

Abolishing the two-child limit is just the start for tackling child poverty

*While Labour has avoided pledging to end the “two-child limit” on means-tested benefits, which has been shown to worsen child poverty, it has committed to a broader child poverty strategy. **Kitty Stewart** and **Ruth Patrick** consider the significance of this manifesto commitment and explain why abolishing the two-child limit is crucial, but only the start of what is required.*

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Much noise has rightly surrounded Labour’s decision not to commit to abolishing the “two-child limit” (sometimes known as the two-child benefit cap) – a policy that since 2017 has limited means-tested financial support from the state to the first two children in the family only. The cap has received considerable attention over the past year, with evidence showing its growing [reach](#) and its negative [impact](#) on child poverty. There is no question of the urgent need to scrap it. But to really tackle child poverty, Labour’s policies need to go much further than that.

Our own [project](#) has underlined the devastating implications of the two-child limit for children. Our research [highlights](#) the multiple ways that children are missing out as a result of the policy, from adequate food, heating and clothing, to school trips, extra-curricular activities, family outings and social life.

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We also find that the policy is failing to meet its apparent aims of reducing births and increasing parental employment. There has been negligible impact on [fertility](#) in potentially affected families, and no evidence that parents with more than two children have increased their [employment](#) as a result of not receiving the extra benefit. Our [qualitative](#) interviews have helped to make sense of the absence of any effects, illustrating the complexity of people's lives (many families in receipt of benefits had their children when times were better), as well as the barriers to paid work parents in many affected families face due to their caring responsibilities. In fact, we find that the cut in financial support can even make paid work feel more out of reach, because of the difficulty of meeting upfront childcare costs and because of the impact of financial worries on mental health and mental bandwidth.

Any Government committed to tackling child poverty head-on must be able to stand up and condemn a policy that is explicitly designed to create hardship.

Given the weight and urgency of this evidence base, it is surprising and disappointing that Labour has not come out clearly against the policy, although their position has appeared to soften in recent weeks. Any Government committed to tackling child poverty head-on must be able to stand up and condemn a policy that is explicitly designed to create hardship. This has been a failure from Labour in opposition, one which they will hopefully rectify very soon after taking office.

One indication that they will do so is their manifesto pledge to "[an ambitious strategy to reduce child poverty](#)". This in fact has the potential to be a much more significant and wide-reaching commitment than a promise to eradicate the two-child limit alone – depending on how it is translated into practice.

A serious child poverty strategy will have to abolish the two-child limit

There is clearly no way to tackle child poverty effectively in the UK without getting rid of the two child limit (or introducing an entirely new benefit which mitigates it – as the [Scottish Child Payment](#) goes some way towards doing north of the border). Children in larger families, those with three or more children, are at much higher [risk](#) of poverty, in part because of higher family needs and in part because of greater barriers to

employment. Reducing the support they receive makes no sense at all. This is why the two-child limit has been [described](#) as the worst social security policy ever. And it is why a serious anti-poverty strategy will have to abolish it.

However, what is needed to reverse recent rises in child poverty and ultimately go further goes well beyond lifting the two-child limit. While the debate has crystallized around this policy, a child poverty strategy will need at least three other central planks.

Removing the two-child benefit limit is only the beginning

First, there are a series of other holes that have been cut into our social security safety net over the last decade. A key one is the 'benefit cap' – distinct from the two-child limit (though families can be affected by [both](#)), this cap limits the total amount a family can receive in state support (including for housing) if no-one in the family is earning a given minimum amount. Among our study participants was Lucy, whose family of five lives on £65 per week after housing costs because of the benefit cap. At our last interview with Lucy, her family were about to be evicted as she could no longer find a way to cover the private rent for their damp and rat-infested home, and the landlord was threatening a further rise.

Action on housing costs and quality is the second essential component of a child poverty strategy. The last Labour Government had more [success](#) in reducing child poverty 'before housing costs' than 'after housing costs'. Since then, a series of [cuts](#) to housing support (e.g. reforms to Local Housing Allowance) have exacerbated the situation. While landlords can set rents as they please, and families like Lucy's have almost no chance of finding a home in the social rented sector, millions of families will be left struggling to make ends meet. Further, damp, overcrowded and insecure housing itself [damages](#) children's health and development.

Third, we need a wider joined up approach that pulls in other key services. The 2010 Child Poverty Act required local and national government and key services like schools and the police to work together to reduce child poverty and its impact, and there is [evidence](#) that this was making a difference before the Act was dismantled. One example of what is possible is the [work](#) the Child Poverty Action Group does to reduce the cost of the school day, aiming to ensure that even where home finances are strained, this doesn't impact on children's experience in education.

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Finally, there is a role for policy that makes it easier for parents to find flexible and well-paid work with good chances of progression. This includes policy on childcare, but also on pay and employment quality. But there is a big caveat to watch out for here: while facilitating parental employment is important, and can make a real difference to any individual family, our work has [shown](#) clearly that it is not the central answer to child poverty. There will always be families for whom full-time paid work, or indeed any paid work, is difficult at a given time. As more parents move into work or extend their hours, this in fact creates *more rather than less* need for redistribution to those who are not able to contribute in this way at present. Until this is understood, child poverty will continue to be with us.

One to watch

Relying on employment alone to deliver child poverty reductions will not deliver the results needed. And – as the 4.3 million children living in poverty and their families would tell any politician willing to listen – results are needed, and fast.

Those concerned about Labour's refusal to eradicate the two-child limit can take some comfort in their manifesto commitment to a child poverty strategy. It is after all a far-reaching child poverty strategy that we need, not just the abolition of one particularly damaging policy (although we certainly need that too). But the commitment to a strategy is admittedly loose and non-specific. If Labour forms the next administration, we should soon have a better idea of how seriously it can be taken. A key test will be whether the strategy includes significant action on social security, housing, and the role of wider services. Relying on employment alone to deliver child poverty reductions will not deliver the results needed. And – as the 4.3 million children living in poverty and their families would tell any politician willing to listen – results are needed, and fast.

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