A Roadmap for Eradicating Poverty Beyond Growth

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He has been appointed as an expert witness for the UK's COVID-19 Inquiry. He is co-editor of the policy and practice section of the Journal of Poverty and Social Justice and an advisory board member for Trussell Trust's Hunger in the UK research. He is a trustee for the national social justice charity, Church Action on Poverty.

General introduction and evidence:

- The policy analysis/research completed by Richard Machin focuses on the impact of welfare reform on marginalised groups, the impact of the COVID-19 pandemic and poverty and financial inclusion.
- The recommendations below are based on the following research/analysis:

MACHIN, R., 2023. UK local government experience of COVID-19 lockdown: local responses to global challenges. *Local Economy: The Journal of the Local Economy Policy Unit*. ISSN 0269-0942

MACHIN, R., 2023. The UK – a home for Ukrainians? An analysis of social security and housing policy. *Journal of Poverty and Social Justice*. ISSN 1759-8273

MACHIN, R., 2023. UK social welfare system must do more for Ukrainian refugees. Bristol University Press.

MACHIN, R., 2021. Why the Chancellor should extend the £20 Universal Credit uplift. *Children and Young People Now*.

MACHIN, R., 2021. The two-child limit for benefits in the Supreme Court: implications for public health. *Perspectives in Public Health*. ISSN 1757-9139

MACHIN, R., 2021. COVID-19 and the temporary transformation of the UK social security system. *Critical Social Policy*. ISSN 0261-0183

MACHIN, R.J., 2020. Regressive and precarious: analysing the UK social security system in the light of the findings of the UN Special Rapporteur on poverty and human rights. *Social Work and Social Sciences Review*, 21 (3). ISSN 0953-5225

MACHIN, R., 2018. The two-child limit for benefits - a move away from a 'needs based' system. *Discover Society*.

MACHIN, R., NORRIS, D. and JONES, M., 2018. Welfare reform summit. *Poverty* (161), pp. 10-13. ISSN 0032-5856

MACHIN, R., 2017. Four reasons why welfare reform is a delusion. London: London School of Economics and Political Science.

MACHIN, R., 2017. The professional and ethical dilemmas of the two-child limit for Child Tax Credit and Universal Credit. *Ethics and Social Welfare*, 11 (4), pp. 404-411. ISSN 1749-6535

MACHIN, R., 2017. Made to measure? An analysis of the transition from Disability Living Allowance to Personal Independence Payment. *Journal of Social Welfare and Family Law*, 39 (4), pp. 435-453. ISSN 0964-9069

Policy Area 1: Access to social protection and services

- **Repeal the two-child limit (short-term policy action)**

The two-child limit restricts the child element of Universal Credit and Child Tax Credit to the first two children of a family, for children born after 06 April 2017, unless a specific exception applies.

When the policy is fully implemented in 2035, it will affect 790,000 households, including 2.8 million children with average annual losses of £4,300[1] From a European perspective, the UK stands alone in limiting social security payments to the first two children in a family, only Cyprus, Spain and Romania have similar restrictions but these apply to three or four children[2]. The two-child limit has a disproportionate impact on low-income families, larger families, and minority ethnic families (Machin, 2017). 59% of claimants affected by the 2-child limit are in work [3].

- **Repeal the benefit cap (short-term policy action)**

The benefit cap places a limit on the total amount of social security benefits that working age people can receive (typically universal credit and housing benefit) and primarily affects family with children, lone parents, and people with high rents. There are some exceptions focused on people with disabilities or in caring roles. As with the two-child limit, the benefit cap breaks the link between benefit entitlement and household need. 123,000 households have a benefit cap, 34% of parents affected care for young children[4].

It is estimated that abolishing the benefit cap would lift 250,000 children out of deep poverty [5]. The lowest income households in the UK would be, on average, £1,000 better off if both the two-child limit and the benefit cap were abolished[6].

Evidence clearly suggests that the benefit cap does not meet its intended aims: 90% of those affected do not move into work, move house or claim an exempting benefit[7].

- **Remove the 5-week wait for Universal Credit**

Universal credit is the UK's main means-tested benefit. Payments are made monthly in arrears, this means that the first payment is typically made 5 weeks after a claim, although the wait can be longer. During this period a claimant can apply to the Department for Work and Pensions (DWP) for an advance payment, an interest free loan. Approximately half of new claims receive an advance payment[8], in 2023, over 700,000 universal credit claimants were repaying an advance, at an average rate of £31 per month[9].

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[1] Latimer, E., & Waters, T. (2024). The two-child limit: poverty, incentives and cost. *Institute for Fiscal Studies, Comment, https://ifs. org. uk/articles/two-child-limit-poverty-incentives-and-cost*.
[2] Stewart, K. (2023) The two-child limit: a growing hole in the UK's safety net, The two-child limit: a growing hole in the UK's safety net
[3] Department for Work and Pensions (2024), Universal Credit and Child Tax Credit claimants: statistics related to the policy to provide support for a maximum of two children, April 2024 Universal Credit and Child Tax Credit claimants: statistics related to the policy to provide support for a maximum of two children, April 2024 - GOV.UK
[4] Child Poverty Action Group (2025) The benefit cap: our position The benefit cap: our position | CPAG
[5] Stewart, K., Millar, J., Marsh, A., & BRADSHAW, J. (2024). Ending child poverty: How it can be done. *Poverty*, (177), 7-10.
[6] Try, L. (2024). Catastrophic caps: an analysis of the impact of the two-child limit and the benefit cap. *Resolution Foundation. Retrieved*, *29*.
[7] Emmerson, C., & Joyce, R. (2023) What impact did lowering the benefit cap have? What impact did lowering the benefit cap have? | Institute for Fiscal Studies
[8]Department for Work and Pensions (2022) Universal Credit statistics, 29 April 2013 to 14 April 2022 Universal Credit statistics, 29 April 2013 to 14 April 2022 - GOV.UK
[9] UK Parliament (2023) Universal Credit: Deductions
Show full question
Question for Department for Work and Pensions Written questions and answers - Written questions, answers and statements - UK Parliament

The 5-week wait causes significant financial difficulties for many claimants[10], latest figures from the Trussell Trust, the UK's largest food bank network, demonstrates that 18% of referrals are due to delays in payment of benefits[11]

It is recommended that as a **short-term** policy action universal credit advance payments are replaced with non-repayable new payment grants**.**

- **Review localised welfare assistance**

The Department for Work and Pensions provides funding to local authorities (referred to as the Household Support Fund or Local Welfare Assistance) to allow residents to apply for financial support with essential costs such as utilities, food, good for the home and some housing costs.

While this financial support is important for those who are able to claim, a localised discretionary system inevitably creates significant regional variations, and piecemeal support for those experiencing financial hardship. The restricted annual budgets provided to local authorities make longer-term planning difficult for claimants and administrators, towards the end of the financial year, funding can be significantly restricted or exhausted.

The recommended changes to the social security system detailed above would create a more adequate welfare safety net and reduce the need for people to make ad-hoc claims to the local authority for essential items. There is limited evidence to suggest that the most financially vulnerable and social excluded members of the community are appropriately accessing localised welfare support.

It is recommended (**as a mid-term policy action)** that funding for localised welfare support is increased to and guaranteed for a minimum period of three years to give claimants and local authorities medium-term stability. Funding for local welfare rights services should be prioritised to increase the targeted take-up of localised welfare support.

- **Increase child benefit**

Child benefit is a monthly payment designed to help with the costs for a child up to the age of 16 (or 20 if the child is in education or training). The current payment levels are £25.60 for the first or only child, £16.95 for each additional child. If a claimant, or their partner, earn more than £60,000 a year, the amount of child benefit is reduced, entitlement ends if earnings are £80,000 a year or over. Since 2010, the value of child benefit has been eroded: in seven of these years the rate has been frozen, in the years when it has been uprated it has been linked to the consumer price index (CPI) rather than the retail price index which includes housing costs.

It is recommended (**as a mid-term policy action)** that child benefit is increased by £20 per week, targeted at the bottom quintile of income distribution.

- **Local Housing Allowance**

Local Housing Allowance (LHA) rates are used to calculate the amount of housing benefit for tenants in the private rented sector. Under this system rates of housing benefit are not linked to actual rent charged. In April 2024 rates were limited to the bottom 30th percentile of local market rents, the 2025/6 LHA rates have been frozen at this level.

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[10] Porter, I (2024). We need to end the 5-week wait for Universal Credit – here's how [We need to end the 5-week wait for Universal Credit – here's how | Joseph Rowntree Foundation]

[11] Trussell Trust. (2024) Emergency food parcel distribution in the UK 1 April 2023 to 31 March 2024 [EYS-UK-Factsheet-2023-24.pdf]

It is estimated that 25% of private renters receiving housing benefit are in poverty because of the level of housing support [12] and that 440,000 households with children receive housing support which does not cover full rent costs[13]

It is recommended that in the **short-term** the government should unfreeze LHA rates to restore the link to the bottom 30th percentile of market rents in the current year – short-term.

In the **longer-term** LHA rates should be increased to the 50th percentile of local market rents.

[12] Earwaker, R. (204). Stop the freeze: permanently re-link housing benefits to private rents. Stop the freeze: permanently re-link housing benefits to private rents | Joseph Rowntree Foundation

[13] IPPR (2025): Revealed: Almost one million children in private housing face rent shortfall by 2026 | IPPR