

A Dual Crisis: The hidden link between poverty and children's mental health

Parliamentary briefing

July 2024

Centre for Mental Health, the Children and Young People's Mental Health Coalition and Save the Children have published a [joint report](#) exploring the impact of poverty on the mental health of families in the UK, with first-hand insights from young people and parents experiencing poverty. This briefing lays out the key findings, our key policy recommendations, and ways you could support this work.

Summary

Children are struggling to cope with the dual crises of poverty and mental health. The prevalence of mental ill health among children and young people has increased in tandem with rising rates of poverty. There are **4.3 million children in poverty**, up from 3.6 million in 2010/11. In 2004, one in ten children had a mental health need. In 2023, about one in five 8 to 25 year olds had a diagnosable mental health problem (NHS Digital, 2023).

Poverty at any age can have a devastating mental health impact but can be especially pernicious for children and young people. It is "impossible to overestimate how important poverty is as a driver" for so many of the social challenges experienced by children and young people¹. Financial stress in families also causes parental stress and guilt, impacting children immediately and long-term. For too long, the state has not addressed the dire impacts of this crisis on children.

"The strain of feeling excluded from society on so many levels and knowing your children experience that is a torture in itself." (Parent from Save the Children's parent panel)

"I don't want to tell my mum that I'm not eating because it just piles on more pressure at home." (Young person from Save the Children's youth panel)

Key findings

- **4.3 million children in the UK are living in poverty.** Children are more likely to be in poverty if they live in a family where someone has a disability, is from a racialised background, a lone parent family, an ethnic minority family, or a larger family (3 or more children).
- About one in five 8 to 25 year olds had a diagnosable mental health problem in 2023. Children in the **least well-off 20% of households are four times more likely to experience serious mental health difficulties** by age 11 compared to those from the wealthiest 20%.

- The social security system, especially conditionality, is driving poor mental health. Evidence shows how the benefits system has resulted in deaths, including by suicide, as well as causing self-harm and mental health crises².
- The **economic cost of the dual crisis is high**. It is estimated that **child poverty costs the UK £39 billion** a year³. Recent analysis by Centre for Mental Health suggests that in England the **cost of mental ill health is £300 billion**⁴.
- There are three main systems of support that are failing children and families on low incomes struggling with their mental health: social security, mental health, and education.
- Children and families lack adequate financial support and a punitive social security system, face additional pressure and stigma in schools, and lack access to effective, community-based mental health support.

"The benefits system is extremely stressful to navigate, and this causes me great anxiety. The review processes means that I have had benefits temporarily sanctioned and consequently my rent has been unpaid for three months and [I'm] faced with eviction!" (Parent from Save the Children's parent panel)

What needs to change?

To tackle the family mental health crisis, we're calling on the UK Government to:

1. **Tackle the root causes of mental ill health:** Commit to a cross-government strategy for mental health in England that addresses the underlying causes of mental ill health, such as poverty. This strategy should align with cross-governmental strategies to address child poverty.
2. **Increase financial support for families:** Introduce a 'child lock' by double-locking children's social security entitlements to increase either by earnings or inflation (if inflation exceeds earnings). This will ensure children are protected during periods of high inflation and stand to benefit during periods of growth.
3. **Reform conditionality and employment support:** Lock in protections for families by exempting claimants with health conditions, single parents, and parents of young children from sanctions.
4. **Increase and lock in available support:** Ensure the full roll out of family hubs across all local authority areas in England. All family hubs should have access to financial support, employment support, and welfare advice for families.
5. **Fund the mental health system:** Provide £1.7 billion in increased investment to Integrated Care Systems in England to deliver a comprehensive pathway of mental health support for all children and young people.
6. **Roll out mental health support in schools:** Commit to, and fund, the full roll out of Mental Health Support Teams across all schools and colleges in England.

References

- ¹ Commission on Young Lives (2023) Hidden in Plain Sight. Available from: <https://thecommissiononyounglives.co.uk/wp-content/uploads/2022/11/COYL-FINAL-REPORT-FINAL-VERSION.pdf> [Accessed 7 May 2024]
- ² Rethink Mental Illness (2021) Tip of the Iceberg? Deaths and Serious Harm in the Benefits System. Available from: <https://www.rethink.org/media/4758/tip-of-the-iceberg.pdf> [Accessed 25 June 2024]
- ³ Hirsch, D. (2023) The cost of child poverty in 2023. Child Poverty Action Group. Available from: <https://cpag.org.uk/sites/default/files/2023-08/The%20cost%20of%20child%20poverty%20in%202023.pdf> [Accessed 7 May 2024]
- ⁴ Cardoso, F. and McHayle, Z. (2024) The economic and social costs of mental ill health. London: Centre for Mental Health. Available from: <https://www.centreformentalhealth.org.uk/publications/the-economic-and-social-costs-of-mental-ill-health/> [Accessed 7 May 2024]