



FROM COVID-19 TO COST OF LIVING

18 MONTHS OF PROVIDING EARLY YEARS GRANTS TO FAMILIES IN WALES



**Save the
Children**
Achub y Plant

SAVE THE CHILDREN CYMRU

We believe that every child has the right to a safe, healthy, and happy childhood.

The early years of a child's life shapes their personality and skills and forms the foundation for their future. This is the time which offers the greatest opportunities for learning and development, helping to shape the kind of people we grow up to be. However, poverty can put tremendous pressure on families and make it harder for parents to play and learn with their children and provide all that they need to grow up happy and healthy.

Poverty is on the rise across the UK and Wales has the highest level of child poverty compared to all other nations, with nearly 1 in 3 children growing up in its grip. The deepening tragedy of child poverty in the UK has been intensified by the COVID-19 pandemic and cost of living crisis. It has left the most vulnerable children and their families facing increasing hardship.

We all need to work together to address these challenges. Over the coming years through our work, we will strive to reduce the number of children growing up in poverty in Wales by working in partnership with others, listening to the latest evidence, and most importantly listening to the voices of children and families.

ACKNOWLEDGEMENTS

Save the Children Cymru would like to thank all of our local community partners who help us to ensure that our Early Years Grants reach families who need them across Wales. These partners are:

Aneurin Bevan University Health Board, Action in Caerau and Ely, Cardiff & Vale Homes for Ukraine, Cardiff & Vale University Health Board, Cardiff Council, Carmarthenshire County Council (including the Early Years Integration Team), Home Start Cardiff, Neath Port Talbot Flying Start Parenting Team, Newport City Council, Newport City Homes Housing Association, Newport North Ministry Area, Oasis Cardiff, Pobl Group, Resilient Families Team Rhondda Cynon Taf, Team around the Family Neath Port Talbot, Valleys Kids.

We would also like to thank our funders, including the Moondance Foundation.

1 INTRODUCTION

Through the Covid-19 pandemic, we worked with our local community partners in Wales and across the UK to provide emergency grants to families. These grants helped families to meet their material needs through the pandemic and subsequent lockdowns.

Unfortunately, the need for this type of material support did not end when lockdown did. Families across Wales have continued to struggle to afford the items and resources they need to help their children thrive.

That's why we have continued to work with partners to provide support to families through our Early Years Grants. These grants support families' immediate needs and include beds, highchairs, pushchair, and other essential household items. They also include learning resources such as books, toys, educational activities, and vouchers to spend on food and essential items like clothes.

After years of working with local community partners to provide these grants to families, we are left asking one main question:

Why do so many families in Wales continue to need this type of support?

In this short report we outline findings from an analysis of our Early Years Grants delivery in Wales over the last 18 months¹. In doing so, it seeks to answer this question.

First, in section 2 we outline the broad demographic, social, and economic circumstances of the families who received a grant. In doing so, we compare to the profile of families in poverty across Wales². Section 3 then looks at the broad reasons why families needed an Early Years Grant and how these have changed over the last 18 months. Finally, section 4 focuses down on how each individual issue manifests in the lives of families and uses vignettes of individual families' situations to show how these issues intersect.

¹ Between 1 April 2021 and 31 October 2022. This analysis excludes families supported through the specific Early Years Grants response for those fleeing the conflict in Ukraine. A separate report will outline the challenges faced by these families in due course.

² The Welsh Government advise against using statistics from the 2020 – 21 dataset so we have used the averages for children in relative poverty (AHC) in Wales from 2017-18 to 2019/20 for context: [Relative income poverty: April 2019 to March 2020 | GOV.WALES](#)

2 THE MAKE UP OF FAMILIES

Before exploring the main issues faced by families over the last 18 months, it's first useful to briefly outline the demographic, social, and economic circumstances of those families.

775

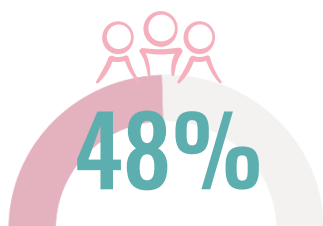
Households received an
Early Years Grant in Wales
between 1 April 2021 and
31 October 2022

1529

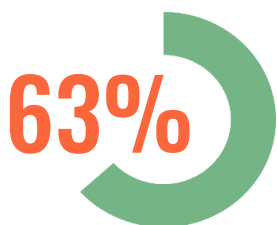
Children living in those
775 households



Of households were **headed by a single parent or carer**. This is representative of a wider trend in Wales, where single parents are more likely to be in relative poverty than two parent households.



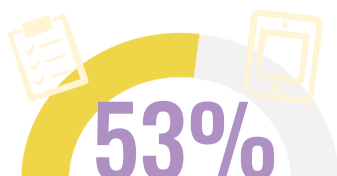
Of households **contained three or more children**. This is representative of wider trends in Wales, where households containing three or more children are significantly more likely to be living in relative poverty.



Of children reached **were under 6 years old**. This fits with a wider trend in Wales, whereby households containing young children (0-4 years old are more likely to be living in relative poverty).



Of households included **someone from a minority ethnic background (not White British)**. Recent statistics on the distribution of relative poverty across different minority ethnic backgrounds are not available for Wales.



Of households were **in receipt of Universal Credit**. This compares to just over 15% of households in receipt of Universal Credit across the total population of Wales (in May 2022). When we look at households with children, this increases to nearly 28%.



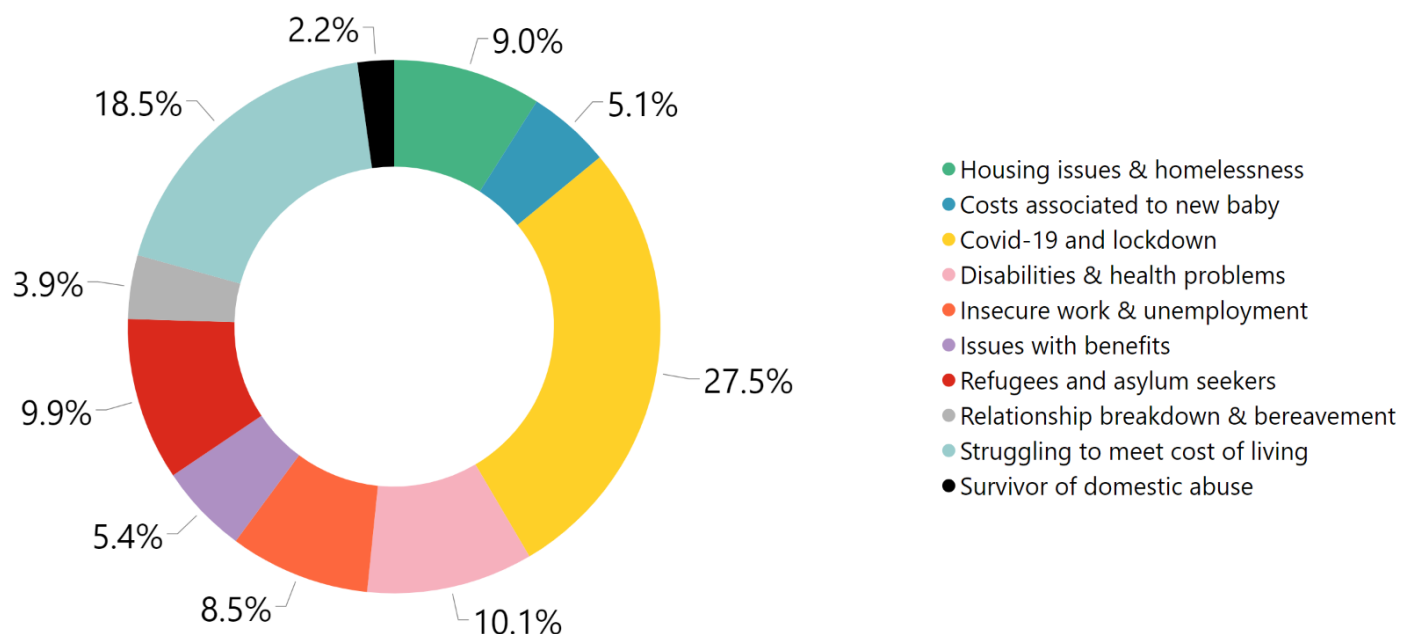
Of households included **someone who has a disability or health problem that affects their day-to-day life**. Across Wales, nearly 1 in 4 households that contain someone with a disability are living in relative poverty.

3 THE MAIN ISSUES FAMILIES WERE FACING

We work closely with our local community partners to identify families in need of an Early Years Grant. We ask those partners to give a brief description of families' situation, describing the main reasons why they require an Early Years Grant.

Our analysis revealed ten main issues that have affected families over the last 18 months. Figure 1 (below) shows the proportion of families who were facing each of those ten issues. It shows that the most prominent issue was Covid-19 and the associated lockdowns. Given the all-consuming impact of the Covid-19 pandemic, it is perhaps unsurprising that this issue continued to have a severe impact on families. In a similar vein, the cost-of-living crisis that has proliferated since the pandemic is the second most prominent issue that affected families. Each of these huge social and economic events sit alongside a range of other challenges faced by families such as disabilities and health problems, coming to Wales as a refugee or asylum seeker, and housing issues, including homelessness.

Figure 1: The key issues faced by families receiving Early Years Grant in Wales over the last 18 months (April 2021 – October 2022)



A more detailed breakdown of how these issues played out over time is provided later in this section and in figure 2 (below). Figure 2 shows the distribution of these ten main issues over each quarter between April 2021 and October 2022. Underneath the chart, some key social, economic, and political events have been added to provide context for the shifting picture of families' needs in Wales.

The two most striking trends shown in figure 2 are the lessening prominence of Covid-19 on families and the parallel rise in families struggling with the cost of living. The relative prominence of other issues has remained fairly static over the last 18 months. This is perhaps because these are more longstanding challenges, unlike Covid-19 and the cost-of-living crisis. However, there has been an increase in the proportion of families experiencing housing issues and homelessness in recent

quarters. This may be related to the higher proportion of families citing problems affording the rising cost of living, which is driving families into more precarious housing situations.

Although it is useful to look at the relative prominence of these broad issues, it is also important to remember that they do not exist in isolation. They are all interconnected with one another in various ways. Section 4 looks at how each of these issues manifests in the lives of families supported by the Early Years Grants programme, as well as how the issues intersect with one another.

Figure 2: How the key issues faced by families receiving Early Years Grant in Wales have changed over time



4 INDIVIDUAL ISSUES AND HOW THEY INTERSECT

In this section we focus on each of the ten key issues faced by families in Wales who received an Early Years Grant in Wales over the last 18 months individually. For each issue, more information is given on the ways in they impacted on families' lives, as well as how they intersected with other issues to compound family's already challenging circumstances. These intersections are further exemplified through vignettes of families' situations.

1. Covid-19 and lockdowns

The most prominent issue faced by families over the last 18 months was the Covid-19 lockdown and the associated lockdowns. The impact of Covid-19 was wide ranging, affecting various aspects of families' lives. Many parents were furloughed, had their hours reduced, or lost their jobs altogether. As a result, they were left with less money to meet costs. Those (food and energy) costs rose for families as schools, nurseries, and playgroups closed and families were forced to spend more time at home. In turn, children were deprived of the essential social contact that comes with going to nursery, school, playgroup or even just spending time with friends and family. Throughout the descriptions of parents' circumstances, we heard of parents concerned about their children's social, emotional, and speech and language development. These concerns were only compounded as many specialist services were less accessible during lockdowns. Finally, it is important to remember that we are focusing here on families' experiences since April 2021, meaning the majority of time were looking at is after Covid-19 restrictions had ended. As shown in figure 2, the impact of the Covid-19 lockdown remained long after restrictions ended and the longer-term impact on children's development is still to be fully realised.



A couple living in Newport with a new baby on the way. The father lost hours during the pandemic and has not been able to get them back.

They are struggling financially and the mother is very stressed and concerned this is having an impact on her child's development.



A single mother of three children living in Cardiff, including a new baby. She works part time but was on maternity pay, reducing her income.

She has struggled with anxiety and depression during lockdown. She is worried that her children have lacked opportunities to play and develop as they have had to spend so much time at home.

2. Struggling to meet the cost of living

The second most prominent issue faced by families was the growing gap between their incomes and the cost of living. As highlighted above, the Covid-19 pandemic had already hit the incomes of many families and has caused their expenditure to grow as a result of spending more time at home. From autumn 2021, food and energy prices had risen rapidly, causing

families' budgets to be stretched to breaking point. As a result, many families were also facing debt. The accrual of debt often coincided with financial shocks in the households, such as appliances breaking. As costs have soared, incomes have remained static or been reduced. Families consistently highlighted the negative impact of the cut to the £20 uplift in Universal Credit that came in Autumn 2021, which had been a lifeline to many during the pandemic. As shown in figure 2, the cost of living has grown to become the most prominent issue faced by families who have received an Early Years Grant in recent months. In turn, this crisis shows no immediate signs of abating.



A couple from Rhondda Cynon Taf with five children. Three of the children are experiencing issues with their social and emotional development.

The family are in receipt of Universal Credit and are struggling to meet the rising cost of living, which is further affecting the children's wellbeing and development.



A single mother of two children from Cardiff, who is employed on a 'zero hours' contract.

Due to the rising cost of living, she is spending all of her money on food and energy costs. She is unable to take the children to groups or on days out and is worried about affording birthday and Christmas presents. She is worried about how this is affecting her children's social development.

3. Disabilities and health problems

As shown in section 2, around a third of families who received an Early Years Grant in Wales over the last 18 months include someone who has a disability or health problem that affects their day-to-day life. Over the last 18 months, this was the third most prominent issue that impacted families. For parents these disabilities were made up of a combination of longstanding physical disabilities, mental health issues, and physical health problems. For children, the most prominent disability was Autism, but some also faced physical disabilities and health problems. It was clear that the Covid-19 pandemic negatively affected children's ability to access appropriate support for their Autism and had also created an external environment that was particularly challenging for those with Autism. Across all families who had disabilities and health problems, it was clear that this increased the daily cost of living, whether that be because of needing specific or specialist equipment, having to travel more and in more expensive ways, or because of specific dietary requirements. They also limited families' incomes by restricting parents' ability to work due to their own disability or health problem or because of their caring responsibilities.



A couple with four children living in Cardiff. The father has osteoporosis which prevents him from working and increases their costs as they have to pay for more expensive taxis to get to appointments.

The rising cost of living has stretched their already tight budget past breaking point, and they are now falling further into debt.



A single mother of one child living in Newport. Her daughter has been diagnosed with a physical disability and multiple other medical needs that were not picked up during the pandemic.

As a result, she requires a specialised pushchair. The mother has recently had to borrow money to buy this and is now struggling to repay this loan, while affording the rising cost of living.

4. Refugees and asylum seekers

It is first important to highlight that the challenges associated to being a refugee or asylum seeker would be significantly more prominent if this analysis included Save the Children's specific Early Years Grant response for Ukrainian refugees. We have chosen to exclude these families from this analysis as this was a specific response, but we are producing separate analyses to demonstrate the particular issues faced by these families. Nevertheless, the many challenges that come with being an asylum seeker or refugee still made this a prominent issue faced by families. Many of these families struggled with other issues highlighted in this analysis but each of these were compounded and worsened by experience of coming through the asylum system. Asylum seeking families were struggling on extremely low allowances and were unable to work to increase their incomes. In turn, some even had no recourse to public funds. For those who had refugee status, many still struggled with delays to benefit payments and difficulties finding secure work. Having English as an additional language only compounded these issues.



A single mother of two children living in Cardiff who were granted leave to remain in the UK after a four-year asylum application and appeal.

The family had been living in asylum accommodation and were due to move into their first home in Wales. They have very little in the way of toys, furniture or learning resources as they have been unable to save any money from the very limited Asylum Support payments.



A couple with two children living in Cardiff. The family have recently arrived in Wales from Afghanistan and are living in shared accommodation.

They have indefinite leave to remain and the father is working part time but cannot increase his hours as he needs to prioritise time to help his family settle in the UK.

The family had a delay in receiving benefits, which made their already difficult financial situation worse.

5. Housing issues and homelessness

Although housing issues and homelessness are only the fifth most prominent issue faced by families over the last 18 months, figure 2 shows that this has become a more prominent issue for families in recent months. The most common housing issue faced by families was living in poor quality housing, with issues such as overcrowding and damp particularly prominent. However, some families were currently or had recently experienced homelessness and were accessing support through an Early Years Grant to help furnish a new home or make temporary accommodation more conducive to their family's needs. Homelessness was particularly common for families who were also refugees and asylum seekers, survivors of domestic abuse, or who had experienced a relationship breakdown.



A couple with two children living in Newport. The family were evicted from their private rented house as their landlord wanted to sell the property.

Despite both parents working full time, they were forced to move into one room accommodation that has issues with damp and mildew.

They need help to buy new bedding for the flat, while they try to find new housing.



A couple with six children living in Carmarthenshire. They have recently moved to their first home through social housing.

They struggled to afford all of the items needed to furnish their home so prioritised essential equipment like a cooker and washing machine.

They needed help to get carpets to avoid their children playing on a cold, hard concrete floor.

6. Insecure work and unemployment

As highlighted in relation to Covid-19, many parents were furloughed, had their hours reduced or lost their jobs during Covid-19. It was clear that the challenges associated with insecure work and unemployment had not gone away as Covid-19 lockdowns eased, with many families continuing to struggle to find new work or regain the hours they had lost. In turn, parents struggled to find childcare that was affordable when balanced against the hours they were being offered at work. Figure 2 suggests that in recent months this issue has been a little less prominent but it's difficult to draw firm conclusions as issues of low paid work or unemployment are also contributing factors to the cost-of-living crisis.



A single mother of four children living in Newport. The mother lost her job during the Covid-19 pandemic as she was unable to send her youngest child to nursery. She has struggled to find work since as the hours often don't align with nursery opening times. In turn, her mother has recently been diagnosed with cancer and she is taking up caring responsibilities for her.

7. Issues with benefits

Given that around 4 in 10 families who received an Early Years Grant in Wales over the last 18 months were in receipt of Universal Credit, we may have predicted that benefits issues would be a more prominent problem faced by families. The issues faced by families were primarily to do with waits, delays, and mistakes in receiving benefits. Families coming through the asylum system seemed to be more likely to be on the wrong side of these issues. Families also consistently highlighted the negative impact of the cut to the £20 uplift in Universal Credit that came in Autumn 2021.



A single mother of one from Cardiff. The family were experiencing financial hardship due to delays in processing their benefit application. This was partly due to the ongoing effect of historic financial abuse and exploitation by a former partner.

The child was awaiting assessment for development delay and the mother was worried about how their financial situation is affecting his development.

8. Costs associated to a new baby

As well as huge social and economic events such as the Covid-19 pandemic and the cost-of-living crisis, there were also key life events that led to families requiring additional support. Given that the focus of the Early Years Grants is to provide material support families who have a child under 6, it is perhaps unsurprising that having a baby (or more accurately the costs associated with this) was a prominent issue for families. As with other issues, families were rarely managing the costs associated with a new baby in isolation. Some were also coping with a relationship breakdown, social isolation or even homelessness. and most were struggling with the overall cost of living.



A couple with five children living in Rhondda Cynon Taf. The family are currently living in cramped conditions in a three-bedroom house and the mother has recently given birth to a new baby who was born with multiple medical conditions. In turn, two other children in the household also have medical conditions that impact their learning.

The father is self-employed but has had to take time away from his business to support his family, which means the family is struggling to meet their living costs.

9. Relationship breakdown and bereavement

Another life event and transition that some families had to face was relationship breakdown, with a smaller number also experiencing bereavement. Relationship breakdown had a series of knock-on effects for families, including housing and benefits issues as the household

structure changes. As a result of these knock-on effects, many families were facing a reduced income as well as the prospect of being a single parent for their children. There is also an emotional impact on parents and children, which makes dealing with these knock-on effects all the more challenging.



A single father of four children living in Neath Port Talbot. The mother left the family home, leaving the father to care for the four children.

This change in circumstances affected the families Universal Credit payments. The father was in the process of sorting this out but in the meantime was facing real problems meeting the family's day to day costs.

10. Survivor of domestic abuse

Although domestic abuse may be the least prominent in terms of numbers of families experiencing it. It is among the most prominent in terms of the actual impact on the lives of those families who did experience it. The brief descriptions of families' circumstances used in this analysis can never reveal the full impact of domestic abuse. What they do reveal is that domestic abuse produces a terrifying array of other issues for survivors. Upon fleeing domestic abuse, families often became homeless, experienced relationship breakdown, became (or were already) socially isolated and developed mental and physical health problems. The prominence of this issue has remained relatively static over the last 18 months, but the situations of families show that many had also fled during or just after lockdown restrictions and now face rebuilding their lives amidst a cost-of-living crisis.



A single mother of three children. She has recently fled domestic abuse and has moved to a new area. This has had a significant impact on her mental health and on the emotional wellbeing of her children.

She was trying to rebuild her life and needs support to furnish her new property and provide toys and learning resources for her children.

5 CONCLUSIONS

In this short report we outlined findings from an analysis of our Early Years Grants delivery in Wales over the last 18 months. In doing so, we sought to answer the question:

Why do so many families in Wales continue to need this type of support?

We began by outlining the broad demographic, social, and economic circumstances of the families who received a grant in section 2. In doing so, we compared to the profile of families in poverty across Wales. This showed how families with certain characteristics are more likely to experience poverty and more likely to need support through our Early Years Grants. These include families headed by a single parent or carer, those with young children (and with more children), those from an ethnic minority background, and those containing someone with a health problem or disability that affects their day-to-day life.

In section 3 we looked at the main reasons why families needed an Early Years Grant and how these have changed over the last 18 months. This analysis revealed the sheer magnitude of the challenges that families in Wales have had to confront over recent months and years. They have been confronted by huge geopolitical events such as the Covid-19 pandemic. Just as the immediate impact of the Covid-19 pandemic began to ease, the cost-of-living crisis proliferated.

These events have affected every aspect of families' lives, making providing for children so much more difficult. For the families who received our Early Years Grants, this extremely hostile social and economic context has been layered on top of existing personal and structural issues to make families lives more complicated and challenging. In section 4 we focused on how each the main issues manifested in families' lives and looked more closely at the intersections between each of the issues. In doing so, we were reminded that families do not face any of these issues in isolation. Instead, they intertwine with each compounding the impact of the last.

The support provided through the Early Years Grants provides a small amount of relief to families, helping them to meet their material needs and support their children's learning. The support provided by our local community partners goes further in supporting families through the range of challenges they face. However, this support can only go so far; children and their families fundamentally need enough money to not only survive but to thrive.

6 NEXT STEPS

This report sets out some of the main problems faced by families in Wales and highlights how they can intersect to make their lives more complicated and challenging.

As we move into 2023, we will continue to work with local community partners to provide Early Years Grants to families across Wales.

We will also speak to children and their families directly about their experiences of the cost of living and how it is impacting their lives and opportunities.

We will share what we learn with decision makers in Government, whether that be in Wales or Westminster so we can live in a country where every child can thrive.