

# International Horizon Scanning and Learning Report

Impact of poverty on babies, children and young people

Report 48, February 2024

## Overview

The International Horizon Scanning and Learning reports were initiated as part of the COVID-19 public health response, to support dynamic response and recovery measures and planning in Wales. They varied in focus and scope, depending on the evolving COVID-19 situation and public health/policy needs at that time. The reports focussed on COVID-19 international evidence, data, experience, policy and public health measures, transition and recovery approaches. Learning and intelligence was collated and synthesized to understand and explore solutions for addressing the ongoing and emerging health, well-being, social, economic and environmental impacts (potential harms and benefits) of the pandemic.

The scope of the reports was expanded in spring 2022 to cover priority public health topics, including in the areas of health improvement and promotion, health protection, and healthcare public health. The report topics and findings are aligned with and help inform decision-making and on-going work in Welsh Government, the NHS and Public Health Wales. They are also disseminated to wider network of (public) health professionals and partners nationally and internationally.

This is part of a wider Public Health Wales' systematic approach to intelligence gathering and evidence translation into policy and practice, supporting coherent, inclusive and evidence-informed action, which progresses implementation of the Wellbeing of Future Generations (Wales) Act and A Healthier Wales strategic plan towards a healthier, more equal, resilient, prosperous and globally responsible Wales.

**Disclaimer:** The reports provide a high-level summary of learning from real life experiences from selected countries, and from a variety of scientific and grey literature, including sources of information to allow further exploration. The reports are not comprehensive and are not aimed at providing detailed, robust or in-depth evidence review, analysis or quality assurance. They are meant to offer a brief snapshot or current evidence, policy and practice, sharing relevant country examples and key (reputable) international bodies' guidance and principles.

## In focus:

 **Impact of poverty on babies, children and young people**

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## At a glance: summary of international learning

*“Children are more likely to live in poverty than adults.  
They’re also more vulnerable to its effects.”  
“Falling into poverty during childhood can have lasting effects.  
Rarely does a child get a second chance at an education or a healthy start in life.”  
(UNICEF)<sup>12</sup>*

### Background

- ✚ This report focuses on **international approaches to prevent and/or reduce poverty and its associated health outcomes** among babies, children and young people
- ✚ **Relative income poverty** is used as it is most relevant to Wales and the featured countries
- ✚ In the UK, relative poverty refers to people living in households with **income below 60% of the current median UK household income** (after housing costs)
- ✚ **2.46 million children** aged 0-15 were experiencing relative income poverty in the UK 2022
- ✚ **Children are disproportionately affected by extreme poverty**
  - Globally, one in five (333 million) children lives in extreme poverty
  - About 1 billion children are “multidimensionally” poor
  - An estimated 1.3 billion children are not covered by any form of social protection
- ✚ **Humanitarian emergencies and compounding crises**, such as climate related disasters and conflict, have stalled progress toward reducing poverty for the most vulnerable children

### Poverty, Health and Well-Being

- ✚ Worldwide, **the poorest children are twice as likely to die** in childhood than their wealthier peers
- ✚ Poverty at any stage of childhood can **damage health and well-being** and can have **lifelong consequences**
- ✚ Poverty during **early childhood is associated with:**
  - increased susceptibility to asthma, viruses, obesity and poor mental health
  - reductions in cognitive performance across many areas, particularly language function and cognitive control (attention, planning, decision-making)
  - lower educational attainment
  - increased risk of exposure to adverse childhood experiences (ACEs)
  - increase susceptibility to heart disease and certain cancers later in life
  - poorer socioeconomic outcomes and mental health in later life
  - poor living standards, fewer skills and lower wages in adulthood
- ✚ Children’s experiences of **different types of poverty tend to interact with and compound each other**
- ✚ The impacts of child poverty are **felt across society and can further entrench existing inequalities in the long term, including health**
- ✚ **Negative physical and mental health outcomes** in childhood as a result of poverty **accumulate across the life-course, transferring across generations**
- ✚ **Good health enables people to access social and economic opportunities**, without which people can become trapped in cycles of poor health and poverty

<sup>1</sup> [Child poverty | UNICEF](#)

<sup>2</sup> [Universal child benefits | UNICEF](#)

## Solutions-Based Action

- ✚ The **cross-cutting nature of child poverty** means a **multi-agency approach and shared understanding** of harms is needed
- ✚ **Early intervention and prevention are essential** for developing effective and efficient policies and priority actions have to address it now and in the longer term
- ✚ **Integrated strategies** that combine support to parents to access the labour market with adequate income support, and access to services that are essential to children's outcomes, are most effective
- ✚ Policies **improving the well-being of all children, whilst giving careful consideration to children in vulnerable situations**, are most successful
- ✚ **Upholding gender equality, gender mainstreaming and equal opportunities**, and **fighting discrimination** based on protected characteristics, should underpin efforts to address child poverty and social exclusion
- ✚ The **UN Sustainable Development Goals** call for child poverty to be halved by 2030 and all children to have what they need to survive, thrive and fulfil their potential
- ✚ The **UN Convention on the Rights of the Child** sets out the civil, political, economic, social and cultural rights that all children everywhere are entitled to including a right to health and health services, social security, an adequate standard of living

### Financial Support

- ✚ Financial support policies include **cash transfers; and universal child benefits**
- ✚ **Cash transfers** can address poverty and improve children's well-being across a range of outcomes, including health
- ✚ An **adequate income** can help families:
  - avoid stress and feel in control and supported
  - access experiences, material resources and opportunities for a healthy life, such as meaningful work, secure housing, high self-esteem
  - adopt and maintain healthy behaviours

### Social Support

- ✚ **Social assistance** for parents is crucial to help families pursue the opportunities they need to build better futures for their children
- ✚ **Social protection** helps connect families with healthcare, nutritious food and quality education to provide all children, no matter what circumstances they are born into, a fair chance in life
- ✚ **Social protection policies** include: child grants; early child education and care; free school meals; skills development
- ✚ **Early childhood education and care** is key with the potential for a **“triple dividend”** of children's positive development, women's empowerment, and economic growth
- ✚ **Universal Primary Free School Meals** can help build equity between children and support equality of parents, promoting economic growth

### Reducing Stigma

- ✚ Poverty-related stigma has a **significant impact** not only on mental health and self-esteem lasting into adulthood, but also on the uptake of support, such as free school meals, social security, emergency welfare and support with debt

- ✚ **Addressing poverty-related stigma is crucial** to ensure the accessibility and effectiveness of policies and initiatives
- ✚ Reducing stigma is underpinned by the need to **preserve the dignity, respect and human rights** of children and families affected
- ✚ In the current context of **limited resources**, a focus on the psycho-social dimensions of poverty, such as stigma, is likely to be an effective way of reducing the harms and supporting children out of poverty

## Country Features

### Scotland

- ✚ Scotland has **implemented several policies** to address factors contributing to poverty among the most at-risk populations, including children, at the national and local levels
- ✚ National legislation includes **targets** to ensure effective implementation and monitoring of outcomes
- ✚ The **Child Poverty (Scotland) Act 2017** has resulted in several positive outcomes related to poverty, health and well-being
- ✚ The **Scottish Child Payment** is a benefit targeting low-income families within children under 16; modelling suggests that it will reduce the relative child poverty rate in Scotland by around five percentage points in 2023-24, lifting around 50,000 children out of poverty
- ✚ Local policies have **targeted at-risk populations**
- ✚ The **Maternity Matters programme** provides financial and well-being support to mothers to prevent and reduce poverty among children under one year of age

### Slovenia

- ✚ Slovenia's policies combatting child poverty focus on **harmonised childcare and social protection, including: investing in education, health, and nutrition; and implementation of labour market reforms**
- ✚ The Government is specifically acting in the areas of **cash benefits**, addressing both the initiation and enhancement of these financial measures to support families in various forms
- ✚ Families and children receiving financial support in Slovenia were associated with an **increase in the likelihood of escaping poverty**, by nearly 30 percentage points

**An overview of the policy context in Wales is provided for reference in Appendix A**

## Impact of poverty on babies, children and young people: overview

This report focuses on **international approaches to prevent and/or reduce poverty and its associated health outcomes** among babies, children and young people.

### Background

- **Quantitative definitions** are essential for measuring levels of poverty in a population at a given time, comparing populations in different times and places, and evaluating the impact of policies and interventions
- **Relative income poverty is used in this report**, unless otherwise stated, as this is the definition most relevant to Wales and the countries featured
  - ✓ It is an **income-based measure** captures the standard of living compared to economic standards of living within the same surroundings<sup>3</sup>
  - ✓ In the UK, relative poverty refers to people living in households with **income below 60% of the current median UK household income** (after housing costs)<sup>4</sup>
  - ✓ The **poverty rate threshold used** when reporting data **may vary across sources and countries** and needs to be specified
- Even in the richest countries, **one in five children experience relative income poverty**<sup>5</sup>
- Children’s experiences of **different types of poverty tend to interact with and compound each other**<sup>6</sup>
- In 2022, there were 2.46 million children (aged 0-15) experiencing relative income poverty in the UK; 20% of children under 16 experienced relative income poverty, higher than the OECD average (Figure 1)<sup>7</sup>
- **Children are disproportionately affected by extreme poverty**<sup>8</sup>
  - ✓ Despite comprising one third of the global population, they represent **half of those struggling to survive** on less than \$2.15 a day
  - ✓ An estimated **one in five (333 million) children live in extreme poverty**, a combination of unsafe housing, insufficient food, and a lack of access to healthcare and to education, the absence of identity papers and by extension, social exclusion<sup>9</sup>
  - ✓ About 1 billion children are “**multidimensionally**” **poor**, meaning they lack necessities such as food or clean water
- **An estimated 1.3 billion children are not covered by any form of social protection** needed to reduce the lifelong consequences of poverty and exclusion<sup>10</sup>
  - ✓ Only a quarter of households worldwide have access to cash support<sup>11,10</sup>
  - ✓ Families who live in hard-to-reach places, or who are affected by conflict, violence or natural disasters miss programmes or other critical services
  - ✓ Children with disabilities are more likely to be left behind
  - ✓ Women and girls face specific risks and discrimination which increase the likelihood of poverty and unpaid care burden along their life course affecting multiple aspects of their lives

<sup>3</sup> [Poverty in the UK: statistics - House of Commons Library \(parliament.uk\)](#)

<sup>4</sup> [Child poverty – RCPCH – State of Child Health](#)

<sup>5</sup> [unicef.org/globalinsight/media/3291/file/UNICEF-Innocenti-Report-Card-18-Child-Poverty-Amidst-Wealth-2023.pdf](#)

<sup>6</sup> [PHW-Children-and-cost-of-living-report-ENG.pdf \(phwwhocc.co.uk\)](#)

<sup>7</sup> [Children in low income families: local area statistics, financial year ending 2022 - GOV.UK \(www.gov.uk\)](#)

<sup>8</sup> [Child poverty | UNICEF](#)

<sup>9</sup> <https://www.savethechildren.org.uk/what-we-do/child-poverty>

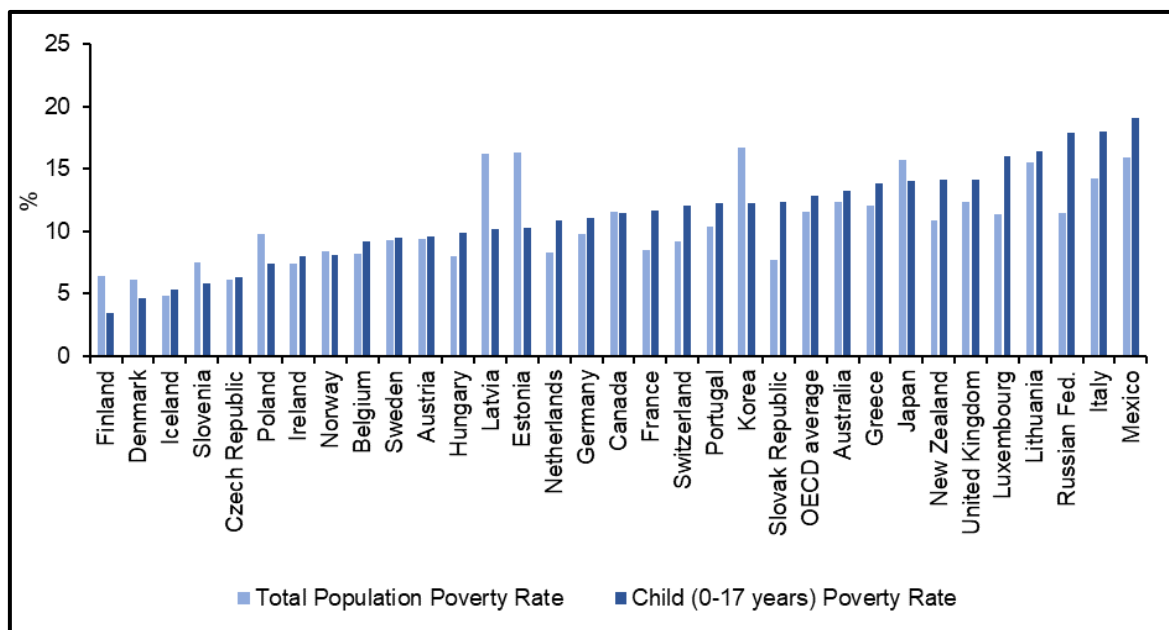
<sup>10</sup> [Social protection | UNICEF](#)

<sup>11</sup> [Universal child benefits | UNICEF](#)

- **Humanitarian emergencies and compounding crises** (e.g., climate related disasters, conflicts and COVID-19) have stalled progress toward reducing poverty for the most vulnerable children<sup>12</sup>
- The **extreme child poverty estimate** in 2022 (15.9%) was on par with the child poverty rate in 2019, indicating approximately three years of lost progress<sup>13</sup>
- **Rapidly changing economy and labour market**, increasing levels of in-work poverty, more complex family structures, structural inequalities between ethnic groups, and differences by place contribute to the causes and patterns of poverty among children<sup>14</sup>
- In the **OECD countries, children are more likely to live in poverty relative** to the general population in their country (Figure 1)<sup>15</sup>

**Figure 1. Relative income poverty rate (% living on less than 50% of median disposable income in each country) for the total population and for children in OECD countries<sup>16</sup>**

Source: OECD<sup>17</sup>



## Poverty, Health and Well-Being

- A **reduction in household income** means the everyday essentials needed for children’s health and development become harder to afford<sup>18</sup>
- Being unable to afford one essential good or service can contribute to a **cycle of poverty and disadvantage**<sup>18</sup>
- Worldwide, the **poorest children are twice as likely to die** than their wealthier peers<sup>12</sup>
- Poverty during early childhood is associated with **genetic adaptation, producing a short-term strategy to cope** with the stressful developmental environment<sup>19</sup> This comes at the expense of long-term health, with increased susceptibility to heart disease and cancer

<sup>12</sup> [Child poverty | UNICEF](#)

<sup>13</sup> <https://www.worldbank.org/en/topic/poverty/publication/global-trends-in-child-monetary-poverty-according-to-international-poverty-lines>

<sup>14</sup> [Changing patterns of poverty in early childhood - Nuffield Foundation](#)

<sup>15</sup> [unicef.org/globalinsight/media/3291/file/UNICEF-Innocenti-Report-Card-18-Child-Poverty-Amidst-Wealth-2023.pdf](https://www.unicef.org/globalinsight/media/3291/file/UNICEF-Innocenti-Report-Card-18-Child-Poverty-Amidst-Wealth-2023.pdf)

<sup>16</sup> Data refer to 2018 for all countries except Costa Rica (2020), Canada, Latvia, Sweden and the United Kingdom (2019); Chile, Denmark, Iceland, the United States and the Russian Federation (2017); Netherlands (2016); South Africa (2015); New Zealand (2014); Brazil (2013); China and India (2011)

<sup>17</sup> [OECD Income \(IDD\) and Wealth \(WDD\) Distribution Databases - OECD](#)

<sup>18</sup> [PHW-Children-and-cost-of-living-report-ENG.pdf \(phwwhooc.co.uk\)](#)

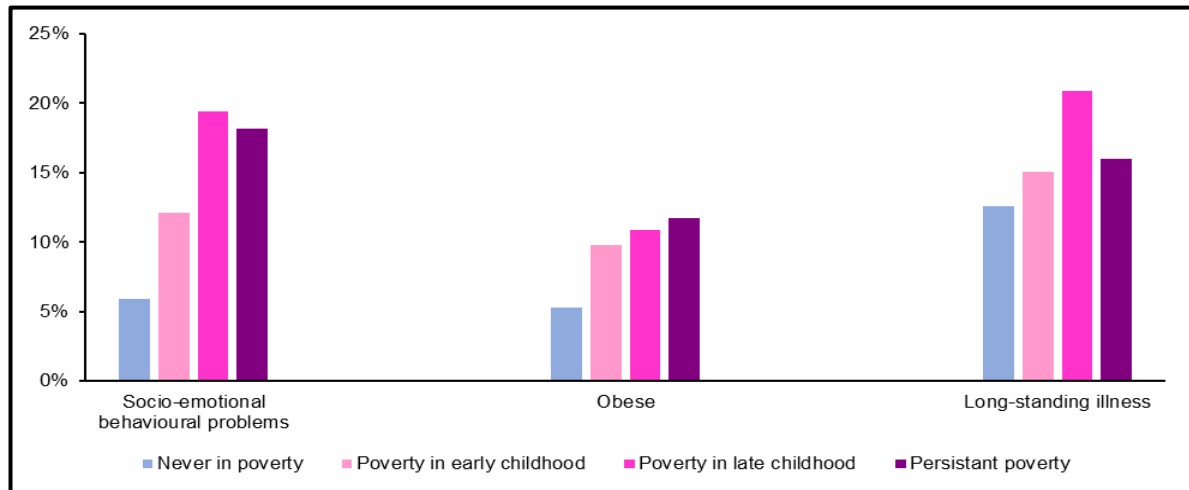
<sup>19</sup> [Psychological perspectives on poverty | Joseph Rowntree Foundation \(jrf.org.uk\)](#)



- **Poverty at any stage of childhood can damage health<sup>20</sup>**: children who experience poverty at any (or all) stage/s of childhood, are much more likely to experience socio-emotional behavioural problems, obesity and long-standing illness than children who never experience poverty (Figure 2)

**Figure 2. Prevalence of health outcomes among children in the UK at age 14 based on their experiences of relative income poverty from age 9 months<sup>21</sup>**

Source: Lai et al. (2019)<sup>20</sup>



- In England, children born into **socially disadvantaged families have a 70% likelihood of developing persistent asthma**, with approximately 59% of the risk attributable to early life exposures<sup>22</sup>
- Children raised in environments of **low socio-economic status show consistent reductions in cognitive performance across many areas**, particularly language function and cognitive control (attention, planning, decision-making)<sup>23</sup>
- **Disadvantages can accumulate** along the life course, affecting physical health, mental health, development and social well-being, transferring across generations<sup>24,25</sup>:
  - ✓ There is a connection between poverty and poor mental health in children
  - ✓ Poverty is associated with poorer socioeconomic outcomes, poor mental health and well-being issues in later life<sup>24</sup>
  - ✓ Children growing up with food insecurity are more likely to be obese
  - ✓ Exposure to damp and mould due to living in a cold home increases children’s risk of asthma, respiratory illness, poor lung function and increased circulation of viruses
  - ✓ Poverty impacts children’s educational attainment and increases the risk of exposure to adverse childhood experiences (ACEs)
- **Negative physical and mental health outcomes** in childhood as a result of poverty are likely to continue after children reach adulthood<sup>26,27</sup>

<sup>20</sup> [Poverty dynamics and health in late childhood in the UK: evidence from the Millennium Cohort Study \(bmi.com\)](#)

<sup>21</sup> The measure of poverty was relative income poverty (less than 60% of equivalised median household income) based on parents’ self-reported income. The measure of socio-emotional behavioural problems was a score of 17 or higher on the Strengths and Difficulties Questionnaire based on maternal report. The measure of obesity was based on children’s anthropometrics using the International Obesity Task Force cut-offs. The measure of long-standing illness was based on mother’s response to ‘does (child) have any physical or mental health conditions or illnesses lasting or expected to last 12 months or more?’ excluding responses related to mental health to avoid duplication with the socio-emotional behavioural problems measure. Latent class analysis and a dose response analysis were used to derive poverty trajectories: never in poverty, poverty particularly concentrated in early childhood (age 9 months to 7 years), poverty particularly concentrated in late childhood (age 11 years to 14 years) and persistent poverty (very likely to be in poverty in each of the six survey waves of data collection (age 9 months to 14 years)).

<sup>22</sup> [Social disadvantage in the UK has a lasting impact on childhood asthma | Imperial News | Imperial College London](#)

<sup>23</sup> [Psychological perspectives on poverty | Joseph Rowntree Foundation \(jrf.org.uk\)](#)

<sup>24</sup> [PHW-Children-and-cost-of-living-report-ENG.pdf \(phwhhocc.co.uk\)](#)

<sup>25</sup> [Parenting poverty and deprivation - Faculty of Public Health \(fph.org.uk\)](#)

<sup>26</sup> [PHW-Children-and-cost-of-living-report-ENG.pdf \(phwhhocc.co.uk\)](#)

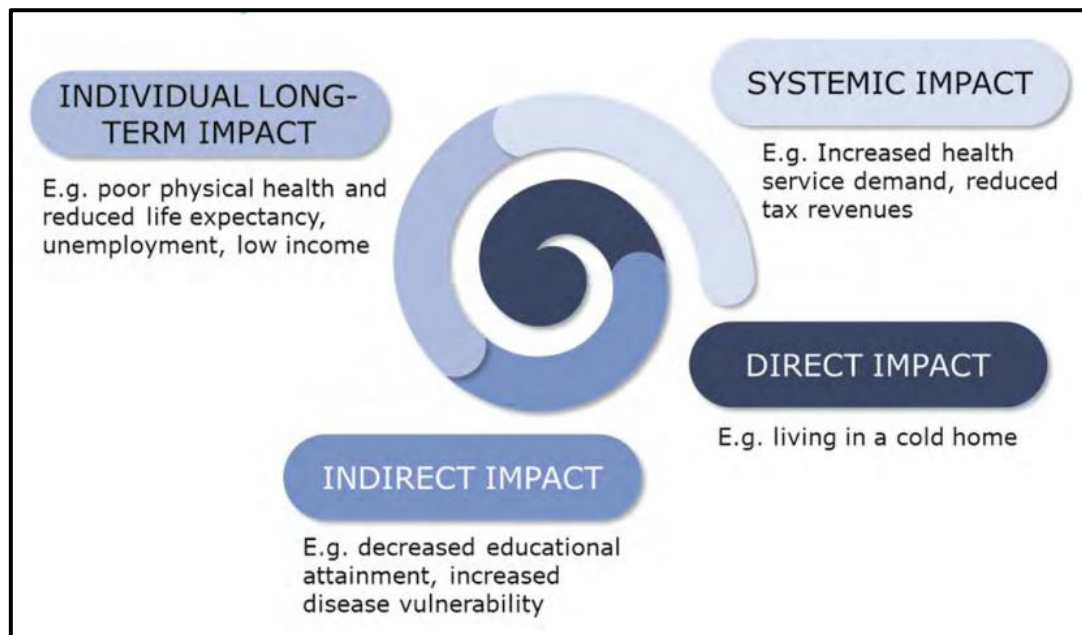
<sup>27</sup> [Changing patterns of poverty in early childhood - Nuffield Foundation](#)



- Children who grow up impoverished suffer from poor living standards, develop fewer skills for the workforce, and earn lower wages as adults<sup>28</sup>
- The impacts of poverty do not stop at the individual level; they also **impact communities, services, and government**; they can be felt across society and further entrench existing inequalities in the long term, including health (Figure 3)<sup>29</sup>

**Figure 3. Examples of how not being able to afford an essential good or service can create long-term and systemic impacts**

Source: Public Health Wales<sup>29</sup>



### Solutions-Based Action

- The cross-cutting nature of child poverty means **a multi-agency approach is needed**<sup>29</sup>
  - ✓ **A range of partners** including national governments, local authority partners, voluntary and community organisations, housing agencies, landlords, health and social care services, education, mental health and well-being services, and the private sector will need to work together
  - ✓ This needs to be underpinned by a **shared understanding** of how poverty harms the health and well-being of children, and the priority actions needed to address it
- The most successful strategies are those underpinned by policies improving the **well-being of all children**, whilst giving careful consideration to **children in vulnerable situations**<sup>30</sup>
- **Prevention and early intervention are essential** for developing more effective and efficient policies<sup>30</sup> at an early age, rather than focusing public expenditure on the consequences of child poverty and social exclusion
- Prevention is most effectively achieved through **integrated strategies that combine support to parents** to access the labour market **with adequate income support and access to services** that are essential to children’s outcomes.<sup>30</sup> For example:
  - ✓ quality (pre-school) education;
  - ✓ health, housing and social services;

<sup>28</sup> [Child poverty | UNICEF](#)

<sup>29</sup> [PHW-Children-and-cost-of-living-report-ENG.pdf \(phwwhocc.co.uk\)](#)

<sup>30</sup> [Recommendation\\_Children\\_en\(1\).pdf](#)

- ✓ opportunities to participate and use their rights, which help children live up to their full potential and contribute to their resilience
- **Upholding gender equality, gender mainstreaming and equal opportunities**, as well as **fighting discrimination** based on protected characteristics, should underpin efforts to address child poverty and social exclusion<sup>31</sup>
- With the UN Sustainable Development Goals, nations agreed for the first time in history to **address extreme child poverty**<sup>32,33</sup> calling for multidimensional child poverty to be halved by 2030, and all children have what they need to survive, thrive and fulfil their potential
- The UN Convention on the Rights of the Child sets out the **civil, political, economic, social and cultural rights that all children everywhere** are entitled to<sup>34</sup>. It explains **how adults and governments must work together** to make sure all children can enjoy all their rights, including a right to health and health services, social security and an adequate standard of living

### Case Study: The European Union (EU) Investing in Children Initiative<sup>35</sup>

- The EU Investing in Children Initiative (the Initiative) was established in 2013 in response to the European Commission's (the Commission) *Recommendation on Investing in Children: breaking the cycle of disadvantage*,<sup>31</sup> which **stresses the importance of early intervention, social inclusion and an integrated preventative approach**
- It calls on EU countries to:
  - ✓ **improve children's access to adequate resources**, including by supporting parents' access to the labour market and providing a combination of cash and in-kind benefits;
  - ✓ **provide children with access to affordable quality services**, including early childhood education and care and healthcare; and
  - ✓ **support children's right to participate in play, recreation, sport and cultural activities and promote children's participation in decision-making that affects their lives**
- **Social investment** in individual capacities during the early years is particularly beneficial for children from a disadvantaged background and can provide large social returns. It is also a crucial factor in breaking cycles of intergenerational transmission of poverty
- In 2017, the Commission and the experts of the European Social Policy Network prepared an evaluation of the implementation of the *Recommendation on Investing in Children*<sup>36</sup>
  - ✓ **Estonia, France, Ireland and Malta** have taken initiatives to strengthen their policies/approaches and programmes in a significant number of areas
  - ✓ **Bulgaria, Iceland, Latvia, The Netherlands, Portugal, Slovenia and Slovakia** have also made improvements that are in line with the Recommendation in several areas
  - ✓ The countries that already had strong policies and programmes and low levels of child poverty or social exclusion have largely maintained these

**Solutions and tools** to tackle child poverty are available and have shown progress across countries. Examples and case studies are provided below.

### Financial support

- **Adequate income** can help families avoid stress, feel in control, access experiences and material resources, adopt and maintain healthy behaviours, and feel supported by a **financial safety net**<sup>37</sup>

<sup>31</sup> [Recommendation\\_Children\\_en \(1\).pdf](#)

<sup>32</sup> [Child poverty | UNICEF](#)

<sup>33</sup> [SDG Goal 1: No Poverty - UNICEF DATA](#)

<sup>34</sup> [UN Convention on the Rights of the Child - UNICEF UK](#)

<sup>35</sup> [Investing in children - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

<sup>36</sup> [ESPN - Synthesis Report 2017-3 \(FINAL\) \(1\).pdf](#)

<sup>37</sup> [Poverty and health](#)

- ✓ This allows children to **better access the opportunities needed for a healthy life, including meaningful work, secure housing and high self-esteem** – all of which affect long-term physical and mental health
- ✓ Good health in turn enables people to **access social and economic opportunities**, without which children can become trapped in cycles of poor health and poverty
- **Cash transfers** can address poverty and improve children’s well-being across a range of outcomes, including health<sup>38</sup>
  - ✓ They are a form of social welfare in which **payments are given directly to parents to spend as they see fit, without conditions**<sup>39</sup>
  - ✓ **Universal child benefits** provide cash benefits to families with children regardless of a family’s income; they help to narrow existing coverage gaps and fulfil a child’s right to social protection<sup>38</sup>
  - ✓ It is suggested that **cash-based approaches make it easier for people to access the money they are entitled to and allows them more control over their finances**; it could also make the process of transferring money from the government simpler, quicker and cheaper to run<sup>39</sup>

## Social support

- To change outcomes for children in a sustainable way, **investment in families is needed**, including support for parents and their mental health, parenting support, high quality care outside the home, high quality schooling, and universal and targeted support for children<sup>40</sup>
- **Social protection programmes**, including child grants, school meals, skills development and more, connect families with healthcare, nutritious food and quality education to give all children, no matter what circumstances they are born into, a fair chance in life<sup>41</sup>
- When social protection programmes do not reinforce one another – in education, health, nutrition, child protection and other areas – children miss out on key opportunities and remain vulnerable to the lifelong effects of poverty
- **Social assistance for parents is also crucial**; childcare and other forms of support help families pursue the opportunities they need to build better futures for their children<sup>41</sup>
  - ✓ **Early childhood education and care** is key within family-friendly policies with the potential for a “**triple dividend**” of children’s positive development, women’s empowerment, and economic growth<sup>42</sup>
  - ✓ In addition to positive health and social benefits, **Universal Primary Free School Meals** help build equity between children and support equality of parents as they make it easier for them to enter the workforce, promoting economic growth<sup>43</sup>

### Case Study: Finland’s child benefit system<sup>44,45,46,47,48,49,50</sup>

- Poverty in families with children is less common in Finland than in many OECD countries

<sup>38</sup> [Universal child benefits | UNICEF](#)

<sup>39</sup> [Welfare reimagined: could cash transfers combat child poverty? | Nesta](#)

<sup>40</sup> [Parenting poverty and deprivation - Faculty of Public Health \(fph.org.uk\)](#)

<sup>41</sup> [Social protection | UNICEF](#)

<sup>42</sup> [PHW-COVID19-IntHorizonScan\\_Report-42\\_December2022\\_English-v2-Final.pdf \(phwhocc.co.uk\)](#)

<sup>43</sup> [ENGLISH-PHW-IntHorizonScan\\_Report-44\\_June2023\\_FINAL-DRAFT.pdf \(phwhocc.co.uk\)](#)

<sup>44</sup> [https://ec.europa.eu/employment\\_social/social\\_inclusion/docs/experts\\_reports/finland\\_1\\_2007\\_en.pdf](https://ec.europa.eu/employment_social/social_inclusion/docs/experts_reports/finland_1_2007_en.pdf)

<sup>45</sup> <https://brownpoliticalreview.org/2021/03/how-to-end-child-poverty-the-case-for-a-universal-child-allowance/>

<sup>46</sup> <https://www.kela.fi/child-benefit>

<sup>47</sup> <https://www.kela.fi/child-benefit-amount-and-payment>

<sup>48</sup> [Finland boosts child benefits in 2024: Enhanced support for larger families and single parents \(helsinkiimes.fi\)](#)

<sup>49</sup> [UNICEF-Innocenti-Report-Card-18-Child-Poverty-Amidst-Wealth-2023.pdf](#)

<sup>50</sup> [Universal-child-benefits-Briefing-2020.pdf \(unicef.org\)](#)

- Evidence suggests that **single parent families and families with several children are at the highest risk of child poverty**
- **Kela, the Social Insurance Institution of Finland, pays a child benefit for each child who is a permanent resident in Finland and continues until the child is 17 years old**
  - ✓ **99.1% of children receive benefits** through the Child Benefit System, meaning almost all impoverished children receive the benefits for which they are eligible
  - ✓ **High uptake is one of the primary advantages of providing a universal benefit**, as opposed to one that phases out for families with high income levels
- The child benefit is tax-free: property and income do not affect the amount received
- **There is no cap on the number of children** that can receive child benefit and the allowance increases with each additional child up to the fifth child

**Amount of child benefit per number of children (€ per month). Source: Kela<sup>51</sup>**

For one child	94.88
For the second child	104.84
For the third child	133.79
For the fourth child	173.24
For the fifth child and each additional child	192.69

- From 1<sup>st</sup> April 2024, an **enhanced child benefit** of €26 per month will be paid for each child up until their third birthday
- **Single parents** also receive enhanced child benefit rates for each child
- You can **apply for a single-parent supplement** if:
  - ✓ you are not married or cohabiting;
  - ✓ you have moved away from your partner because you are separating;
  - ✓ the parents have joint custody of their children
- The additional amount of €73.30 per month is paid for every child who is eligible for child benefit
- **Without Kela's child benefit model, child poverty would have been nearly three times as high in 2021 (28.6% rather than 9.5%)**

## Reducing stigma

- Addressing poverty-related stigma is crucial to **ensure the effectiveness** of policies and initiatives targeting poverty<sup>52</sup>
- Poverty-related stigma in children has a **significant impact** on mental health and self-esteem lasting into adulthood, and on the uptake of support, e.g., free school meals, social security, emergency welfare and support with debt<sup>52</sup>
- Reducing stigma is underpinned by the need to **preserve the dignity, respect and human rights** of children and families affected, *for example*, Social Security Scotland takes a rights-based approach, placing greater emphasis on these principles being a human right<sup>52</sup>
- **Limited financial resources** may mean that new investments in large scale cash transfer programmes are largely out of reach in some countries<sup>53</sup>
- In the context of limited resources, a **focus on the psycho-social dimensions of poverty, such as stigma**, may be an effective way of reducing the harms and supporting people out of poverty<sup>53</sup>

*For example*, schools can introduce discreet mechanisms to allow children to take part in school activities without adding to financial pressures (e.g., by providing equipment or subsidising school trips)<sup>54</sup>

<sup>51</sup> <https://www.kela.fi/child-benefit-amount-and-payment>

<sup>52</sup> [Report-of-the-inquiry-into-stigma-CPG-on-Poverty.pdf \(povertyalliance.org\)](#)

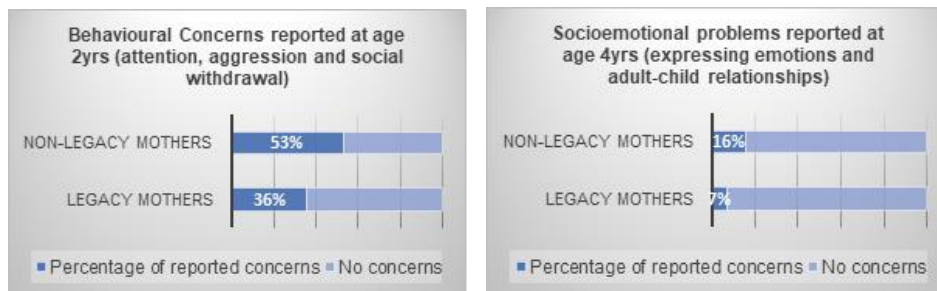
<sup>53</sup> [Let's talk about poverty stigma | WCPP](#)

<sup>54</sup> [How we can flush out poverty stigma from our systems and services | Joseph Rowntree Foundation \(jrf.org.uk\)](#)

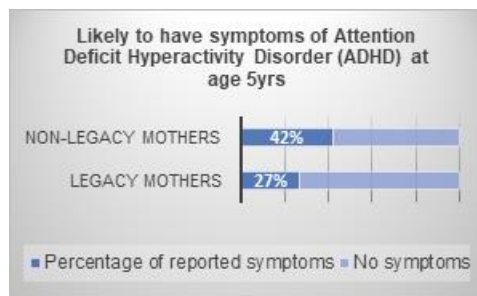
## Case Study: The Legacy for Children programme in the US<sup>55,56,57,58,59</sup>

- The Legacy programme aims to improve child health, well-being and behavioural outcomes by **promoting positive parenting among low-income mothers of infants and young children**
- Funded by the Centres for Disease Control and Prevention (CDC) in collaboration with the University of California at Los Angeles (UCLA) and the University of Miami (UM), the inclusion criteria for the programme included Medicaid-eligibility, living within the servable catchment area, having had some prenatal care, and being conversant in English
- **Two tested curriculum versions include the following topics:** Basic care, health, and safety; Language and literacy; Social and emotional skills; Playing and learning; Behaviour guidance and limit setting; Praise and encouragement; and Parent-focused issues, like stress and self-efficacy
- This is primarily a group-based approach through regular meetings, including mother-only and mother-child time, providing an opportunity to develop and explore parenting goals and share with other mothers
- Its intended outcome is to have children grow up emotionally healthy and ready to be productive members of society by providing parents with the support they may need to help their children reach that outcome
- Children of mothers who took part in either Los Angeles or Miami were followed from birth to age 5 years
- Legacy had a **positive impact on child behaviour** whose mothers participated in the programme when compared with a group of children whose mothers did not participate
  - ✓ From age 2 to age 5, mothers who did not participate in Legacy Miami were 1.8 times more likely to report noticeable behavioural concerns for their children
  - ✓ Participating in Legacy Los Angeles creates 3 fewer children per classroom entering kindergarten with problem levels of hyperactivity, impulsivity, and inattention in high-risk communities

### Legacy Miami. Source: CDC<sup>60</sup>



### Legacy Los Angeles. Source: CDC<sup>60</sup>



- Results show a **positive impact** on children living in poverty, including significant positive effects on child IQ, behavioural problems, and maternal-child behaviour measured within the home environment
- Parent-focused prevention models such as Legacy have **potential for positive public health impact**
- **These investments in prevention might reduce the need for later intervention strategies**

<sup>55</sup> [Legacy for Children™ Intervention | CDC](#)

<sup>56</sup> [Cost-effectiveness of Legacy for Children™ for Reducing Behavioral Problems and Risk for ADHD among Children Living in Poverty - PMC \(nih.gov\)](#)

<sup>57</sup> [Legacy for Children™ | CDC](#)

<sup>58</sup> [Behavioral and Socioemotional Outcomes Through Age 5 Years of the Legacy for Children Public Health Approach to Improving Developmental Outcomes Among Children Born Into Poverty | AJPH | Vol. 103 Issue 6 \(aphapublications.org\)](#)

<sup>59</sup> [Outcomes - Legacy for Children™ | UCLA Health](#)

<sup>60</sup> <https://www.cdc.gov/ncbddd/childdevelopment/features/legacy-for-children-keyfindings.html>

## Country Features

The following countries are featured as they provide examples of solutions-based and innovative action to prevent and/or reduce poverty among babies, children and young people:

- **Scotland has taken both national and local approaches to prevent and/or reduce poverty, targeting the most at-risk populations (including children)**, providing financial support to families, and by ensuring effective implementation and monitoring of outcomes
- **Slovenia’s policies combatting child poverty focus on harmonised childcare and social protection**, including investing in education, health, and nutrition; provision of cash benefits to families; and implementation of labour market reforms

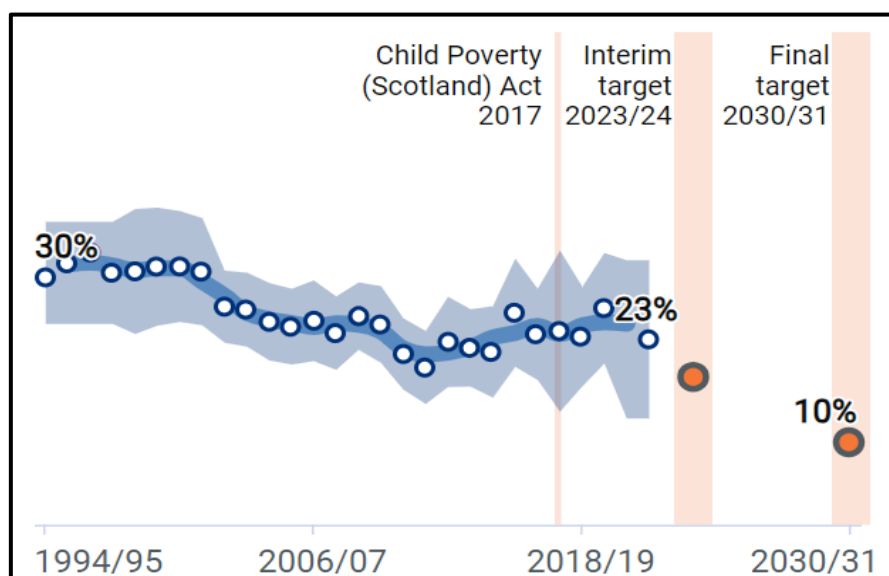
## Scotland

### Background<sup>61</sup>

- For 2021/2022, almost one in four children in Scotland (23%) were living in relative poverty<sup>62</sup> (Figure 4)
- The risk of poverty is higher for children in:
  - ✓ lone-parent families
  - ✓ a household where someone is disabled
  - ✓ families with three or more children
  - ✓ minority ethnic families
  - ✓ families with a child under one year old
  - ✓ families where the mother is under 25 years of age
- More than eight out of 10 children in relative poverty are in one of these groups
- Risk of poverty is high for children in households where no adults are in paid employment
- Most children in relative poverty in Scotland are in working families and are concentrated in urban and older industrial areas, though pockets can be found everywhere (Figure 5)

**Figure 4. Relative poverty among children in Scotland**

Source: Scottish Government<sup>62</sup>



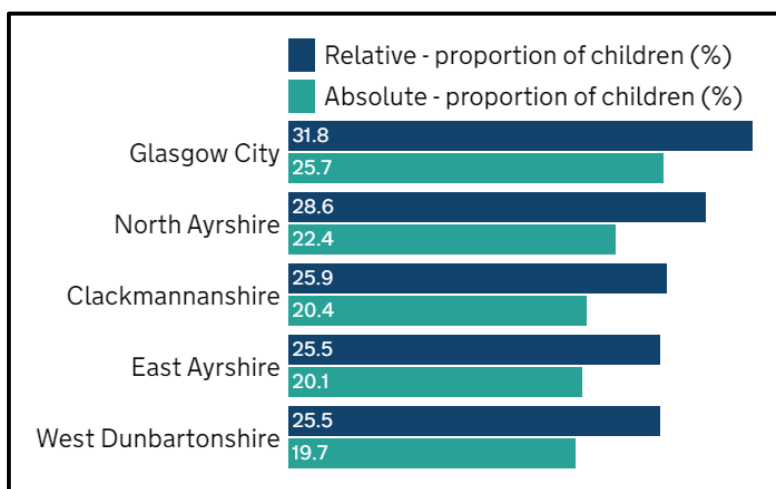
<sup>61</sup> [Child Poverty: scale, trends and distribution in Scotland \(healthscotland.scot\)](https://www.healthscotland.scot)

<sup>62</sup> [Child poverty summary \(data.gov.scot\)](https://data.gov.scot)



**Figure 5. The local authorities with the highest proportions of children aged under 16 in Relative and Absolute low-income families (2022)**

Source: UK Government<sup>63</sup>



### National Policies<sup>64,65,66,67,68,69,70</sup>

- **The Child Poverty (Scotland) Act 2017** sets interim<sup>71</sup> and final statutory targets which:
  - ✓ help focus efforts to tackle and reduce child poverty
  - ✓ help monitor progress
  - ✓ are in line with the UN Convention on the Rights of the Child
- **Final targets, set for 2030**, include:
  - ✓ less than 10% of children live in households that are in relative poverty
  - ✓ less than 5% of children live in households that are in absolute poverty
  - ✓ less than 5% of children live in households that are in combined low income and material deprivation
  - ✓ less than 5% of children live in households that are in persistent poverty
- It requires Scottish Ministers to publish child poverty delivery plans at regular intervals, with annual reports to measure progress
- Local authorities and health boards must also jointly publish annual reports on what they are doing to reduce child poverty in their areas
- Its core principles are strengthened by the ‘Children and Young People (Scotland) Act’, ‘Getting it Right for Every Child’ approach, ‘Early Years Framework’ and ‘Commitment to Keeping The Promise’
- Under the Act, two delivery plans have been published – **‘Every Child, Every Chance’, covered the period 2018-2022 and ‘Best Start, Bright Future’ was published in March 2022**. The latest annual report **set out progress on actions within the delivery plan including** (Figure 6):<sup>72</sup>
  - ✓ Delivering the **Scottish Living Wage and Living Hours Accreditation Scheme**

<sup>63</sup> [Children in low income families: local area statistics, financial year ending 2022 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/children-in-low-income-families-local-area-statistics-financial-year-ending-2022)

<sup>64</sup> <https://www.gov.scot/policies/poverty-and-social-justice/child-poverty/#:~:text=The%20Act%20requires%20Scottish%20Ministers,pov%20in%20the%20local%20area.>

<sup>65</sup> <https://www.healthscotland.scot/media/2184/child-poverty-act-overview-oct2018.pdf>

<sup>66</sup> [Children and Young People \(Scotland\) Act 2014 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2014/12/section/1)

<sup>67</sup> [Getting it right for every child \(GIRFEC\) - gov.scot \(www.gov.scot\)](https://www.gov.scot/policies/getting-it-right-for-every-child)

<sup>68</sup> [The Early Years Framework - gov.scot \(www.gov.scot\)](https://www.gov.scot/policies/early-years-framework)

<sup>69</sup> [Keeping the Promise implementation plan - gov.scot \(www.gov.scot\)](https://www.gov.scot/policies/keeping-the-promise)

<sup>70</sup> <https://www.gov.scot/policies/tackling-child-poverty-delivery-plan-fourth-year-progress-report-2021-22/pages/2/>

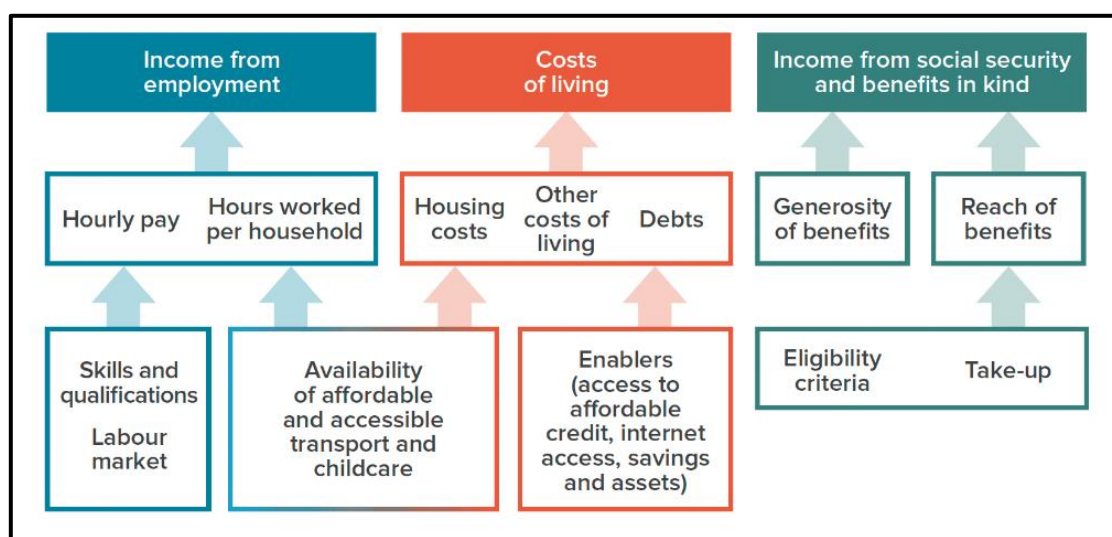
<sup>71</sup> <https://www.jrf.org.uk/work/poverty-in-scotland-2023#:~:text=One%20in%20four%20people%20in,of%20around%20one%20in%20four>

<sup>72</sup> [Tackling child poverty delivery plan: progress report 2022 to 2023 - gov.scot \(www.gov.scot\): https://www.gov.scot/policies/annex-6-evidence-review-works/](https://www.gov.scot/policies/annex-6-evidence-review-works/)



- ✓ Implementing the **statutory duty for all eligible children to receive 1,140 hours of funded Early Learning and Childcare**
  - ✓ **Increasing universal provision of Free School Meals** to all children in primaries 4 and 5 and investing £21.8 million to provide alternate provision for children from low-income households during school holidays
  - ✓ Doubling the value of and expanding access to the **Scottish Child Payment** and continuing delivery of the **Bridging Payment** (£260 per child)
  - ✓ Delivering the **Child Disability Payment nationwide** to an estimated 62,325 children
  - ✓ Continuing to implement **Whole Family Wellbeing Funding** backed by initial investment of £32 million, driving whole system change to deliver a long term shift towards earlier, preventative intervention and ensuring families get the support they need before they reach crisis point
  - ✓ Between April and December 2022, an estimated 2,127 households with children have been helped into affordable housing through the **Affordable Housing Supply Programme**
- Scottish Government has sought to mitigate the UK Government Benefit Cap as much as possible within its devolved powers; it has made an additional £2.6 million available for local authorities, which is expected to help up to 4,000 families with around 1,400 children with housing costs<sup>73</sup>

**Figure 6. Three drivers of child poverty addressed in the Best Start, Bright Futures, 2022-26**  
 Source: Scottish Government<sup>74</sup>



### Local Practice to reduce Child Poverty: Maternity Matters<sup>75,76,77,78</sup>

- After accounting for housing costs, the highest rates of child poverty are found in Glasgow, Dundee, North Ayrshire, Dumfries and Galloway and Clackmannanshire
- Families with **children under one year old** are among those at the highest risk of child poverty

<sup>73</sup> [Tackling child poverty delivery plan: progress report 2022 to 2023 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/tackling-child-poverty-delivery-plan-progress-report-2022-to-2023/pages/12.aspx)

<sup>74</sup> [Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/best-start-bright-futures-tackling-child-poverty-delivery-plan-2022-to-2026/pages/12.aspx)

<sup>75</sup> [Child Poverty: scale, trends and distribution in Scotland \(healthscotland.scot\)](https://www.healthscotland.scot.nhs.uk/child-poverty-scale-trends-and-distribution-in-scotland/)

<sup>76</sup> [Case studies of local practice to reduce child poverty \(healthscotland.scot\)](https://www.healthscotland.scot.nhs.uk/case-studies-of-local-practice-to-reduce-child-poverty/)

<sup>77</sup> <http://www.moneymattersweb.co.uk/projects/snips/#:-:text=The%20SNIPs%20Maternity%20Matters%20project,a%20typical%20welfare%20rights%20service.>

<sup>78</sup> <https://www.fincap.org.uk/en/evaluations/maternity-matters-final-report>

- To combat this, the Special Needs in Pregnancy Service (SNIPS), in collaboration with Scotland's Money Matters<sup>79</sup> funding, implemented the Maternity Matters project in Glasgow by:
  - ✓ addressing existing financial or welfare issues and build resilience for the future
  - ✓ increasing financial knowledge and understanding
  - ✓ increasing exposure to financial products, guidance and tools
  - ✓ supporting management of income via money diaries
  - ✓ supporting the most vulnerable clients before their baby is born and for up to 3 months postpartum
  - ✓ supporting women to maintain their benefit commitment for their claims
  - ✓ carrying out a holistic assessment of needs and ensure that anything that can be accessed is for each woman and their family
- Women referred to Maternity Matters via SNIPS, a **specialist clinic for vulnerable pregnant women with complex needs**, include:
  - ✓ care leavers
  - ✓ those with learning disabilities
  - ✓ those experiencing homelessness
  - ✓ people aged under 16
  - ✓ those reporting alcohol or substance misuse
  - ✓ those involved with criminal justice system
  - ✓ those who are refugees or asylum seekers
- Staff are present at the clinics to meet women, form relationships and arrange to meet to offer the full financial inclusion service at a suitable location
- The project uses a person-centred approach to provide an enhanced model of care with extra support from an advocate who works with women to ensure that their plan, initially developed by a Money Advisor, is followed through with longer term support as and when required
- This support can last from 3 months post birth
- The service also provides close links and referrals to other partners such as: employability services, social work, housing and a range of third sector services

### **Maternity Matters findings<sup>80,81,82</sup>**

- **There was significant improvement in financial capability scores after the intervention** (an average of 23 points higher)
- Being financially capable means:
  - ✓ managing money well day-to-day
  - ✓ planning and saving for the future
  - ✓ preparing for the future and unexpected events
  - ✓ using credit well but avoiding unmanageable debt
- **There were statistically significant improvements in satisfaction with standard of living, in budgeting and in never running out of money**; women were 62% less likely to run out of money post intervention and more women accessed a food bank post-intervention than before

<sup>79</sup> <http://www.moneymattersweb.co.uk/about-us/>

<sup>80</sup> <https://www.fincap.org.uk/en/evaluations/maternity-matters-final-report>

<sup>81</sup> [What is financial capability | Strategy for the UK - FinCap](#)

<sup>82</sup> <http://www.moneymattersweb.co.uk/projects/snips/#:-:text=The%20SNIPs%20Maternity%20Matters%20project.a%20typical%20welfare%20rights%20service.>

## Scottish Child Payment<sup>83,84,85,86,87,88,89,90</sup>

- The **Scottish Child Payment (SCP)** is one of five family payments delivered by Social Security Scotland
- The delivery plan has three aims:
  - 1) Providing the opportunities and integrated support parents need to enter, sustain and progress in work
  - 2) Maximising the support available for families to live dignified lives and meet their basic needs
  - 3) Supporting the next generation to thrive
- SCP contributes to the costs of **supporting low-income families through a weekly payment** of £25 for every child under 16 years, without affecting any other UK or Scottish Government benefits currently received (Aim 2)
- Since SCP began in 2021, the **payment has been uplifted by 150%**, with a further increase outlined for April 2024 (to £26.70)
- Other family payments provided in Scotland include:
  - ✓ **Best Start Grant Pregnancy and Baby Payment:** one-off payment of up to £707.25 from 24 weeks in pregnancy up until a baby turns 6 months
  - ✓ **Best Start Grant Early Learning Payment:** one-off payment of £294.70 when a child is between two and three years and six months
  - ✓ **Best Start Grant School Age Payment:** one-off payment of £294.70 when a child would normally start primary one
  - ✓ **Best Start Foods:** a pre-paid card from pregnancy up to when a child turns three to help buy healthy food
  - ✓ The **School Age and Early Learning Payments** have no equivalent in England; these are new benefits rather than replacements/renames of formerly UK benefits
- The package of five family benefits could be worth around £10,000 by the time an eligible child turns 6, compared to less than £2,000 for eligible families in England and Wales, and over £20,000 by the time an eligible child is 16 years old
- Scottish Government's assessment **separated out SCP as the individual policy with the greatest potential impact of the cumulative impact**
  - ✓ Modelling suggests that SCP **will reduce the relative child poverty rate by around five percentage points in 2023-24, lifting around 50,000 children out of poverty**
- Other assessments found that the poorest tenth of the Scottish households will gain the equivalent of almost £260 per year (2% of their incomes), from the combined effects of the benefits and income tax changes<sup>91</sup>
  - ✓ Households with children in approximately the bottom third of the income distribution will gain around £1200 per year on average (4-5% of their incomes)
- **SCP has led to more money being spent on children, including spend which enables them to participate in social and educational opportunities**, for example:<sup>92</sup>
  - ✓ Essential items like food and nappies, and treat items such as small toys or ice cream
  - ✓ Family day-trips and regular activities like parent and toddler groups

<sup>83</sup> [Scottish Child Payment - mv.gov.scot](#)

<sup>84</sup> [Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026 - gov.scot \(www.gov.scot\)](#)

<sup>85</sup> [institute-for-public-policy-research-scotland-submission.pdf \(parliament.scot\)](#)

<sup>86</sup> <https://www.gov.scot/publications/best-start-bright-futures-tackling-child-poverty-delivery-plan-2022-26/pages/3/>

<sup>87</sup> [Tackling Child Poverty Delivery Plan: progress report 2022-2023 \(www.gov.scot\)](#)

<sup>88</sup> [https://www.gov.scot/publications/scottish-budget-2024-](https://www.gov.scot/publications/scottish-budget-2024-25/pages/2/#:~:text=Scottish%20Government%20modelling%20suggests%20that,50%2C000%20children%20out%20of%20poverty.)

[25/pages/2/#:~:text=Scottish%20Government%20modelling%20suggests%20that,50%2C000%20children%20out%20of%20poverty.](https://www.gov.scot/publications/scottish-budget-2024-25/pages/2/#:~:text=Scottish%20Government%20modelling%20suggests%20that,50%2C000%20children%20out%20of%20poverty.)

<sup>89</sup> [Social Security Scotland - Benefits](#)

<sup>90</sup> [Meeting of the Parliament: 13/06/2023 | Scottish Parliament Website](#)

<sup>91</sup> <https://www.gov.scot/publications/distributional-analysis-accompany-2024-25-scottish-budget/>

<sup>92</sup> [Interim Evaluation of Scottish Child Payment \(www.gov.scot\)](#)

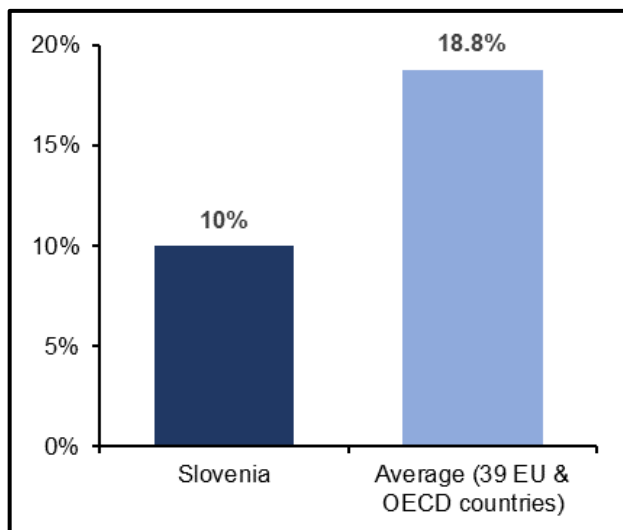
- ✓ For parents of disabled children, spend on essential medical items and items designed to support development or learning

## Slovenia

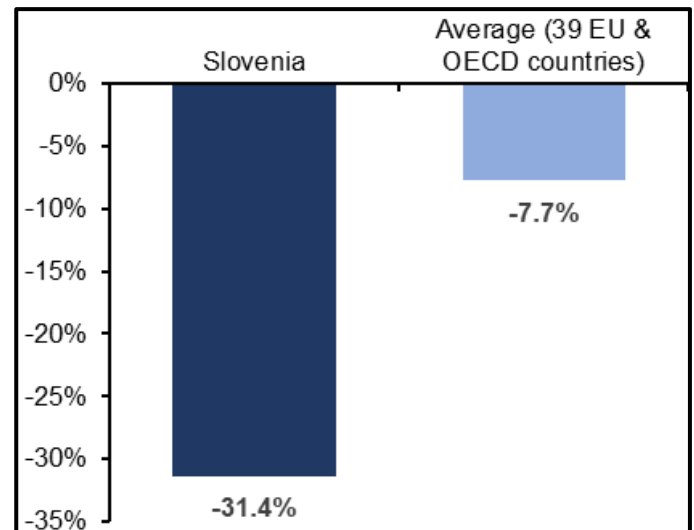
### Background

- Slovenia has been a **leader among OECD and EU countries** for their performance on tackling child poverty<sup>93</sup> (Figure 7)
- The average reduction in this rate since 2012-2014 was 31.4% (compared to the average of 7.7% reduction), while one third of the included countries saw an increase in the child poverty rate (Figure 8)

**Figure 7. Child relative poverty rate 2019-2021 vs. OECD & EU average**  
Source: UNICEF<sup>94</sup>



**Figure 8. Change in child relative poverty rate in Slovenia vs. OECD & EU Average between 2012-2014 and 2019-2021**  
Source: UNICEF<sup>94</sup>



- Recent strategies to combat child poverty focus on **harmonised childcare and social protection aligned with international and European standards**<sup>94</sup>
- **Slovenia's Child Guarantee National Action Plan (NAP)** is inspired by the European Child Guarantee of 2021<sup>95</sup> (Figure 9) and focuses on **areas which affect child poverty rates including care, education, health, nutrition and housing**
  - ✓ **It adopts an approach of a “supportive policy framework”** recommended in the European Child Guarantee that urges consideration of enabling measures
  - ✓ Slovenia intends to **aid families as opposed to a child alone**; this way **intergenerational transmission of poverty is also prevented**
  - ✓ Slovenia allocated nearly **1,280 beds to marginalised groups**, including those facing homelessness, to address the issue housing deficit due to prejudice<sup>96,97</sup>

<sup>93</sup> [Child Poverty in the Midst of Wealth | UNICEF Office of Global Insight & Policy](#)

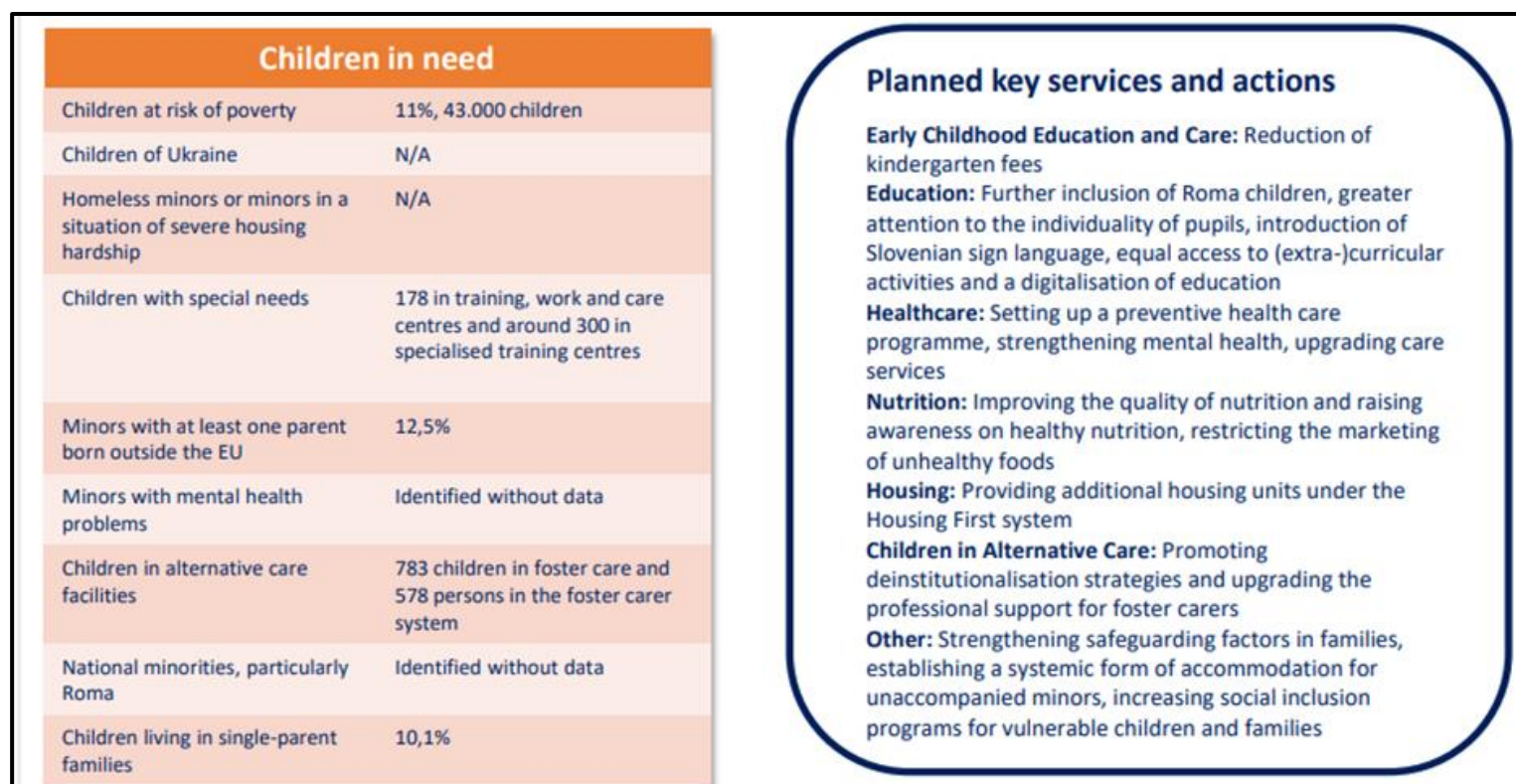
<sup>94</sup> [30th anniversary of the Convention on the Rights of the Child | GOV.SI](#)

<sup>95</sup> [Slovenia's Child Guarantee National Action Plan – An overview – Eurochild](#)

<sup>96</sup> [Efforts to Address Child Poverty in Slovenia - The Borgen Project](#)

<sup>97</sup> [CHILD GUARANTEE NATIONAL ACTION PLAN OF THE REPUBLIC OF SLOVENIA 2022\\_2030.pdf](#)

**Figure 9. Summary of Slovenia Child Guarantee National Action Plan**  
**Source: Eurochild<sup>96</sup>**



- **Slovenia also prioritised youth mental health**, launching a National Mental Health Program and committing to establish 25 mental health centres by 2028<sup>97</sup>
- EU-wide initiatives also aid the country as in the case of **food aid** provided by the initiative ‘Fund for European Aid to the Most Deprived’<sup>97</sup>
- **Several approaches to eradicating child poverty have been successful:**<sup>98</sup>
  - ✓ investing in education, health, and nutrition
  - ✓ provision of cash benefits to families
  - ✓ implementation of labour market reforms
  - ✓ ensuring sufficient social protection
- The Government is **specifically acting in the areas of financial incentives**, addressing both the initiation and enhancement of financial measures to support families<sup>99,100</sup>
  - ✓ **Childbirth grant:** one-off cash benefit for the purchase of children’s necessities
  - ✓ **Parental allowance:** provided to parents who have no parental protection insurance
  - ✓ **Child benefit:** income supplement to help parents provide for children’s maintenance, upbringing and education
  - ✓ **Special needs child allowance:** the parents of a child with special needs are provided with an allowance and partial payment in the event of a loss of income as well as additional relief
  - ✓ **Large families support:** a large family comprises more than three children and can seek an additional allowance

<sup>96</sup> [Slovenia is showing Europe how to tackle child poverty | Euronews](#)

<sup>99</sup> [SI-ECH-S20-profile.pdf \(eurochild.org\)](#)

<sup>100</sup> [Family rights and benefits | GOV.SI](#)



- ✓ **Discounts on kindergarten fees:** parents of children enrolled in public preschool institutions, private preschool institutions with concessions, and private preschool institutions financed from municipal budgets can request a discount on fees

## Outcomes

- Figure 10 shows the child-related SDG Poverty indicators for Slovenia
- The findings from a longitudinal study of the **effect of social transfers on poverty rates** in Slovenia found that **individual-level transfers and allowances for families** with children are statistically significant<sup>101</sup>
  - ✓ They were associated with an **increase in the likelihood of escaping poverty**, by nearly 30% points; this compares favorably to other Eastern European countries
  - ✓ Findings are attributed to the implementation of the **family allowances and the universality of other family benefits** (i.e., the birth grant and large family allowance)
- **Social transfers** (excluding pensions) reduced poverty by 37.31% in December of 2022<sup>102</sup>

**Figure 10. Child-related Sustainable Development Goals Poverty indicators of Slovenia**

Source: UNICEF<sup>103</sup>

Poverty	1.1.1 Children living in households in extreme poverty (%)	0	2022
	1.2.1 Children living below the national poverty line (%)	12	2020
	1.2.1 Proportion of children living below the national poverty line, both sexes (%), Covid projections	–	–
	1.2.2 Children living in poverty in all its dimensions according to national definitions (%)	–	–
	1.3.1 Proportion of child population covered by social protection floors/systems (%)	79	2016
	Legal frameworks that promote, enforce and monitor gender equality in employment and economic benefits	90	2022

<sup>101</sup> [Child Poverty in Croatia, Serbia, and Slovenia: The Role of Poverty Persistence and Social Transfers: Eastern European Economics: Vol 61, No 6 \(tandfonline.com\)](#)

<sup>102</sup> [Slovenia - Impact of social transfers \(excluding pensions\) on poverty reduction - 2024 Data 2025 Forecast 2005-2022 Historical \(tradingeconomics.com\)](#)

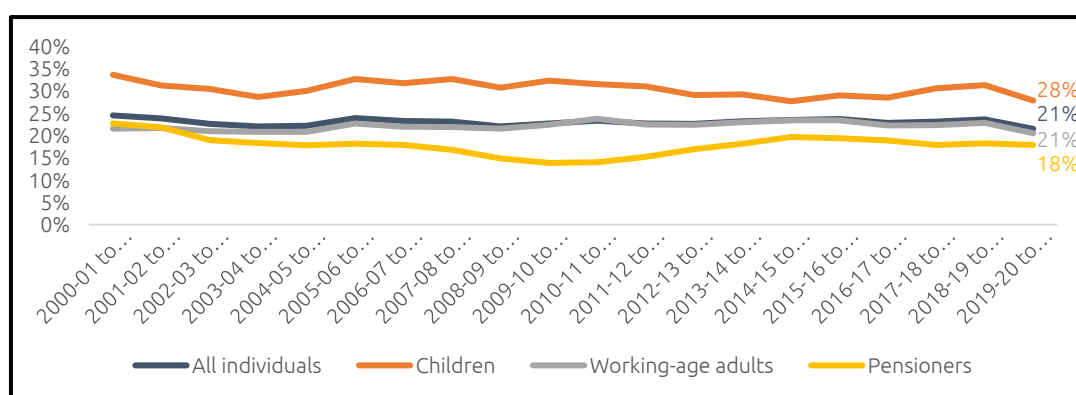
<sup>103</sup> [Child-Related SDG Progress Assessment for Slovenia - UNICEF DATA](#)

## Appendix: The Welsh context

- Nearly **one in three (28%)** children in Wales are living in relative income poverty according to 2019/20 to 2021/22 data<sup>104</sup>
- Poverty rates have remained high in Wales over the past two decades, with children consistently at the highest risk of living in poverty of any age group (Figure 11)
- **Certain groups of children are at higher risk** of living in relative income poverty, including children in lone parent families, children living in larger families, children living with disabilities, children belonging to some ethnic groups and children in workless households<sup>105</sup> (Figure 12)

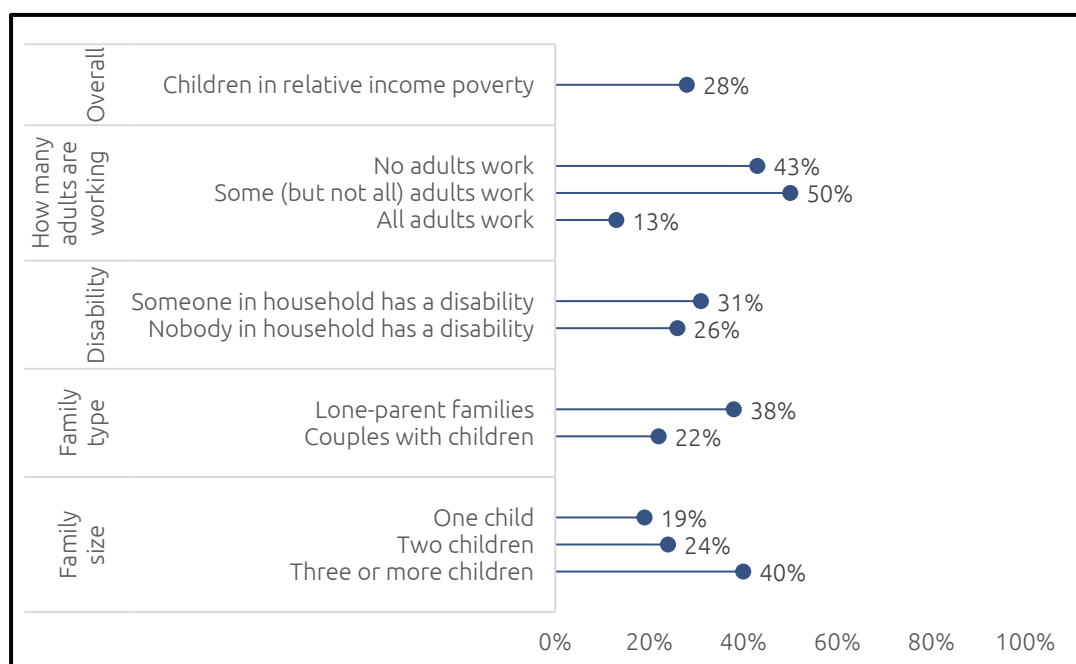
**Figure 11. Percentage of all individuals, children, working-age adults and pensioners living in relative income poverty in Wales (averages of 3 financial years)**

Source: StatsWales<sup>104</sup>



**Figure 12. Children's risk of being in relative income poverty in Wales (FYE 2020 to FYE 2022)**

Source: Welsh Government<sup>105</sup>



<sup>104</sup> Relative income poverty: April 2021 to March 2022.

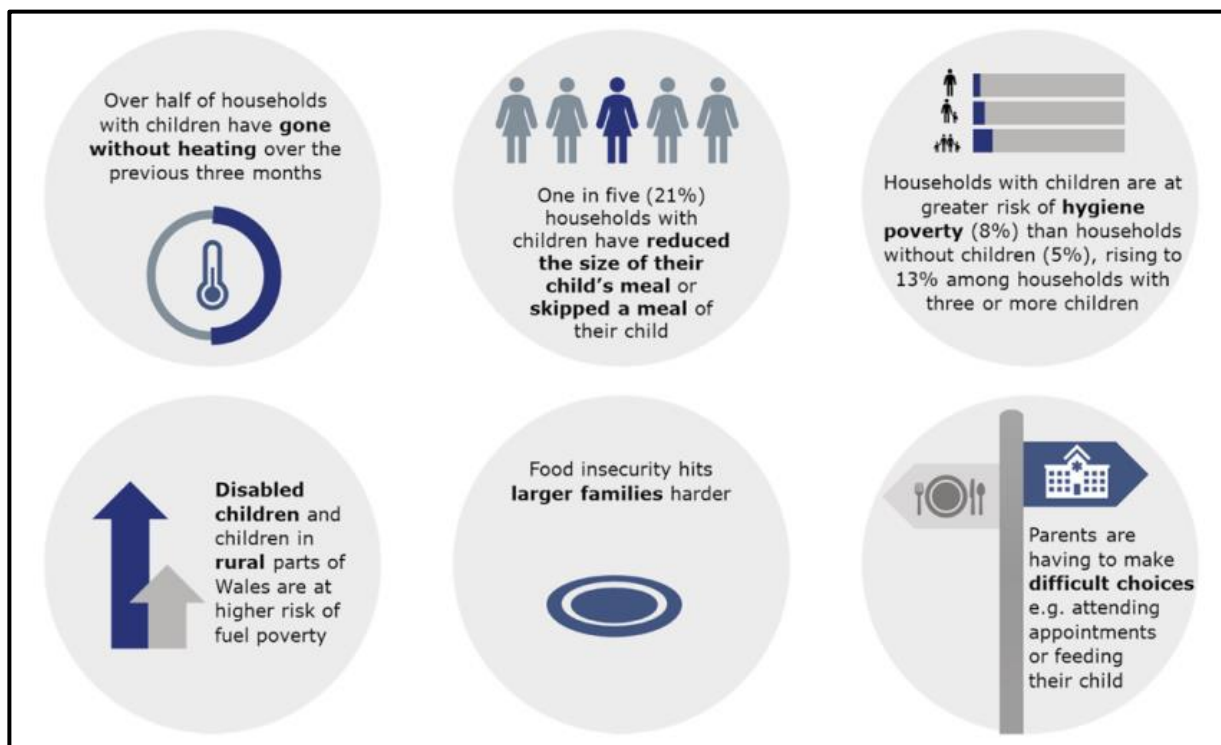
<sup>105</sup> Percentage of all individuals, children, working-age adults and pensioners living in relative income poverty for countries and regions in the UK between financial year ending (FYE) 1995 and FYE 2022 (averages of 3 financial years)



- A significant proportion of children in Wales are at **increased risk of the negative health impacts of poverty due to the cost of living crisis** (Figure 13), in particular due to an **increased risk of:**<sup>106</sup>
  - ✓ **fuel poverty:** living in cold, damp homes, lack of privacy/ overcrowding;
  - ✓ **food insecurity:** lacking access to enough (nutritious) food;
  - ✓ **transport poverty:** reducing journeys due to transport becoming less affordable;
  - ✓ **period or hygiene poverty:** being unable to afford menstrual products or products needed for basic care and cleanliness (e.g., soap, laundry detergent)

**Figure 13. Key evidence on the direct impacts of the cost of living crisis on children’s health and well-being in Wales**

Source: *Public Health Wales*<sup>106</sup>



- **Social security** is a key policy area in addressing child poverty, but many critical aspects are outside the remit of Welsh Government’s devolved competencies (e.g., universal credit, jobseeker’s allowance, income support, child tax credit)<sup>107</sup>
- There has been a **sustained reduction in welfare benefits available to families with children since 2010**,<sup>108,109</sup> with changes at a UK level, including the two-child limit and the introduction of the benefit cap
- Evidence suggests that welfare reductions have **disproportionately affected children living in the least well-off areas, leading to increased child poverty and worsening health** outcomes in these areas, including a **rise in infant mortality rates**<sup>110</sup>
- **Combined factors** contributing to the risk of children living in relative poverty include<sup>111</sup>: **insecure work; high childcare costs; reduction in welfare benefits; and stigma**

<sup>106</sup> [PHW-Children-and-cost-of-living-report-ENG.pdf \(phwhoccc.co.uk\)](#)

<sup>107</sup> [The Benefits System in Wales - Welsh Affairs Committee \(parliament.uk\)](#)

<sup>108</sup> [An intergenerational audit for the UK](#)

<sup>109</sup> [Assessing the impact of rising child poverty on the unprecedented rise in infant mortality in England, 2000–2017: time trend analysis](#)

<sup>110</sup> [Life-course socioeconomic position and change in quality of life among older adults: evidence for the role of a critical period, accumulation of exposure and social mobility](#)

<sup>111</sup> [Poverty and social exclusion: review of international evidence on early childhood education and care](#)

- Real-term cuts to welfare payments interact with a **high prevalence of insecure, low-paid work, and high childcare costs** outside of the government-funded hours<sup>112,113</sup>
- **Employment does not always offer a route out of poverty** and/or that parents **cannot always ‘afford to work’**, increasing the risk of children in Wales living in poverty<sup>114</sup>
- **Wales’s population has lower average wages** compared to other UK nations<sup>115</sup>
- **In January 2024, Welsh Government published the Child Poverty Strategy for Wales**,<sup>116</sup> renewing the previous 2015 strategy. The strategy has **5 long-term objectives**:
  - 1) To reduce costs and maximise the incomes of families
  - 2) To create pathways out of poverty so children and young people and their families have opportunities to realise their potential
  - 3) To support child and family wellbeing and make sure that work across the Welsh Government delivers for children living in poverty
  - 4) To ensure children, young people and their families are treated with dignity and respect by the people and services who interact with and support them and to challenge the stigma of poverty
  - 5) To ensure that effective cross-government working at the national level enables strong collaboration at the regional and local level
- While the Welsh Government and other public bodies in **Wales do not have full power over policy areas that are important drivers of child poverty rates, several policy levers can be applied to drive change**<sup>117</sup>:
  - ✓ **The Well-being of Future Generations (Wales) Act** calls on public bodies to maximise their contribution to relevant well-being goals; to apply long term thinking, collaboration and prevention to the benefit of future generations
  - ✓ The **Socio-economic Duty** requires public bodies to consider the impact of their strategic decisions on those living in or at risk of poverty to improve their experiences and outcomes
  - ✓ Welsh Government is committed to **United Nations Convention on the Rights of the Child**, which specifies that children have the right to be safe, to play, to have an education, to be healthy and be happy and acknowledges that specific consideration is needed due to children and young people’s particular care and protection needs
  - ✓ The **Children and Families (Wales) Measure 2010** provides a legislative framework to drive the Welsh Government’s commitments to reduce child poverty
  - ✓ The Welsh Government has committed to a **‘health in all policies’ and applying Health Impact Assessment**. This calls on decision-makers to consider how policies and actions could affect population health and well-being, as well as how population groups (including children) may be affected
- The **unique policy context** of Wales provides an **enabling environment** for public bodies (and others) to **prioritise action that protects children** in Wales from the impacts of poverty now and into the future, and action that tackles the underlying causes of poor health and well-being

<sup>112</sup> [Low Pay Britain 2022: Low pay and insecurity in the UK labour market](#)

<sup>113</sup> [Health Equity in England: The Marmot Review 10 years on](#)

<sup>114</sup> [Poverty and social exclusion: review of international evidence on early childhood education and care](#)

<sup>115</sup> [Average \(median\) gross weekly earnings by UK country - English region and year \(£\)](#)

<sup>116</sup> [Child Poverty Strategy for Wales 2024 \[HTML\] | GOV.WALES](#)

<sup>117</sup> [PHW-Children-and-cost-of-living-report-ENG.pdf \(phwwhocc.co.uk\)](#)

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