



Department
for Work &
Pensions

APPENDIX 2

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Mr Harry Catherall
Chief Executive
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21 October 2024

Dear Mr Catherall,

As you may know, your letter of 16 September to the Chancellor of the Exchequer about the two-child policy and child poverty has been forwarded to this Department. I am replying as the Minister of State for Social Security and Disability.

The two-child policy limits the child element to two children in Universal Credit and Child Tax Credits, although there may be further entitlement for other children if they were born before 6 April 2017 or if an exception applies.

In April 2024, there were 450,000 Universal Credit and Child Tax Credit households affected by the two child policy (that is, they had a third or subsequent child born on or after 6 April 2017). 440,000 households were not receiving the child element for at least one child because of the policy and 1.6 million children lived in those households. 24,000 households were in receipt of an exception.

For Universal Credit only, 380,000 households were affected by the policy, 370,000 were not receiving a child element or amount for at least one child and 1.3 million children lived in those households. 21,000 households received an exception.

Child Benefit continues to be paid for all children in eligible families, as well as an additional amount of Universal Credit for any qualifying disabled children.

While we cannot commit to changing the two child policy at this time, tackling child poverty is at the heart of the Government's mission to break down barriers to opportunity and improve the life chances of every child.

This is why the Child Poverty Taskforce will explore how we can harness all available levers to reduce child poverty, including social security reforms, before publishing a strategy in Spring 2025.

The Government continues to support children and families in a range of ways through the tax and benefits system and public services, including funding an extension to the Household Support Fund.

With all best wishes,

A handwritten signature in black ink, reading "Stephen Timms". The signature is written in a cursive style with a horizontal line above the name.

Rt Hon Sir Stephen Timms MP
Minister of State for Social Security and Disability