

## Covid-19: Supporting families with a Family Rescue Package

This is an unprecedented time in recent history. The crisis of Covid-19 will have far-reaching effects, not just on health, but also on businesses and families. Without urgent action, high numbers of people will be at risk of falling into poverty, and those already struggling will be pushed even deeper.

The UK government has set out some welcome measures to protect those most at risk, including:

- Help to protect jobs and earnings through the Coronavirus Jobs Retention Scheme and the Self-Employed Income Support Scheme
- Making Statutory Sick Pay and new-style Employment Support Allowance payable from the first day of illness
- Increasing the standard element of Universal Credit and the basic element of Working Tax Credits
- Suspending the Minimum Income Floor to support self-employed people experiencing falls in income
- Suspending debt repayments through Universal Credit
- Allowing families to receive vouchers to replace free school meals, and extending the scheme to cover the Easter holidays.

These are hugely important, and will help to mitigate the impact of this crisis on families. But, sadly, many families will still fall through the gaps. 4.2 million children currently live in poverty in the UK, and this number is already set to rise. Families are finding that their incomes are taking a hit at the same time as facing additional costs for essentials such as food, heating and internet access. Without support, they will struggle to cope.

To help stop more children being pushed into poverty during this crisis, we will need to see further measures to support the most vulnerable. Save the Children is calling for a Family Rescue Package, to ensure that families have the support they need.

### Strengthen the safety net

The UK government has understandably focused on protecting jobs in the first instance, to ensure that as many people as possible are able to remain in work and earn a living. But many families still face losing their jobs, or will see significant drops in income as their hours or wages are reduced.

The social security system is key to filling these gaps. The government has announced some welcome increases to benefits, but families with children will still need extra support. Parents are facing rising costs, as school and nursery closures mean that their need for heating, electricity and internet is increasing. To ensure that families on low incomes are supported to cover these additional costs through this difficult time, **the government should increase the child element of Universal Credit and Child Tax Credit by £20 per week**. This increase would be targeted to support children most vulnerable to experiencing poverty, and would take some of the burden of anxiety about finances from parents.

To ensure that all families see the benefit of these changes and the additional welfare support already put in place by the UK government, **the government should also increase the level of the benefit cap**. Without this shift, increases to the generosity of the social security system won't be felt by some groups.

Many families experiencing a drop in income are now faced with applying for Universal Credit for the first time. Almost a million people made a new claim in the past two weeks, and those numbers are certain to rise as the crisis continues. The system appears to be coping with this huge increase in claims, and it is now essential that government reviews how the system is working once claims start to be processed – to make sure support gets to families as soon as possible.

All families will be forced to wait five weeks to receive their first payment, or take out an advance which they have to repay, leaving them to struggle later down the line. **The government must urgently suspend all repayments of advances** for at least six months, and work towards making advances non-repayable in the long term.

Parents currently working and receiving tax credits are also likely to experience a fall in income or working hours during this time. To protect these families from further difficulties and ensure that the system supports them as best it can, **the government should suspend the income disregard and 16 hour working rule in tax credits**, to account for drops in families' incomes during this time.

Finally, many parents will find it difficult to work while looking after their children, and those receiving Universal Credit or Jobseekers Allowance will be subject to work or work-search requirements which are impossible to fulfil in the current context. **The government should suspend all conditionality for parents with dependent children for as long as schools are closed**, and clearly communicate this to families and work coaches.

### **Support struggling families who fall ill**

Many families are likely to fall ill during this crisis, and it is crucial that they are able to remain at home to self-isolate in line with public health guidance. But families on low incomes are not eligible for the same support as those on higher incomes if they have to take time off work when they are ill – meaning that they will be left facing a choice of a drop in income, or continuing to go work, putting themselves and many others at risk. Families should not have to face a choice of working through illness or being left to struggle. **The government should extend Statutory Sick Pay to cover all employees**, including those who earn less than £120 per week, to make sure that struggling families are not penalised for falling ill.

### **Ensure all families have digital access to support children's learning**

The coronavirus crisis has shown that digital access is an essential for many households. School and nursery closures across the UK mean that children will now be expected to do all learning at home, with resources being made available to families through online learning platforms and websites.

But with many families struggling to pay their bills or not having internet access at all, this crisis risks exacerbating the impact of the digital divide further, and leaving children from disadvantaged backgrounds to

fall further behind in their learning. **The government should ensure that all families have the digital access they need to support children’s learning**, by:

- *Ensuring online connectivity:* low-income families who are not already connected must urgently receive access to the internet. Governments should work with schools, nurseries and support workers to identify families not currently connected and ensure providers prioritise getting families online.
- *Ensuring access to devices:* online connectivity will only be meaningful if families have the technology they need to access the internet. The government should therefore work with local authorities, schools and tech companies to provide the devices children need whilst at home.
- *Providing ongoing financial support for digital access:* low-income families should be supported to manage those bills for at least as long as schools and nurseries are closed. This could be achieved through government paying providers directly through networks stating what they would normally charge, and government underwriting this cost. Alternatively, providers could freeze bills for low-income families, in a similar way to the removal of data caps on fixed-line broadband, or expand low-cost options for families. An alternative option would be to establish a cash or voucher scheme to help families cover data or broadband bills.

We cannot let this crisis pull even more children into poverty. Now is the time for us all to act to ensure that families and children are protected during this crucial time.