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The Government's immigration policies are increasing child poverty

The government has committed to tackling poverty among all children, including those subject to the UK's asylum and immigration system. But recent reforms and proposals to immigration policy mean that we're likely to see a growth, not a decline, in poverty including deep poverty among some children in immigrant families, writes Ilona Pinter.

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The post-COVID period saw [increased immigration](#) to the UK, including from the establishment of the [Health and Social Care Visa](#) as well as those fleeing war and human rights abuses in Ukraine, Hong Kong, Afghanistan and elsewhere. Recent debates led by the [Reform](#) and [Conservative parties](#), right-aligned [think-tanks](#) and [commentators](#), have focused on migrants' access to welfare benefits and social housing.

Existing limits on immigrants' social rights through the long-standing "no recourse to public funds" (NPRF) policy, already mean that most new arrivals living in the UK on a work, study or family visa are prevented from accessing [income-based benefits](#) like Universal Credit, children's and disability benefits regardless of need. Once granted Indefinite Leave to Remain (ILR) – the status of permanent residence in the UK – families are permitted access to social security benefits on the same terms as British citizens. Yet [proponents](#) are calling for further limits to benefits access, including for permanent residents and mixed-status households.

In response, the Labour government plans to introduce a system of "[earned settlement](#)" through its Immigration White Paper, doubling the length of time that most individuals and families will be required to spend in the UK before they can access settlement from five to ten years. Although not confirmed, this reform [may well apply](#) to those already living and working in the UK as well as new arrivals. One reason behind this, is likely to be the [fiscal cost](#) of benefits access for those acquiring ILR in the coming years, particularly those in low wage social care professions. However, continuing to exclude children and families from the social security safety net also comes with costs – both

fiscal and social – crucially to children who are growing up in the UK and who are more likely to remain here in the long-run.

Already excluded from most benefits

Recent debates have rarely acknowledged the impact of **existing NRPF restrictions** on children and families, which drive poverty and destitution, especially among families already on the ten-year route to settlement. A **report** last week by the Joseph Rowntree Foundation found that families on low income affected by NRPF restrictions are more likely to face financial hardship, food insecurity and debts than other low income households. Several studies have highlighted the disproportionately **high rates of poverty** and **destitution** among children in migrant and **asylum-seeking families** living in the UK.

Our **analysis** has highlighted that at the end of 2024, there were 3.67 million individuals who had a valid visa or leave to remain which allows them to live in the UK. But NRPF conditions on their visa prevent them from accessing social security benefits including Child Benefit, Universal Credit or the Scottish Child Payment in Scotland. Of these, half a million (578,954) were children (under 18s) based on their age at initial grant of leave.

While children are of course not expected to contribute fiscally, many immigrant adults who are of working age will be “paying into the system” in line with national tax policies. Contrary to the **misleading and divisive narratives** from some politicians and commentators, immigrants to the UK are also ‘British taxpayers’ if our earned income is above the threshold determined by government policies.

Households also pay additional fees to government that are unique to those who are subject to immigration control and add to the essential costs that households have to maintain their status, such as the **Immigration Health Surcharge** and **Home Office visa and settlement fees**. Prior to the latest fee increase in 2025, our **analysis** found that a single parent with two children starting their settlement journey in 2017 would have had to pay £27,182 over a ten-year-period on this route in order to acquire Indefinite Leave to Remain. A family of two adults and three children would have had to pay £45,560 over a ten-year period given both Home Office application costs and the Immigration Health Surcharge (assuming no further increases after 2024).

Increasing child poverty, household costs and inequalities

Two key pillars of the government’s **child poverty strategy** aim to increase household income and reduce essential household costs; however, for many immigrant families these are dictated to a

significant extent by immigration policies. Without any mitigation, the proposed reforms in the Immigration White Paper, will work in direct opposition by continuing to limit household income for a further five years. Increasing the qualifying period for settlement is also likely to increase the essential household costs for families who will have to pay twice as much to settle. IPPR has **estimated** that 1.7m individuals including children already living in the UK could be affected.

Planned reforms may also lead to increased inequalities. Allowing some individuals to **“fast-track” their access to settlement** through fiscal contribution, will likely reinforce existing inequalities particularly for women, families with children, those with a disability and those more likely to earn less. Neither Universal Credit nor Child Benefit are contributory benefits; British citizens are not required to “pay into the system” before they can access this support. Existing criteria stems from other needs such as having a low income, a limited personal safety net or having additional costs associated with having a child or being unable to work longer hours due to illness, disability or caring responsibilities. It remains unclear whether the government’s new approach to ‘earned settlement’ will also require children to earn their right to settle or how children’s settlement rights will be further eroded by their parents’ status. What is clear is that if more children remain subject to NRPF restrictions, child poverty will persist.

Overlooked costs of prolonged poverty

While the fiscal costs of welfare spending would increase if more households gained ILR, there will also be costs – both fiscal and social – from prolonging and expanding NRPF restrictions. In 2022, our social cost benefit **analysis** found that lifting NRPF conditions for families with children with limited leave to remain would result in a positive net present value of £872 million over a 10-year period. The main costs of lifting conditions would be for Universal Credit and Child Benefit, while the biggest gains would come from enabling better housing stability and improvements to children’s education and development, both of which are key drivers of health and wellbeing.

Household income has important consequences for a range of children’s outcomes including educational, behavioural, social and health outcomes. Unsuitable housing can have long-term effects on health, and the financial burden of high housing costs can push families into poverty. Problem debt also has profound social, emotional and productivity impacts, as well as effects on physical and mental health. As well as the financial protection of social security, lifting NRPF conditions would enable families to access employment-related support, such as work coaches, and childcare provision, most of which is **currently restricted** for resident families, even when they are working. This could enable families, particularly women whose **employment rates** tend to be lower, to increase earned income.

Existing data does not allow us to estimate how many children are affected by NRPF restrictions but we know that in 2022/23, over a **third of children** (1.5 million) in relative poverty were in families

with parents born outside of the UK. Further denying families access to vital protections like welfare benefits will only prolong and expand the detrimental effects of poverty experienced by children growing up in the UK. The government has not yet published a child rights impact assessment of the Immigration White Paper nor any analysis of how many more children will be forced to live in poverty as a result of these proposed reforms. But if these reforms go ahead, we will continue to see high levels of poverty among children in families subject to immigration control.

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Dr Ilona Pinter is a Research Assistant at CASE, LSE. Her research focuses on experiences of poverty and material deprivation within the UK's Asylum Support system' and focuses on the financial support provided to children and families seeking asylum in the UK, who are generally restricted from employment. Before doing her PhD, Ilona worked as a Policy and Research Manager at The Children's Society leading the organisation's policy and research work on child poverty, destitution, asylum, immigration and human trafficking.

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