



POVERTY IN THE PANDEMIC:

The impact of coronavirus on low-income families and children

August 2020



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Child Poverty Action Group works on behalf of the more than one in four children in the UK growing up in poverty. It doesn't have to be like this. We use our understanding of what causes poverty and the impact it has on children's lives to campaign for policies that will prevent and solve poverty – for good. We provide training, advice and information to make sure hard-up families get the financial support they need. We also carry out high-profile legal work to establish and protect families' rights. Child Poverty Action Group is a charity registered in England and Wales (registration number 294841) and in Scotland (registration number SC039339).

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**Not their real names.*

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Executive Summary

Coronavirus has turned the lives of families with children upside down. Many parents have lost jobs or been furloughed and many schools and childcare facilities have largely been closed, leaving those still in work facing the impossible task of balancing work with childcare and home schooling. These challenges are particularly acute for low-income families.

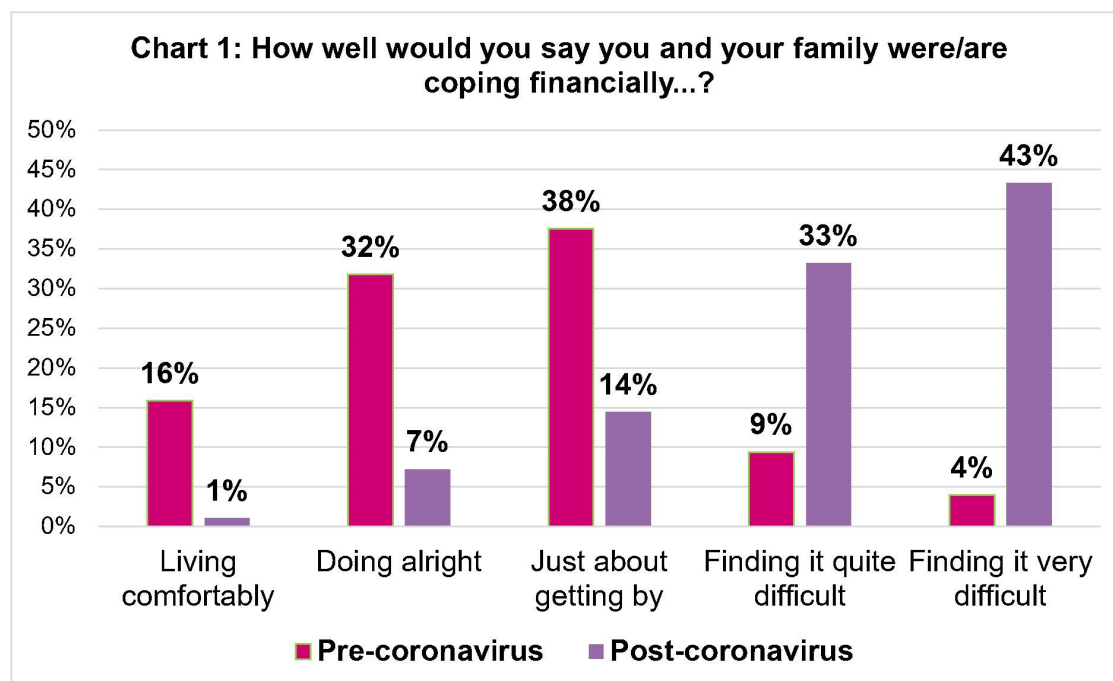
Based on an online survey of 285 low-income families and in-depth interviews with 21 of these families between May and August 2020, this report offers an important insight into the day-to-day struggles that families have been dealing with, as well as their strength and resilience in managing such an array of challenges on a limited income.

Financial impacts

Overall, around 8 in 10 respondents to our online survey reported a significant deterioration in their living standards due to a combination of falling income and rising expenditure. Families who responded in July and early August were less optimistic about their financial situation than those who responded in May or June.

Even among those families whose employment had not been disrupted – including those who were not working prior to the pandemic – the majority reported a worsening in their financial situation.

Most of the families we interviewed are already living close to the poverty line. Therefore, it only takes a relatively small fall in income or rise in living costs to push them into poverty and debt. For the minority of households who were previously on relatively high earnings and are now reliant on the social security system, the income shock has been very sudden and severe. How these families cope in future will depend on how long the crisis persists.



Other studies⁴ have shown that low-income working households have been disproportionately affected by the economic fallout of the pandemic. This was mirrored in the experiences of the working families we interviewed, most of whom have experienced a significant reduction in their earnings, due to one or more of the following:

- Being made redundant before or early on in the pandemic, and being unable to find new employment or having to accept shorter hours and/or lower pay.
- Being furloughed on less than full pay or experiencing a reduction in working hours or income from self-employment, pushing many low earners into or deeper into poverty.
- Missing out on the government's income support schemes, because their employer refused to furlough them or because they have only recently become self-employed.
- Being limited in their ability to maintain or find employment because of additional caring responsibilities and/or restrictions in childcare provision.

For single parents, in particular, the challenge of balancing work and childcare is likely to be even more difficult than usual over the coming months.

Nearly 9 in 10 families who responded to our online survey said they faced additional costs as a result of coronavirus, and were spending substantially more on food, electricity, and other essentials. Low-income families spend a much higher share of their income on these items, so this has a disproportionate impact on their overall standard of living.

The most commonly cited reason for this was that families were spending much more time at home; as a result, they were using more energy for cooking and home entertainment and their children were eating more. Quite a few families also commented that the cost of food had gone up significantly during the early part of lockdown. Some families have expanded during lockdown, as older children returned home or elderly relatives moved in, placing an additional financial burden on household finances. Low-income families were acutely aware of these extra costs, because they were already living on such a tight budget.

"My husband is the highest earner in our family. He was working as a manager in a hotel that sadly can no longer afford to keep him on. He found out today that he has been made redundant and will no longer earn any money from the last day of this month. Now I'm petrified that I'm going to struggle to pay our bills and mortgage without help... we've never claimed anything in our lives and have always worked so this is a new situation for us." (Couple with two children, South East)

"It's been extremely stressful, I haven't been able to get any discount off rent or council tax so am paying 100% bills with 80% wage plus extra food and electric costs." (Single with one child, West Midlands)

More than three-quarters of respondents said that the coronavirus has affected their ability to pay for food and utilities, and around half said it has affected their ability to pay for housing and child-related costs.

⁴ Resolution Foundation (July 2020) [The Living Standards Audit 2020](#); Joseph Rowntree Foundation/Save The Children (June 2020) [A lifeline for our children: strengthening the social security system for families with children during the pandemic](#)

Some commentators have talked about the benefits of living a simpler lifestyle under lockdown with more time to nurture relationships and enjoy nature, but for nearly all of the parents we spoke to life has been a constant struggle to make ends meet and manage the additional pressures on family life.

Families have employed a range of coping strategies to manage the financial squeeze, including running down their savings; borrowing from family and friends; cutting spending, including buying cheaper and often less healthy food; juggling bills and missing payments; relying on charitable support; and accessing the government's income support schemes or claiming new benefits where they could.

Non-financial impacts

In addition to being financially affected by the pandemic, interviewees and survey respondents told us they had been affected in many other ways, too. Almost half reported physical or mental health problems. For many, this was caused by worries about money, the rising cost of food and utility bills, not being able to buy their children what they needed, and issues with their benefits. Many parents told us they had pre-existing stress or mental health conditions, which had either been aggravated or re-activated by their current circumstances.

Some interviewees, particularly single parents, were stressed as a result of feeling lonely or socially isolated, and because of the extra caring responsibilities they had taken on during the pandemic. These were exacerbated by financial pressures and, in some cases, overcrowded accommodation. Survey respondents also commented on the difficulties of home-schooling their children.

The difficult living conditions that many families experience have been highlighted by the lockdown. Many families had no outdoor space, and others were painfully aware of the poor quality or overcrowded accommodation in which they were living.

When asked about how they dealt with stress, interviewees told us they had a range of coping strategies. Some relied on their partners or children to help them with managing stress. Others went for walks or practised gratitude, faith or positive thinking to get them through particularly difficult periods.

Sadly, some parents told us that their children were also suffering from mental health problems as a result of the pandemic. In most cases it seemed to be teenagers or young adults who were most affected – perhaps because they were old enough to understand what is going on and worry about the impact on their future. However, our interviewees made clear that younger children were also affected.

"I am single mother with depression and anxiety, I lost my job beginning of March and been unable to find a new job as my son's nursery closed to the pandemic. My health has deteriorated and I have become very lonely and suicidal. I am in more debt and struggling to pay bills and feed my son and myself." (Single with one child, Yorkshire and the Humber)

"We live in a flat with no garden, but it is extremely hard. I don't get anything from my little zero-hour contract part time job and all the expenses have doubled due to us being home constantly. There is too much pressure with school work and the effects overall have been very damaging. We're in rent arrears and not sure if we will have a place to live after all this." (Single with one child, East Midlands)

The families we spoke to were very conscious of the disruption to their children's school work. In some families, children were struggling to stay engaged with their work or were anxious about their results.

Other parents told us that their children were struggling with online learning because they could not afford the technology, or that the technology they had was broken.

Another common theme among parents was the knock-on effects of having less money on children's birthdays and entertainment, which left parents feeling guilty that they were unable to provide what their children needed or wanted, particularly on special occasions such as a birthday.

Sources of support

Although record numbers of people have lost their jobs as a result of the crisis, it is clear that the Job Retention Scheme and Self Employment Income Support Scheme have protected millions of people from the full economic impact of the crisis, including quite a few of the families we interviewed for this study. For low income families, however, the loss of 20 per cent of their income has left many of them unable to cover their essential costs. Furthermore, several families did not qualify for these schemes, for example because their employer refused to furlough them. And some were furloughed at 80 per cent of their usual pay and were then hit by the benefit cap.

Free school meal vouchers were highly valued by the parents who received them, although some families experienced problems with accessing the scheme at first due to operational issues, while others were ineligible even though they were living in poverty.

Some families were positive about their experience of claiming new benefits and about changes to their existing benefits that had been made as a result of the pandemic, including the £20 a week uplift to universal credit (UC) and working tax credit (WTC). However, the majority of interviewees, and survey respondents who commented on their experience of claiming benefits/changes to their existing benefits as a result of the pandemic, highlighted problems they had experienced when interacting with the social security system, due to:

- The inadequacy of benefit levels to cover basic living costs, especially for those who had previously been working and those on legacy benefits who missed out on the increase in UC and WTC.
- The impact of the benefit cap on families who had been furloughed at less than their full pay, taking them below the income threshold.
- The long waiting period and additional delays in receiving the first universal credit payment, coupled with the variability and uncertainty in the amounts then received.
- Difficulty in knowing where to look for advice on claiming benefits and other support.

Even families who had benefited from the uplift in benefits did not generally feel better off, because the change did not take into account the additional needs of children and was offset by increased living costs.

Although the Westminster government has given councils in England extra funding to support residents who are struggling financially,⁵ none of the families we interviewed and only six online respondents said they had received additional council tax support. Only one interviewee and one online respondent said they had received help through a local welfare assistance scheme, highlighting the need to publicise these schemes more widely where they exist. Family support workers and other practitioners were often instrumental in signposting families to local services and ensuring they get the support they need.

⁵ Governments in the devolved nations have also provided funding for crisis support / local welfare assistance.

Some private companies have been assisting customers who are experiencing financial difficulties as a result of coronavirus, by offering payment holidays, being flexible with (re)payments, or allowing them to cancel contracts without a penalty fee. However, other companies have been less accommodating, putting more financial pressure on families.

Trussell Trust statistics⁶ show that families with children are accessing food banks in larger numbers than ever, and this was borne out in our survey – this being the most widely accessed form of support outside the social security system.

Many of the families we interviewed have turned to family and friends for financial support in difficult times. Some, however, felt uncomfortable about this or were unable to do so, because their relatives or friends are also struggling financially.

“I lost my job in a cafe at the beginning of lockdown. I was not offered furlough as the business was closing. My benefits have also decreased [due to benefit cap]. After bills have been taken out, I am left with under £50 a week for food or other essential items for myself and 3 children. Struggling to see how I will be able to afford new school uniforms. Especially for my oldest who is moving into senior school.” (Single with three children, East Midlands)

“COVID-19 has impacted us greatly. I cannot work as I am at home looking after my children. Food prices have rocketed. My partner’s income has greatly reduced because the clients can’t afford to pay him... It’s been so stressful. Only just got universal credit but that’s not enough to live on.” (Couple with three or more children, East of England)

Recommendations

Based on what families told us about the support they would value most at this time, we make the following recommendations:

- Child benefit should be increased by at least £10 a week and an extra £10 a week should be added to the child element within universal credit and child tax credits.
- Free school meals should be extended to all families who are in receipt of universal credit or tax credits, with a view to introducing universal FSM for all children in the longer term.
- The benefit cap should be abolished, or at least suspended for the duration of the pandemic.

Without a radical change in policy direction, the prospects for many families are likely to deteriorate further through the remainder of this year, as unemployment rises and the support provided by the Job Retention Scheme is phased out and replaced by a much less generous social security system for those who lose their jobs or businesses.

⁶ Trussell Trust (June 2020) [*UK food banks report busiest month ever, as coalition urgently calls for funding to get money into people’s pockets quickly during pandemic*](#)

Jade's story

Jade lives in a privately rented house in the South East with four children, aged 14 and under. Before the pandemic, she was working part time at a social club for 16 hours a week. Prior to that she was affected by the benefit cap. *"I realised I needed to get a job to sort myself out of the situation, because I had quite a lot of debt."*

Jade was previously earning around £500 a month. On top of this, she received around £2,000 in universal credit and £250 in child benefit each month, from which she had to pay £1,000 in rent and council tax. This left her just below the poverty line for a family of her size. According to Jade, her family was *"living comfortably... I was catching up on all my bills and getting the children's stuff that they had to go without previously... there was no worrying about shopping and paying bills and debt and people knocking on the door."*

When the pandemic hit, Jade was furloughed at 80 per cent of her wages and, as a result, she was again affected by the benefit cap. Her monthly earnings fell by £100 and her universal credit payments nearly halved. She has been receiving a discretionary housing payment of £60 a week from the council towards her rent, but she has fallen behind with her payments and is now very anxious about losing her home:

"It's put me in a situation with my landlady that she's not happy... I know at the moment they can't kick me out because there's a thing saying that they can't evict you, but I am really worried because my tenancy is up because I've been there over a year... So I have got onto a homeless team; I'm ringing everyone I need to ring just in case any of this happens. I'm trying to cover myself but I just don't want to be up and moved and have to look for another house and maybe lose the job, the kids change school all because of the benefit cap."

Jade has had to change her spending habits to adapt to her new financial situation. She is struggling to pay her internet bills, although her provider has been understanding. She has bought shoes for her son on hire purchase, borrowed from friends and family and is cutting back on essentials such as food. Not being able to give her children everything they want has made her feel guilty:

"I feel like a terrible mother at the minute. All the other neighbours have all got swimming pools out in their garden and stuff, and they're like, 'What can we do in the garden, the sun's out,' and we can't do nothing. I just feel really mean."

In terms of support, Jade received two laptops from a charity for her children to use for schoolwork while at home and she had free school meal vouchers for three of her children before they went back to school. However, she found the voucher system erratic.

Jade has suffered from depression in the past. Now she is once more hit by the benefit cap, she feels her fortunes have reversed again: *"I finally got myself a job and I felt better in myself and I enjoyed my job... And then it's all just gone back to square one in my eyes, so there have been tears and yes, anger."*

Citizens Advice advised her that the only way to escape the cap is to find another part-time job while on furlough; she has gone for interviews, but not been successful yet. Jade is expecting to go back to work in August, but knows that when she does, she will still have to wait a while before the benefit cap is lifted, because of the way income is assessed within universal credit.

1. Introduction

Coronavirus has turned the lives of families with children upside down. Millions of parents have lost jobs, or been furloughed with few guarantees of a job to return to. Schools and childcare facilities have largely been closed since the start of the pandemic, and many parents have been facing the almost impossible task of trying to work from home while also providing childcare and home-schooling.

These challenges are more acute in low-income families. Research has shown that the livelihoods of low-income workers are more at risk than the livelihoods of those in higher-paid roles, with many lower-paid workers employed in the sectors that have been bearing the brunt of the economic crisis.⁷

In the face of an unprecedented public health crisis, which has also become an economic crisis, the government has acted quickly to safeguard people's jobs. The Job Retention Scheme (JRS), in particular, has shielded many families from the worst impacts of the pandemic. The government has also made some important changes to the social security system which have provided a much-needed boost to household incomes at a time when many families are struggling.

However, there has been no targeted financial support for families with children, other than the provision of free school meal (FSM) vouchers, which only partially replaced an existing scheme. The increases in benefits made to date do not take into account family size, with single adults receiving the same increases as those with children. And there has been little recognition of the specific financial and non-financial pressures facing families with children.

To understand the financial impact of coronavirus on low-income families first hand, Child Poverty Action Group (CPAG) and the Church of England (CofE) conducted a survey, hosted on the Entitledto benefits calculator website. Families' testimonies of what life has been like during the pandemic provide an important insight into the day-to-day struggles many have been dealing with, as well as showing their strength and resilience in managing such an array of challenges on a limited income.

Methodology

The analysis in this report draws on an online survey of 285 low-income families with children and in-depth interviews with 21 of these families. This survey was carried out between May and the beginning of August 2020, using the Entitledto benefits calculator⁸ to identify families who qualify for free school meals (FSM).⁹ Anyone meeting the eligibility criteria for FSM was invited to complete a short online survey about the financial impact of coronavirus (see Annex for a copy of the questionnaire).

In addition to the online survey, we also conducted semi-structured interviews with 21 of these families, in order to explore the financial effects of the pandemic in more depth, including changes in income and spending patterns; knock-on effects on health and family life; and further information on the support they have received or would have found helpful.

⁷ Resolution Foundation (May 2020) [The effects of the Coronavirus crisis on workers](#)

⁸ See [Entitledto online benefits calculator](#)

⁹ To qualify for FSM, parents must have a school-age child, be receiving one of a list of means-tested benefits and have earnings below a set threshold. In practice, this covers nearly all non-working families and working families on very low incomes (earning less than £7,400 a year if in receipt of universal credit or not in receipt of working tax credit, if on legacy benefits). Parents with children in reception, year 1 and year 2 would normally benefit from the universal infant free school meals scheme, but did not automatically qualify for the replacement food voucher scheme while schools were closed during lockdown.

Our sample was drawn from online respondents who said they would be willing to be contacted for more information. Interviewees were selected using a sampling grid, ensuring a mix of families by family type, employment status and region, with the exception that all of the interviewees live in England¹⁰ (see Table below). Interviewees were offered a £20 voucher to thank them for their contribution to the research.

These interviews were recorded, transcribed and then analysed thematically using a Framework Matrix. A selection of the interviews have been written up as case studies and appear throughout the report.

The research team is planning to go back to the same families towards the end of the year to see how their situation has changed.

Table 1: List of interviewees and key characteristics

Name	Relationship status	Number of children	Pre-coronavirus work status	Region
Tina	Lone parent	1	Working part time	South East
Graham*	Lone parent	2	Not working	West Midlands
Karen*	Lone parent	2	Working part time	Yorkshire and The Humber
Lisa*	Couple	3	Not working Partner working full time	East Midlands
Laura	Lone parent	1	Not working	Yorkshire and The Humber
Joanne	Lone parent	1	Working full time	North East
Gemma	Lone parent	2	Working part time	East Midlands
Wendy	Couple	2	Not working	South East
Ann-Marie	Lone parent	5	Non-working	East Midlands
Bijul*	Couple	2	Working part time	London
Jade	Lone parent	4	Working part time	South East
Louise	Lone parent	1	Not working	North West
Zenab	Couple	5	Not working Partner self-employed	London
Rahana	Couple	5	Working part time	Yorkshire and The Humber
Clare	Lone parent	5	Not working	North East
Myra	Couple	3	Working part time Partner working full time	London
Lesley	Couple	4	Working part time	Yorkshire and The Humber
Kim*	Lone parent	1	Working part time	North West
Tiffany-Jayne	Couple	1	Not working Partner working part time	North West
Sharon*	Couple	2	Working full time Partner working full time	Yorkshire and The Humber
Claire	Couple	2	Working full time Partner self-employed	Yorkshire and The Humber

* Not their real names

¹⁰ A small number of survey responses were received from Scotland, Wales and Northern Ireland. The research team attempted to engage these families in the interview process, however this was not successful.

Claire's story

Claire lives with her partner and two children aged 11 and 15. Their home, in Yorkshire and The Humber, is rented from a housing association. Before the coronavirus outbreak, they were earning nearly £90,000 between them, providing them with a comfortable lifestyle and the ability to afford family outings and activities. She worked in the dental industry and her partner was a contractor, supplying broadband for some of the large telecommunications companies. They weren't claiming any benefits other than child benefit and had about £4,000 in savings.

When the pandemic hit, Claire hadn't been with the company for very long and was made redundant, with only a month's notice. Her partner's work had also been impacted heavily by coronavirus, because it requires going into people's homes.

Unfortunately, neither Claire nor her partner were able to benefit from the government's income support schemes. In her case, the employer refused to furlough her. In her partner's case, his business had not been established long enough for him to qualify for the Self Employment Income Support Scheme (SEISS).

Claire's family used to have a disposable income of around £3,000 a month. Since losing their livelihoods, they have received just one payment of £469 in universal credit (UC) at the end of May, as well as an additional £137 a month in child benefit:

"I thought they must have made a mistake. I remember ringing them when the statement came out and said: 'Why am I only entitled to this? You've taken £900 off in these other bits.' When they explained to me that they were still taking into account income from when I was last paid in March, I just couldn't believe that they would keep carrying over income that's gone, done, over with."

With direct debits totalling around £2,000 a month, their savings were quickly depleted. The sharp drop in income has had a dramatic impact on their day-to-day living:

"I've become very aware of TVs being left on, things being left open, don't put the thermostat up too high when we've had those colder days. I used to go to Sainsbury's to do my shopping. I went around Lidl with a list and a calculator to try to get everything I possibly could at the lowest possible price. In terms of financial impact, it's meant absolutely counting every penny."

This has caused Claire a lot of anxiety and sleepless nights wondering how they will get by, especially as she cannot yet see how their situation will improve: *"I think if you're presented with a tough situation, as long as you can see a light at the end of the tunnel, it gives you strength to move forwards... We haven't had that".*

Reflecting on the experience, Claire says that it has made them realise how wasteful and materialistic they could be sometimes. It has also opened her eyes to the people who have to live on UC all the time through ill health or other reasons:

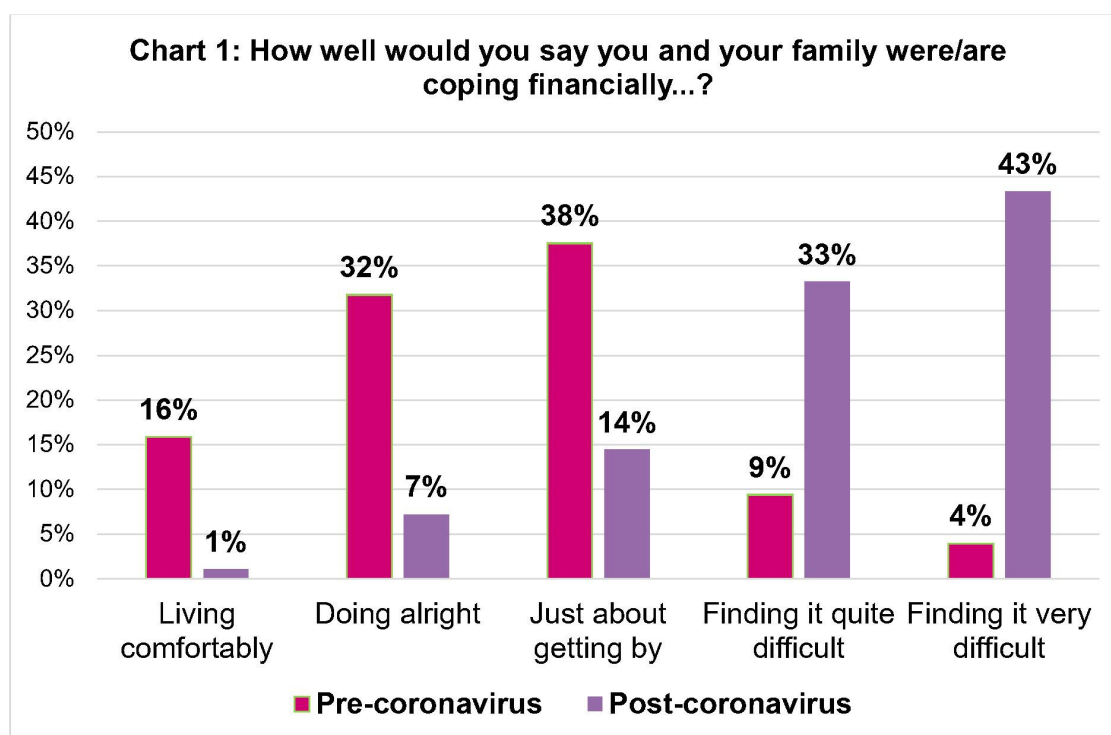
"It is so tough. The anxiety of not knowing. 'This month will I have a payment and how much will it be?' You can't budget. It's just made me a lot more empathetic to those people in society who do have to rely on the system, because it's shocking. It really is."

2. Financial impacts

Overall impact

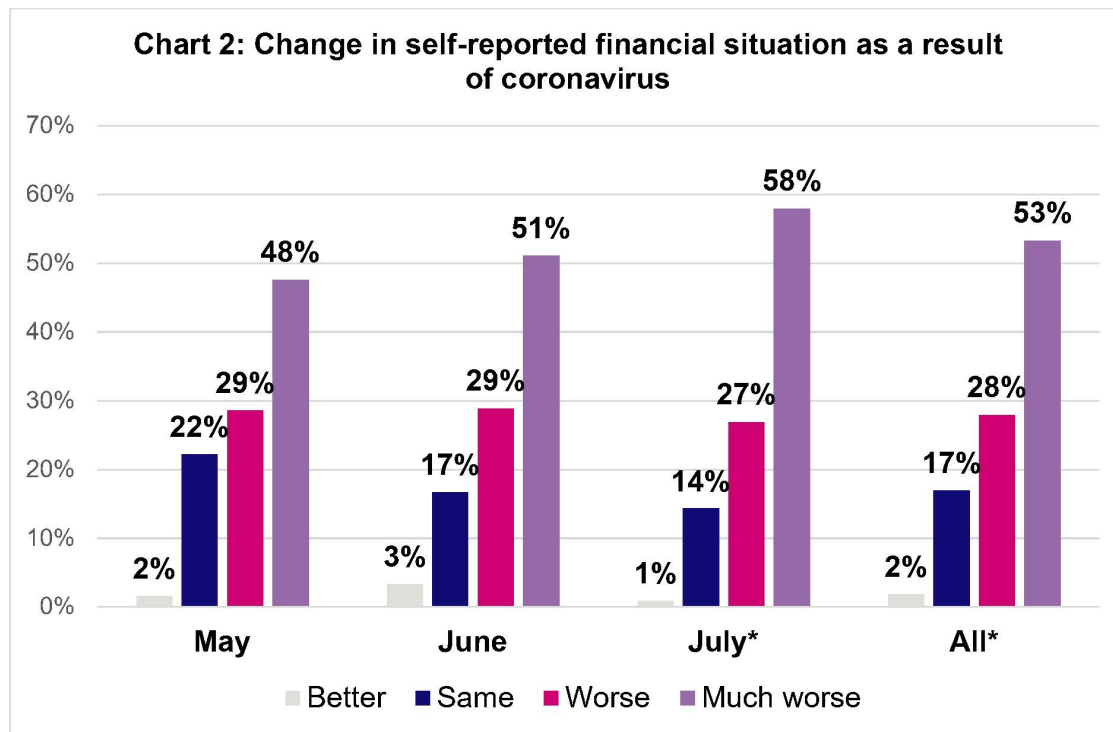
Most of the families who responded to our online survey, and those we interviewed, reported a significant deterioration in their living standards due to a combination of falling income and rising expenditure.

Before the pandemic, the majority of the respondents said they were either “living comfortably” or “doing all right”, even though many of those we interviewed were already living close to the poverty line. Post-coronavirus, however, the majority of respondents were finding it “quite difficult” or “very difficult” to manage financially (see Chart 1).



Overall, around 8 in 10 respondents reported being in a worse financial position than before the pandemic, and half were much worse off.¹¹ Families who responded to our survey in July and early August were even less optimistic about their financial situation than those who responded May or June (see Chart 2).

¹¹ Worse off is defined as moving one category downwards, and much worse off is defined as moving two or more categories downwards, on the subjective financial situation scale (“living comfortably”, “doing alright”, “just about getting by”, “finding it quite difficult”, and “finding it very difficult”).



*Includes a small number of responses in early August.

Tina – a single parent who works part time in the retail sector – is fairly typical of other low-income working families in our survey:

“Going back to the beginning of the year, I had regular earnings and was living quite comfortably. My daughter had free school meals because of her age so that wasn’t a cost I had to pay for. I was able to put my daughter into a gymnastics group, so she’s got an activity outside of school. You know, I had money left over each month for anything that I needed.”

Tina lost 20 per cent of her earnings when she was furloughed in March, except for the first two weeks when she was on full pay. She also lost the entitlement to universal infant free school meals for her daughter, and reckons she is now spending about £20 a week more on food as a result. Combined with an increase in her rent and council tax bills in April, her family has moved from being just above the poverty line to significantly below it.

Even among those whose employment had not been affected – including those who were not working prior to the pandemic – the majority of families reported a significant worsening in their financial situation, largely due to an increase in the cost of living.

Clare, who doesn't work due to her disability, was financially stable before the pandemic hit, and was managing to pay off debts that her ex-partner had accrued before he left her. Coronavirus has changed all this and she is now having to borrow again:

"Yes, I was coping okay. We had limited money to do stuff, but then with the coronavirus, it's just made it really, really hard... I was trying to save, just to do like the kids' bedrooms and stuff. You know, the odd couple of pounds a week or something. But, at the moment, nothing's been going in there since March... I've had to borrow money off a friend of mine, which I don't like doing, because I don't like asking people."

Most of the families we interviewed, including those who were previously in work, are already living close to the poverty line. Therefore, it only takes a relatively small cut in their income or rise in living costs to push them into poverty and debt.

For those who were previously on relatively high earnings and are now reliant on benefits, the income shock has been very sudden and severe. Polling by the Joseph Rowntree Foundation and Save The Children found that one in five parents in receipt of UC had not previously claimed an income-related benefit.¹² These families are likely to have higher spending commitments that are hard to cut back, especially in the short term. Balanced against this, they are more likely to have reserves – in the form of savings or redundancy payments – to help them manage a temporary fall in income.

Claire and her partner (whose full case study is above) both fell through gaps in the government's income support schemes, and saw their combined earnings plummet from nearly £90,000 a year to zero, after she was made redundant and his work as a self-employed contractor dried up overnight. How Claire, and families like hers, manage through the crisis will depend on how long it goes on for:

"To start off we had roughly, after bills and everything, about £3,000 worth of disposable income. We've gone from having that to we had £469 from universal credit in May just gone. I lost my job on 10 March and my other half the day of lockdown. Yes, pretty much for three months we've had one payment of £469 and the £137 per month [in child benefit], and that is it... We worked through the savings really, really quickly obviously as well. We have around £2,000 worth of direct debits that needed to go. We tried to keep up repaying what we can but we're coming to the end of the tunnel now."

Unfortunately, the prospects for many families are likely to deteriorate rather than improve through the remainder of this year, as the support provided by the Job Retention Scheme is phased out and replaced by a much less generous social security system for those who lose their jobs. This is likely to include a disproportionate number of workers in lower-income households who are concentrated in sectors that are most at risk: retail, hospitality and leisure.

The rest of this chapter looks more closely at the impact of the pandemic on the earnings and expenditure of low-income families. Changes in social security payments – which are an important source of income for most low-income families – are examined separately in chapter 4, alongside other forms of financial support.

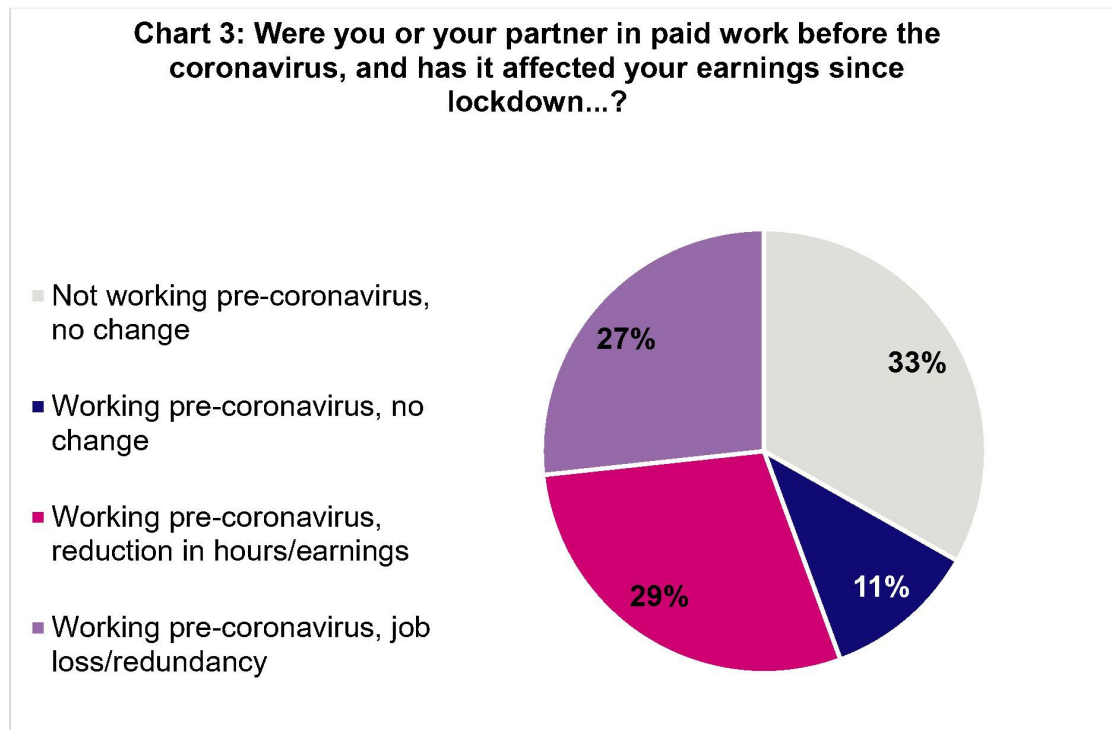
¹² Joseph Rowntree Foundation/Save The Children (June 2020) [*A lifeline for our children: strengthening the social security system for families with children during the pandemic*](#)

Impact on earnings

About two-thirds of the respondents to our online survey were in paid work prior to the pandemic or had a partner in paid work. Most have experienced a significant reduction in their earnings as a result of the pandemic.

This group is split evenly between those who have lost their job and those who have seen a significant drop in their earnings or income from self-employment, including furloughed workers on less than full pay. Only a minority of families said their employment situation had not changed significantly since the lockdown (see Chart 3).¹³

This reflects the bigger economic picture, with low-income working households disproportionately affected by the economic impact of coronavirus due to the sectors they tend to work in. According to analysis by the Resolution Foundation in May 2020, around half of workers in low-income households had seen their employment affected in some way by coronavirus, compared to around 3 in 10 workers in high-income households.¹⁴



The in-depth interviews identified a number of ways in which low-income working families have been financially impacted by the pandemic.

¹³ This could be because our respondents were selected via an online benefits calculator, as people are more likely to visit the Entitledto website when they experience a change in their circumstances.

¹⁴ Resolution Foundation (2020) [The Living Standards Audit 2020](#)

a) Being made redundant before coronavirus, and now finding it much harder to find a new job.

Laura (whose full case study is below) was made redundant from her job as a dental nurse at the beginning of March just before the lockdown. She had a number of interviews lined up for new jobs, but these were cancelled as a result of coronavirus. Also, her son's nursery closed temporarily in March, which disrupted her job search. He was now back at nursery for 15 free hours a week, so Laura was looking for jobs that fitted around this.

Having secured a part-time as a lunchtime assistant in a school for six hours a week, she was looking for a second part-time job for a few hours in the morning. In the meantime, her total income, including benefits and after paying for housing and childcare, had roughly halved from around £1,140 a month to £570 a month – well below the poverty line for a single parent with one child. She was finding it “very difficult” to cope financially and was getting into debt: *“I’m having to borrow at least £200 a month, so I’ve got myself in that rut.”*

b) Being made redundant as a result of the pandemic

Sharon is one of many parents who were made redundant shortly after the lockdown came into effect. In some cases this happened because employers refused to furlough staff. Her husband was still working and earning a good wage, but they were having to be very careful with their spending:

“We were coping fine, because we had two incomes coming in and we lived the lifestyle of those two incomes... because I’ve now lost my job, it means that we’ve suddenly not got about £2,000 coming in, in a month, that we would normally have had. Which means that we are looking at what we can cut out. And, because we’ve always been fairly on it anyway, in terms of the bills, there’s not a huge amount of leeway.”

c) Accepting a lower-paid job after being made redundant

Joanne, who was working as an administrative assistant, was also made redundant shortly after lockdown. She was given two months’ redundancy pay, which really helped, and was able to make an early application for UC, which went through quite quickly before the surge in applications. She had now found another job starting in September and was reasonably optimistic about the future; but her earnings will be substantially lower than before, pushing her family below the poverty line:

“I’ve been very lucky, actually. I’ve been offered a job in the NHS. Yes, I mean, it’s been months of stress, you know, stressing, ‘Will I get one?’ with a lot of people out of work. You just have to keep trying and trying until you get something... It’s quite a big drop in wage from the previous job. There’s about a £4,000 difference in the jobs. At the end of the day, I keep thinking, like, ‘Okay, it’s a job’. I’m more happy I’ve got a secure job.”

d) Being furloughed on 80 per cent of earnings, with no top-up

Those covered by the Job Retention Scheme have undoubtedly fared better than would otherwise have been the case, but most have still experienced a significant drop in earnings, with only around 30 per cent of furloughed employees receiving a top-up from their employer.¹⁵

¹⁵ See note 14

For employees who are earning the minimum wage or just above, a reduction in their pay can make the difference between being able to cope financially and not. Gemma, who worked part time in a shoe shop, was furloughed on 80 per cent pay, and was finding it “a lot harder” to cope financially, having previously managed her rent arrears and other debts.

Tiffany-Jayne’s new husband was also furloughed from his job as a security doorman, but his payments were much lower than usual:

“Well they went off his last month’s wage and obviously his last month’s wage was February, and he had a lot of time off, because that was the month we got married, so he wasn’t really earning a lot.”

He was back working again, but they had fallen behind on bills during the intervening period. They had been “living comfortably” before coronavirus and were now “just about getting by”.

e) Receiving reduced self-employment income, due to coronavirus

Zenab’s husband is a self-employed mini-cab driver and had seen a sharp drop in his income since lockdown (their full case study is below). He stopped working until mid-June, because he couldn’t afford to pay the car rental. Although he had started working again when we interviewed Zenab, he was only making around £60 a week. They received about £1,500 through the Self-Employment Income Support Scheme (SEISS), but that all went on paying off the car rental company and other debts.

f) Working fewer hours, due to coronavirus

Lesley works as a part-time administrator for a church, but her hours had been cut from 12 to four hours a week, reducing her earnings by around £300 a month:

“Hopefully, my hours will come back, but obviously, everything is closed at the minute and the type of the job that I did, which was around weddings and baptisms and hiring the village hall out and things like that, that all went.”

g) Being affected by the benefit cap, due to being furloughed or made redundant

Jade (whose full case study is above) was working part time (16 hours a week) in a social club, but she had been furloughed on 80 per cent pay until August at the earliest. The reduction in her earnings had taken her below the earnings threshold, meaning that she was now subject to the benefit cap (which limits the amount of support a household can receive through the social security system).¹⁶ This had led to a sharp reduction in her UC payments – a double whammy. She was now living on around half her previous income and well below the poverty line. Even when she is able to resume working, it will take a long time for her income to recover fully:

¹⁶ To escape the cap in legacy benefits, claimants need to work at least 16 hours a week at national minimum wage (NMW) (16 hours for single parents, combined 24 hours for couples with children, and 30 hours for single people with no children). To escape the cap in universal credit, claimants have to receive wages in each assessment period which are the monthly equivalent of 16 hours at NMW, currently £604 a month. There is a 9-month ‘grace period’ that exempts people from the benefit cap if they have recently lost their job or experienced a fall in their earnings, but this relies on them having a consistent work history over the past year, which not everyone has.

“When I do go back to work, I’ve got to work for four weeks to get my full wages in, and then I’ve got to wait another month for universal [credit] to say, ‘Right, we’ve got that month’s wage slip in’, so it’s going to take me two months even after going back to work, to get off the cap.”

As a result, Jade was behind on her rent and was worried about losing her home when the temporary ban on evictions is lifted. When Jade was interviewed, the eviction ban was due to end on 23 August, however on 21 August the government announced a four-week extension. This will help safeguard families such as Jade’s in the short term, but may not be sufficient given the longer-term economic impact of coronavirus that has been predicted.

h) Not being protected by government income support schemes, because of ineligibility or because employer refuses furlough

Claire and her husband both fell through gaps in the government’s two main income support schemes. Her employer made her redundant rather than furlough her, while her husband was ineligible for the SEISS because he had only recently become self-employed:

“I did watch the Martin Lewis Money Show and he was saying, ‘Go back to your employer. Ask them to furlough you. It’s not costing them anything.’ I did make that request and I was told no... With regards to my other half, he went limited on 14 March 2019. His first lot of invoices didn’t go in until after 1 April which meant he was in the new tax year. He’s not eligible for that [SEISS]. In terms of what’s available to us through any coronavirus support schemes, it’s been zero.”

Kim, too, was not furloughed, because she wasn’t earning enough and had already used up nearly all of her SSP (statutory sick pay) allowance. She was made redundant from her part-time job as a maintenance manager for a veterinary practice and was getting no support towards her mortgage costs. She told us that she couldn’t survive indefinitely on her current income.

Chapter 4 discusses the JRS and the SEISS in more detail.

i) Being limited in employment because of childcare restrictions

One of the themes that came out particularly strongly in the online responses was the impact of childcare restrictions on parents’ ability to maintain or find new employment:

“Single parent, unable to look for work as not many part time jobs available and restrictions on relatives looking after children has made it worse.”

“I lost my job beginning of March and been unable to find a new job as my son’s nursery closed to the pandemic. I am in more debt and struggling to pay bills and feed my son and myself.”

“My childminder couldn’t work so didn’t have childcare to work so had to give up my job. I’m also trying to catch up with debts and I am struggling due to having no job.”

This was a particular concern for one of our interviewees, Tina was due to return shortly to her part-time job in the retail sector, but was worried about how she would manage childcare for her five-year-old daughter during the school holidays:

“Fingers crossed, I’m going back to work. But the problem I’ve now come across is, I have problems with childcare. So my childcare that I previously used to use are now only taking between two- and four-year-olds on... There is obviously other childcare out there but it’s the fact that because I don’t drive and I have to use public transport, getting to and from places isn’t easy because I’d have to leave earlier to drop her off, go to work and then pick her up later, which then costs more.”

Impact on expenditure

Nearly 9 in 10 families who responded to our online survey said they faced additional costs as a result of coronavirus, and were spending substantially more than before on food, electricity, and other essentials.¹⁷ For non-working families, this was the main financial impact of coronavirus.

Low-income families spend a much higher share of their income on essential items. According to analysis by the Institute for Fiscal Studies, the poorest tenth of households spend nearly half (46 per cent) of their total non-housing expenditure on food and domestic energy, compared to around a quarter for the average household and a tenth for the richest households.¹⁸ Therefore, even small increases in spending on these items can have a disproportionate impact on low-income families’ overall standard of living.

Some commentators have highlighted the benefits of living a ‘simpler lifestyle’ under lockdown, with more time to nurture relationships and enjoy nature,¹⁹ but for nearly all of the parents we spoke to life had been a constant struggle to make ends meet and manage the additional pressures on family life.

The most commonly-cited reason for this is that families were spending much more time at home; as a result, they were using more energy for cooking and entertainment and their children were eating and snacking more. Low-income families were acutely aware of these additional costs because they were already living on such a tight budget:

“The kids are at home all the time, so they’re eating me out of house and home. Obviously, then, the gas goes up, electric goes up and I’m still getting the same wage... I reckon it’s gone up by £30 a week.” (Karen)

“If I wasn’t at home, I wouldn’t be eating that much all week... There’s so much electric when we have to stay at home, it just costs a fortune with like, telly’s on, you know what kids are like... things on charge. It’s just costing a fortune.” (Gemma)

“[My son] would normally have eaten at school and obviously that’s not an option now. So we’re certainly spending far more because of that. We would normally have given him £20 a week to pay for school dinners and that was enough to cover what he needed to eat. But at home, that seems to go by the board.” (Sharon)

¹⁷ This is consistent with a [survey](#) by the Joseph Rowntree Foundation and Save the Children which found that 86 per cent of families in receipt of universal credit or tax credits faced extra costs, including food, utilities and child-related expenses.

¹⁸ Institute for Fiscal Studies (2013) [Household energy use in Britain: a distributional analysis](#)

¹⁹ For example, see commentary from [Sky News](#) and [Town and Country](#) magazine.

Quite a few families also commented that the cost of food had gone up significantly during lockdown, due to price hikes and the withdrawal of special offers.²⁰ Some parents were also having to make greater use of local shops and do more frequent shops or shop online, which is less economical:

"I only shop at Asda and [prices] have gone up there... I noticed when I went shopping last week, even the milk has gone up by 10p." (Karen)

"I have definitely noticed that food prices have gone up, especially during lockdown, I think a lot of offers have disappeared... It's only now they're starting to bring those back, so it was, kind of, a bit cheeky, really." (Joanne)

Like many others we spoke to, Wendy – part of a couple with two children, aged 12 and 18 – said that her spending went up substantially during lockdown:

"I'm going through more electric because the children are home on their gadgets and stuff like that all day... The price of shopping has [also] gone up because they used to do offers - buy two and get one free or whatever – all that has stopped."

Wendy used to do one big shop a week when she could get a lift. During lockdown she walked to the shops when she needed *"bits and bobs"*, which was costing her more. She used to spend around £120 a week on food shopping for a family of four and this went up to at least £140-£150 a week. She was also spending an extra £10 a week on electricity. For families like Wendy's, who are living on the poverty line, an additional £30 or £40 a week is a very substantial extra cost to bear – in her case, nearly 10 per cent of the family's disposable income. Wendy is a full-time carer for her disabled husband, and even though their income from benefits had not changed she said that their financial situation had shifted from *"just about getting by"* to *"finding it very difficult"*.

Some families have expanded during the lockdown, as older children returned home and elderly relatives moved in with them, placing an additional burden on the household finances. Lisa and her family's financial problems started the previous December, when she lost her job as a full-time support worker at a children's home, due to mental health problems triggered by her experiences at the home (Lisa's full case study is below). They were already finding it difficult to manage financially, even before the pandemic, when it was just her and her husband and youngest daughter living at home. But their financial situation became much worse, as a result of supporting her two oldest children – both full-time students – during the pandemic. One had returned home, while the other was stuck in Croatia and needing support:

"Financially, when it was the three of us we had the water, electricity, everything as cheap as possible. This virus thing happened, and we are so behind on everything. I don't know how we are going to catch up after this."

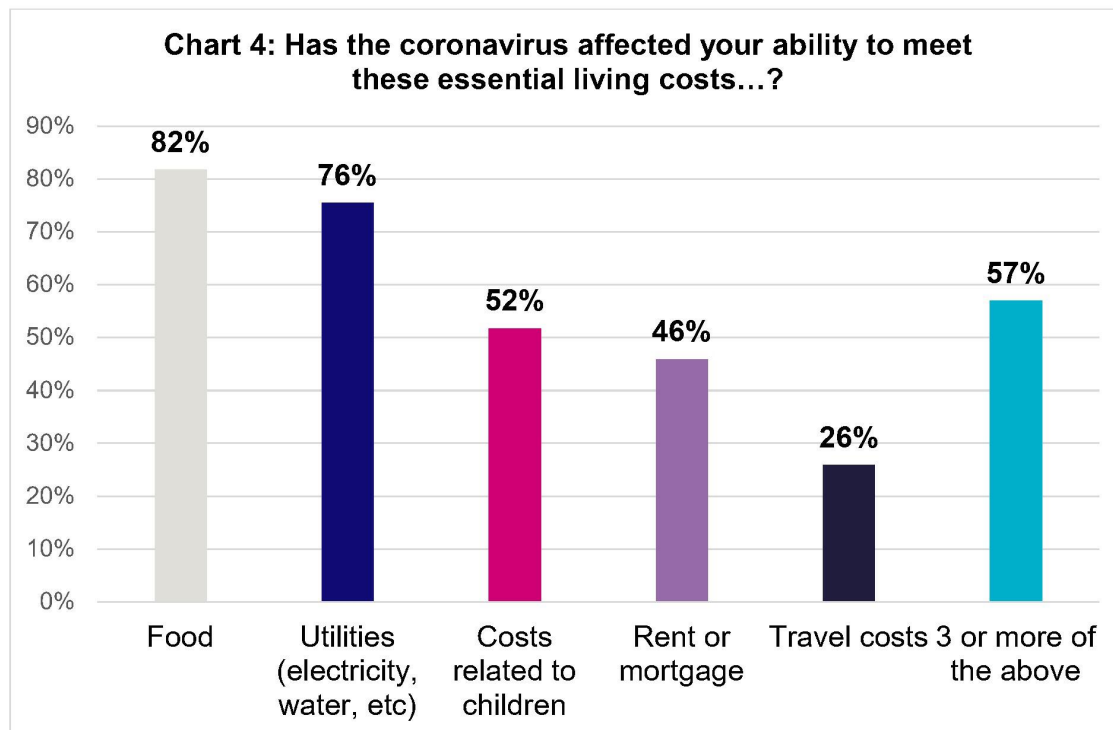
In addition to looking after her children, Ann-Marie is also a carer for her mother who lives independently. Unable to use public transport during lockdown, her carer's allowance was no longer sufficient to cover the travel expenses:

²⁰ This perception is backed up by a [study](#) by the Institute for Fiscal Studies, showing that grocery prices rose by 2.4 per cent in the first month of lockdown (over 10 times the rate in preceding months), due in large part to a fall in the frequency of promotions. More recent [analysis](#), based on ONS data, suggests that the average price of all food and household items had fallen back to normal by early July.

“I’ve had to go to my mum’s in a taxi and back every day. So it’s actually costing me more than what I’ve been getting [in carer’s allowance]... £8 there, £8 back, so it’s £16 a day.”

The findings from the in-depth interviews were mirrored in the open-ended responses to our online survey, with many respondents commenting on the increase in living costs, especially food and electricity.

Most parents who responded to the online survey said they were struggling to meet essential living costs. More than three-quarters of respondents said that coronavirus had affected their ability to pay for food and utilities, and around half said it had affected their ability to pay for housing and child-related costs (e.g. nappies or baby products, children’s clothes). Nearly 6 in 10 families are struggling to pay for three or more of these basic essentials (see Chart 4).



Financial coping strategies

The families we spoke to had employed a range of strategies to manage the squeeze on their finances, including:

- Applying for government schemes or support.
- Running down their savings (if they had any to start with).
- Borrowing from family and friends.
- Looking for alternative employment (if made redundant).
- Cutting spending where they could.
- Asking companies to be flexible with (re)payments
- Juggling and/or missing rent payments and other bills.
- Relying on charitable grants and food banks.

Chapter 4 examines the support available to families through the social security system and the temporary income support schemes introduced at the beginning of lockdown. Without these protections in place, the financial impact on many families would have been much more severe. Having said that, the protection provided was only partial and time-limited, and not everyone was able to access the support available.

The rest of this section focuses on other financial coping strategies used by different families. These fit broadly into three categories.

1. Changes in saving and borrowing behaviours

Where families had savings, these were used up quickly. Lesley's husband received a small lump sum payment when he retired, which they had lived off over the past few months. But this money had gone very quickly, as they had to repair the car twice.

Bijul had saved up around £500 while she was working, which she used up when her furlough payments were lower than anticipated. These low-level savings are important in helping families like hers to be more financially resilient. Now that many families no longer have this buffer, they will be less able to deal with any future economic shocks.

Most of the families we spoke to, however, had no savings or were already in debt before the pandemic. **Nearly half (49 per cent) of respondents to our online survey reported a new or worse debt problem as a result of coronavirus.**²¹ The first port of call for many families we spoke to, when in financial difficulty, was to borrow from family and friends:

"If you don't have it, we ask family and friends. Like sometimes now you ask family. They say to you, 'Oh, sorry, we can't', and then you will try friends. We started that one only when coronavirus started." (Zenab)

²¹ A [survey](#) by the Joseph Rowntree Foundation and Save The Children found that 50 per cent of families on universal credit or tax credits were behind on rent or other bills as a result of the crisis, and 60 per cent had borrowed money. Friends and family were the most common source, followed by credit cards and overdrafts. A separate [survey](#) by the Resolution Foundation in May found that between a fifth and a third of low-income households had increased their use of consumer debt since the outbreak.

"I'm having to borrow at least £200 a month, so I've got myself in that rut. I'm getting it from family members and friends, but they're obviously needing the money back now... That money is just to buy my food and electricity" (Laura)

The other main form of debt mentioned in the interviews was people getting into arrears on their rent and utility bills, not repaying existing debts, or negotiating a payment holiday:

"I've got credit cards that have gone up. I've phoned them and said, 'Please. We only have one salary coming in.' No. They want their money. Council tax, I'm saying, 'Please.' They've put it on a hold, but the thing comes up to £240 that I have to pay starting in August again, so financially we are not going to be able to do that. I'm saying, 'Please. We need assistance.' Yes, all our accounts are overdrawn." (Lisa)

"I had debts, but I was paying them. But since lockdown I haven't really paid them, because I need the money for other things." (Tiffany-Jayne)

"I had to ring my internet up and say I can't pay it, which they've been fine because of the corona, but my bills got so high with them I'm again worried when it's over that they're going to cut me off." (Jade)

More concerningly, Jade was also in rent arrears, having had her benefits capped since being furloughed. She was very worried about losing her home, with knock-on effects on her employment and children's schooling. Other parents were anxious, with good reason, about what will happen when their mortgage payment holiday comes to an end.

While borrowing is an obvious way to manage a dip in income or an unexpected cost, it is not sustainable if the economic crisis continues much longer - and is storing up problems for later. Rising indebtedness is a serious concern that must be addressed if the crisis is not to have a long-lasting impact on the living standards and wellbeing of low-income families.

2. Changes in spending behaviour

Many families talked about cutting back on spending: buying cheaper and often less healthy food; buying fewer or cheaper clothes; economising on energy use; and cutting out 'luxury' items, such as takeaways:

"...Like I say, we've had to cut down quite a bit, not have the diet we had before when I was trying to make sure that they get a balanced diet. I just manage whatever I can make, really... with fruit and everything being so expensive, you just have to get what's affordable." (Ann-Marie)

"We haven't been able to buy any clothes since all this. And toys, I can't buy my son any toys, I've got to buy the cheap stuff when I go shopping, food shopping, and we can't have nice big meals, it's got to be cheap food." (Laura)

"We stopped a lot of things. Like we have to buy the basic ones, milk and bread, jam. You know meat is one we stopped buying. We eat fish fingers, something like that. It is not like you can choose what you want... And when you have a kid it is so hard. Like maybe once a week or something, they prefer ordering outside, where it was a pizza, chicken and chips or anything like that. We can't do that at all." (Zenab)

As Louise explained, it's "very, very difficult" to save money when you're already living on a very low income, which is why families are making small cutbacks as and when they can, like using a microwave instead of the stove to save energy, or doing all the day's washing up in one go to save water.

Myra's family had re-structured their daily routine around two meals, instead of the usual three, in order to reduce their food expenditure:

"So this time we're home, so I said, 'Okay, let's change the thing. You can wake up late... We eat breakfast heavy. So we do it heavy, we just get some snacks and then the dinner, and that's it.'"

Quite a lot of expenditure is contractual and therefore difficult to cut when people's income goes down, for example mobile phones, subscription TV packages, and car loans taken out pre-coronavirus. This was a particular issue for families who were financially secure before the pandemic and had higher outgoings before experiencing a sharp fall in their income.

3. Changes in employment behaviours

Those parents who had recently lost their jobs were keen to find alternative employment, and they saw this as the most secure route out of their current financial difficulties. Those who had been furloughed were also looking forward to being able to return to work on full pay.

However, there were at least two major barriers to people getting back to work in the current context. Firstly, there were not many vacancies available at that time, which is why some respondents had accepted a lower-paid job or shorter hours, while others were still looking. Bijul, for example, has been looking for work while she was furloughed, because her current employers wouldn't take her back yet:

"I said, 'I don't want furlough, I want work. At least 30 hours, at least some more money coming into the home.' They said, 'No, no, you have to wait.'"

But she was finding it very difficult to find another job: *"I tried so many, no reply, nothing."*

Secondly, as already noted, parents of younger children must fit their employment around the availability of childcare. With many nurseries closed at the time or operating at less than full capacity, and with the summer holidays coming up, this was making it harder to find suitable childcare.

For single parents in particular, balancing work and childcare is always a challenge – but this is likely to be even more difficult and uncertain over the coming months. If employers are not understanding, and if the system for subsidising childcare costs is not sufficiently flexible or generous, then there is a real danger that this group will continue to be disproportionately affected by the economic fallout of the pandemic.

Graham's story*

Graham lives in a two-bedroom housing association property in the West Midlands with his 16-year-old son, with whom he shares a bedroom, and his 17-year-old daughter. He used to work for the local council as an HGV driver, but has been unemployed for about a year after they made him redundant due to poor health.

Graham was struggling financially even before the pandemic after his children moved in with him when their mother moved to a different part of the country:

"I think it was July last year when the children officially moved in. So I was still trying to adjust to that. Because I was only getting universal credit for myself and some housing benefit, I was getting nothing else. And that leaves me £317 a month, that they want me to live on, and then suddenly I've got two more mouths to feed as well. So times were very, very tough before."

Once the children's benefits were transferred to him, which took a long time, he had a disposable income of around £1,100 a month after paying his rent, still leaving the family well below the poverty line. He was disappointed at the level of support he received, having worked all his life: *"They think we can all live on a piece of toast"*. He says it is *"a hell of a struggle"* living on such a low income:

"My money goes in on the 5th, so I try and have all my bills sorted around that date, and then it's just a constant worry. Is there enough money in the account to pay everything? Is there enough money in the account to put some food on the table? For about three weeks I'm not too bad, but then there's that week around pay day that I'm just all over the shop. I get irritated and things like that, just worrying about what the outcome is going to be."

Graham says the lockdown put an even bigger financial burden on the household, because they were at home 24/7, with very little to do: *"Food bills, water bills, gas bills, have all gone up. It has been a hell of an eye-opener"*. This was also affecting the children, who are both very anxious. His daughter, who had just left college, was frustrated that she couldn't go out and get a job, because she desperately wanted the money to be able to get her own phone and learn to drive.

One thing that has really helped is the ongoing support they were receiving from their family liaison officer, who had been helping the children deal with the emotional problems caused by their mother's departure, but who has also helped them to access extra financial support:

"She's been helping getting us food vouchers and a couple of grants [from the council and a local charity] to buy food... I wouldn't have any idea how to access them... they've pointed me in the right direction."

Graham's son had recently been awarded personal independence payment (PIP) for his autism, which Graham was putting into a separate account to keep as a back up to deal with any unexpected bills. Graham has also been helped by utility companies being flexible with his payments: *"They've been absolutely brilliant."*

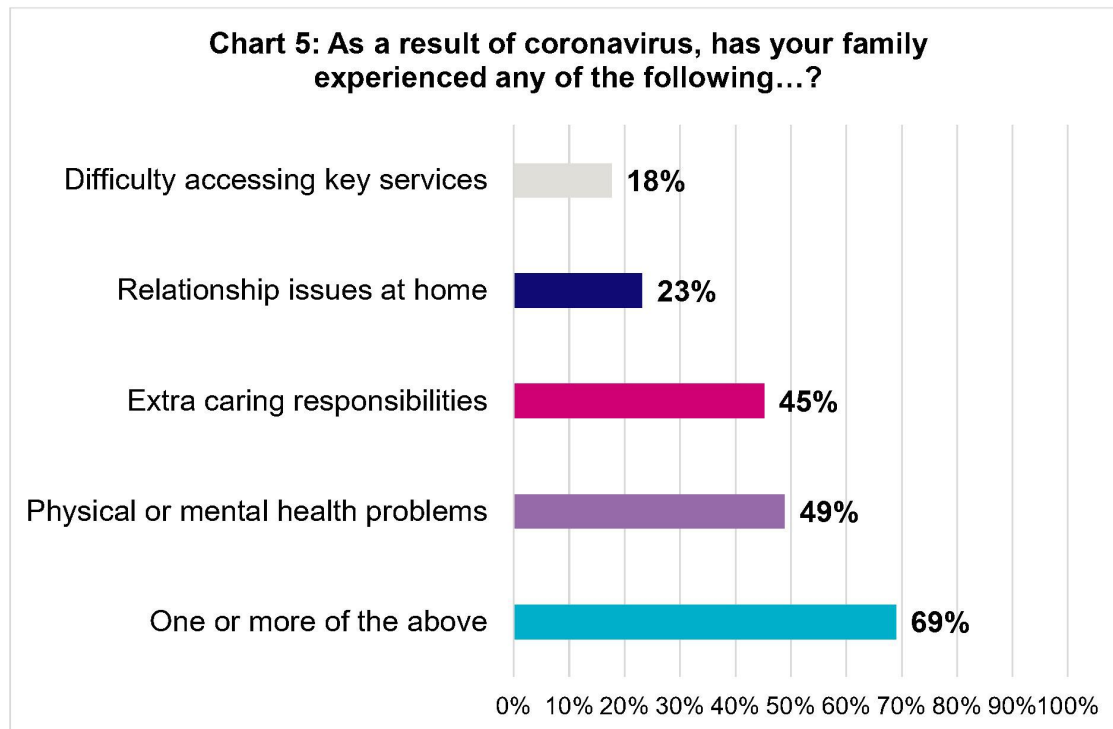
Looking ahead, he will lose all the money he gets for his daughter when she turns 18, although she should be able to make her own claim for UC. He is concerned about the outcome of his appeal against the DWP decision that he is capable for work, which has been delayed due to the pandemic.

**Not his real name.*

3. Non-financial impacts

Stress, anxiety and physical or mental health problems

Interviewees and survey respondents reported that in addition to being impacted financially by the pandemic, they had been affected in other ways too. Almost half told us they had experienced physical or mental health problem, while 45 per cent had taken on extra caring responsibilities. Almost a quarter had experienced relationship issues at home and a fifth said they had experienced difficulty accessing key services. **Worryingly, more than two-thirds told us that they had experienced one or more non-financial impacts of the pandemic, as outlined in Chart 5 below.**



a) Financial worries

Perhaps unsurprisingly, the families we spoke to reported experiencing stress or anxiety as a direct result of coronavirus. For many, this was caused by worries they had about money, relating to the rising cost of food and utility bills (see Chapter 2 for more on this); not being able to buy their children what they needed; and the impact on their benefits (see Chapter 4 for more on this).

Laura described being kept awake at night, because of her employment situation and mounting debts:

“You're like, ‘Why am I not in a job? Why did I lose my job? It's not fair that I lost my job. It's not fair that I can't get another job.’ Obviously it keeps you awake at night, stressing about debts and getting more debts...”

Sharon, like many parents, told us that she had noticed the cost of food going up significantly during lockdown and was worried about feeding her 17-year-old son over the summer:

“Worried. Worried that the price of everything is going up. There are no offers in our local supermarkets. So, worried that things will start to get very tight. And, with the long summer ahead, there are still three or four meals we need to provide for, my son in particular.”

Concern about not being able to feed or buy things for their children emerged as a theme among some parents. One survey respondent said they felt *“stress because I can’t get what my son needs”*, while Graham (whose full case study is above) described feeling terrible about not being able to cheer his daughter up by giving her money:

“I’ll break down and cry some days, I’ll go to my bedroom and cry, because I can’t give her £20 to go and buy something.”

Jade, a mother of four young children, felt guilty about not providing enough entertainment for her children:

“I feel like a terrible mother at the minute. All the other neighbours have all got swimming pools out in their garden and stuff, and they’re like, ‘What can we do in the garden, the sun’s out’, and we can’t do nothing. I just feel really mean.”

Jade also told us that she felt stressed as a result of the benefit system. She is on UC and has been furloughed on 80 per cent pay, leading to her benefits being capped – an experience that she found very upsetting:

“I was on the cap before and it was just really stressful, then I got myself a job and it was only 10 hours and I thought, no, not good enough, and then I finally got myself a job and I felt better in myself and I enjoyed my job. And then it’s all just gone back to square one in my eyes, so there have been tears and yes, anger.”

Rahana, meanwhile, said that she found the move from being a single claimant of UC to being a joint claimant very stressful. Interestingly, she blamed UC for her worries, rather than the pandemic itself:

“I had to apply for universal credit. When I received the first payment I was crying and I was shaking... So I’m again stressing out, I don’t know what my benefit will be next month... I’ve got five children, I think I used to be better off when I was receiving tax credits and since I’ve moved to universal credit it’s quite a huge amount of difference... it’s not the coronavirus, it’s the universal credit...”

b) Pre-existing stress or mental health conditions

Many parents told us they had pre-existing stress or mental health conditions which had either been aggravated or reactivated by their current circumstances. For example, several interviewees told us they were already experiencing stress due to a relationship breakdown, including Gemma:

“Very, very stressful. I’ve just come out of an abusive relationship. I’m trying to get over that as well. It’s just getting back to normality with the kids, really... So recently it’s just gone like being mental abuse and stuff like that, but really bad. So I’ve had to deal with that.”

The open-ended responses to the online survey also revealed that a considerable number of respondents were already suffering from depression or anxiety, which was made worse by the pandemic (see box below).

“Not having a break from my children because of them not attending school has had a major impact on my anxiety and depression, causing a lot more emotional outbursts either in front of my children or even when I’m alone.”

“I suffer with mental health issues but have continued to work through the pandemic as I can’t afford not to. Now though this had had such a significant impact on my mental health that I am on ridiculous amount of medications and am awaiting a referral. If I had been able to [reduce] my hours slightly to cope I possibly wouldn’t be in this situation now. This was not an option due to finances.”

“Not being able to see or visit... family or friends has taken its toll on all of us mentally and emotionally and this whole situation has made things worse for me... physically too and having to try and look after our disabled daughter and son and try our best to get some school work done each day so they do not fall too far behind during this time whilst struggling with own health problems has ALL been rather difficult to say the least.”

c) Loneliness and social isolation

Some interviewees, particularly lone parents, were stressed, but less as a result of their financial worries and more as a result of feeling lonely or socially isolated because of the pandemic:

“I think it’s the loneliness, and not having anyone come and visit you and stuff like that. I don’t know. It’s just tricky...” (Laura)

“But obviously being at home for that long, it just got lonely. I think that’s what shook me. Not being able to take the kids out to go shopping, and feeling like you needed that support.” (Gemma)

d) Extra caring responsibilities

Parents told us they also felt stressed because of the extra caring responsibilities they had taken on during the lockdown. These were exacerbated by financial pressures and in some cases, overcrowded accommodation.

Wendy, who is a carer for her husband, found that she had even less time to herself now, because of having two children at home:

“It has been stressful because I don’t get any time to myself, being a carer, anyway. My shopping trips and that is my time away from everything. But obviously where you have to go quickly and just come back, I haven’t got as much time to myself as I would have beforehand, which I do find a bit stressful. Having the kids at home is stressful. It’s just every day stress normally plus a bit extra where we’re all cooped up in one house.”

Lisa has found herself supporting her two oldest children – both full-time students – during the pandemic, as well as her younger child:

"I lost my job in December and my one daughter came back home so all her work is now done here and financially we did not plan on that. Then home-school an eight-year-old..."

Survey respondents also commented on the difficulties of home-schooling their children:

"I am still having to commit to my working hours as well as home-school two children under the age of 6. This is extremely trying without any support from friends, family or services. This has had an impact on our relationships as a family." (Survey respondent)

"Not able to work as self-employed and shop owner, therefore had to close. Both children have been at home from school. Reduced income and more bills to pay. Extremely stressful situation." (Survey respondent)

Another issue that came up with interviewees was balancing work with childcare. Joanne, a lone parent with an eight-year-old who was made redundant shortly after lockdown, told us of the dilemma she faced when considering what would happen when she found a new job. As her parents were shielding, they were unable to look after her son and she was worried about sending him back to school:

"My main childcare before lockdown was my parents, because they're supposed to be self-isolating... Well, at that point, it was like, 'When I do get a job, who's going to look after him?' I don't really want to send him to school. He's in year 3, so he's not obliged to go to school, but he still can if we need to, if we were key workers. Yes, that was hard, because it was, 'Well, I need a job, but what if I get a job and then I can't send him to school? He's got to go to my parents, but they're at risk and...' It was really hard thinking like that. Yes, it's quite tough to think about childcare, because you want them to be safe and you want your family to be safe."

e) Housing issues

The difficult living conditions that many families experience have been made worse by the lockdown. Survey respondents told us that they were now in overcrowded accommodation as a result of taking on extra caring responsibilities. Many had no outdoor space and others were painfully aware of the poor quality accommodation they were in and the improbability of that changing any time soon:

"Since the coronavirus I am my mum's carer and instead of taking the bus I've had to get taxis as my mum is a vulnerable adult and so am I. My two older children were homeless, sofa surfing, so I had to take them in to my house to make sure they were being looked after properly. They love being at home but I am now struggling big time as my living room is now a bedroom... I'm glad they are here because my depression is so bad right now, but we definitely need a bigger house as we are all living on top of each other." (Ann-Marie)

"It has made living at home a bit harder due to only living in a two-bedroom flat with four people and us all being in at the same time is cramped; it has affected my son's sleeping and frustration levels." (Survey respondent)

"After finally saying we can move... nothing is being done and everything is on hold ... my house is yet again infested with bugs due to broken windows which the council and the landlady refuse to know about... We currently live in a two-bed flat but only have the full use of the living room - everywhere else is damaged and we can't even leave and go to our friends or families to get away from this due to Covid-19." (Survey respondent)

f) Coping strategies

When asked how they dealt with stress, interviewees told us they had various coping strategies. Some relied on their partners or children to calm them down, or found some peace and quiet, or went for a walk outside. Several practiced gratitude, faith or positive thinking to get them through stressful periods:

"If my depression gets the better of me, or my eight-year-old is playing up, or I'm going through a bad day, I say to one of the [older] kids, 'Can you just watch your sister for an hour or two? Because I need to go and have some quiet space.' You've just got to accept it, because the way I see it, for all the thousands of people that have died, at least we're all still alive..." (Ann-Marie)

"I struggle a lot, and there is a time, like you cry alone. Sometimes my husband will calm me down. Even sometimes him, himself, he has been so stressed and I calm him down. Like every time we support each other, and sometimes the kids by themselves... If I calm myself and maybe I go for a walk in the park." (Zenab)

"You can't control, so let's just have faith... It keeps your mind very clear... you have to think right... let's say if you think the worst, it's not helping. You have to think positive always. You have to smile always. Even if it's the worst thing, you have to smile..." (Myra)

Impact on children

a) Stress, anxiety and physical or mental health problems

Sadly, parents told us that they were not the only ones suffering from stress and physical or mental health problems as a result of the pandemic; some of their children were too. In many cases it seemed to be teenagers who were most affected – perhaps because they are old enough to understand what is going on and worry about the impact of the pandemic on their future.

Graham described how his 16-year-old son was suffering from boredom, being stuck at home; meanwhile, his daughter was frustrated about being unable to go and find a part-time job, which would have given her some financial independence:

"[The children] are both very stressed, very anxious. Because they can't do anything. They're locked away, in the four walls. My son, with his autism... He'll play on his Xbox for a bit, but once he gets bored, he can become very difficult to sort of calm down afterwards. My daughter is just so frustrated that she's unable to... try and go out and get a job, or sign up for universal credit, because she just wants to have some money, to do something... She wants desperately to go and find some work, so she can pay for her own telephone, pay for the driving lessons..."

Lisa talked about trying to protect her children – especially her 19-year-old daughter – from the fact that she was having to sell her furniture and jewellery to survive financially:

"They can see there is no money. I'm trying to sell my things, my jewellery so they can have their TV. I don't know if that's going to be in two months' time, but for now, especially also for the 19-year-old, I don't want her to know everything that's happening because she gets very bad panic attacks and anxiety. I try to hide as much as I can from them, but yes, they know."

Sharon, who is married with two children aged 20 and 17, relayed how her daughter, aged 20, was suffering as a result of her degree year in Canada being cancelled. She was unable to find a job either

in her hometown of Sheffield or in her university town of Bristol, partly because so many people had been made redundant in these cities and were also looking for jobs:

“She’s fairly anxious at the best of times, and the coronavirus has certainly not helped her mentally at all... So, although she’s come to terms with the fact that she’s not going [to Canada], and the costs that are now not there, because she’s not going, she is anxious about not being able to get a job... And actually she can’t find a job in either location. It’s partly because everybody else who has also been made redundant, are looking for jobs that are maybe temporary, maybe seasonal, whatever you want to call it...”

Our interviewees made clear that younger children were suffering too. For example, Gemma, a lone parent with two children aged six and four, described how her four-year-old was experiencing some health anxiety as a result of the pandemic:

“And then my little girl; she, well, still now, she’s like, ‘We need to wash that trolley, Mum. We need to use the wipes.’ Because she got into her head that something bad is going to happen. I’ve been explaining to her that she’s going to be okay...”

Meanwhile Tina was struggling to give her five-year-old daughter the attention she needed, due to her own mental health problems:

“There’s been days where I don’t want to get out of bed sometimes. Then, obviously, it takes an effect on my daughter and she just wants attention and I’m just like, ‘I really can’t be bothered.’ I don’t have a reason to get up.”

Laura, who has a two-year-old, described her son not wanting to go back to nursery:

“When my son finally stayed out at my parents’ house, he didn’t want to stay there, because obviously he’d been with me for the whole time under lockdown. So I think it really affected him as well, and he didn’t want to go back to nursery school, he doesn’t like going to his nursery, because he wants to stay with me...” (Laura)

The open-ended responses to the online survey also revealed some of the physical and mental health issues that children were facing during the pandemic (see box below).

"My daughter started self-harming again and very depressed she's 16 and myself I've always had mental health issues and managed them ok up until covid-19 and I'm now suffering with depression..."

"Having to change benefits and wait five weeks for a payment has meant struggling to buy food, keep the children's mental health up. Keep our mental health up. It's been horrendous!"

"It has affected me and my daughter massively as well as a recent break up with my partner I'm finding coronavirus has changed everything."

"My mental health has declined and feeling like each day is a battle. My child's mental health has been affected too with the whole situation. Definitely impacted our lives and certainly hope there is light at the end of the tunnel."

"My child is very sad, she isn't herself anymore the Covid-19 has crushed her and she believes she has no friends which I have been trying my hardest to [reassure] her isn't true - everyone loves her we just can't go there it destroys me hearing this..."

b) Impact on school work

As well as the impact on their children's mental health, the families we spoke to were very conscious of the significant impact that the pandemic was having on their school work. See CPAG's report, *The cost of learning in lockdown: Family experiences of school closures*²², for more on how the pandemic has impacted children's experience of learning. For some of the parents we interviewed as part of this study, it meant that their children were struggling to stay engaged with their work or were anxious about their results:

"Massive arguments within the family as home schooling is tough & they are just wanting to play & watch all day." (Survey respondent)

"My eight-year-old, she'll do studying some days, and another day, she loses interest. I say to her, 'You need to constantly do maths and English, and then you can go to colouring in, and then reading, because it's keeping the brain active.' So it's good to try to explain it to her. But I think my 16-year-old is worried about what his results are going to be, so until he gets that, he's all over the place as well." (Ann-Marie)

Other parents told us that their children were struggling with online learning because they could not afford the technology, or the technology they had was broken:

"And now my daughter, she can't even do her schoolwork on the laptop because the laptop's broken. So, I know she's going to get in trouble over that because she hasn't got the laptop now. There's nothing else I can do. I can't go and afford one, or even afford to get it fixed." (Clare)

"Due to coronavirus and school and college not open it's affecting them very badly as it's mostly online live learning but as we're on low income benefits I can't afford an up to date laptop so their education is suffering." (Survey respondent)

²² Child Poverty Action Group (June 2020) [The cost of learning in lockdown: Family experiences of school closures](#)

Generally the pandemic had disrupted many children's education. Kim, a single parent with a 12-year-old son called Harry, who is autistic and has PTSD, explained that after a long struggle with the authorities to get the correct diagnosis and appropriate school place for him, he was finally put in a suitable primary school in September 2019 (having been moved three times). He spent six months in that school in year 6, where he was settled; now he will have to go straight into year 7 in another school on a different site:

"He's had six months of the best education and that's gone, he lost it... he can't go back to do year 6 again, which is what he wants. He's got to go to year 7... he's not accessed any academic work for about three or four years... There are fundamental packages of learning missing. That means I know for a fact later on in life there'll be big gaps in his abilities. It won't be because he's stupid and it won't be because he's autistic, it will simply be because he was let down."

Although this is a one-off case, it does show how vulnerable children's education is to the pandemic – and this particularly affects children with additional needs.

c) Impact on children's birthdays and entertainment

A common theme among parents was the knock-on effects of having less money on their children's birthdays and entertainment:

"It's hard on the children for their birthdays and they want to go out and do things and they want stuff and I can't give them it... And I've got three under 10, so you can imagine – they don't understand..." (Jade)

"Three teenagers, you know how they are asking for everything, style things, iPhones, laptop? You know, the oldest one, she is in uni and she wants a laptop. The second one, she is in sixth form. Like everyone wants to be the best and when they go to school or chat with their friends, 'I have this', 'I have that'. Like we are struggling with all these things. Not only food as well..." (Zenab)

"When we used to go to the supermarket, and he'd say, 'Mummy, can I have that toy?' and I'd be like, 'No, I can't just buy you that toy.' It definitely affects him, I think." (Laura)

Claire, who was living very comfortably with her husband and two children before the pandemic hit, told us how her children were missing out on their usual takeaway on a Friday night:

"Especially my eldest, he's 15. He can see that we can't have a takeaway like we used to on a Friday night. We might rent a film from Sky Store or whatever it would be, things like that."

d) Impact on food shopping and eating

Coronavirus has affected families' ability to buy food, as described in Chapter 2. However, in addition to affordability being an issue, parents also told us about the logistical challenges they faced when trying to order food from, or visit, the supermarket:

"I could not get food delivered and we were not able to go to a supermarket and do a bulk shop." (Survey respondent)

“Struggling to get food delivery slots due to supermarkets having limited availability. Then it’s them not having everything in stock...” (Survey respondent)

“When the lockdown first started I got quite a few comments about me bringing my child into the supermarket, but it was just me and him, so I don’t... That really got me down actually... Because obviously with the whole COVID going on, they didn’t want- Why is someone bringing their child out? But obviously it was just me, myself. And quite a lot of people used to shake their head at me or tut at me or just look down on me. It was quite a sad time really, a stressful time...” (Laura)

Many parents also told us that their children were eating a lot more than usual because they were bored at home:

“Kids don’t just have like two meals, two or three meals a day and be happy. And when they’re bored, they just want to pig out and pig out, pig out and I can’t...” (Jade)

“Single parent with no financial support and receive a low income of benefits food is a big worry as my child is eating more out of boredom and trying to keep him entertained as he’s a very hyperactive child...” (Survey respondent)

Zenab's story

Zenab lives in London with her husband and five children – three teenagers and two younger children.

While Zenab doesn't work, her husband is a self-employed mini-cab driver and was earning around £400 a week prior to coronavirus. After covering the running costs, he was bringing home around £200 per week, which was topped up with working tax credit (WTC), child tax credit and child benefit. Housing benefit does not cover their rent fully, so the family was left with a disposable income of around £1,800 a month. Zenab said they were "doing alright" before the pandemic, although they were already living below the poverty line for a family of their size and had outstanding debts of at least £6,000.

After the lockdown, her husband wasn't able to work for several months and had to return the rental car to save money. He hired the car again at the beginning of June (two weeks before the interview), but was only earning around £60 a week:

"Hopefully the money will increase, as people start to travel more, but it is very difficult at the moment".

Zenab's husband successfully applied to the Self-Employment Income Support Scheme and so far had received one payment of £1,500, but that disappeared as soon as it came in to repay the rental company and other debts accumulated during the lockdown. They have fallen behind on utility bills and have had to modify their spending habits:

"We have to buy the basic ones, milk, bread, jam, like the basic things. You know meat is one we stopped buying. We eat fish fingers, something like that... and sometimes we borrow as well. If you don't have it, we ask family and friends."

She has struggled with her mental health during the lockdown and is worried about the impact this is having on her children:

"The oldest one, she is in uni and she wants a laptop. The second one, she is in sixth form. Like everyone wants to be the best when they go to school or chat with their friends, 'I have this', 'I have that'. We are struggling with all these things. Not only food."

Zenab said there should be more support for families like hers. She applied for FSM for her teenagers, but was told that 'You are not entitled because husband is working', even though his income is very low. She also believes that students should get more financial support and that bursaries should be open to sixth formers living outside the local area.

4. Sources of support

Families have accessed a range of different support to help address shortfalls in their household finances caused by the pandemic. Some of these sources of financial support are specific measures established by the government in response to the crisis; others existed prior to the crisis and have been experiencing unprecedented levels of demand.²³

Job Retention Scheme and Self Employment Income Support Scheme

The JRS²⁴ and the SEISS were established by the government at the start of the crisis to help safeguard people's jobs. **Although record numbers of people have become unemployed as a result of the crisis, it is clear that these two schemes have protected millions of people from the full economic impact of the crisis.** At the time of writing, 9.4 million people had been furloughed from their jobs. Many of these people will be on low incomes: research from the Resolution Foundation shows that 30 per cent of the lowest-paid employees have been furloughed or lost their job as a result of the crisis, compared to just 8 per cent of the highest earners.²⁵

Of the 21 families interviewed as part of this research, six had benefited from the JRS (with at least one parent being furloughed) and one family had received a payment through the SEISS. It is clear that the furlough scheme in particular has protected people's incomes and avoided the need to claim universal credit in some situations, which for most families would result in a significant drop in household income.

However, for low-income families the loss of 20 per cent of their income was having a major impact on their finances, leaving families struggling to cover essential costs. Wendy told us:

"It [JRS] was okay. Obviously, it's a drop in wages by about 20 per cent. Because some people say it sounds a lot, but it is [not] when you're having to live off it."

Other families have not been able to benefit from the JRS or the SEISS. Two interviewees were not able to be furloughed by their employers as they were not on PAYE (a requirement of the JRS),²⁶ and another interviewee's partner had been ineligible for the SEISS as he had only recently become self-employed. Another two interviewees were made redundant as a result of coronavirus, both having had their requests to be furloughed refused by their employers, including Joanne:

"Yes, I was really shocked that I wasn't given the opportunity to be furloughed, to be honest. Yes, it's your life, your job, isn't it? You know, like, your bread and butter."

²³ For example, food banks have experienced unprecedented demand for their services. Trussell Trust (2020) [Food banks report busiest month ever, as coalition urgently calls for funding to get money into people's pockets quickly during pandemic](#)

²⁴ The JRS pays 80 per cent of a person's wages up to a maximum value of £2,500. Employers have discretion to top this up to 100 per cent.

²⁵ Resolution Foundation (May 2020) [The effects of the Coronavirus crisis on workers](#)

²⁶ Depending on circumstances, support may be available from the SEISS.

Free school meal vouchers

In the face of prolonged school closures, the Westminster government established a voucher scheme for families in England who are eligible for FSM to ensure they did not lose this provision entirely while schools were closed²⁷. In some cases, schools opted to provide this support in other ways, for example via a BACS money transfer to parents, or by providing food parcels or 'grab bags' that could be collected from the school. Following campaigning by civil society organisations and celebrities, the government extended this provision in England over the summer holidays²⁸. Seven of the families interviewed as part of this research had received vouchers from the scheme.

Families who had received free school meal vouchers told us how much they had appreciated them:

"I get free school meals, you know, vouchers. That has helped a hell of a lot. People don't understand how much it has helped. I think if it weren't for that, I don't know what I'd do... I think that [the government] have done all right, to be honest, like the free school meals. I said it was a Godsend to me... I couldn't have coped without it." (Karen)

"It's been easier since they provided the school vouchers and the college vouchers, while they've not been at college... So you put that on one side and say, 'Right, there's £30 for this week and £30 for next week, so we'll keep that on one side and we can do some shopping.' So at least that gave us a little bit of extra money to buy food with." (Graham)

Of those who had received vouchers, four families reported that they had experienced problems with accessing the scheme at first, including Wendy:

"At first we had trouble because the school didn't have enough to give out to everyone so we were waiting quite a few weeks... I'd say the middle of April we started getting them. We get them regularly now but it's hard when you go on the website and you have to wait and wait and wait. When you do get through, sometimes it just crashes. We had trouble to begin with but it doesn't seem too bad lately."

Other interviewees had applied for vouchers and had been refused. This was a particular issue for low-income working families as they are often above the low earnings threshold for FSM eligibility.²⁹ Other families, like Tina's, were used to receiving universal infant free school meals if they had a child who was in reception, year 1, and year 2 (which are not subject to a means test). However, the voucher scheme does not extend to these families:

"It's not a fair scheme. It's not just obviously affected me, it's affecting loads of families in my position that have got young children [in receipt of universal FSM for infants]. You can't put one statement up saying that you've put the scheme in place that no child is going to go hungry during this pandemic while they're off school – that's why we've invented these vouchers – and then say... you're not entitled to them."

Another interviewee, Kim, told us that her child, who usually attends a special school and receives FSM, had not been provided with any support.

²⁷ Parallel schemes exist in Scotland, Wales and Northern Ireland.

²⁸ Scotland, Wales and Northern Ireland had already committed to provision over the summer holidays.

²⁹ See notes 9 and 30 for further information about FSM eligibility.

“One thing I did want to say is I haven’t been given any access to school meals. My son goes to a special provision, which took a very, very long time to get. He’s in a class of eight children. He’s only been there for six months. We’re entitled to transport, he’s entitled to school meals and we haven’t had any of that. The school administrator was off sick for the first six weeks... it’s not on purpose.”

Two interviewees reported that they had received food donations in place of FSM vouchers. Ann-Marie told us vouchers would have been preferable in her situation, giving her the freedom to shop independently for food for her daughter and not requiring her to collect the food box from school, which wasn’t always practical:

“She didn’t get any vouchers. She got a box with food bits in it, but I said them, ‘A voucher would have been a better idea for me, because that could have gone towards my shopping. Then I could have budgeted it with that.’ I mean, she got a few bits, it was all right, but the majority of it, she didn’t really eat. They say Monday and Tuesday, but I’ve called up a couple of times and I’ve said, ‘I can’t get it until the Wednesday, or the Thursday.’ Then a few times when I’ve gone to get it, all the boxes have gone because of all the perishables, like the cheese or whatever has been inside it.”

Similar themes emerged in the online survey responses. 25 respondents reported receiving FSM vouchers, and five respondents reported receiving food in kind from their child’s school. Some families told us how they valued the FSM voucher provision at this time, and for those families not receiving FSM this was the second most popular request when asked about what additional support would help at this time.

It is worth noting that due to the location of the survey on the Entitledto benefits calculator, it was only advertised to families who, based on the information they had inputted into the calculator, ought to be eligible for FSM. This suggests that many families who may be eligible for FSM vouchers are not receiving them. This could be for a number of reasons:

- Applications may have been made to schools but not verified yet;
- Families who have experienced a sudden income drop may not be aware that they are newly eligible for FSM and that you need to make an application for them, or may have been wrongly advised that they are ineligible due to confusion about the rules governing past earnings;³⁰
- Families who usually receive universal infant free school meals, which you do not need to apply for, may also be eligible for means-tested FSMs but may not be aware that they need to apply for these;
- Eligibility is determined by looking at earnings received in the previous complete UC assessment period(s) immediately before the application is made, so families could exceed the threshold even if their income is now lower.

³⁰ For further details on the eligibility criteria for free school meals, see Department for Education (April 2018) [Government Guidance](#).

The social security system

In response to the coronavirus crisis, the government made a number of changes to the social security system to support claimants. These changes included increasing the standard allowance within UC and WTC by £20 a week for a temporary period (until April 2021), suspending some deductions in UC, and suspending conditionality, sanctions and re-assessments for some benefits temporarily.³¹ However, the increase in UC made no allowance for the additional costs of raising children, so families with children received the same cash increase as single claimants without children, despite having greater costs.

The government has also provided hardship funding to local authorities - the majority of which is being spent on local council tax support and local welfare assistance.³² Even prior to the pandemic, the social security system was a major source of financial support for families with children. And with over 2.7 million households making a claim for UC since the beginning of March,³³ the system has been vital for keeping families afloat during the crisis.

Analysis by the Resolution Foundation found that the £9 billion boost to social security was effective at insulating low-income households from the financial impact of the crisis – with the incomes of the poorest 15 per cent unchanged or slightly higher, on average, in May 2020 than in the previous financial year. However, for the reasons discussed below (and elsewhere in this report), this was not the lived experience of most of the families in this study.

The majority of the 21 families interviewed as part of this research were claiming some form of benefits prior to the pandemic. 15 families were in receipt of UC or legacy benefits. Three families were receiving child benefit only. One family was in receipt of carer's allowance for an adult child but did not receive child benefit as their youngest child was over 18. Two families were not in receipt of benefits. In one case it appeared that, prior to coronavirus, this family would be eligible for child benefit but they would have been subject to the high income child benefit tax charge which would require them to repay all of their child benefit which may have deterred them from claiming.³⁴ In the other case, the family was previously ineligible to claim benefits because of their immigration status.

Two interviewees were positive about their experience of claiming benefits or the changes made to their existing benefits, as a result of coronavirus. Joanne, who had made a new claim for UC, told us that their experience of claiming and receiving UC had been positive:

"I didn't expect as much, to be honest. I really didn't expect as much, that's why it's been helpful and it really has helped a lot. I mean, I've only received one payment so far. I'm due to receive another payment at the beginning of July, again... overall, I had a good experience with it."

Another interviewee and a small number of survey respondents told us that they have appreciated the £20 uplift in UC, and one survey respondent mentioned the ability to request an advance as particularly helpful in her situation.

However, the majority of interviewees, and survey respondents who commented on their experiences of claiming benefits/changes to their existing benefits as a result of the pandemic, highlighted problems they had experienced when interacting with the social security system.

³¹ See [AskCPAG](#) for up to date information on recent changes to the social security system as a result of coronavirus.

³² Child Poverty Action Group (June 2020) [Cash in a Crisis](#)

³³ Department for Work and Pensions (June 2020) [Universal Credit declarations \(claims\) and management information](#)

³⁴ Parents who earn more than £50,000 will be subject to the [high income child benefit tax charge](#), and for those who earn more than £60,000 they are required to repay all of their child benefit as income tax.

Five interviewees made a new claim for benefits as a result of the financial impact of the crisis. An issue that was raised both by families who had made a claim as a result of coronavirus and those that were already claiming benefits, was the adequacy of benefit levels to cover their basic living costs.

Claire and her partner were both in well-paid jobs prior to the pandemic, and she reported feeling shocked at the amount she received in her first UC payment, which was partly affected by her previous earnings:

“Even then £469, £350 of that goes straight on rent, another £90 on council tax and then that’s it, you’ve gone through it [UC]. I thought they must have made a mistake, I remember because the statement comes out on the first. I remember ringing them when the statement came out and said, ‘What? Why am I only entitled to this? You’ve taken over £900 off in these other bits.’ When they explained to me that they were still taking into account income from when I was last paid in March, I just couldn’t believe that they would keep carrying income over that’s gone, done, over with. The lady on the phone actually said to me, ‘Universal credit is not here to give you the wages that you’ve lost. It’s here to provide for essentials.’ I remember being so upset and saying, ‘I’m not asking for the income that I’ve lost. I’m just asking for something to work with.’”

Graham reported that the sudden income drop he experienced when first claiming benefits was difficult to manage after working for years:

“Although it pays my rent and it helps me with my council tax and it helps with the children... But I’m 52 years old, I worked all my life until 12 months ago, and they expect me to live on £317 a month. I’m used to earning £1,800 a month, and they expect me to be able to suddenly budget on £1,500 a month less. I don’t see how you can expect people to go from earning a decent amount... and paying your own way for all your life, and then expect you to live on £300 a month... to go from earning £1,800 a month, to have to live on, let’s say, £700 a month, I’ve lost £1,000 a month. Then they start saying, ‘Why can’t you do this? Why can’t you do...?’ I can’t. Where am I supposed to get the money from? I can’t physically work, because I’m signed off medically. But they just don’t seem interested in it. They think we can all live on a piece of toast... they go on about people living in poverty and they’re the reason why people are living in poverty.”

Two families interviewed as part of the research had been affected by the benefit cap and so had not benefited at all from the temporary increase in the UC allowance.

Jade, who worked 16 hours a week prior to coronavirus and therefore was not affected by the benefit cap, is newly affected as a result of being furloughed because she no longer meets the earnings threshold required to escape the cap:

“Well, it’s like they say you get an extra £1,000 a year on your universal credit, but because of the cap I don’t get it... It’s like I say to universal credit, what are you actually taking back off me; are you taking my rent money or are you taking mine and the children’s money because I don’t understand what part you’re taking off me... I just think it’s really cruel, and I know I’m not the only one out there that’s affected by the cap, but it’s none of our faults that we’re in this situation.”

Rahana had experience of the benefit cap in the past, and was fearful that her family would be capped again as a result of coronavirus. With five children, and limited options for childcare as a result of many

schools and childcare facilities remaining closed, she wasn't hopeful she could find work in order to escape the cap:

"I think I was on the benefit cap for three months and it was so much stress. When I received the first payment I was crying and I was shaking because I was really shocked to see the payment... So I'm again stressing out, I don't know what my benefit will be next month again, I've reduced my hours because according to them apparently we are a couple, we have to work 16 hours. With tax credits it doesn't matter who works but apparently on universal credit we both have to work and I've told them, 'Look, I've got five young children I need to look after them, if we are both at work at the same time how is that going to work?'"

Two interviewees in receipt of legacy benefits felt let down that the £20 uplift to UC and WTC had not been applied to most legacy benefits.³⁵ Clare considered moving to UC as a result of the uplift, before deciding against it. The five-week wait was a deterrent in her case, despite being able to access an advance:

"I was going to go over to universal credit, but then I thought, I'm going to be waiting all those weeks without any money. And I know that there's an advance, but then that's got to be paid back anyway. And then I just didn't want it just to mess my benefit about at the moment, with what's going on... everybody has a fair right to the new, like £100 extra a month? Nothing ever got said about that... And they turned around and said that it's not as easily done to increase the old-style benefits."

Another issue relating to the adequacy of benefit payments that was raised by interviewees was the treatment of couples in receipt of universal credit. Two interviewees reported that their application for UC had resulted in a very small or nil payment as a result of their partner's income or savings, with Lisa saying:

"In the beginning (claiming UC) it worked great. I took all the documentation, because they said bring this and this, and off I went. All of that was fine. But I had to keep asking if there was anything else she needed. 'Yes, bring me your sick note.' Is there anything else that you need? 'Yes, do this' Yes. They have just told us nicely now, 'Because of your husband's salary.' They don't take into account what this has got to pay out. They just see that, so now this month I got £51."

Last but not least, any positive impact of the increase in UC and WTC has for some been offset by an increase in the cost of living. Most of the families in our survey don't feel better off because they are having to spend substantially more on basic essentials, such as food and electricity (see Chapter 2).

In addition to issues related to the amount of benefits received, interviewees raised a number of problems regarding the operational delivery of benefits. As outlined, some interviewees had found the UC claim process fairly straightforward but others experienced difficulties. These included problems with the Verify online identity process³⁶ and problems with contacting the Department for Work and Pensions (DWP). Claire said:

³⁵ Including income-based employment support allowance, income-based jobseeker's allowance, and income support.

³⁶ [Verify](#) is an online identity verification process used across government, including by the Department for Work and Pensions.

“Well I’m quite au fait with everything online, I think my generation are. I did all the applications online and then it came to the digital identity. I used my passport. That all went through fine. Then it came to my other half and it wouldn’t recognise his passport. We spent ages trying to get through to somebody. I think we were held up in a queue for about two hours for them to say, ‘I’m really sorry. I know you’ve been waiting all this time but somebody will contact you.’ Then I think it was about 10 days later somebody from the Jobcentre rang, or wherever they rang from, and they said, ‘Here you go. Let’s go through some questions.’ Then after that it was okay.”

It is worth noting that in this example, the family’s UC claim was only started once they were contacted by the DWP and had their identity verified, resulting in that family losing out on ten days’ worth of benefit entitlement.

Other interviewees and survey respondents mentioned delays in receiving benefits, primarily in relation to the five-week wait for a first payment in UC. One interviewee (Bijul) reported that she had been told she would need to wait 6-8 weeks for her child benefit claim to be processed.

Tiffany-Jayne told us that the unpredictability of payments in UC, together with the fact that their household benefit payment is rolled into one (rather than each adult in the household receiving their own entitlement), made managing their family finances very difficult:

“We forget that our universal credit, the amount we get is: her money, what she’s meant to get; his money, because he gets carer’s; and then there’s my money. But whatever he earns comes off all of it. We don’t have that safety bracket anymore, so it’s not like it was before... It depends. One month we got two payments of £200 and something. And then this month we got two payments of £500 and something... The furlough they were paying him, they were taking off the universal credit.”

Finally, Sharon said it was difficult to know where to look for advice on claiming benefits. This was confirmed in the survey responses, with a number of respondents highlighting benefits advice as one of the additional sources of support that would be most helpful at this time:

“I think, from my point of view, it’s just overwhelming, knowing where to start to look for that advice. Because it’s just knowing which are the right sites, that give you the chance to understand what it is you can apply for and who is eligible.”

Financial assistance from local authorities

The government has provided some additional funding to local government to provide financial support to residents in their local area. In March, £500m of hardship funding was provided to local authorities, with the majority of this earmarked for providing local council tax support. Any additional funding that remained could be used to provide local welfare assistance or other forms of discretionary crisis support. In June, the government announced an additional £63m for local authorities in England to help them provide local welfare assistance to their residents.

None of the families we interviewed reported receiving additional local council tax support as a result of coronavirus.³⁷ Tina had contacted her local council to request a council tax reduction but had been told this would take up to six weeks to assess their eligibility:

³⁷ Some families may have already been in receipt of some council tax support prior to coronavirus.

“I tried applying for the council tax reduction. I know I get the 25 per cent by being a single person, but I tried applying for the council tax reduction because I’m not earning as much and basically they said that it takes them up to six weeks to find out what my actual wages are.”

Other interviewees and survey respondents reported that they were struggling to pay their council tax bill, and some said that help with making council tax payments would be valuable at this time. Sharon said:

“The council tax. There seems to be no let-up on that either. And again, perhaps to postpone the payment of that, or have it reduced... is something that perhaps could have happened, and again hasn’t happened.”

Six respondents to the online survey reported that they had received a council tax reduction, and a number of respondents told us that this had really helped them financially.

This study suggests that there is more work to do at a local level to ensure low-income families who may be eligible for local council tax support are receiving this support.

A similar pattern emerged regarding local welfare assistance. **Only one respondent to the online survey, and only one of the interviewees, reported receiving assistance from a local welfare assistance scheme. This supports other evidence that shows that local welfare assistance schemes are often not well promoted in local areas, with local residents unaware if a scheme exists in their local area or how to access it.**³⁸

Practitioners working in frontline agencies can often be instrumental in signposting families to local services. Three families reported the role that support workers had played in assisting them to access discretionary financial support from their local council and other services in their area. Graham said:

“I have had some help... they [son’s school] put us in touch with a family liaison officer. And she’s been helping, she’s been helping getting us food vouchers, a couple of grants, to buy food. My landlord has assisted me with food vouchers... one was from Birmingham City Council, that was just a one-off £40 food voucher. We’ve had another one last week, which was £150 – that was from a volunteer section, Birmingham Volunteer something. So, with the help of my landlord and the liaison officer, they’ve pointed me in the right direction. Otherwise, I probably wouldn’t have known how to access them.”

Other families reported receiving financial assistance from their local council in other forms: one family had received a cash grant from social services, another family had received food parcels from their local authority (which may have been part of their local welfare assistance scheme), and another family had applied for a discretionary housing payment to help them with their rent. Another family had received electrical goods from a ‘wellbeing fund’ to help support her adult son who has schizophrenia, although it is unclear if this service was provided by the local authority or the voluntary sector.

³⁸ Child Poverty Action Group (June 2020) [*Cash in a Crisis*](#)

Financial assistance from the private sector

Some private sector companies, such as banks and utility companies, have been assisting customers experiencing financial difficulties as a result of coronavirus. This help includes mortgage payment holidays and reductions or payment breaks for key household bills such as utilities. Six interviewees had requested a reduction in a bill payment, and those who had received one said it had been extremely helpful for managing their finances during this period, like Graham:

"In all fairness to a lot of companies, they've been absolutely brilliant. I've phoned them up and said, 'Look, I can't pay the full amount this month,' and I've been able to pay a little bit more back each month, to try and catch up... like I say, like the gas, the electric, my landlord, the water, have all been pretty good – 'Can I reduce my payments for a few months?' and stuff like that. Which is what they've done."

However, two families had specifically asked for a reduction or freeze in bill (re)payments and had had this request rejected. Laura told us:

"I've emailed them (electric company) twice about my situation, to see if they could help me, but no... Basically I just said I'm struggling to find the money each month to put on electric, and if they could maybe stop taking the money for the debt that I owe them, and obviously when I'm back on my feet I'll then start paying again... And I didn't get a reply, so I sent it again. I think it was about four days later, they sent me an email, telling me to ring up. And I did ring up. And they said there was no more they could do for me... Apparently because they're dealing with all the emergencies."

With regards to help with meeting housing costs, two families had received a mortgage payment holiday, and one family had received a temporary reduction in rent payments. Mortgage payment holidays were initially offered for up to three months (until the end of June), which was causing some distress to families at the time. Kim said:

"I had a buffer, I don't anymore. Now I'm in that worse situation. My mortgage holiday comes to the end, this is the last month."

The government has since announced that the scheme will be extended for a further three months which will provide some temporary relief, but many families may still be facing severe financial difficulty as a result of coronavirus into the autumn.

Financial assistance from the voluntary sector

The voluntary sector has a long history of providing financial assistance to people in crisis, especially in turbulent economic times such as these. A more recent phenomenon is the rise of food banks. The Trussell Trust, the UK's largest provider of food banks, opened its first food bank in 2000. There are now more than 1,200 food bank distribution centres in the Trussell Trust network, as well as more than 900 independent food banks.

Our research found that families were accessing food banks in large numbers: four of the families interviewed and 23 survey respondents reported accessing a food bank as a result of the pandemic – the most widely accessed source of support outside of the social security system. This has been

confirmed in larger-scale studies. The Trussell Trust has reported that the number of families with children receiving food parcels in April 2020 almost doubled compared to the same period in 2019.³⁹

Interviewees had mixed feelings about using food banks. Families were generally appreciative of the support they had received and reported that assistance from food banks had helped them manage during a difficult time. Graham told us:

"It's a great service the people are providing, I'm not going to knock it, because I've utilised it and people have made donations and given up their time to put these parcels together. Yes, it's been a Godsend."

However, some reported more negative feelings about using a food bank, such as Clare:

"I've never used a foodbank in my life, do you know what I mean? I always think people, there's people poorer than me and I... Do you see what I'm saying? I don't want to take the food out of their mouths. But I've had to use it during this coronavirus, and I feel very sad about that."

Claire, who had not had to use the foodbank yet, reported how foodbanks equated to failure to her:

"But for me, going down to a food bank, that just, to me, says what a failure. I know I shouldn't feel like that but I do."

In addition to accessing food banks, a small number of survey respondents reported receiving in-kind donations from voluntary sector agencies. One family had received children's clothes, another family had received a laptop to help with home-schooling, and another family had received furniture.

Financial assistance from friends and family

People who are struggling financially will often turn to support from their family and friends before they seek help from services. This was confirmed in the research findings: six interviewees had borrowed money from friends and family, and three interviewees had received food donations from them. Two interviewees received support with childcare, which allowed them to continue working despite school and nursery closures.

Interviewees spoke highly of the support networks around them:

"I'm so lucky, yes, I'm so lucky also because I have my aunties here. I have my aunties and sometimes when they do their groceries there's stuff that they give me. They get groceries also for us, for my kids. And that's been so helpful for us." (Lesley)

"Luckily I've got family nearby, I've got two twin brothers who are always around by me, it was okay until the coronavirus came and then the school was shut and the kids are at home. The first month or so, March, April and May, until May when I used to go to work I used to have my brothers around here to look after the kids and then go to work, do the work, come back home and quickly go out and do the essential shopping." (Rahana)

³⁹ Trussell Trust (June 2020) [*Food banks report busiest month ever, as coalition urgently calls for funding to get money into people's pockets quickly during pandemic*](#)

However, there were also interviewees like Louise who felt uncomfortable about having to ask for help from family members:

"I just ask one of my family members, my uncle, if he'll loan me, like, £10 or £15, just so I can get in some, you know, something extra. Like his nappies, or extra bit of food or whatever. So I've got a bit of a debt with him. But he's all right with that, he doesn't mind. Or he says he doesn't mind, but you know... I've never been a borrower. Never... I don't like it. I've got my own, well, I moved into my own place when I was like 17, and I've always managed on my own. And I'm like, I'm 31 now, and it's like, I'm going back to like being a kid... what else can I do?"

Gemma highlighted that this can create a mounting debt that needs to be paid off at some point:

"I'm borrowing for electric and gas and stuff off family. But then if you get into that routine, then you have to pay it all back, and by the time you're getting paid, then you haven't got enough to cover you for the month."

One survey respondent highlighted that they are not able to ask family for help as they are also financially struggling, highlighting that while friends and family can be a huge source of support for many people in times of crisis, it is important to have a safety net for everyone regardless of whether they have access to these informal sources of support.

What additional support would help?

Survey respondents and interviewees were asked what additional support would help their family the most at this time. This report focuses on the types of support that were most commonly mentioned by respondents (10 families or more).

Additional income/cash support

Overwhelmingly, families told us that increasing their family income would be the main way the government could support them at this time. 51 survey respondents highlighted this as their priority when asked what additional support would help most. These quotes from survey respondents demonstrate that the needs of individual families can vary, and parents are best placed to make decisions about how best to meet the needs of their families. Families need flexibility – and cash rather than in-kind support is the preferred option for most families.

"A reduction in a few bills and help towards my monthly household costs."

"More benefits until I get a new job."

"Extra money to afford shopping and pay heating and electricity costs."

"Help with my gas bills and rent and council tax bills."

"More help towards food costs for the children who would have had meals at school as I have 5 children. Also help towards rent and utilities bills would help."

"Stop money worries and keep a roof over our heads. To be able to keep my car and still have a job to go to."

"Extra rent help and help with paying for children's needs like nappy's and formula."

"To be able to pay my bills and not go into debt."

"Financial help as we are shielding with my child. My child is bored and wants to do activities at home or to buy things to keep him occupied, but I can't fulfil his wish as we don't have enough finance."

Free school meal vouchers

FSM vouchers were popular among families when asked what additional support would help at this time. 24 families said being provided with FSM vouchers, or the continuation of FSM vouchers over the summer (for those who were already receiving vouchers) would be the support that their family would most value at this time.⁴⁰ This included families who were used to receiving universal infant free school meals, but did not qualify for the FSM vouchers which are means-tested.

"We don't qualify for free school meals as we receive a small amount of working tax credits. Free school meals would greatly help. As having 4 children home all day is expensive for food."

"More help towards food costs for the children who would have had meals at school."

"School lunch vouchers would be a bonus as it would help towards a cost I wouldn't normally spend."

"Kids voucher meal for the moment it's hell for me and I hope get some (help with) rent if I can."

"Due to being furloughed my wages have dropped and due to my daughter not being at school I am having to pay for extra lunch where normally I wouldn't have to pay as she gets free school lunches."

The benefit cap

Ten participants in the research, two of whom were interviewed, were affected by the benefit cap. All of these families reported that lifting the benefit cap was the main way the government could help them manage the financial impact of coronavirus.

"I'd love [the government to lift the benefit cap]... they should basically change universal credit... remove the benefit cap and whatever we are earning we should keep that because every pound they're deducting 63 pence and at the end of the day it's quite a lot of money, especially with a large family... It's really hard to manage money especially on universal credit and plus they're paying every month... they don't care whether it's lasted or not, we have to manage." (Rahana)

"Why isn't there help there for families with children?... just lift the benefit cap." (Jade)

"They could stop the benefit cap if only for few months that would help very much." (Online survey respondent)

⁴⁰ Some survey responses were received prior to the announcement that FSM vouchers in England would be continued over the summer.

Other types of support commonly mentioned by families included mental health support (8 participants), the provision of learning resources to help with home-schooling (5 participants) and more financial support for the self-employed (5 participants).

Laura's story

Laura lives with her two-year-old son in a private rented home in Yorkshire and The Humber. She was working 33 hours a week as a dental nurse before being made redundant in early March, just before lockdown. Her employer said that she had taken too many sick days looking after her son when he was unwell and when she had a bad bout of depression at the end of last year.

She was already looking for a new job and had some interviews lined up, but they were cancelled as soon as the lockdown was announced. As a result of losing her job, her disposable income, after paying the rent, nearly halved from around £1,100 a month to less than £600 a month – moving her from above to well below the poverty line. She was finding it very difficult to manage financially on this level of income, and was having to borrow to pay for essentials:

"I've actually got a food bank coming today. But yes, I'm just struggling, quite a lot financially. I'm having to borrow at least £200 a month, so I've got myself in that rut. I'm getting it from family members and friends, but they're obviously needing the money back now."

She already had debts of around £3,000 prior to the pandemic, so was also having to manage these repayments, adding to the financial pressures. Despite repeated requests, her electricity supplier – one of the largest in the country – refused to help:

"I just said I'm struggling to find the money each month to put on electric, and if they could maybe stop taking the money for the debt that I owe them, and obviously when I'm back on my feet I'll then start paying again. I didn't get a reply, so I sent it again. And I did ring up about four days later, and they said there was no more they could do for me... apparently because they're dealing with all the emergencies."

Laura's mental health problems have, unfortunately, been exacerbated by the current situation, including the loneliness but also the financial pressure she was under:

"...because obviously you're like, 'Why am I not in a job? Why did I lose my job? It's not fair that I lost my job. It's not fair that I can't get another job.' It keeps you awake at night, stressing about debts and getting more debts."

Laura's experience of claiming UC has generally been very positive until the last few months. The communication with her job coach has been good throughout, but she is disappointed with the lack of support after losing her job:

"It's strange how you get more help when you're working. I know it's a good thing, but obviously when you're not working – and I've been working since I left school – it's a bit frustrating, that there's not actually anyone to help."

She requested an advance payment, but was turned down because her previous earnings were apparently too high. Instead, the Jobcentre referred her to Barnardo's, who arranged a food bank delivery and sent an activity pack for Laura's son, which she found very helpful.

In the meantime, her job search was continuing. She had recently been offered a part-time job for six hours a week as a lunchtime assistant at a local school, starting in September, and was looking for another part-time job that fits around her childcare:

"Once I've got that, I think that's when I'll be more positive and looking forward to earning more money again and getting back on top of bills and debts."

5. Conclusion and recommendations

This report has highlighted the diverse range of experiences of low-income families during the pandemic. Each family we interviewed has a unique set of circumstances, which have thrown up different challenges with managing day-to-day life during the pandemic. However, there is one thing that these families shared: a lack of financial resources that created additional challenges on top of those already presented by coronavirus.

To help address the financial hardship that low-income families are continuing to experience, and based on what families told us about the support they would value the most at this time, we make the following recommendations:

- **Increase children's benefits:** child benefit should be increased by at least £10 as the best way to get money to families quickly via existing government infrastructure. £10 should also be added to the UC child element and child tax credit, to provide an extra financial boost to those families on the lowest incomes.
- **Expand free school meals eligibility:** in the short term, FSM should be provided to all families who are in receipt of UC or tax credits. In the long term, the government should introduce universal FSM for all school-age children, starting with primary school children.
- **Abolish the benefit cap:** the benefit cap should be abolished, or at least suspended for the duration of the pandemic. Families affected by the benefit cap are being driven into poverty, with very little way of remedying their situation as working more or moving into cheaper housing - the two ways to escape the cap - are much more difficult as a result of the pandemic.

Unfortunately, without a radical change in policy direction, the financial situation for low-income families is likely to get worse before it gets better. The winding down of the Job Retention Scheme in October 2020 and rising unemployment will leave many more families reliant on a much less generous social security system than the temporary schemes put in place during lockdown. Further down the line, the planned removal of the £20 uplift to UC and WTC in April 2021 will make the safety net even less adequate, tipping many more families into, or deeper into, poverty.

The research team plans to go back to the families interviewed as part of this project at the end of 2020, to find out how their situation has changed. It is hoped that, during this interim period, the needs of children and families become a greater priority in the government's recovery planning. Failure to act to prevent and tackle child poverty will be a lost opportunity to stop a generation of children having their childhoods blighted by the aftermath of the coronavirus pandemic.

Annex: Online survey of the financial impact of coronavirus on low-income families

We are working with Child Poverty Action Group and the Church of England to understand the financial impact of the coronavirus pandemic on families with children, and would like to ask you a few questions about how it is affecting you and your family.

This survey should take you around 5 minutes to complete. No information will be used that could identify anyone involved.

Q1. In what UK region do you live?

- ☐ East of England
- ☐ East Midlands
- ☐ London
- ☐ North East
- ☐ North West
- ☐ Northern Ireland
- ☐ Scotland
- ☐ South East
- ☐ South West
- ☐ Wales
- ☐ West Midlands
- ☐ Yorkshire and The Humber

Q2. How many dependent children do you have living at home?

- ☐ 1
- ☐ 2
- ☐ 3 or more

Q3. Are you a single parent or living as a couple?

- ☐ Single
- ☐ Couple
- ☐ Other (please specify)

Q4. Before the coronavirus, were you in paid work?

- ☐ Self-employed
- ☐ Employed part time
- ☐ Employed full time
- ☐ Not in paid work

Q5. Has the coronavirus affected your own working hours or income?

- ☐ Reduction in hours
- ☐ Reduction in income
- ☐ Job loss or redundancy
- ☐ No significant change

Q6. Before the coronavirus, was your partner in paid work (if you have a partner living with you)?

- ☐ Self-employed
- ☐ Employed part time
- ☐ Employed full time
- ☐ Not in paid work

Q7. Has the coronavirus affected your partner's working hours or income (if you have a partner living with you)?

- ☐ Reduction in hours
- ☐ Reduction in income
- ☐ Job loss or redundancy
- ☐ No significant change

Q8. As a result of coronavirus, have you as family experienced any of the following? (Please tick all that apply)

- ☐ Extra caring responsibilities
- ☐ Physical or mental health problems
- ☐ Relationship issues at home
- ☐ New or worse debt problem
- ☐ Difficulty accessing key services
- ☐ Additional costs (e.g. food, heating)
- ☐ Other (please specify)

Q9. Has the coronavirus affected your ability to meet your essential living costs? (Please tick all that apply)

- ☐ Rent or mortgage
- ☐ Food
- ☐ Utilities (e.g. heating, electricity, water, internet)
- ☐ Travel costs (including car, if you have one)
- ☐ Costs related to children (e.g. nappies or baby products, children's clothes)
- ☐ Other (please specify)

Q10. In your own words, please could you tell us about your situation, and how the coronavirus has affected you and your children – financially or otherwise.

[Open-ended response box]

Q11. What, if any, support has your family received from government or others to help you cope with the financial impact of coronavirus?

[Open-ended response box]

Q12. What additional support from government or others would help you and your family at the present time?

[Open-ended response box]

Q13. Before the coronavirus, how well would you say you and your family were managing financially?

- ☐ Living comfortably
- ☐ Doing alright
- ☐ Just about getting by
- ☐ Finding it quite difficult
- ☐ Finding it very difficult
- ☐ Don't know

Q14. And now, how well would you say you and your family were managing financially?

- ☐ Living comfortably
- ☐ Doing alright
- ☐ Just about getting by
- ☐ Finding it quite difficult
- ☐ Finding it very difficult
- ☐ Don't know

Q15. Would you be happy for us to get in touch to find out more about how the coronavirus has affected you and your family?

Q16. If so, please provide your contact details below, so that a member of our research team can get in touch.