

THE STATE OF THE WORLD'S CHILDREN 2025: FINDINGS ON THE UK

THE UK COMMITTEE FOR UNICEF (UNICEF UK) PARLIAMENTARY BRIEFING 20 NOVEMBER 2025

Summary

- New [analysis](#) from the UNICEF this World Children's Day finds that **the UK saw the largest increase in relative child income poverty out of 37 high-income countries - an increase of 34% since 2013.**
- The analysis also finds that the **UK saw the largest increase in deep poverty when compared to European Union (EU) countries between 2013 and 2023 - an increase of 67%.**
- These **increases in child poverty levels have been accompanied by a decline in spend on children – a real terms decline of £3.6 billion between 2018 and 2024.** Most of this was driven by cuts to cash transfers – primarily the two-child limit and benefit cap.
- The Autumn budget and Child Poverty Strategy are crucial moments for investment to reduce child poverty. This begins with **urgently removing the two-child limit in full and abolishing the benefit cap to immediately lift 400,000 children out of poverty and reduce the depth of poverty for a further 950,000 children.**



Increases in Child Poverty Accompanied by Decreases in Spend

Today, there are record numbers of children living in poverty across the UK. Experiencing poverty in childhood can cause lasting damage to a child's long-term health and development: it increases the likelihood of chronic diseases, prevents children from being ready to learn and limits their opportunities. An unequal start can follow children into adulthood, affecting aspects of life from earning potential to life expectancy.

UNICEF's new analysis¹ finds that child poverty levels in the UK have risen more than other comparable countries:

- The UK saw the largest increase in relative income **child poverty among 37 high-income countries between 2013 and 2023 – an increase of 34%** (17.3% to 23.2% Before Housing Costs).
- **Out of 37 high-income countries, the UK had the 10th highest share of children living in relative income poverty in 2023 (23.2% Before Housing Costs).**²

¹ Analysis on relative income poverty taken from UNICEF's State of the World's Children Report. Analysis on deep poverty is additional analysis carried out by the UNICEF Global Office of Research and Foresight for this briefing.

² The indicators used in this briefing are before housing costs to ensure comparability across countries. UK statistics were obtained from the [2024 FYE HBAI Statistics](#) (table 4_1tr).

- The UK saw a larger increase in deep poverty than in any EU country between 2013 and 2023 - an increase of 67% (8.7% to 14.6% Before Housing Costs).

Across these two indicators of child poverty, worrying trends have persisted for more than a decade. **Without bold and ambitious action, these trends will continue.**

Increases in relative poverty and deep poverty since 2013 have been accompanied by a decline in spend over this period. **In 2010, the UK had the second highest expenditure on family cash benefits per child as a proportion of GDP per capita out of 38 OECD and EU countries.**³ This was at the same time as a decline in child poverty rates to some of the lowest levels in thirty years. New analysis commissioned by UNICEF UK⁴ finds that expenditure on children has since declined:

- The UK saw a real terms spending cut of **£3.6 billion on children aged up to 18 between 2018 and 2024** in expenditure across four categories⁵ based on an OECD model.
- Spending before age 18 has **fallen from 5.9% GDP in 2018 to 5.5% GDP in 2024, almost entirely due to a 0.4% GDP drop in spending on cash benefits (1.8% to 1.4% of GDP).**
- The cuts have **disproportionately affected children aged 5 and under**, with spend on this age group falling by 16.1% in real terms from £34.9 billion in 2018 (in 2024 prices) to £29.2 billion in 2024. The analysis finds that the **introduction of policies such as the two-child limit and the benefit cap were instrumental in shaping this negative trend.**

The Autumn Budget and Child Poverty Strategy are Decisive Moments for Investing in Children

In the Autumn budget and upcoming Child Poverty Strategy, the Government can begin turning the tide on these worrying trends. This begins with **urgently removing the two-child limit in full and abolishing the benefit cap. Ending both policies in full will immediately lift 400,000 children out of poverty at an annual cost of £2.7 billion, increasing to 600,000 by 2030 at an annual cost of £3.9 billion.**⁶ This action would also reduce the depth of poverty for a further 950,000 children.

It is estimated that child poverty costs the government **£39 billion a year through reduced revenue and increased spending,**⁷ highlighting how the cost of inaction is a much higher price to pay than investing in children. **Now is the moment for the Government to deliver on its commitment to deliver an ambitious child poverty strategy** and give every child the best start in life, because millions of children and their families cannot afford to wait any longer.

For more information about UNICEF UK's work, please contact Zoe Palmer, UNICEF UK's Head of Political Affairs, at ZoeP@unicef.org.uk.

³ <https://www.unicef.org/innocenti/media/3296/file/UNICEF-Innocenti-Report-Card-18-Child-Poverty-Amidst-Wealth-2023.pdf>

⁴ Analysis undertaken by John Hudson & Sophie Mackinder (University of York), David Harris (Columbia University) and Dominic Richardson (Learning for Well-Being Institute) based on an adaptation of methods developed by Richardson for the OECD. A fuller analysis will be published later this year.

⁵ The categories of expenditure included in the analysis are based on an OECD model and includes cash benefits and tax breaks, childcare, education and other benefits in kind.

⁶ [ACT0296 Paying the price Report Mar 25 Digital.pdf](https://act0296.org.uk/sites/default/files/2025-09/Reducing_child_poverty_role_of_two-child_limit_Sep_2025.pdf)

⁷ https://cpag.org.uk/sites/default/files/2025-09/Reducing_child_poverty_role_of_two-child_limit_Sep_2025.pdf