

A photograph of a man with dark hair and a beard, wearing a dark blue shirt, sitting on a dark couch. He is holding an open book and looking down at it. To his left is a young girl with long dark hair, wearing a light-colored patterned shirt, holding a blue glass. To his right is a young boy with short blonde hair, wearing a blue and white striped shirt, looking at the book. The background is a plain, light-colored wall. In the top right corner, there is a stylized graphic of a house with a chimney and a window.

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State of Child Poverty 2022

COVID-19 and the cost-of-living crisis: the impact on families and young people living in poverty.

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EXECUTIVE SUMMARY

The UK is in a time of crisis. The findings of this report demonstrate the real, lived impact of the COVID-19 pandemic and cost-of-living crisis on children and young people experiencing poverty today. Over 1,000 frontline professionals responded to our survey in Summer 2022, sharing their anxieties, concerns and experiences of seeing first-hand the struggle that so many are facing. They reach a combined estimate of 60,000 children, meaning we have a greater insight than ever in our fourth year of running this survey. Where comparisons are made year-on-year, they demonstrate very clearly that life is getting worse for children and young people in poverty.

To understand the cohort, we asked respondents to report on the exposure to and severity of the adverse childhood experiences (ACEs) children and young people they work with are facing. ACEs are a descriptive factor linking experiences of trauma in the home and childhood to a reduction in successful outcomes as an adult. Understanding this underpins the findings of the report. We sought to understand the context in which disadvantaged children are growing up in today, knowing that it will have long-term consequences.

The most commonly occurring ACEs amongst the cohort of children supported were reported as:

- Mental health problems (68% of children and young people)
- Parental separation (67%)
- Domestic abuse (63%).
- Verbal abuse (63%)
- Neglect (54%)

Support workers reported that the **prevalence** of ACEs had risen **between 2-6%** since last year. Furthermore, the severity of all ACEs was reported as having increased across the board, with three facing particularly sharp increases:

- **Family mental illness** was reported as having increased in severity by **92%** of respondents with **54%** saying that it was a lot more severe.
- **Domestic violence** was reported as a lot more severe in **43%** of cases, with **82%** of respondents reporting increasing severity overall.
- **Neglect** was reported as becoming a lot more severe by **37%** of respondents.

With consistent increases in the prevalence and severity of ACEs, it is clear that frontline workers are witnessing a very difficult time for many families. They attribute this to many contextual factors caused by the pandemic and rising cost-of-living crisis and, importantly, the relationship between the two. These can be summed up as:

- Severe and substantial concerns over the affordability of the basics, particularly gas, electricity, and food.
- Increasing pressure on support services due to backlogs caused by the pandemic, compounded by severe underfunding and financial support.
- Worsening mental health in families, with long waiting lists for support and rising anxieties caused by the increased cost of living.
- Recovery from isolation and gaps in education after the pandemic, impacting on children and young people's relationships with peers and engagement at school.

Indeed, the critical finding of this report is summed up by the steeply rising cost of important sundries and services and with it, disadvantaged families' capacity to afford them has fallen. Indeed, **63%** of families were reported as being unable to afford adequate **furniture and appliances**. A further **66%** are unable to afford the **IT equipment** so necessary for equal access to modern education and employment. Most concerning, however, **food and gas/electric were reported as unaffordable for 55% and 57% of families respectively**, a rise of 12% each since last year. Given that 'heating and eating' are the most basic needs of children and young people. This is a shocking and graphic illustration of the state of child poverty currently.

Support workers reported on the lived experiences of food and utilities poverty. They described the hunger that was holding back learning and wellbeing, inappropriate clothing reducing attendance at school and cold, damp homes giving rise to high levels of stress and poor health. Support workers predicted that these issues would worsen rapidly as inflation rises, and many expressed deep anxieties about the coming winter. These concerns were reflected in responses to questions around engagement and success in educational outcomes, with the data suggesting that difficulties in behaviour, emotional health and relationships of children and young people have risen between **2-5%** since last year alone. Open responses also saw frontline workers suggesting that with many families reaching the limits of their household budget with their current spend on food and utilities, the next crisis is likely to be a tide of defaults on rent payments and increasing debt. These are seen as critical contributory factors in the mental health crises impacting families in poverty.

The survey investigates the role of support services in addressing the worsening outcomes for families living in poverty. This is reflected in responses to our question about the changing availability of crucial support. This year, support workers reported a net fall of 45% in availability of counselling and therapy services, with a further 21% and 25% net fall in availability of support for finding accommodation and obtaining household items respectively. Last year, when we asked frontline workers what they viewed as the most critical support needed going forward, we saw an overwhelming majority cite mental health support. However, this year, they were split almost evenly by the top two factors: **mental health support at 29% and financial support for rent and utility bills at 28%**. There is no better summary of the cyclical nature of many of the issues reported by frontline workers than the fact that these two very different types of support are seen as equally important.

In order to address these growing inequalities and the very severe, tangible impacts of living in poverty, we need to act on what these professionals are telling us. We need to do this with urgency, given the pace with which inflation is rising and the tightening grip of the cost-of-living crisis. In order to address these issues, we urge policy makers to consider the following:

- The creation of the post of Cabinet Minister for Children and Young People to work towards a nationwide Child Poverty Strategy which will:
 - Ensure that the welfare system can cover the basics, so that families can cope with the rising costs of food and utilities, and benefits keep pace with inflation.
 - Make Mental Health Support Teams available in all schools.
 - Implement a review of the state school curriculum to consider: (i) the balance between academic areas with those that have come to be called 'enrichment' (i.e., activities designed to build motivation or resilience; encourage exercise or learning new skills); and (ii) how social, emotional and health education can become a more meaningful part of the curriculum.
 - Promote within schools an understanding of the link between Adverse Childhood Experiences and trauma and provide better access to therapeutic support and more specialist targeted support for those where this link exists.

- Encourage corporates and charities to work together to support vulnerable groups directly, similar to Buttle UK's School Uniform Campaign with George at Asda, which saw £120,000 of pre-loaded gift cards for school uniform passed on to families who needed them.
- Acting on End Child Poverty Coalition's calls for action to address improvements to the state support system which will tackle child poverty. These are summarised as:
 - Benefits should keep pace with inflation permanently, not just through one-off measures due to be implemented this autumn.
 - For those on universal credit, deductions should be reduced and the benefit cap abolished
 - Improving access to free or affordable childcare.
 - Ensuring Free School Meals in England and Wales are extended to all children in families receiving Universal Credit.

INTRODUCTION

Context

Buttle UK has been helping children and young people living in crisis for nearly 70 years. We do this through providing financial support in the form of grants of up to £2,000, managed by frontline workers supporting the families or estranged young person through their difficult circumstances. While all of our grantees are living in poverty, their crises vary. Therefore, we see a great number of challenging social issues supported through our grants. For a small number of vulnerable children who are experiencing ongoing crisis, which sees them at the edge of care, we provide grants towards boarding school fees. By delivering grants through a referrer, the items and experiences they fund can complement the support being given on the ground. In this way, our grant-making is holistic. While we recognise that a package of support in this format may not solve the problem in its entirety, our impact and evaluation measures have shown that it makes a transformational difference when it is really needed.

In the 2021-22 financial year, we supported over **4,500 children and young people**, granting over £4 million through our Chances for Children and Boarding grants. This was amidst the gradual removal of COVID-19 restrictions and pandemic-specific financial support. Feedback we have received directly from families through our regular evaluation of our grants over the last year has indicated that some families and young people struggled with changing income, benefit entitlement and working practices. This reflects the changing landscape of poverty post-pandemic, which is seeing those in the lowest income brackets facing rising inequality¹. Concurrently, the ongoing tumultuous financial climate has seen the cost-of-living soar. This disproportionately impacts families already living in poverty, who are facing the largest proportional decreases in their spending power². Table 1 summarises the concerns that our referrers have over the climate in which they are working. It is clear that the cost-of-living crisis has overtaken even the COVID-19 pandemic in terms of the negative impact it has been having on those living in poverty.

¹ [Inequalities in Education, Skills and Incomes in the UK: the Implications of the COVID-19 Pandemic - Institute of Fiscal Studies](#)

² [Household Spending - Joseph Rowntree Foundation](#)

Table 1. Reported impact of national issues

National issue	A large negative impact	A small negative impact	Has had no impact	A positive impact
The COVID-19 pandemic	76%	21%	1%	1%
Cost-of-living crisis	95%	4%	0%	1%
Brexit (exiting the EU)	41%	38%	20%	1%
Tax rises	56%	33%	10%	1%

State of Child Poverty survey

The findings of this report are gathered from the direct experiences of those working on the frontline of health, education, housing, and social care, supporting families and young people living in poverty. Their perspectives were gathered through our fourth annual State of Child Poverty survey. This year, we had a record 1,042 respondents to the survey, who responded between the 11th July – 12th August 2022. The focus of this study has been the long-term impact of the COVID-19 pandemic as we move away from the most severe restrictions of the last two years. It has also focused on the growing cost-of-living crisis, and the relationship between the two.

Having an increased number of respondents has offered an even greater insight into the lived experiences of children and young people. This is thanks to the important role our referrer network has in working on the frontline. All survey participants have applied for Buttle UK grants in the past. The nature of their roles mean that they not only provide the essential support services needed by those living in poverty, but also have an insight into the complicated relationships between service provision, availability, and demand. Table 2 demonstrates the split of the respondents, with slightly more working for public sector organisations than voluntary organisations.

Table 2. Breakdown of respondents by sector

Sector	Number	Percentage
Social Services	410	39%
Voluntary	354	34%
Education	81	8%
Housing provider/Supported accommodation	77	7%
Public Health/NHS	42	4%
Local Authority	46	4%
Other	32	3%
Total	1,042	100%

Buttle UK works with referrers across the United Kingdom, and this was reflected by our survey respondents. Though lower in number, Northern Ireland, Scotland, and Wales were represented proportionally above their respective populations by the percentage of referrers. This is positive, as it provides broad insights from all four nations.

Table 3. Breakdown of respondents by country

Nation	Number	Percentage
England	789	76%
Northern Ireland	54	5%
Scotland	104	10%
Wales	84	8%
Not Known	11	1%
Total	1042	100%

As with last year's survey respondents, our referrers define themselves as working with a wide variety of client groups. However, in this year's survey, we saw a proportional fall in domestic abuse workers and a significant increase in those working in the statutory social work sector. This, of course, will inform the findings. Nonetheless, other sectors are represented approximately equivalently to last year's survey, meaning that the results will be comparable.

Table 4. Breakdown of respondents by client group

	2021		2022	
Area of focus	Number	Percentage	Number	Percentage
Domestic Abuse	234	35%	262	25%
Child Protection/Child in Need	173	26%	329	32%
Estranged Young People	91	14%	133	13%
Family support	42	6%	80	8%
Early help	31	5%	57	5%
Housing/homelessness	27	4%	62	6%
Kinship Care	17	3%	20	2%
Looked After Children	6	1%	25	2%
Young parents	6	1%	18	2%
Asylum and Refugees	5	1%	9	1%
Other	37	6%	47	4%
Total	669	100%	1042	100%

THE FINDINGS

Section 1: Adverse Childhood Experiences

Many of the young people and children supported by Buttle UK have experienced multiple adverse childhood experiences (ACEs). We asked respondents to report the percentage of children and young people who have had exposure to specific ACEs. Table 5 shows the difference between responses from the same question asked in 2021, and comparison of the two shows reported increases of all ACEs. Furthermore, mental illness in the family, verbal abuse, domestic violence, and parental separation were reported as being present in between 60-70% of households. These are critical factors impacting children's safe and healthy development.

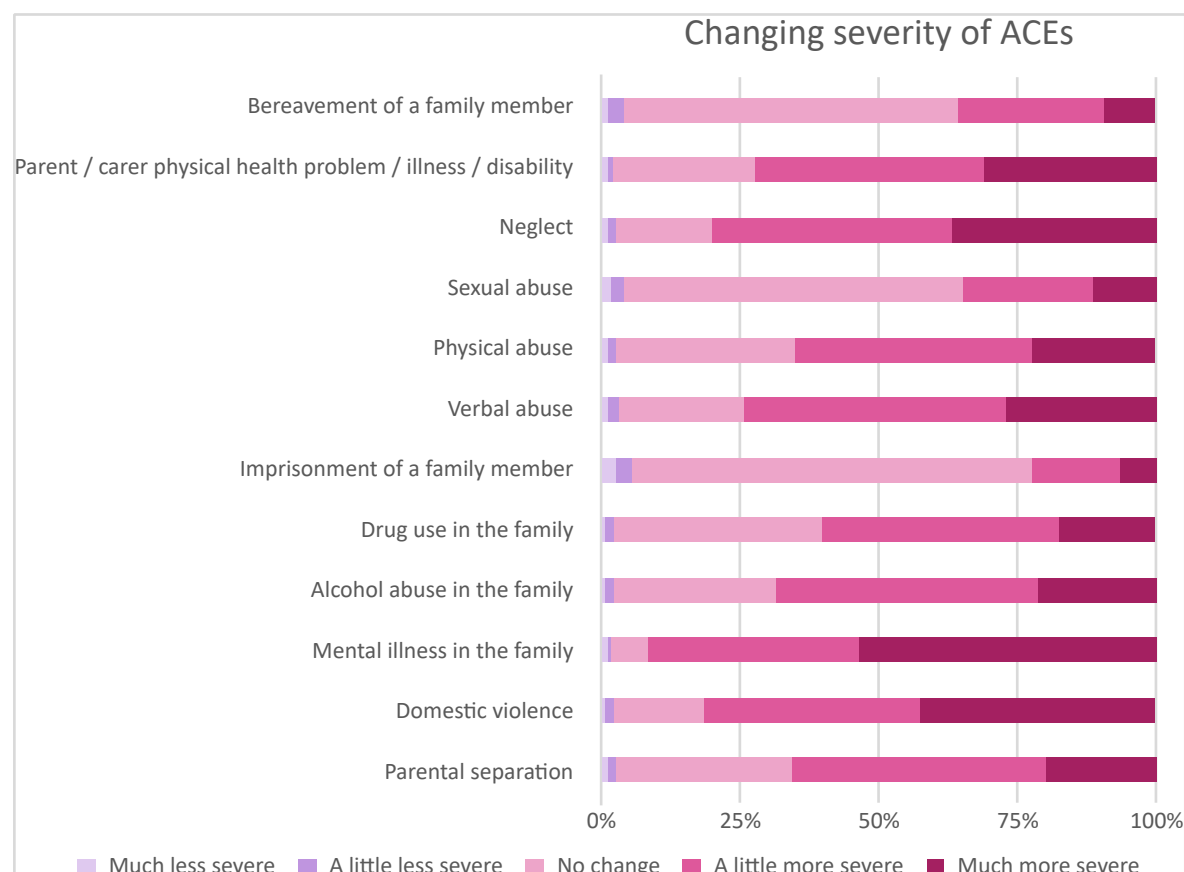
Table 5. Prevalence of Adverse Childhood Experiences

Adverse Childhood Experience	% of families 2021	% of families 2022	Difference
Mental illness in the family	63%	68%	+5%
Domestic violence	59%	63%	+4%
Neglect	48%	54%	+6%
Parent/carer physical health problem/illness/disability	44%	49%	+5%
Verbal abuse	61%	63%	+2%
Alcohol abuse in the family	39%	45%	+6%
Parental separation	63%	67%	+4%
Drug use in the family	37%	42%	+5%
Physical abuse	44%	45%	+1%
Sexual abuse	22%	26%	+4%
Imprisonment of family member	20%	23%	+3%
Bereavement – non-traditional ACE	28%	31%	+3%

To expand on this, respondents were asked to rate the changing **severity** of ACEs over the last year (Figure 1). ACEs were rarely reported as having dropped in severity, with a drop reported at most of 6% (for imprisonment of a family member). The ACEs with the highest rated increase in severity included neglect, parent/carer health problems, mental illness in the family, domestic violence, and verbal abuse. This paints a picture of the increased trauma children and young people are facing, not just in numbers of adverse experiences, but the increasing seriousness of said ACEs. National and international research suggests that the COVID-19 pandemic is having a long-term impact on the severity of ACEs, particularly on the

health and wellbeing of the household, including rising levels of hidden abuse³. This is compounded by the strain that the pandemic has put on the economy, further exacerbating child poverty and increasing the resulting ACEs⁴

Figure 1. Responses to question around changing severity of ACEs.



The following quotes are examples of how these changes are negatively impacting children today, and their concerns for what might happen as a result of the increasing inequality caused by the cost-of-living crisis. Many focus on the exceptional strain caused by gaps in support available, which is explored in Section 4.

Young people's lives have been affected due to isolation, poor physical and mental health. Less money in the home is causing no energy, food, suitable clothing and funds to take part in social activities. This is just going to cause ACEs to worsen.

Isolation, depression, deterioration of mental health and outlook for the future...there's a loss of social and communication skills and nuances. Anxiety becoming the norm. Fear around heat, food, money passed from adults to children. Care-givers' anger and

³ [The Unintended Consequence of Novel Coronavirus \(COVID-19\) Pandemic on Racial Inequities Associated With Adverse Childhood Experiences \(ACEs\) - Frontiers in Public Health](#)

⁴ [Understanding the Impact of COVID-19 on Violence and ACES - Violence Prevention Wales.](#)

stress being taken out on children. Adults self-medicating with alcohol and drugs to cope. People giving up on trying to get doctors' appointments.

Children have missed out on many things due to ACEs. They already experienced hardship which has got much worse due to the COVID and the cost-of-living crisis. Particular groups such as BAME groups are more affected as many were on an already low income and due to inequality, they have fallen further behind the rest of society.

The pandemic resulted in a significant increase in mental health issues, domestic violence, and drug and alcohol misuse within parents, all having a direct impact on a young person's mental health and wellbeing. The cost of living has exacerbated these impacts with many more families splitting up and a lot more strain being put on families which then has a direct impact on the young person.

ACEs already have a severe long term impact on children and young people. However, the increased stress of managing the past few challenging years - off the back of austerity and severe cuts to public services for so many years - increases the likelihood of children experiencing ACEs. We need to take a public health approach to supporting children, focusing on the contextual factors (poverty, discrimination, marginalisation, lack of safe housing etc) and supporting parents to subsequently support children.

Children are feeling the effects of cost-of-living crisis, they are going without basic necessities, living in households where parents are struggling, causing domestic abuse. Parents are stressed and lashing out at children, children are living with parents with mental health issues which is triggered by the stress, relationships are breaking down...parents are really struggling to make ends meet.

Section 2: Utilities and Food Poverty

Thanks to the large number of survey respondents, we have gained insights into the lived experiences of approximately **60,602** children and young people through this survey cohort. It is therefore profoundly concerning that our referrers reported that they would define **45%** as living in destitution. This is an alarming increase from the **36%** reported by survey respondents in **2021**. Our definition of destitution in this context is informed by the Joseph Rowntree Foundation, who define destitution as going without the essentials needed to eat and stay warm, dry and clean. We asked respondents to expand on the situation, particularly around the affordability of basic items to support wellbeing.

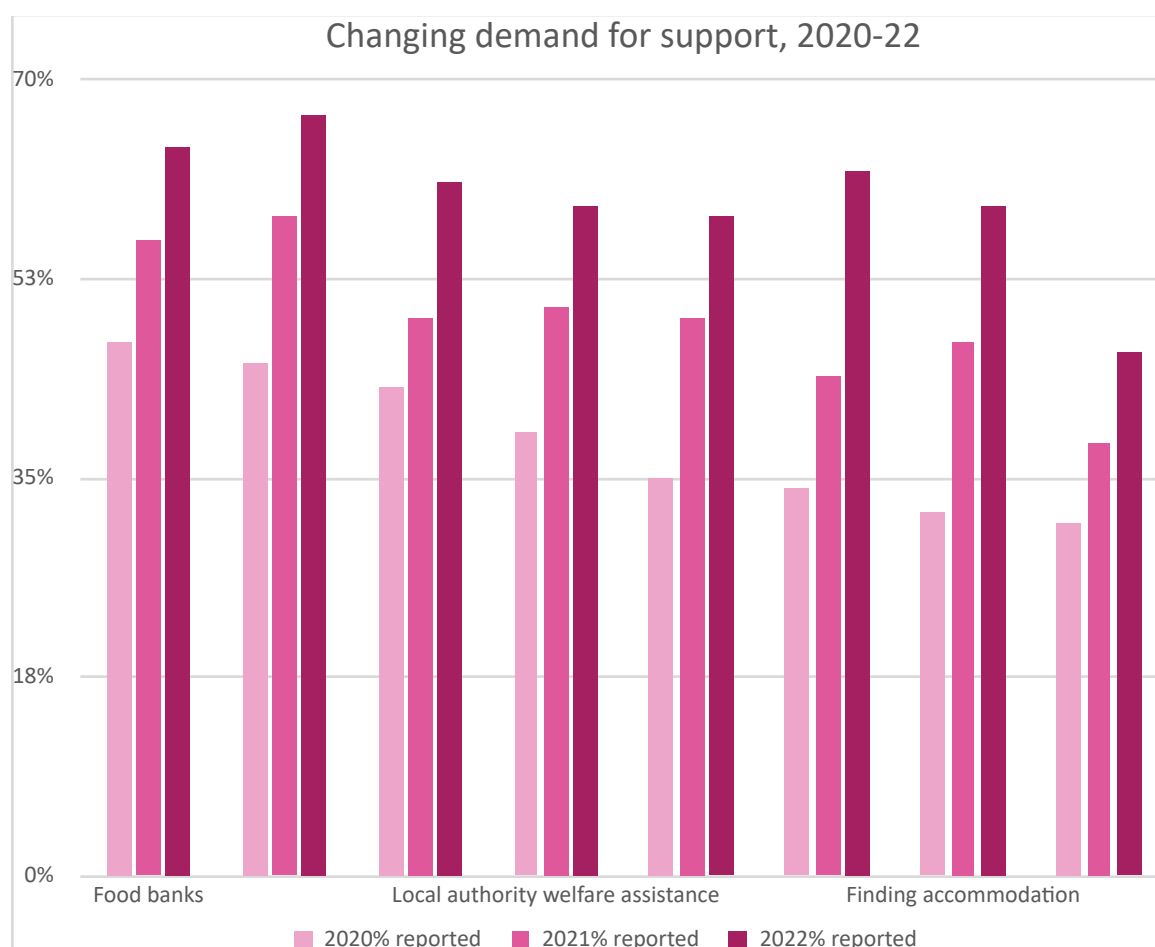
Table 6 shows the changes in families' capacities to afford basic items and services. Furniture/appliances and IT equipment remained the two highest unaffordable basics year-on-year. However, food and utilities saw the largest year-on-year increase, with over half of families unable to afford to heat or eat to a basic standard. Clearly, having enough food and a safe, warm home is absolutely critical, and therefore of concern that this area has seen the biggest change in affordability.

Table 6. Percentage of families struggling to afford the basics

Unable to afford...	Percentage of families		
	2021 % reported	2022 % reported	Difference
Furniture/appliance	59%	63%	+4%
Food	47%	55%	+12%
Child clothes/toys	48%	51%	+3%
Gas/electric	45%	57%	+12%
Rent	44%	47%	+3%
Clean home/clothes	43%	47%	+4%
Bed	30%	28%	-2%
IT equipment	66%	66%	0%
Internet access	57%	54%	-3%

Figure 2 demonstrates the changing demand for services provided by referrers, which supports these findings. Year-on-year, support workers report that demand has risen, reaching its highest level this year in all areas. The need for mental health services (67% of families) has remained the highest reported issue in 2022 but is closely followed by food banks (64%). Furthermore, the service where demand has increased the most is support for utility bills. On average, 18% more families were reported as struggling with utilities in the last year alone, and demand has almost doubled since 2020.

Figure 2. Percentage of families/young people needing support



Survey respondents expanded on **the increasing demand for services and changing affordability of basics in powerful qualitative responses**. The common themes suggest:

- A profound concern about children, young people and care givers going without food to get by. This was the most commonly stated concern, with many sharing serious anxieties about children not being able to eat. It was often described in terms of acting as a time bomb, leading to spiralling ill health and poor life chances.
- Increasingly poor living circumstances, with major concerns about the damp, cold and unheated homes many will live in over winter as they cannot afford to heat them.
- Families and young people who have fled from abuse are at risk of particular disadvantage, due to additional challenge of starting from scratch in such a tight economic climate. They may feel forced to return to an abuser.
- Children will be witnesses to crime or themselves become exploited, as caregivers turn to criminal activities to afford to heat, eat or provide basic living essentials.
- Increased financial and work-related stress causing fracturing in family relationships, triggering emotional upheaval for children experiencing separation.
- The increased demand on stretched services, reduced funding and already swamped workloads leaving support workers unable to help.

Section 3: The legacy of COVID-19 in education

This year, we asked support workers about their views around education for children and young children in poverty today. Our SOCP report last year demonstrated that many children were falling behind due to a lack of digital access, overcoming past trauma and the difficulty of home-learning in households with varying needs. This year, when we asked what percentage of the children and young people you work with fell behind in education during the pandemic?, support workers reported that **62%** of the children they work with fell behind due to the pandemic. While this is a 4% decrease on the same question last year, we also asked about the cost-of-living crisis. Even though it appears to be in its relative infancy, growing in momentum only within the last year, support workers reported that **51%** of the children they work with were falling behind because of it. Considering the myriad factors caused by and exacerbated by this ongoing crisis, it is not surprising to see that support workers are seeing a link between them and that of educational engagement and attainment.

Figure 3. Support worker perspectives on barriers to education

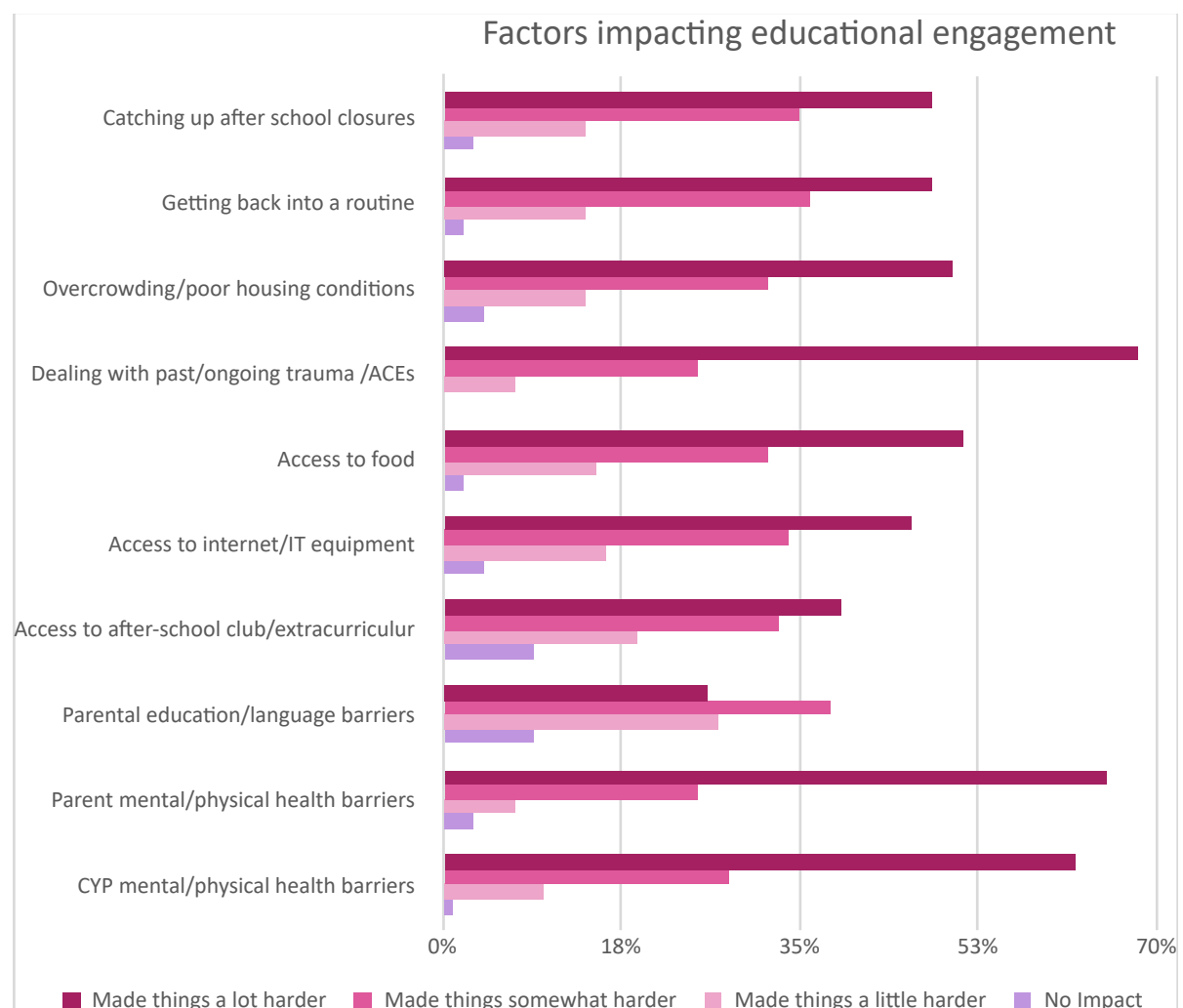


Figure 3 explores these factors in greater detail. It suggests that working through past trauma and mental/physical health barriers across household members are the most severe limiters in engagement in education. This correlates with the aftermath of the pandemic, particularly the impact of prolonged isolation, deepening mental health crises and for some, physical

illness – either as a result of COVID-19 itself, or more likely, the restrictions put in place and delays many have experienced in healthcare due to closures and increased waiting lists⁵.

Food poverty and the condition of the homes children were living in were also highlighted as a significant issue contributing to making education a lot harder, both reported as such in half of the families that survey respondents work with. The quotes below amply demonstrate the impacts that these particular factors are having and will continue to have as the current economic climate continues.

It is a well-known fact, humans cannot function if we are hungry, a child going to school hungry and cold will be unable to learn, and will lose the will to go home as there will be limited food to eat at home, this will be a crisis.

Hungry children finding it difficult to concentrate, children and young people being exposed to worry about how the household bills are going to be paid, worrying at school if their parent is going to get a food bank voucher or if there is not going to be a meal at teatime. This will increase inequality of outcome.

Children might go to school looking unkempt resulting in bullying and low self-esteem. Children might go to school hungry resulting in poor concentration. None of this is going to work for basic education.

A young person needs good nutrition, good sleep and a safe calm home as a base; currently this can be difficult as parents are struggling and worrying - this may lead to an increase in ACEs and further ongoing issues.

Poor mental health, no energy or motivation. Seeing parents constantly looking stressed and worried, hearing care givers talk about not having enough for everyday things and having a cold house instilling fear and worry as a norm.

If the young people are under stress of how to afford basic items such as food, this affects many things such as their concentration at school/college.

Looking to the future, support workers also highlighted a particular concern for the life chances and long-term education prospects of young people today. Responses repeatedly referenced the likelihood that young people will prematurely end their education by being incapacitated by financial barriers in the home, or to work just to make ends meet.

I am afraid that many will chose not to go to college as they will be afraid that they will not earn enough from loans/grants etc to live and will need to take on other jobs to generate extra income and for some this can be overwhelming due to having to also study.

The ultimate impact will be uneducated children unable to secure employment and further reliant on the benefits system.

Young people attendance has been affected due to the cost of living crisis. We have many young people not attending school as their parents can't afford clothing and transport for them to get there.

⁵ [Indirect acute effects of COVID-19 pandemic on physical and mental health in the UK - The Lancet](#)

Young people are having to stop their studies and look for work instead as universal credit is not enough to cover the bills.

Section 4: Mental health: one year on

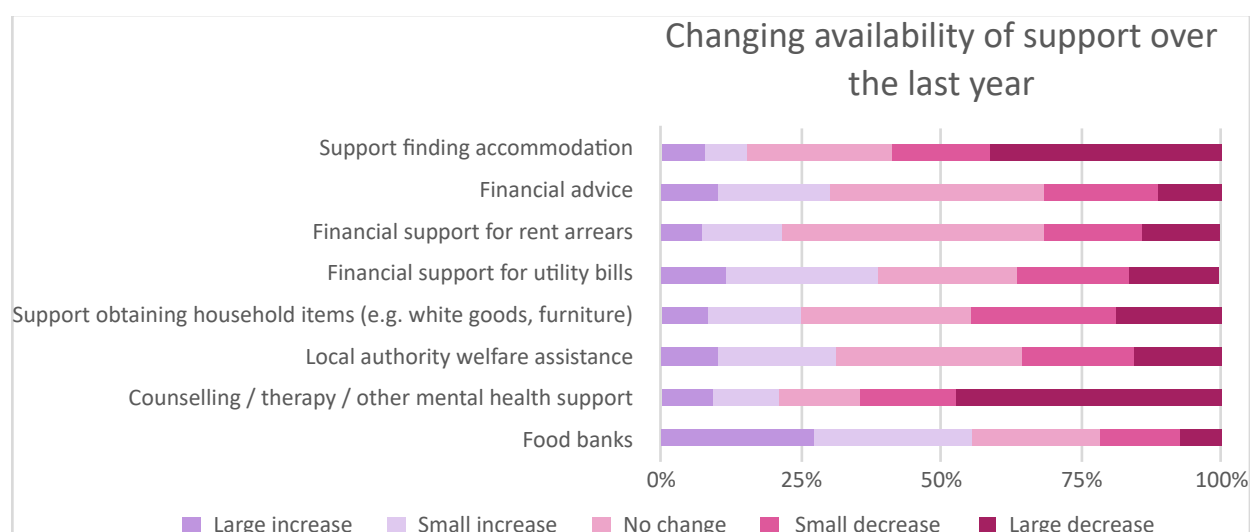
In our last State of Child Poverty survey and report, it was clear that mental illness was contributing to a serious crisis for children and young people recovering from the pandemic. Support workers overwhelmingly suggested that mental health support was falling short of what was urgently needed, with **48%** of respondents reporting it as the most crucial support going forward. We asked the same question this year and the responses are very interesting. Firstly, it is notable that that mental health support is still the top response at **29%**; it is worrying that the subsequent year has not seen the improvements needed. However, it is also important to note that the second most suggested support needed was financial support for rent or utility bills, at **28%**. It is safe to assume that households in dire need of financial support for rent and utilities are likely to experience acute stress and reduced wellbeing, which likely creates a relationship between the two.

Table 7. Support worker perspectives on crucial support

Most crucial support needed going forward	2021	2022
Counselling / therapy / other mental health support	48%	29%
Additional educational support	9%	3%
Support finding accommodation	8%	9%
Financial support for rent and / or utility bills	6%	28%
Food banks	6%	8%
Support obtaining household items	6%	3%
Other (please specify)	17%	20%

In our last report, we made recommendations around the necessary steps it would take to address the mental health crisis facing children and young people. These focused on the adequate funding for, and provision of, mental health services. Figure 4 summarises the changes to support services over the last year. Regrettably, access to counselling, therapy and mental health support saw the single largest decrease in availability. 65% of support workers reported that they had witnessed small or large decreases. This reinforces many of the results seen across this report. Though it may appear positive, food banks were reported as the service which has seen the greatest increase in availability. Food banks are one of the few services which expand with demand, as they traditionally established within the voluntary sector and respond to need. Increasing availability may at least respond to the need outlined in Table 6, but the very fact of this is a telling sign of the difficulties so many children and young people are facing in accessing basics.

Figure 4. Support worker ratings of service availability



Living in households with increasingly challenging circumstances has clearly impacted on children in a variety of ways. Though we recognise the myriad impacts that ACEs have, we asked support workers to report on specific difficulties related to relationships and mental health. These are outlined in Table 8. Once again, a percentage climb was reported in all areas, with the largest increases reported in mental health and behaviour problems for children and young people. Seeing the same issues perpetuating and worsening year on year is indicative of the deepening hold that child poverty is having on some of the most vulnerable people in society.

Table 8. Children and young people experiencing difficulties due to poverty

Outcome	2020	2021	2022	Difference
Child / young person mental health problems (anxiety / depression)	51%	61%	66%	+5%
Child / young person behaviour problems	53%	57%	62%	+5%
Relationships between parents and children	51%	61%	64%	+3%
Relationships between siblings	38%	47%	48%	+1%
Child / young person relationships with friends	45%	50%	52%	+2%

CONCLUSIONS AND RECOMMENDATIONS

This year, we reached more support workers than ever, helping us to understand the experiences of young people and children living in poverty today. The key conclusion of this report is that the overlap between the aftermath of the COVID-19 pandemic and the burgeoning cost-of-living crisis is contributing to a health and wellbeing emergency. Where last year, our findings pointed to a mental health crisis, this year, it has expanded to include the very real possibility of the decline of physical health of children and young people due to hunger and cold.

There is already clear evidence to suggest that the cost-of-living crisis is disproportionately impacting families living in poverty. This has been attributed to poorer households facing higher inflation due to the higher proportion of their household income spent on utilities⁶, reaching 10.9% in April, well above the 9% average nationwide. Since the publication of these statistics, inflation has continued to climb, which we can assume is increasing the gap ever further. Indeed, predictions estimate that those in the poorest income quintile will face inflation of 4.5% higher than nationally by autumn⁷, as a direct result of increasing gas and electricity costs. Aside from the direct impact of utility price increases for parents and carers, disadvantaged families will be further harmed by businesses passing on their own increased costs through the items they sell⁸. Indeed, food alone has recently reached a 12.7% inflation rate, a rate last seen in the 2008 recession⁹. Those living in the poorest households are, in literal terms, paying more for the very basics than those that can better afford it.

Although we do not yet know the long-term impact of this growing crisis, evidence from previous economic downturns points to direct increases in ACEs¹⁰. Our report strongly aligns with these findings. Support workers rated almost all negative indicators of wellbeing as higher this year, than the last two years. They suggest that the lived experience of food and utilities poverty go beyond simply choosing between heating or eating. The social impacts alone are increasing marginalisation, creating missed opportunities for long-term life success, widening the education gap and above all, ever increasing inequality.

Maslow's Hierarchy of Need is a critical concept to understand why the findings of this report are so problematic, and how they are going to have an impact on our work at Buttle UK. We give items and experiences which are designed to make a positive impact on education, wellbeing and relationships. This impact will be limited if basic needs are not being met, as evidenced by Maslow's assertions about the critical placement of physiological needs as the foundation to all wellbeing. However, we state unequivocally, even while acknowledging the urgency of adequate provision of food and utilities, that we should not have to divert grants into the provision of basic services at the expense of the furniture, clothes and toys that are also needed. One urgent need does not neutralize the other universal need; it exacerbates the whole issue, and our response must reflect that.

⁶ [Inflation hits 9% with poorest households facing even higher rates - Institute for Fiscal Studies](#)

⁷ [The long squeeze: rising inflation and the current government support package - Institute for Fiscal Studies](#)

⁸ [Monetary Policy Report August 2022 - Bank of England](#)

⁹ [Consumer price inflation UK: July 2022 - Office for National Statistics](#)

¹⁰ [The impact of the UK recession and welfare reform on mental health - Faculty of Public Health](#)

It's important to think long-term, too. Our SOCP survey has shown us that support workers feel that educational attainment and engagement is already teetering on the edge of an abyss caused by COVID-19. The £1 billion in funding provided for the Catch-Up Programme has ended, though schools are entitled to carry over any unspent funds into the coming academic year. Nonetheless, new packages of support are yet to be announced. Gaps in educational attainment even after the initial funding boost have been acknowledged¹¹, and are certainly supported by the evidence given by support workers across this report. Indeed, our findings suggest that trauma, physical and mental illness are very much having an impact today. This is supported by research into the varied impacts that the pandemic has had on children's welfare, in conjunction with the oversubscription of essential wider educational services such as CAMHS, SEND support and teacher wellbeing¹². However, no specific funding towards these factors in poor educational outcomes has been announced.

There is no single factor making the situation untenable; rather, it's the huge strain on overstretched services, lack of financial support at a time of inflating costs, and the ongoing, severe impact of isolation and stress from the pandemic. Time and time again, support workers reported that increasing demand is not being met with increasing support service availability. Realistically, the situation for children and young people is not going to improve without seismic system change. Unfortunately, the Child Poverty Act 2010, which set out actionable targets to reduce the lived impacts of poverty, was quietly dropped and with it, the drive to tackle the problems¹³ we are still seeing in this report. We need a strategy which reflects our recommendations, to drive forward tangible change.

To conclude, this report should make for difficult reading. Frontline professionals overwhelmingly share the daily struggles that the families they support are facing, and they are growing. The statistics they report demonstrate this in plain terms. At Buttle UK, we give grants in order to remove barriers which hold back emotional and social wellbeing. The coming year will likely see demand for our grants growing, and we will meet those by providing the items and experiences that our impact work proves makes significant positive differences to the wellbeing of children and young people. However, without corresponding state support, the welfare gap will still widen.

To tackle these challenges Buttle UK supports the End Child Poverty Coalition's calls for changes to the welfare system so that it allows families to cover the basics and keep pace with the rising costs of food and utilities.¹⁴ These can be summarised as:

- Benefits should keep pace with inflation permanently, not just through one-off measures due to be implemented this autumn.
- For those on universal credit, deductions should be reduced and the benefit cap abolished
- Improve access to free or affordable childcare.
- Ensure Free School Meals in England and Wales are extended to all children in families receiving Universal Credit.

¹¹ [Is the Catch-Up Programme fit for purpose? House of Commons Education Committee](#)

¹² [Building a more resilient education system post COVID - UCL Institute of Education](#)

¹³ [A new child poverty target - the Children's Commissioner](#)

¹⁴ [End Child Poverty - What We Stand For](#)

We also support recent calls for a dedicated Cabinet Minister for Children and Young People¹⁵, so that longstanding calls for a nationwide Child Poverty Strategy can be realised. This strategy should:

- Make Mental Health Support Teams available in all schools.
- Implement a review of the state school curriculum to consider: (i) the balance between academic areas with those that have come to be called 'enrichment' (i.e., activities designed to build motivation or resilience; encourage exercise or learning new skills); and (ii) how social, emotional and health education can become a more meaningful part of the curriculum.
- Promote within schools an understanding of the link between Adverse Childhood Experiences and trauma and provide better access to therapeutic support and more specialist targeted support for those where this link exists.
- Encourage corporates and charities to work together to support vulnerable groups directly, similar to Buttle UK's School Uniform Campaign with George at Asda, which saw £125,000 of pre-loaded gift cards for school uniform passed on to families who needed them.

¹⁵ [Children's Alliance - Press Release September 2022](#)



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