Local indicators of child poverty after housing costs, 2023/24

Estimates of child poverty after housing costs in parliamentary constituencies and local authorities

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CAUTIONARY NOTE ON THIS YEAR'S DATA

*In previous years, the BHC Children in Low Income Families (CiLIF) data were calibrated to the regional child poverty rates from HBAI. However, due to small sample sizes at the regional level in HBAI, this year the DWP has calibrated to the national poverty rate from HBAI. This change in methodology means that **users should exercise a high degree of caution when looking at changes over time at a local level**. The change also means that there are now two different estimates of BHC regional child poverty. The DWP provides the following guidance on when to use each version:*

- *Users should use HBAI for UK, national and regional level statistics to provide consistent insights for low-income households across children, working age and pensioners, for sub-groups, and for comparisons before and after housing costs*
- *Users should use CiLIF for sub-regional, local and small area comparisons of the number and proportion of children in low income, before housing costs*

Currently, the data used to estimate child poverty rates do not include those children in households with no recourse to public funds (NRPF). There are estimated to be around 722,064 children affected by NRPF in the UK,[1] and these children are at particularly high risk of being in poverty; evidence suggests that around a third of children living in deepest poverty are in migrant households.[1] Excluding these children from local and national estimates of child poverty is therefore likely to result in an underestimation of the rate of child poverty that is particularly pronounced in areas with a high proportion of NRPF households.

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[1] Pinter, I. and Leon, L. (2025) *Evidence briefing: Poverty among children affected by UK government asylum and immigration policy.* CASE/COMPAS working paper. [Available at: https://www.compas.ox.ac.uk/wp-content/uploads/2025-Joint-CASE-COMPAS-Poverty-Among-Children.pdf]

Summary

This report summarises findings for the latest update to the *Local Indicators of Child Poverty After Housing Costs* statistics produced by the Centre for Research in Social Policy, Loughborough University, for the End Child Poverty Coalition. The data build upon the *Children in Low Income Families* data produced by the Department for Work and Pensions, which show the rate of child poverty before housing costs in local areas. Using local administrative data and analysis of the household survey *Understanding Society*, we produced modelled estimates that account for housing costs, thereby providing a more accurate picture of how *disposable* incomes vary in different geographical areas.

Key findings

- In 2023/24 national analysis indicates that **4.5 million** children (**31%** of all children) were in relative poverty, and the poverty rate also remains high across the nations and regions.

- Devolved polices such as the Scottish Child Payment have contributed to overall lower levels of poverty across Scotland, as compared to the rest of the UK, although more than one in five children remain in poverty.

- In **two-thirds** of constituencies, at least **one in four children** are in relative poverty after housing costs.

- There is widespread **inequality** in the rate of child poverty within the countries and regions of the UK.

- Constituency-level child poverty rates are directly and strongly correlated with the percentage of children affected by the **two-child limit** in that local area, providing further evidence that the policy is a key driver of child poverty.

Introduction

One of the major challenges facing the Labour government, newly elected in July 2024, is a high and rising rate of child poverty across the UK. The most recent official statistics from the Department for Work and Pensions (DWP) indicate that in 2023/24, **4.5 million** children were in relative poverty, after housing costs – representing **31%** of all children – up from 4.3 million children in 2022/23 (30%). This increase comes in the context of a period during which the cost of living has continued to stretch the finances of households across the UK. Although inflation fell during the financial year 2023/24, with the Consumer Prices Index (CPI) falling from 8.7% in April 2023 to 2.3% in April 2024,[2] the cumulative impact of rapid price rises during 2022 and 2023 continues to be felt. At the same time, state support often remains insufficient to allow households to meet their basic needs, whether in work or not. The value of benefits has eroded over time and as a proportion of average earnings, and the basic rate of Universal Credit is now lower than ever before.[3] Support for households with children is particularly limited due to punitive policies such as the two-child limit and the benefit cap. In this report, we provide further evidence that the two-child limit, in particular, is a key driver of child poverty in the UK as a whole, in regions and countries, and in local areas.

Figure 1 shows that the estimated poverty rate also remains high across the nations and regions.[4]

Figure 1   Percentage of children in poverty, AHC in 2021/24, by country and region
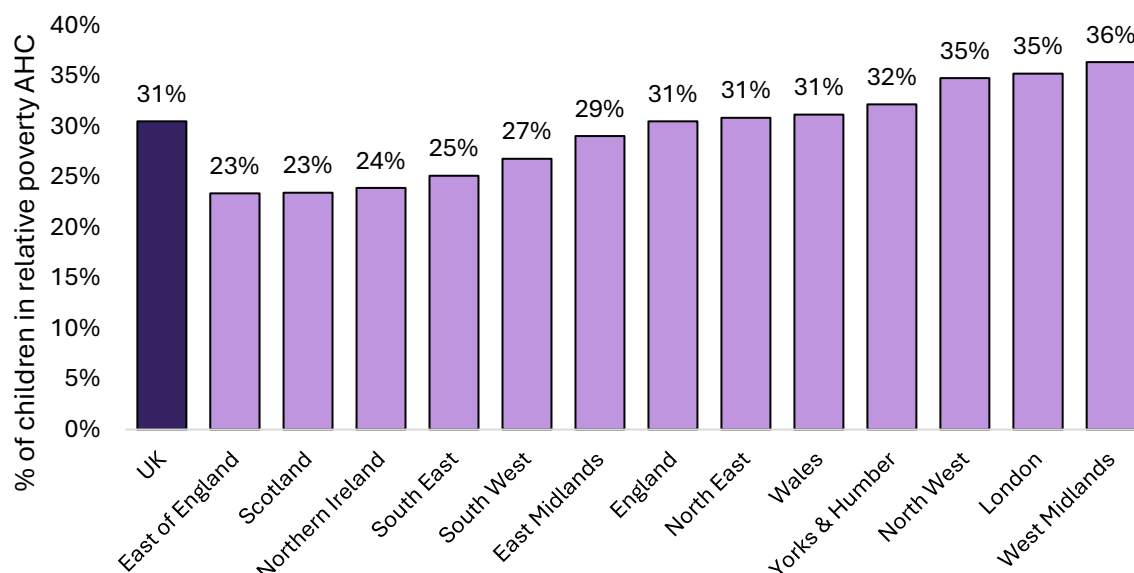
Source: Households Below Average Income (DWP), 2021/22 - 2023/24)

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[2] Office for National Statistics (2024) Consumer price inflation, UK: April 2024. Available at: https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/april2024
[3] Joseph Rountree Foundation (2025) *Guarantee our Essentials: reforming Universal Credit to ensure we can all afford the essentials in hard times* [Available at: https://www.jrf.org.uk/social-security/guarantee-our-essentials-reforming-universal-credit-to-ensure-we-can-all-afford-the]
[4]   Region/country estimates are based on three-year averages.

These headline statistics give an overview of the prevalence of child poverty across the UK, but there is also substantial variation within regions and countries. Alongside the annual HBAI release, DWP also produces *Children in low-income families: local area statistics* (CiLIF), which estimates the percentage of children living in households with below 60% median income in local areas based on tax and benefit records.[5] This gives an indication of the extent of child poverty in small geographical areas. However, administrative data on housing costs are not routinely collected, so the statistics are only reported on a 'before housing costs' (BHC) basis. It is clear that housing costs are subject to substantial variation between local areas, and the BHC statistics do not, therefore, give a complete picture of how households' disposable income differs geographically.

This report addresses this issue, summarising the latest data on local child poverty after housing costs, produced for the End Child Poverty Coalition by the Centre for Research in Social Policy at Loughborough University. The data are produced by adjusting the BHC statistics available in the CiLIF release, using administrative data on rents for local authorities, combined with household-level data from the *Understanding Society* longitudinal survey[6] to estimate the relationship between housing costs and the relative risk of being in poverty before and after housing costs. The method is outlined in detail in our original 2020 paper.

This year, the BHC CiLIF statistics have been revised retrospectively and are now calibrated to the UK total number of children in poverty only, while previously they were calibrated at regional level. Due to changes in geographical boundaries for local authorities and constituencies, we have been unable to revise the AHC statistics retrospectively as historical data on local rent levels are not available based on contemporary boundaries. This means that interpreting changes over time should be approached with caution.

However, the DWP has now acknowledged the importance of providing AHC child poverty statistics at local level. Work is therefore underway to develop an AHC version of CiLIF, informed by our work to date.[7] We hope these statistics will play a key role in ongoing evaluation of the forthcoming Child Poverty Strategy and will allow more robust analysis of change over time.

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[5] https://www.gov.uk/government/collections/children-in-low-income-families-local-area-statistics
[6] University of Essex, Institute for Social and Economic Research. (2022). Understanding Society: Waves 1-14, 2009-2023 and Harmonised BHPS: Waves 1-18, 1991-2009. [data collection]. UK Data Service. SN: 6614, http://doi.org/10.5255/UKDA-SN-6614-16.
[7] https://www.gov.uk/government/statistics/children-in-low-income-families-local-area-statistics-2014-to-2024/children-in-low-income-families-after-housing-costs-consultation-note
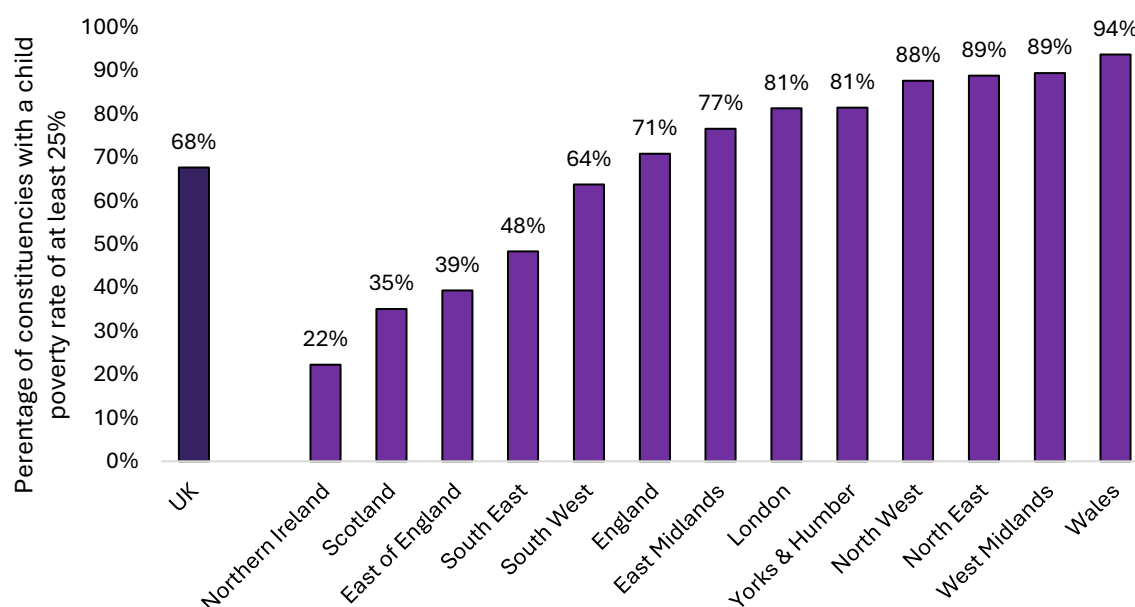
Analysis of local child poverty rates

In analysing local patterns of child poverty, we focus primarily on the constituency-level statistics. Selected statistics for local authorities are included in the appendices at the end of the document.

Prevalence of high rates of child poverty

Figure 2 shows the percentage of constituencies in each country or region where the child poverty rate is 25% or higher. The estimate for the UK as a whole indicates that in more than two-thirds of constituencies, at least one in four children are in relative poverty after housing costs. The percentages are especially high in the Northern regions of England, the West Midlands and in Wales, with around 9 out of ten constituencies having a child poverty rate higher than 25%. In contrast, in Scotland the prevalence of high rates of child poverty is much lower, with only around a third of constituencies having a child poverty rate of 25% or more. This reflects the overall lower rates of child poverty in Scotland compared to the rest of the UK, in part due to devolved policies such as the Scottish Child Payment, that are targeted at low-income families with the specific aim of reducing child poverty. Northern Ireland has the lowest proportion of constituencies with at child poverty rate of 25% or more.

Figure 2   **Percentage of constituencies where at least 25% of children are in poverty, by country/region: 2023/24**
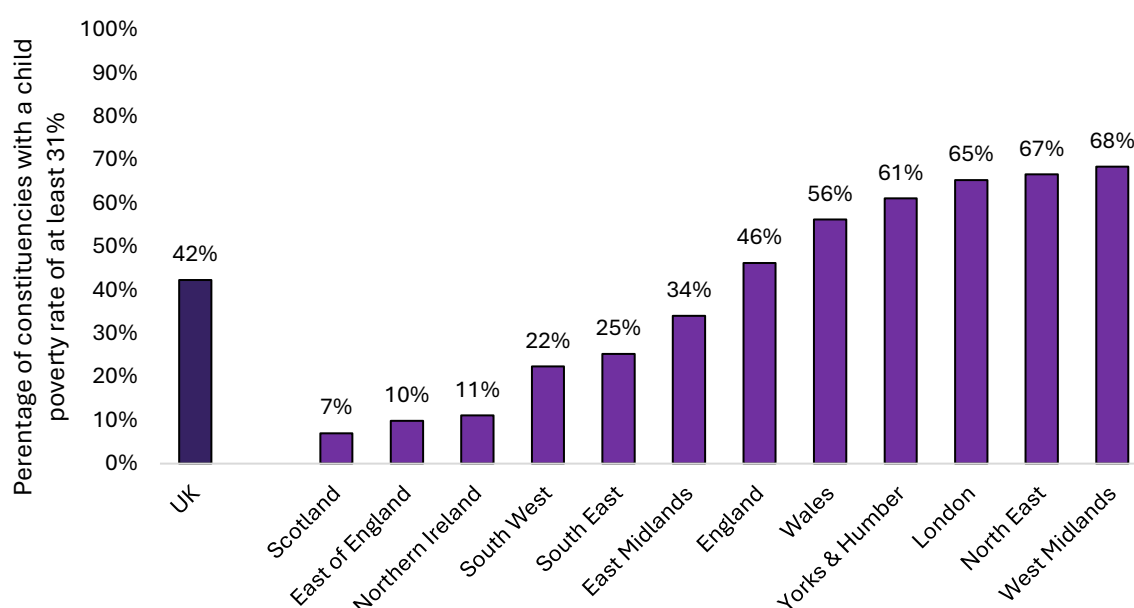

Source: End Child Poverty estimates of local child poverty rates, AHC (2025)

In Figure 3, we show how the pattern of child poverty changes across regions when we calculate the percentage of constituencies in each country or region where the child poverty rate is at or higher than the UK average of 31%. Overall, 42% of constituencies in the UK

have a child poverty rate of at least 31%.[8] At this higher threshold, the distribution of constituencies with high rates of child poverty alters. The same regions in the North of England still show high concentrations of child poverty, with nearly three-quarters of constituencies in the North-West, and two-thirds in the North East and West Midlands having a poverty rate at or above the UK average. London constituencies are also likely to show high poverty rates, with 65% at 31% or above. In contrast, the prevalence in Wales drops substantially, indicating that there are relatively fewer areas with very high child poverty rates. At this threshold, Scotland has the fewest constituencies with high child poverty rates.

Figure 3   Percentage of constituencies where at least 31% of children are in poverty, by country/region: 2023/24

## Inequality within countries and regions of the UK

Figure 4 shows, for constituencies, the extent to which child poverty rates vary within each country/region of the UK, relative to the mean child poverty rate for that country/region in 2023/24. The figures reflect that inequality is more of an issue in some areas than others. Yorkshire and the Humber has the widest range of child poverty rates, with 45 percentage points between the areas with the lowest and higher rates. London also shows a high level of inequality, with a difference of 38 percentage points between the constituencies with the highest and lowest child poverty rates (Bethnal Green & Stepney and Richmond Park, respectively). Inequality appears to be less pronounced in Wales and in Northern Ireland than in the English regions, but this pattern is in part driven by the relative size of each region or country – those areas with a larger number of constituencies will tend to show

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[8] While it seems intuitive to expect that around half of constituencies would be above the average and half below, the fact that the number of children in each constituency varies considerably means that this is not necessarily the case.

more variation in rates. Nevertheless, the North East, which has just 27 constituencies, also shows high levels of inequality – the constituency with the highest child poverty rate in the region (Middlesborough and Thornaby East) has a rate more than 20 percentage points higher than the regional average. This highlights the value of producing statistics such as these at a local level as particularly in some areas, the overall rates of child poverty are masking substantial variation *within* countries and regions.

Figure 4   Range of child poverty rates after housing costs among constituencies 2023/24[9]

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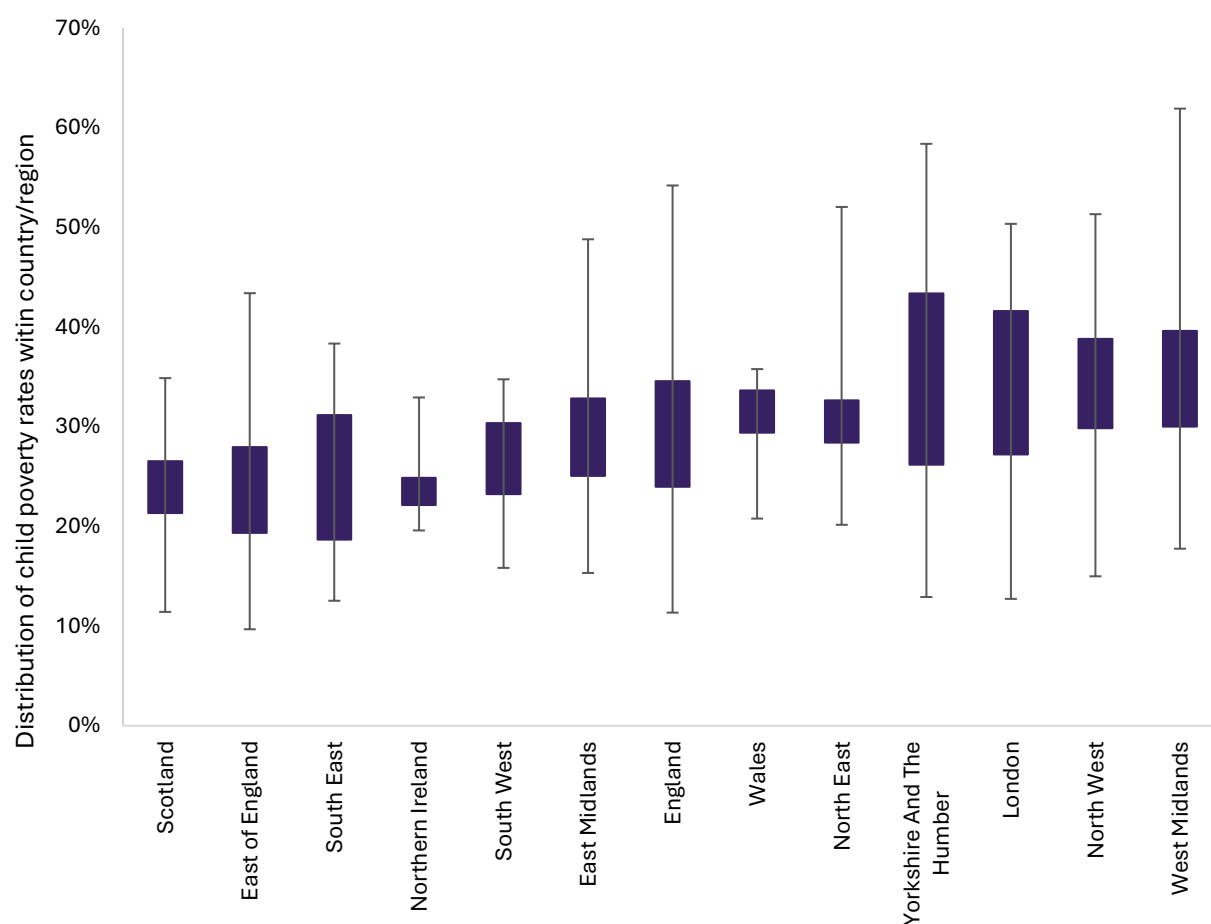
[9] The boxes show the interquartile range (the middle 50% of child poverty rates within the region or country). The bars show the minimum and maximum child poverty rates in each region or country.

The two-child limit and child poverty in local areas

Larger families are especially vulnerable to poverty, not just because they have higher overall costs, but due to restrictions on access to social security that affect these households in particular. For out-of-work families, the benefit cap places a limit on how much most working-age people can receive in benefits. The high costs associated with raising children mean that larger families are particularly likely to be affected by the cap and are even more at risk if they live in areas with high housing costs.[10]

While the benefit cap can affect all out-of-work households, the two-child limit specifically targets larger families. The policy restricts eligibility for means-tested benefits to the first two children in a family, for children born after April 2017. It is widely acknowledged that many households are living below the poverty line as a direct consequence of the policy, a high proportion of whom (60% in April 2024) are already in work, with limited scope to increase their incomes.[11] Research by Child Poverty Action Group indicates that removing the policy would lift 350,000 children out of poverty, while reducing the depth of poverty for a further 700,000 children, at a cost of £2 billion.[12]

Figure 5 looks at the relationship between the 2023/24 child poverty rate and the proportion of children affected by the two-child limit in each constituency.[13] It is clear that the two are extremely highly correlated. This adds to already compelling evidence that the two-child limit is a major driver of child poverty across the UK. Figure 6 shows the correlation at country/region level, clearly demonstrating that the strong relationship between the number of children affected by the two-child limit and the risk of child poverty, holds throughout the UK.

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[10] Patrick *et al* (2025) *Capped and trapped: why the benefit cap must go.* [Available at: https://cpag.org.uk/news/capped-and-trapped-why-benefit-cap-must-go]

[11]   DWP/HMRC (2024) *Universal Credit and Child Tax Credit claimants: statistics related to the policy to provide support for a maximum of 2 children, April 2024* https://www.gov.uk/government/statistics/universal-credit-and-child-tax-credit-claimants-statistics-related-to-the-policy-to-provide-support-for-a-maximum-of-2-children-april-2024

[12]   CPAG (2025) *New costings: scrapping two-child limit is 'by far' most cost-effective way to cut child poverty* https://cpag.org.uk/news/new-costings-scrapping-two-child-limit-far-most-cost-effective-way-cut-child-poverty

[13]   The original data on the number of children subject to two-child limit was obtained by End Child Poverty Coalition via Freedom of Information requests to the Department of Work and Pensions, HMRC and the Department for Communities Northern Ireland. https://endchildpoverty.org.uk/two_child_limit/

Figure 5 **Correlation between child poverty rate and % of children affected by the two-child limit, by constituency: 2023/24**
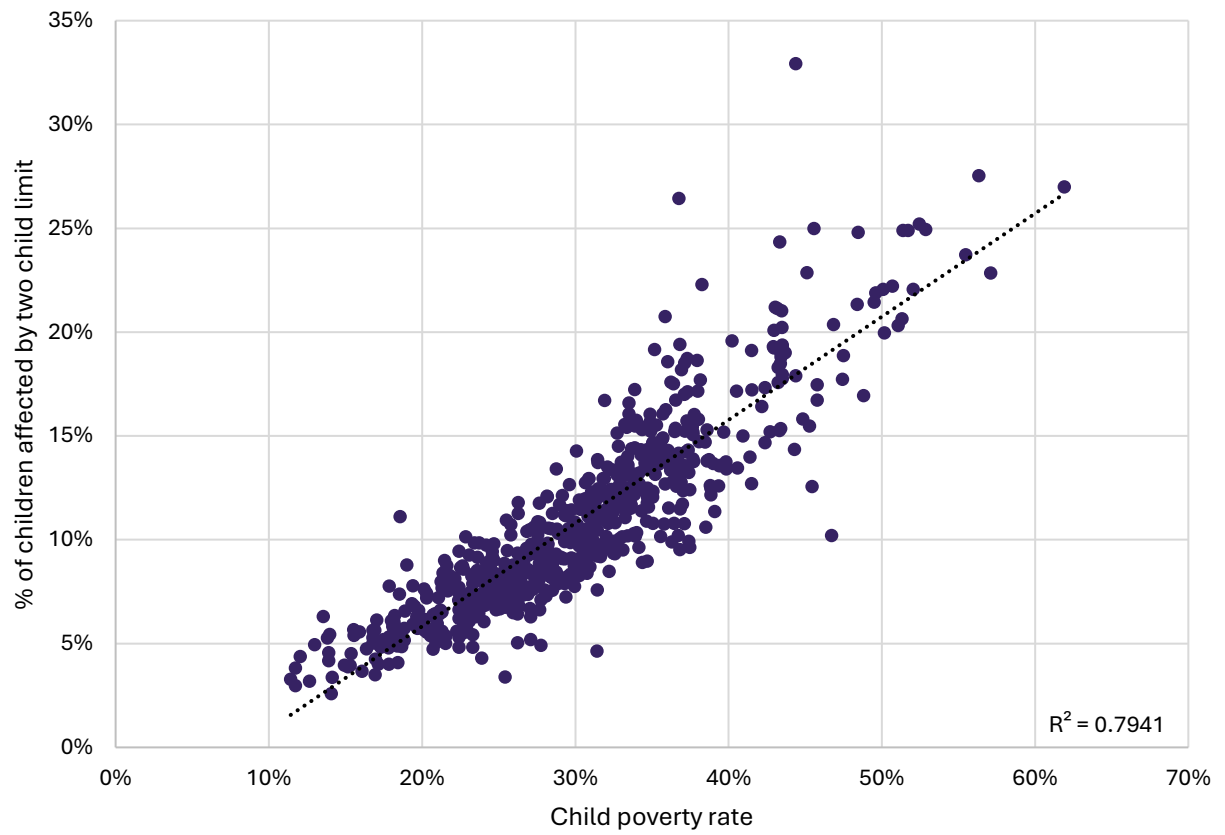
Figure 6   Correlation between constituency-level child poverty rate and % of children affected by the two-child limit, by country/region: 2023/24
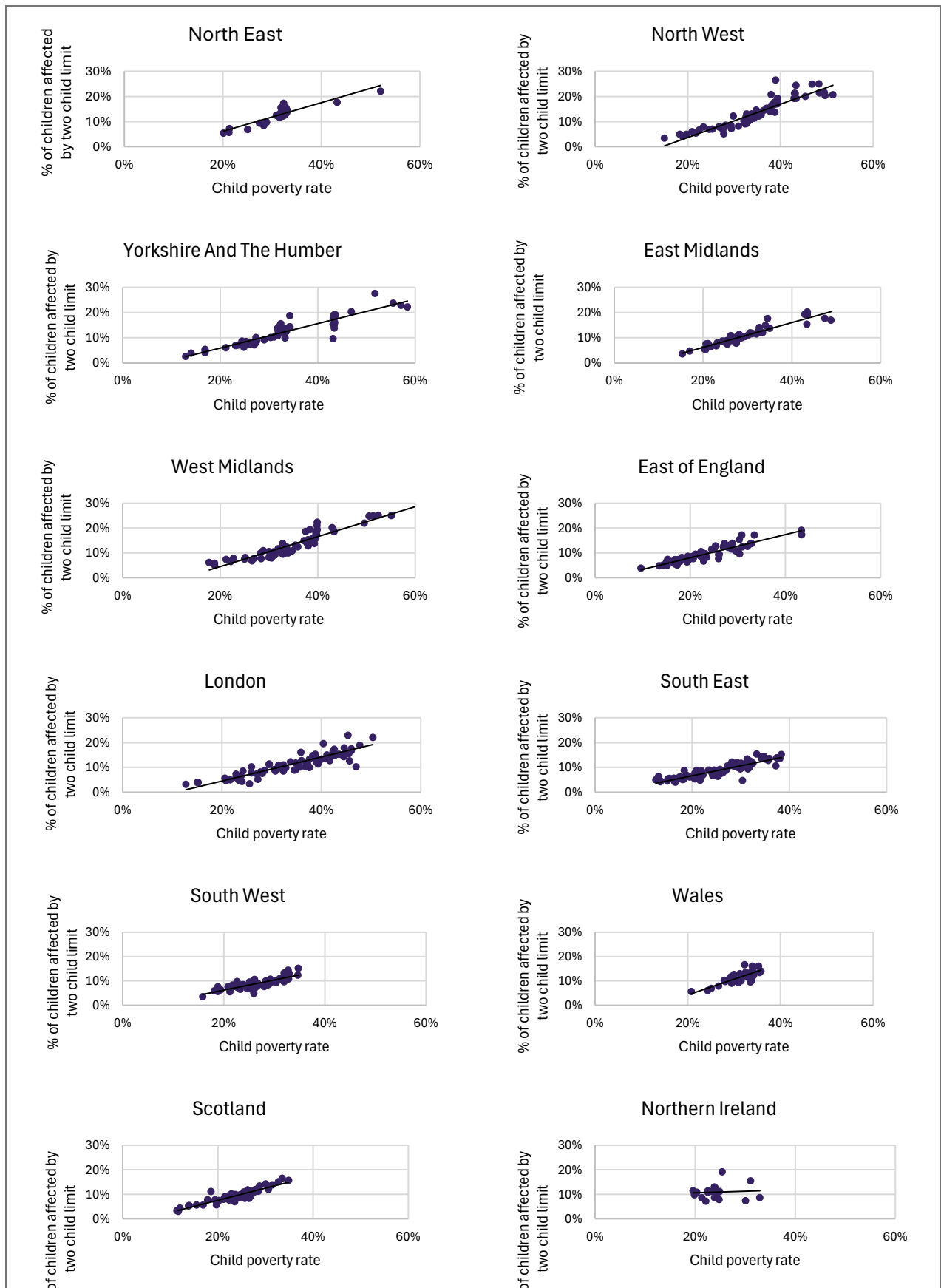
Conclusions

As the Government prepares to release its new child poverty strategy, it is clear that bold policy decisions are needed if any progress is to be made. The rate of child poverty in the UK continues to rise, with 4.5 million children in relative poverty after housing costs in 2023/24, and there is substantial variation across both across and within regions/countries.

This variation is not random. Scotland has historically had lower child poverty rates than the UK as a whole, but this is now even more pronounced, not least because of Scottish Government's investment in the Scottish Child Payment, which shows the importance of investing in families through the social security system as a key way to reduce child poverty

But crucially, in this report, we have shown that at a constituency level, there is a very strong correlation between child poverty and the number of children affected by the two-child limit. Removing the policy would therefore benefit the poorest areas across the UK the most, although children in low-income households would benefit in every constituency.

Despite this, the Government has yet to commit to abolishing the two-child limit. The most recent statistics indicate that without removal of the policy, a projected 4.8 million children (34%) would be in poverty by 2029/30.[14] Scrapping the two-child limit therefore remains an essential part of any child poverty strategy. Furthermore, the majority (59%) of households affected by the two-child limit are in work,[15] and are limited in the extent to which they can increase their incomes through employment.

At the same time, families relying on out-of-work benefits often find their incomes stretched even further due to the benefit cap, which restricts that total amount of Universal Credit that they can receive. This is a particularly limiting policy for those living in areas with high housing costs, who may quickly reach the cap due to the cost of rent alone.[16] It is therefore also important to ensure that the value of both earnings and working age benefits can meet the costs that families face.

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[14] Clegg, A. and Corlett, A. (2025) *Limited ambition? An assessment of the rumoured options for easing the two-child limit.* Resolution Foundation.
[Available at: https://www.resolutionfoundation.org/publications/limited-ambition/]
[15] https://www.gov.uk/government/statistics/universal-credit-and-child-tax-credit-claimants-statistics-related-to-the-policy-to-provide-support-for-a-maximum-of-2-children-april-2024
[16] Patrick *et al* (2025) *Capped and trapped: why the benefit cap must go.* [Available at: https://cpag.org.uk/news/capped-and-trapped-why-benefit-cap-must-go]

Appendix

Definitions

- A **child** is defined as aged 0-15, or aged 16-19 and in full-time education. Note that because the original data produced by DWP are based on administrative data from tax and benefit records, certain sub-groups of children will not be included in the statistics. These include children in families with no recourse to public funds, and children who are not living in private households (e.g. are in a residential care setting).

- **Poverty** is defined as being in a household with an income below 60% of the contemporary median income, after housing costs.

- **Parliamentary constituencies** are based on the revised boundaries agreed in the 2023 Review of Parliamentary Constituency Boundaries in England,[17] which came into effect in July 2024.

Additional statistics

The appendix includes a summary of the top ten constituencies with the highest rates of child poverty in each country and region of the UK in 2023/24.
Also included are selected results by local authority. Detailed statistics on the ranking of local authorities and constituencies based on their rates of child poverty can be found here:

https://endchildpoverty.org.uk/child-poverty/

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[17] https://boundarycommissionforengland.independent.gov.uk/2023-review/

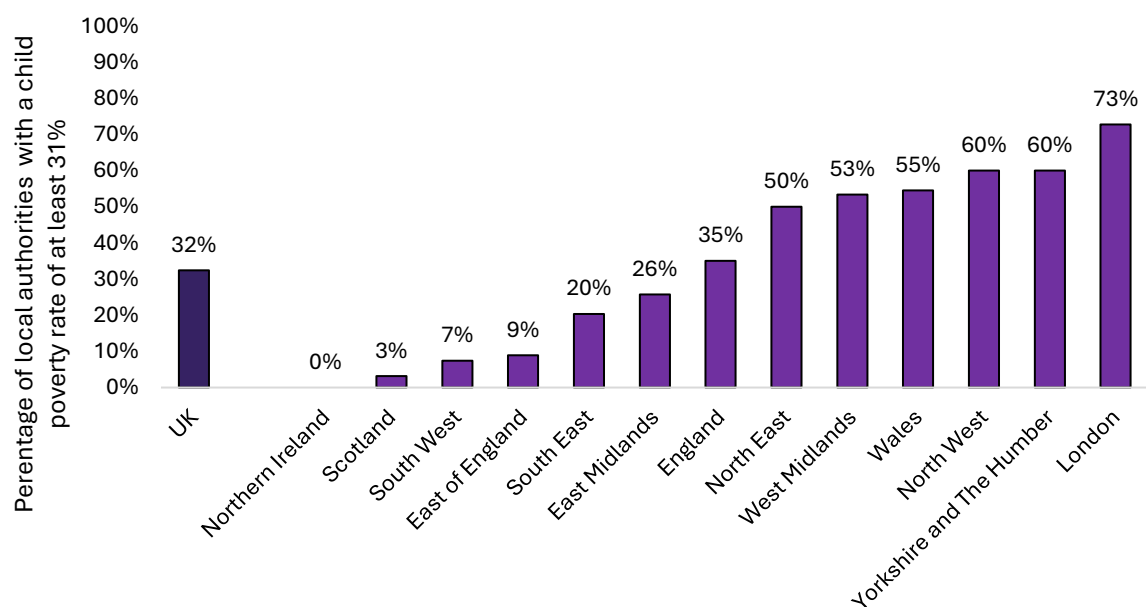**Table A1   Top ten constituencies with the highest child poverty rates by country/region of the UK: 2023/24**

North East		North West		Yorks & Humber		East Midlands	
Middlesbrough & Thornaby East	52%	Manchester Rusholme	51%	Dewsbury & Batley	58%	Nottingham East	49%
Newcastle upon Tyne Central & West	43%	Liverpool Riverside	50%	Bradford West	57%	Leicester South	47%
Easington	33%	Blackburn	49%	Bradford East	55%	Nottingham North	44%
Bishop Auckland	33%	Oldham West	48%	Leeds South	52%	Leicester West	43%
Blyth & Ashington	33%	Bolton South & Walkden	48%	Sheffield Brightside & Hillsboro	47%	Leicester East	43%
Stockton North	33%	Gorton & Denton	47%	Bradford South	44%	Derby South	43%
South Shields	33%	Rochdale	45%	Halifax	44%	Boston & Skegness	37%
Newcastle upon Tyne East & Wallsend	32%	Hyndburn	43%	Rotherham	43%	Nottingham South	36%
Redcar	32%	Blackley & Middleton South	43%	Kingston upon Hull East	43%	Ashfield	36%
Gateshead Central & Whickham	32%	Manchester Central	43%	Huddersfield	43%	Bassetlaw	35%

West Midlands		East of England		London		South East	
Birmingham Ladywood	62%	Luton South	43%	Bethnal Green & Stepney	50%	East Thanet	38%
Birmingham Hodge Hill	55%	Peterborough	43%	East Ham	48%	Portsmouth South	38%
Birmingham Perry Barr	52%	Luton North	33%	Holborn & St Pancras	47%	Hastings & Rye	38%
Birmingham Yardley	51%	Ipswich	33%	West Ham & Beckton	46%	Southampton Test	37%
Walsall & Bloxwich	51%	Lowestoft	33%	Barking	46%	Isle of Wight East	37%
Birmingham Hall Green & Moseley	50%	Norwich South	32%	Hackney South & Shoreditch	46%	Southampton Itchen	36%
Stoke-on-Trent North	43%	Bedford	31%	Stratford & Bow	46%	Dover & Deal	36%
Smethwick	43%	Clacton	31%	Tottenham	45%	Folkestone & Hythe	36%
Stoke-on-Trent Central	43%	North Norfolk	30%	Ilford South	45%	Isle of Wight West	35%
Tipton & Wednesbury	40%	Great Yarmouth	30%	Poplar & Limehouse	45%	Slough	35%

South West		Wales		Scotland		Northern Ireland	
Bristol East	35%	Blaenau Gwent & Rhymney	36%	Glasgow East	35%	Belfast West	33%
Plymouth Sutton & Devonport	35%	Rhondda & Ogmore	35%	Glasgow South West	34%	Belfast North	31%
Plymouth Moor View	33%	Newport East	35%	Glasgow North East	33%	Newry and Armagh	30%
Gloucester	33%	Merthyr Tydfil & Aberdare	34%	Glasgow North	31%	Foyle	25%
North Cornwall	33%	Aberafan Maesteg	34%	Glasgow South	31%	South Down	24%
Bristol South	33%	Clwyd North	34%	Glenrothes & Mid Fife	30%	West Tyrone	25%
Torbay	32%	Cardiff South & Penarth	34%	Glasgow West	29%	East Londonderry	25%
Camborne & Redruth	32%	Swansea West	34%	Ayr, Carrick & Cumnock	29%	Fermanagh & S. Tyrone	24%
Bridgwater	32%	Ceredigion Preseli	33%	Dundee Central	28%	Upper Bann	25%
St Ives	32%	Mid & South Pembrokeshire	33%	Airdrie & Shotts	28%	Mid Ulster	23%

Local authority analysis

**Figure A1   Percentage of local authorities where at least 25% of children are in poverty, by country/region: 2023/24**
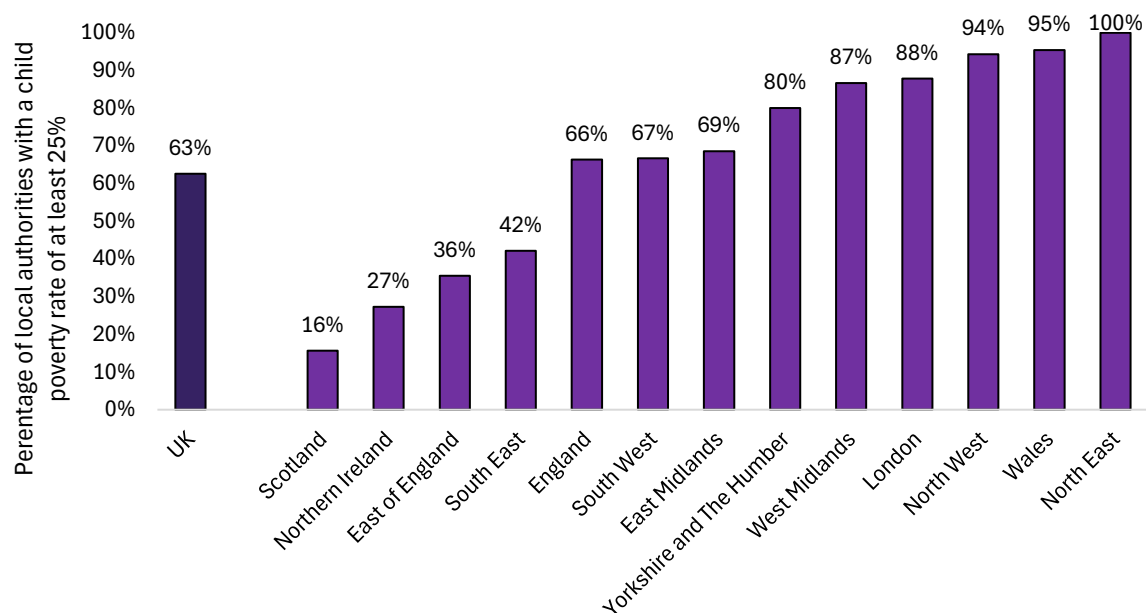
Figure A2   Percentage of local authorities where at least 31% of children are in poverty, by country/region: 2023/24

Figure A3   Range of child poverty rates after housing costs among local authorities: 2023/24

Distribution of child poverty rates witin country/region
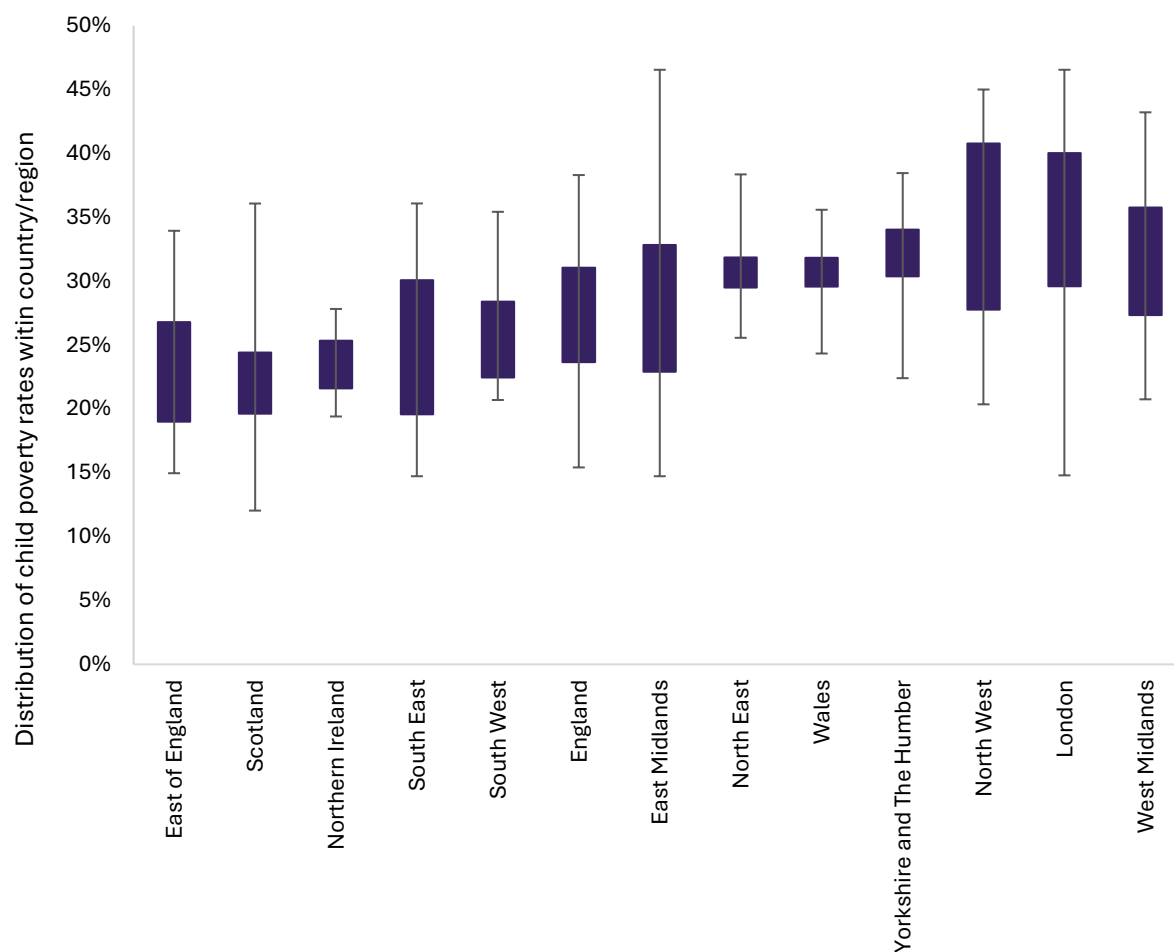
Table A5 Top ten local authorities with the highest child poverty rates by country/region of the UK: 2023/24

North East		North West		Yorks & Humber		East Midlands	
Middlesbrough	38%	Bury	38%	Kingston upon Hull, City of	36%	Nottingham	38%
Newcastle upon Tyne	35%	Preston	38%	Leeds	35%	Leicester	38%
Hartlepool	32%	Knowsley	37%	Sheffield	34%	Boston	35%
Redcar & Cleveland	32%	Halton	33%	Kirklees	34%	Derby	35%
South Tyneside	32%	Rossendale	33%	North East Lincolnshire	34%	Lincoln	34%
Sunderland	32%	Lancaster	32%	Doncaster	34%	East Lindsey	33%
Gateshead	31%	St. Helens	32%	Calderdale	32%	Ashfield	32%
Darlington	30%	Sefton	31%	Barnsley	31%	Mansfield	32%
County Durham	30%	Wigan	31%	Rotherham	31%	Bolsover	31%
Stockton-on-Tees	29%	West Lancashire	30%	North Lincolnshire	31%	Bassetlaw	31%

West Midlands		East of England		London		South East	
Dudley	38%	Luton	34%	Tower Hamlets	47%	Slough	36%
Telford & Wrekin	36%	Peterborough	32%	Hackney	45%	Southampton	35%
East Staffordshire	36%	Norwich	32%	Newham	45%	Thanet	34%
Worcester	35%	Ipswich	31%	Islington	43%	Crawley	34%
Redditch	34%	Great Yarmouth	30%	Barking & Dagenham	42%	Portsmouth	34%
Tamworth	34%	Harlow	30%	Camden	42%	Hastings	34%
Wyre Forest	34%	Fenland	28%	Brent	41%	Havant	32%
Cannock Chase	34%	Thurrock	27%	Southwark	40%	Eastbourne	32%
Nuneaton & Bedworth	32%	Basildon	27%	Greenwich	40%	Isle of Wight	32%
Newcastle-under-Lyme	31%	Tendring	27%	Lambeth	39%	Folkestone & Hythe	31%

South West		Wales		Scotland		Northern Ireland	
Bristol, City of	35%	Blaenau Gwent	36%	Glasgow City	36%	Belfast	28%
Torridge	31%	Newport	35%	Clackmannanshire	28%	Newry, Mourne & Down	26%
Gloucester	30%	Cardiff	35%	Dundee City	26%	Derry City & Strabane	25%
Plymouth	30%	Merthyr Tydfil	32%	West Dunbartonshire	25%	Armagh City, Banbridge & Craigavon	24%
Torbay	30%	Torfaen	32%	Falkirk	25%	Causeway Coast & Glens	24%
Cornwall	29%	Ceredigion	32%	Fife	25%	Fermanagh & Omagh	23%
North Devon	28%	Denbighshire	32%	North Lanarkshire	25%	Mid Ulster	22%
Somerset	28%	Conwy	32%	Midlothian	25%	Mid & East Antrim	22%
Forest of Dean	27%	Caerphilly	31%	North Ayrshire	24%	Antrim & Newtownabbey	22%
Exeter	27%	Isle of Anglesey	31%	West Lothian	24%	Ards & North Down	21%

Figure A4 Combined Authority rates of child poverty AHC, 2023/24