published, parents on low incomes still report that a shortage of places, and high costs of childcare continue to be the case today.

- **Making childcare affordable for all**

The cost of childcare prevents many low-income families from using it as and when they wish to. A recent Daycare Trust survey of parents found that half of those who were not using any childcare cited ‘childcare is too expensive’ as a reason.<sup>7</sup>

For parents on low incomes or on benefits, even minimal costs can be expensive and a deterrent to using childcare.

- **Providing sufficient high quality accessible childcare**

Some families, especially those from black and minority ethnic communities, lone parents and families living with disability, find it especially difficult to access childcare and other family support services. Parents report a distinct lack of childcare places and need an easily accessible source of childcare information and advice to help them through the childcare maze. Parents of disabled children face higher barriers than most in finding childcare to suit their needs and tell of their frustration at the lack of appropriate childcare delivered by trained staff.

- **Give parents genuine choices in balancing work and family life**

Parents, particularly those on a low income, face huge challenges in finding an employer that will offer working patterns that will fit in with their family life.

Lone parents face particular problems in finding childcare that will enable them to balance work and home life. Parents who are not in paid work also say access to childcare would free them up to undertake study or training and apply for work. Many parents also report their reluctance to leave their children in childcare while they go out to work when they are very young.

Childcare is key to parents finding a route out of poverty, giving them space to take up training or further education, or have peace of mind that their child will be looked after in an inspiring environment and to find a job.

**Without significant improvements in the provision of childcare, and improvements in earning and employment potential for parents, the Government’s target to halve child poverty by 2010 and end it by 2020 will not be reached.**

#### 3.8 million children are living in poverty in the UK today

Child poverty is not inevitable, and progress has been made, but with one child in every three still experiencing poverty we have an urgent task on our hands.

The Campaign to End Child Poverty is made up of over 80 children’s charities, child welfare organisations, social justice groups, faith-groups, trade unions and others concerned about the unacceptably high levels of child poverty in the UK - all working together for our common vision of a poverty-free UK.

#### This is a series of briefings on our four key Campaign areas. Others will include:

**Child Poverty and Income:**

The Government must commit £4billion annual investment on benefits and child tax credits to reach 2010 target of halving child poverty.

**Child Poverty and Education:**

The Government must provide access to high quality early years education for every child from a low-income family; Aim to close the gap between state and private school funding levels and ensure that new spending is geared towards schools in the poorest areas or with the poorest intake;

Ensure education works for all children by rolling out personalised learning agendas in schools to guarantee increased support, particularly for those from the poorest backgrounds.

**Child Poverty and Housing:**

To ensure an adequate home for every child the Government must have built 20,000 additional social rented homes per year to lift 154,000 children out of bad housing.

## Employment and Childcare

- “It’s hard to get a job in this town, I can’t get one, not with a learning disability. ▶▶\* ”
- “I am a lone parent, with a disabled child, on £190 a week, but I am still struggling. I am desperate to work, but because of hospital appointments, jobs are not available. ▶▶\* ”
- “Ever since I was made redundant, I have looked for a job to meet the deadlines of picking up my son from school. ▶▶\* ”
- “I want to work part-time but I need peace of mind that my child is being well looked after when I’m at work. ▶▶\* ”
- “If only we could get help with childcare; that is the main issue... then I could go out and do a nine to five. ▶▶\* ”



To learn about child poverty, take action and get involved in the Campaign, go to:

[www.endchildpoverty.org.uk](http://www.endchildpoverty.org.uk)

Registered Charity no. 1099008.

## Summary

Millions of children are living in poverty in the UK today despite having a parent or sometimes two in paid employment. This briefing looks at the risk of poverty that families face, and sets out what the Government can do to ensure that the employment and childcare agenda contributes to their goal of ending child poverty.

With benefits set way below the poverty line being without paid work carries a severe risk of poverty for families with children. 78 per cent of children in families without a parent in work are poor.<sup>1</sup> So moving into work is a good route out of poverty, and helping more parents, who want to, to take up jobs must be a vital part of the Government's child poverty strategy.

But getting a job doesn't guarantee a family life free of poverty: 12 per cent of children where all parents in the household are working are poor, as are 37 per cent of children where at least one adult is in work.<sup>2</sup>

What's more, many parents find that getting a job isn't always a permanent solution. Moves into poor quality, low paid, irregular work can be disruptive for families, and research shows that it is families who experience frequent moves between working and not working who end up in the most severe poverty.<sup>3</sup> So the Campaign to End Child Poverty is calling for the Government to:

**1) Ensure that work pays through an increase in the minimum wage, in-work benefits and tax credits.**

**2) Make sure that parents are not trapped in poor quality jobs by investing more in help for the most disadvantaged to get, keep and progress in employment.**

For parents to increase household income by returning to work or securing further education and training good quality childcare must be easily available, when they want it, and at a price they can afford. Alongside this parents need jobs that give them the flexibility they require. The Government must give families on low incomes the choices and opportunities they need to balance work and family responsibilities, so we are calling on the Government to:

**3) Make sure that all parents can combine work and family life through the provision of a sufficient supply of high quality, affordable, accessible childcare.**

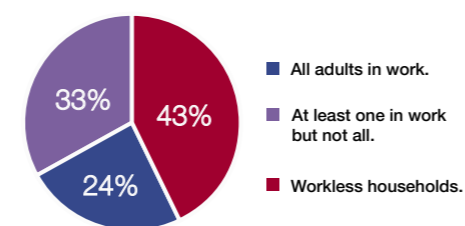
## 1) Ensure that work pays

Unfortunately gaining employment does not give a family an automatic leg-up out of poverty. In work poverty means that many children, who have a parent or parents with a job, are still living in poverty.

With high costs for housing, transport, electricity and gas etc parents working for a low income are often still unable to make ends meet; unable to save money and with no slack in the budget, families such as these are often harder hit when unexpected costs are incurred when a cooker breaks down or a child grows out of their winter coat for instance.

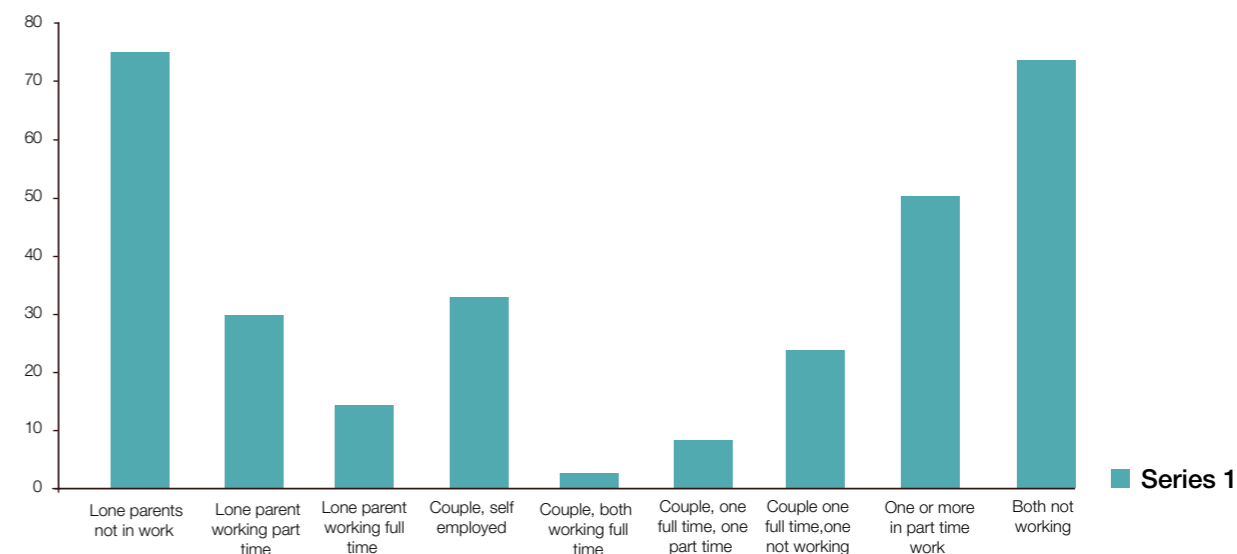
Figure 1 shows the family types of children living in poverty and their working status. It shows that, although the biggest group of poor children live in households where no-one is in work, 57 per cent live in a household where at least one of their parents has a paid job.

**Figure 1: Composition of poor children by working status of household**



**Source:** Table 4.3 DWP (2007) DWP and National Statistics (2007) Households Below Average Income An analysis of the income distribution 1994/5 – 2005/6 Department for Work and Pensions.

**Figure 2: Risk of poverty for different household types.**



Although the risk of poverty is greatest for workless families, single-earner families, particularly those working part time, can still face high risks of poverty. Figure 2 demonstrates this by showing the risks of poverty for different household and work combinations.

The Government has helped to tackle poverty in work by introducing the National Minimum Wage and Working Tax Credits. But ending child poverty will mean doing more to make work pay by:

- Asking employers to take more responsibility through an increase in the National Minimum Wage; and
- Increasing in-work benefits and tax-credits to keep pace with increases in earnings across the board and stop the poorest falling behind.

## 2) Make sure parents are not trapped in poor quality jobs

The Government has made getting parents, and particularly lone parents, into paid work a key part of their anti-poverty strategy. The lone parent employment rate has risen by ten per cent in the last ten years, and 56.5 per cent are now in paid work.<sup>4</sup> But, as seen above, getting into work doesn't always mean getting out of poverty. Many of the jobs that lone parents have found have been low paid and low status with little means of getting in-work training or advancing to a position with higher status or pay.

The Government's welfare to work services have so far concentrated solely on finding a job. But parents, and particularly lone parents can find that combining work and family life is still a challenge, leading to some returning to benefits. Frequent changes of this type can be particularly bad for children; research for Save the Children found that children whose parents had had more than one move between work and benefits were particularly likely to be living in severe poverty.<sup>5</sup>

Ending child poverty will mean ensuring that parents can get, keep and progress in jobs. This will mean:

- Helping parents to move into good jobs, not just any job.
- More support for parents after they have moved into work; and
- More support for training, both before moving into work and after, to help parents make the best of their skills.

<sup>1</sup> **After Housing Costs;** Poverty is defined as living below 60 per cent of median income.

<sup>2</sup> **DWP (2007),** DWP and National Statistics (2007) Households Below Average Income An analysis of the income distribution 1994/5 – 2005/6 Department for Work and Pensions. Available at <http://www.dwp.gov.uk/asd/hbai.asp>

<sup>3</sup> Adelman L, Middleton S and Ashworth K (2003) **Britain's Poorest Children: Severe and persistent poverty and social exclusion Save the Children.**

<sup>4</sup> **Labour Force Survey 2006,** Spring quarter, Office for National Statistics. Available at: <http://www.statistics.gov.uk/cci/nugget.asp?id=409>

<sup>5</sup> Adelman L, Middleton S and Ashworth K (2003) **Britain's Poorest Children: Severe and persistent poverty and social exclusion Save the Children.**

<sup>6</sup> **'Starting Strong II',** OECD 2006. Denmark spends 2% GDP on Early Childhood Education and Care, and Sweden and Norway spend 1.7%, compared to 0.5% in the UK according to data provided in 2004.

<sup>7</sup> **Daycare Trust (2007) Findings from Listening to Families research,** October 2006-May 2007 Daycare Trust, London