

Why Early Years Matters

Poverty Impacts on Early Learning and Development

Poverty affects every aspect of children's and families' lives. Children living in poverty are much less likely to have a good standard of living and are more likely to have worse experiences and outcomes across a range of areas - material and emotional wellbeing, health, housing and education.

It is well-established that poverty affects children's learning independent of other influences. A systematic [review](#) (2013) identified two reasons why income matters:

1. Directly, poverty affects children by restricting parents' ability to invest in children's development such as books, toys, play space and activities/experiences.
2. Indirectly, poverty impacts children through increasing family stress. Families lack access to the basics needed for a healthy and dignified life, which has an additional psychological impact for all family members.

In the UK, [4.3 million children](#) are living in poverty.

Relative poverty has risen most rapidly over the past decade for households where there is a child under five.

An estimated 1.3 million babies and children under the age of five in the UK now live in poverty. Through their research and work with parents living on a low income, Save the Children Scotland's [Better for Babies](#) briefing highlights that with a higher-than-average poverty rate, young children living in Scotland are more likely to experience poverty at a time where this has the most lasting and deepest impact on them. While the first years of a child's life are the most significant in defining future outcomes, it is also the time when the harms of poverty can be most severe and lasting. Meanwhile in Wales, according to [figures from 2020](#), almost three in ten children live in poverty - children whose life chances are restricted as they miss out on things others take for granted, do less well at school and earn lower incomes when they grow up. The [Ready to Read](#) campaign (2016) in Northern Ireland noted that in some of their most disadvantaged communities, over 40% of children are arriving at pre-school displaying some evidence of language difficulty or delay.



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The Royal Foundation's [Centre for Early Childhood report \(2021\)](#) notes that in the UK, children experiencing disadvantage are on average 4.6 months behind by the end of the Reception year at school. Further to this, the Office of the Children's Commissioner in England reports that of children living in low-income households, only 14.3% meet more than half their development indicators by the age of five. Without sufficient support to overcome early disadvantage, the impact increases at every stage of learning and development, ultimately perpetuating generational cycles of poverty. This [report from the Joseph Rowntree Foundation](#) highlights the fundamental argument, that children's cognitive development and attainment are most improved by families having more money. There is an undeniable link between poverty and narrowing the attainment gap.

Importantly, this is not to say that economic disadvantage inevitably leads to poor long-term outcomes; other factors – family circumstances, wider family support, social networks and connections, educational resources and public services – all play a vital role and can mitigate the effects of poverty. All parents can, with support when needed, be empowered to enhance their children's learning and development. It is well evidenced that [what parents do with their children matters more](#) than who they are, independent of their socio-economic situation or parental education levels. Children are much more likely to do well when parents play an active and meaningful role in their child's learning and development, by engaging in everyday playful experiences and providing emotional support and encouragement (what is referred to as a rich and varied home learning environment). However, the stresses of poverty make it much more difficult for families on low-income to provide a rich home learning environment.



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While poverty is an independent indicator of poorer outcomes, some groups are at higher risk of experiencing poverty. This means that an intersectional lens and solutions that address the risk factors are needed. Large inequalities in socio-emotional, health and cognitive development emerge early in life, with large gaps in development evident between children at age three by ethnicity, family socio-economic circumstances, and maternal health and mental health.

Poverty is racialised – but not equally for all minority ethnic groups. These [national statistics \(2024\)](#) show that in the UK, 24% of White children are living in poverty – this is compared with 67% of Bangladeshi children, 58% of Pakistani children, and 51% of Black (Black/African/Caribbean/Black British) children living in poverty. However, only 1% of Chinese children and 3% of Indian children are living in poverty. [The Runnymede Trust](#) found that in the UK, Black and minority ethnic people are two and a half times more likely to be in relative poverty than white people, and there are also trends in educational achievement for children by ethnicity at different stages of education. More research would be valuable in helping to explain reasons for why certain ethnic groups have been able to escape poverty while others have not.

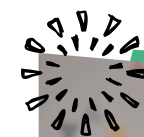
Similarly, health figures also show that babies born in minority ethnic families are significantly more likely to have lower birth weights than White babies, and disparities are reported in rates of depression among mothers during the child's first year, reflecting wider mental health disparities. Alarmingly, this [health report](#) looking into maternal care across the UK and Ireland, found that these racial disparities are present before babies are even born, with Black women and Asian women four times and twice as likely respectively, to die in pregnancy and childbirth than their White counterparts.



In the UK, [statistics](#) show that 43% of children in poverty live in a household where at least one person has a disability (including long-term physical & mental health conditions). In addition, families of children with disabilities are more likely to experience persistent low income compared with families with children who are not disabled. This is even more concerning with increasing rates of disability among young children. The [Failed and Forgotten](#) research report from the Disabled Children's Partnership surveyed more than 2,000 families across England, exploring the impact of post-COVID recovery on services designed to support them, and their responses were eye-opening. They found that half of parents of disabled children are unable to work and have experienced poverty because of lack of support for their child. When children with disabilities are not adequately supported with their health, learning, and social needs, their families are more likely to experience disadvantage across multiple areas of life.

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More widely, there is a distinct link between [poverty and mental health difficulties](#) not only due to the material and psychological impact of living in poverty. Poverty increases the risk of mental health problems but can be both a causal factor and a consequence of poor mental health. Having a parent with mental health difficulties can be a significant risk factor for children's mental health and wellbeing. Mental health problems in childhood can disrupt developing social participation and reduce children's ability to learn and thrive. We also know that these vulnerabilities can last into later life. Evidence from [Mental Health Foundation](#) shows that rates of diagnosable mental health problems among children and young people have been found to be higher in families with lower household incomes compared with their higher income counterparts. The [Royal College of Psychiatrists](#) notes the importance of establishing sensitive, attuned and responsive relationships to positively impact the mental health and wellbeing of young children. Through its work via campaigning, provision of resources, and specialist multi-agency teams, the [Parent-Infant Foundation](#) reinforces the inextricable link between maternal and infant mental health, striving to support parent-baby attachments, attunement and secure relationships.



Families with the youngest children must be prioritised, where we know the impact of poverty is most deeply felt and with potentially lasting detrimental consequences on their life outcomes. If we want to reverse the adverse effects of poverty on children's lives today and in the future, we need to sharpen our focus on the earliest years and ensure every child experiences a nurturing start to life, with equal access to opportunities to thrive. For the economy, this also makes sense – reducing costs in the future and enabling children, regardless of their background, to contribute to society.

