

The Rt Hon Rachel Reeves MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London SW1A 2HQ

Sent by email: jabey@cpag.org.uk

3 June 2025

Dear Chancellor,

As organisations working closely with children and families across the UK, we are writing to ask you to include strong action to reduce child poverty in the forthcoming Spending Review, including a clear commitment to abolish the two-child limit and the benefit cap. We look forward to the forthcoming child poverty strategy which, with the right investment, will function as a cornerstone to much of what this government has set out to achieve. Reducing child poverty lays the foundations for improved living standards, economic growth, and opportunity for all.

While we remain hopeful about what lies ahead for children and families, we are also acutely aware that families living in poverty cannot wait. The two-child limit is pushing over 100 children into poverty every single day. This egregious policy, together with the benefit cap, has already trapped hundreds of thousands of children in poverty, and this number is rising ever higher with each day that passes. 37,000 children have been pushed into poverty by the two-child limit since the government took office, and the stark reality is that if these policies remain in place, child poverty will be significantly higher at the end of this parliament, the first time this has happened under a Labour government.

Conversely, clear and decisive action now will be transformative for children and families. Lifting the two-child limit and the benefit cap will immediately lift 400,000 children out of poverty, and 950,000 children will be living in less deep poverty. It is rare that a single policy decision can reap such an immediate positive impact for so many. For a government that is committed to raising living standards, this is an extremely effective policy lever to pull.

In advance of the Spending Review next week, we urge you to make a firm commitment that the two-child limit and the benefit cap will be abolished by this government as part of the Autumn Budget. We recognise the government's desire to set out how policies will be funded, but continuing to delay this decision comes with risks for both the government and for the people it serves. Taking this opportunity to make this commitment now will send a powerful message to families everywhere that this government is on their side, and is prepared to take the necessary steps to ensure every child gets the best start in life.

Yours sincerely,

Alison Garnham, CEO, Child Poverty Action Group

Joe Howes, CEO, Buttle UK and Chair of the End Child Poverty Coalition

Dr Philip Goodwin, CEO, The UK Committee for UNICEF (UNICEF UK)

Nerys Anthony, Executive Director for Youth Impact, The Children's Society

Moazzam Malik, CEO, Save the Children UK

Paul Carberry, CEO, Action for Children

Dame Clare Moriarty, Chief Executive, Citizen's Advice

Lisa Pearce, Interim CEO, Gingerbread

Emma Revie, CEO, Trussell

Baroness Anne Longfield, Executive Chair and Founder, Centre for Young Lives

Philip Anderson, Strategic Director for External Affairs, National Children's Bureau