

Autumn Budget 2024

Briefing | 31 October 2024

Summary

- This briefing provides an overview of the changes Barnardo's believes are needed to ensure children are safer, happier, healthier and more hopeful, and the extent to which the Budget addressed these matters.

The case for action:

- **[4.3 million children are growing up in poverty](#), that is more than 1 in 4 children in the UK** and the impact of the cost-of-living crisis has left families across the country struggling to afford the basics.
- **[Nearly 84,000 children in England are in care](#), an increase of 23% over the last decade** and nearly **[120,000 children of compulsory school age are missing education](#)**.
- **[1 in 5 children are living with a mental health condition](#)**, exacerbated by the legacy of the pandemic and cost-of-living crisis.
- **[500,000 children across England and Wales are sexually abused every year](#)**, and **[approximately 30,000 – 50,000 children are criminally exploited](#)**. We know that these figures are just the tip of the iceberg, though, as children who are abused or exploited are often not identified.
- **Children under 18 accounted for one in five (18%) of the 75,181 people [applying for asylum in the last year](#)**.

What the Budget means for children and families:

- There is limited positive news children and families the most in need of support.
- Significant capital spending on schools is a key investment and welcomed.
- £1 billion to extend the Household Support Fund is much needed and welcomed to prevent a cliff edge in crisis support – but this is funding for a safety net, rather than real change.
- The £69 million was announced to continue delivery of a network of Family Hubs is a positive step investing in the 75 areas that already have this provision; Barnardo's is calling for there to be a Family Hub in every community.
- The government announced over £250 million in 2025-26 to continue to test innovative measures to support children and reduce costs for local authorities. This includes £44 million of new funding to pilot a Kinship Allowance.
- There is also the promise of significant reform to children's social care in the multi-year spending review due in the Spring. This will be key as without significant investment, local authorities will be unable to sustainably meet current needs for children's services and simultaneously deliver the necessary rebalancing towards the kind of early intervention services that are at the heart of the recent children's social care reform agenda.
- Most disappointingly, there limited change to the benefits system, and no end to the 'two child limit' – meaning no immediate action to alleviate child poverty.

What Barnardo's is calling for and how the Budget responded

Barnardo's position	Autumn Budget announcement	
Tackling child poverty and the cost-of-living crisis		
End the two-child limit ('sibling penalty') in Universal Credit	X	Ending the 'sibling penalty' is one of the most cost-effective means of lifting children out of poverty. It would lift 490,000 children out of poverty at a cost of £1.7bn. ¹ <i>To note: The government is helping low-income households on Universal Credit (UC) by creating a new Fair Repayment Rate. This will cap UC repayments at 15% of the standard allowance, benefiting 1.2 million households by allowing them to keep more of their UC award each month.</i>
Develop a long-term scheme and funding settlement for local crisis support after the Household Support Fund ends in March 2025	✓	This Barnardo's call was met – at least for the next financial year. The Government announced £1bn (including Barnett consequential – related funding for devolved nations), to extend the Household Support Fund and Discretionary Housing Payments in 2025-26, which will be used by local authorities to address immediate hardship and crisis.
Implement an 'Essentials Guarantee' in Universal Credit	X	The Government should implement an 'Essentials Guarantee' as proposed by the Joseph Rowntree Foundation and the Trussell Trust. This would ensure that, at a minimum, Universal Credit protects people from going without essential items. ²
Extend free school meals to all primary school pupils in England	X	Creating universal access to free school meals would help the poorest families overcome administrative barriers and reduce stigma, will boost educational attainment and attendance and can increase health outcomes for children. ³ <i>However, investment was confirmed of over £30 million in the rollout of free breakfast clubs next year, to fund breakfasts in thousands of schools and help working parents.</i>
Address holiday hunger – including through extension of the Holiday Activities and Food Programme ('HAF'), which ends in March 2025.	X	The Government should set out plans to address holiday after the Holiday Activities and Food Programme ('HAF') ends in March 2025, including efforts to increase uptake and extend eligibility. The scheme is available to children in receipt of free school meals. An estimated 3 million children are at risk of hunger during the school holidays when they do not have access to free school meals.

¹ Resolution Foundation (2024), 'Press release: two-child limit data analysis'

² Children's Society and others (2023), 'The Future of Local Welfare – Discretionary Support for Individuals and Families Facing Crisis'

³ Institute for Social and Economic Research, University of Essex '[The impacts of Universal Free School Meal schemes in England](#)'

Support for children in and leaving care

<p>Invest in family centres so they can be established in every local community.</p>	<p>✓/X</p>	<p>£69 million was announced to continue delivery of a network of Family Hubs, providing some certainty but not major progress.</p> <p>However, no explicit mention was made of any expansion of this programme beyond the existing 75 local areas. Barnardo's 2021 report 'It Takes a Village' calculated that for every £1 invested in its Isle of Wight family hub service, £2.60 of savings were generated.⁴</p>
<p>Increased funding alongside reform to children's social care – with a focus on earlier intervention.</p>	<p>✓/X</p>	<p>Research from the Children's Services Funding Alliance published in their report 'The Well Worn Path: Children's Services Spending 2010-11 to 2021-22' September 2023 found combined spending on early intervention services has fallen by 46%, whereas total expenditure has risen by almost half 47%.⁵ Without significant investment, local authorities will be unable to sustainably meet current needs for children's services and simultaneously deliver the necessary rebalancing towards the kind of early intervention services that are at the heart of the recent reform agenda.</p> <p>Some limited funding was announced:</p> <p>The government will provide over £250 million in 2025-26 to continue to test innovative measures to support children and reduce costs for local authorities. This includes £44 million of new funding to pilot a Kinship Allowance as well as to create hundreds of new foster placements, enabling more children to stay in family environments.</p> <p>The government committed to setting out plans for fundamental reform of the children's social care system in Phase 2 of the Spending Review, including promoting early intervention to help children stay with their families where possible, and fixing the broken care market.</p>
<p>Provide an enhanced package of financial support for care leavers aged 18-25</p>	<p>X</p>	<p>As outlined in our latest report 'No Bank of Mum and Dad' Barnardo's is calling for an enhanced package of financial support for care leavers.⁶ This includes but is not limited to ensuring care-experienced young people claiming Universal Credit receive the over 25 rate and uprating existing care leaver support in line with inflation.</p>

⁴ Barnardo's (2021), 'It Takes a Village: The case for family support in every community' available online at

<https://www.barnardos.org.uk/sites/default/files/2021-09/It-Takes-a-Village-the-case-for-family-support-in-every-community.pdf>

⁵ Children's Services Funding Alliance (2023), 'The Well Worn Path: Children's Services Spending 2010-11 to 2021-22' available online at

https://www.barnardos.org.uk/sites/default/files/2023-09/Children%27s%20services%20spending%2022_final%20report.pdf

⁶ Barnardo's (2023), 'No Bank of Mum and Dad: The impact of the cost-of-living crisis on care-experienced young people' available online at

<https://www.barnardos.org.uk/sites/default/files/2023-10/report-cost-living-crisis-care-experienced-young-people-bank-mum-dad.pdf>

Provide free bus travel for all care leavers 18-25 across England	X	<p>The average cost of a bus pass is £18 a week which is not affordable for many care leavers, especially in the context of rising costs. Access to free bus travel would enable care leavers to get more easily to work, college, visit relatives or access hobbies. It is estimated that the cost of setting up a national scheme for all care leavers aged 18-25 would be approximately £77m¹⁵. Following the publication of our report, Transport for Freedom, Cornwall Council and West of England Combined Authority announced it will be introducing free bus travel for care leavers. We are calling for free bus travel for all care leavers right across the country.</p> <p><i>To note: The £2 bus fare cap due to come to and end in December 2024, will be extended until December 2025 but with an increased cap of £3 per fare. Whilst this affects everyone it will be especially difficult for care leavers.</i></p>
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Happier and healthier children

Commit to funding and delivering a rapid roll out of Mental Health Support Teams (MHSTs) in schools and colleges	X	<p>MHSTs are a cost-effective investment in children and young people’s mental health, but only 35% of children and young people have access to MHST support, and current plans to reach around 50% still leaves gaps in vital support.⁷ Barnardo’s recent analysis in its report ‘It’s Hard to Talk’ demonstrates that for every £1 invested in Barnardo’s MHSTs, there is a return of £1.90 to the state.</p> <p><i>To note: While the Government will provide £26 million to open new mental health crisis centres, reducing pressure on A&E services. The government is committed to tackling the root causes of mental health problems and supporting people to remain in, return to or find work. Nothing is stated about any targeting of provision for children and young people.</i></p>
Commit to investing in social prescribing for all children and young people	X	<p>Research from The Open Data Institute and Frontier Economics found if social prescribing was applied across England, it could reduce the need for GP appointments by 2.5-3% annually.⁸ This would save 2.8-3 million appointments, reducing pressure on GP services considerably. Barnardo’s report ‘The Missing Link’ highlights that social prescribing improves children and young people’s mental health and wellbeing and is cost effective.⁹ We are calling for a national strategy for social prescribing in children and young people to be developed.</p>

⁷ Department of Health and Social Care (2023), ‘Major Conditions Strategy; Case for Change and Our Strategic Framework.’ Available online at <https://www.gov.uk/government/publications/major-conditionsstrategy-case-for-change-and-our-strategicframework/major-conditions-strategy-case-forchange-and-our-strategic-framework--2#chapter6-next-steps-to-the-major-conditions-strategy>

⁸ The Open Data Institute and Frontier Economics (2021), ‘The Role of Data in Unlocking the Potential of Social Prescribing’ available online at https://theodi.org/wp-content/uploads/2021/11/2021-11-01_14-50_PRS_Reportlinks-added.pdf

⁹ Barnardo’s (2023), ‘The Missing Link: Social Prescribing for Children and Young People’ available online at <https://www.barnardos.org.uk/sites/default/files/2023-10/report-missing-link-social-prescribing-children-young-people.pdf>

Support for victims of child criminal exploitation and abuse

<p>Ensure all child victims of abuse and exploitation are able to access child-centred specialist support and advocacy services</p>	<p>X</p>	<p>Research by the Centre of expertise on child sexual abuse, which is hosted by Barnardo's, found that there are just 468 services across England and Wales providing support to victims and survivors of child sexual abuse and their families.¹⁰ This means that there are between 10,000 – 20,000 victims and survivors for every one service. We urge the Government to invest in and expand the provision of specific support and advocacy services for all children who are abused and exploited, including by making it a funded statutory duty for local authorities to provide these services.</p>
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Support for children seeking sanctuary

<p>Align with the Joseph Rowntree Foundation's 'Essentials Guarantee', the bare minimum of providing household essentials for all families, including but limited to those seeking asylum. This is calculated as £123.60, per individual for 2025.⁶</p> <p>Failing this, reintroduce the Department's previous policy of calculating the weekly asylum support payment to 70% of the standard rate of Universal Credit, as was the case prior to 2008 with Income Support.</p>	<p>X</p>	<p>Barnardo's maintains that the level of asylum support rate is inadequate in addressing the most basic needs of families with children seeking sanctuary in the UK. The cost-of-living crisis has further exacerbated these pressures, and increases in the Asylum Support Allowances must reflect the increase in average food prices, particularly affecting families with young children.</p>
<p>Increase Section 95 (and Section 4) maternity grants, at a minimum, to £500, in line with the recent increase in the Department of Health and Social Care's increase in the Sure Start Maternity Grant for those in England, Wales, Northern Ireland and on Universal Credit or other social benefits.</p> <p>Increase the additional payment for babies under 1 to £11.93 in line with the CPI increase in formula prices.</p>	<p>X</p>	<p>According to Asylum Matters' <i>Surviving in Poverty report</i>, 67% of parents say that nappies, clothes and baby formula, are too expensive to afford.¹ Analysis from the ONS found that powdered baby formula cost £11.93 on average per pack in 2024, and the Food Foundation reported in 2023, that all the first infant formula milk available in the UK exceeded the value of the Healthy Start Scheme Voucher.²</p>

Response to the Budget by Lynn Perry MBE, CEO of Barnardo's

"Every day that the two-child limit on benefits is in place, is another day that almost half a million children live in avoidable poverty. While we welcome Ministers' strong commitment to tackling child poverty in the longer-term, it is disappointing that the government has not taken this opportunity to bring

¹⁰ <https://www.csacentre.org.uk/app/uploads/2024/01/Support-Matters-full-report.pdf>

this injustice to an end.

“We welcome the extension of the Household Support Fund and the government’s focus on tackling the root causes of poverty. But without bold action to help families struggling right now, then good intentions won’t be enough. We urgently need change to address the devastating impact of poverty on children’s health, happiness and hope for the future.”

Action you can take

You can:

- Contribute to the Autumn Budget debates to highlight the severe impact of the cost-of-living crisis on children, young people and families across the UK and the steps the Government should take to support families.
- Ask an oral or written Parliamentary Question about the challenges facing children and young people (suggested questions provided below).
- Learn more about our policy calls to support care leavers at **Barnardo’s Conversation with Care Leavers: Supporting Journeys to Independence event from 14.30 – 16.30 on Tuesday 5 November 2024, Attlee Suite, Portcullis House** where you will have the opportunity to hear from care leavers themselves. For more information or to RSVP email public.affairs@barnardos.org.uk

Suggested Parliamentary Questions

- **Child poverty and cost-of-living support**
What steps will the Chancellor take to address the immediate impact of the cost-of-living crisis on children, specifically through increasing support for families with more than two children, given that ending the 'two-child limit' on benefits could lift nearly 490,000 children out of poverty?
- **Long-term crisis support**
Will the Government consider extending the Household Support Fund beyond 2025, and to develop a comprehensive long-term crisis support fund to ensure local authorities can provide sustained assistance to families in need?
- **Holiday hunger**
In light of the numbers of children living in poverty and given that an estimated 3 million children are at risk of hunger during the school holidays when they do not have access to free school meals, will the Government commit to continuing the Holiday Activities and Food Programme (HAF) beyond March 2025?
- **Family hubs**
Will further consideration be given to expanding on the Chancellor’s investment of £69 million to continue delivery of Family Hubs to roll to them out to every community, beyond the 75 areas that already have this provision, so that all families can access this vital early support?
- **Support for care leavers**
Will the Government consider implementing an enhanced financial support package for care leavers aged 18-25, including free bus travel and adjusted Universal Credit support, to ensure these young people have a fair start as they transition out of care?
- **Mental health and early intervention in schools**
What specific steps will the Government take to accelerate the rollout of Mental Health Support Teams in schools, so that all children and young people can access mental health support?
- **Child victims of abuse and exploitation**
Will the Government establish a statutory, funded duty for local authorities to provide specialised support services for all child victims of abuse and exploitation, ensuring these children can access timely and tailored support?

Support for families with children seeking asylum

- Will the Government consider aligning asylum support with inflation to better meet the essential needs of children and families seeking sanctuary, ensuring they have adequate resources for basic necessities?

About Barnardo's

At Barnardo's, our purpose is clear - changing childhoods and changing lives, so that children, young people, and families are safe, happy, healthy, and hopeful. Last year, we provided essential support to 373,200 children, young people, parents and carers through more than 800 services and partnerships across the UK. For over 150 years, we've been here for the children and young people who need us most – bringing love, care and hope into their lives and giving them a place where they feel they belong.

www.barnardos.org.uk

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