

# The EU Child Guarantee

## Eurocities contribution to the EU targeted consultation

### Key messages:

We support the creation of an EU Child Guarantee to help all children in need and break the intergenerational cycle of poverty. The EU Child Guarantee should adopt an integrated and holistic approach to reduce child poverty by improving the situation of the whole family, and should boost EU and national resources to invest in children and use them flexibly where needed the most, especially in the most deprived areas. It should promote preventative approaches and territorial, place-based solutions, strengthening local services, supporting local partnerships and empowering children's voice in decisions that affect them.

We call for the EU Child Guarantee to:

- Support local Child Guarantee schemes to address the specific needs of children at local level through an integrated local plan connecting services for education, childcare, healthcare and housing with employment, social and family services to cover the gaps in access to services at local level.
- Boost local level social investment in children by allocating sufficient resources from EU and national budgets to cities and allowing flexible use of the resources where needed the most at local level.
- Involve cities as key partners in developing and delivering the Child Guarantee. Ensure multi-level governance with joint responsibility and coordinated strategies between local, national and EU levels.

The COVID-19 pandemic has had a devastating impact on children. It disrupted their schooling, affecting their well-being, social contacts and even their nutrition as many lacked access to free school meals. Home-schooling has deepened the digital divide, exacerbating inequalities in education. As more parents are losing their income, child poverty is increasing, hitting the poor and those from vulnerable situations the hardest<sup>1</sup>.

Even before the pandemic, child poverty levels were high in cities. In most cities, especially in central, northern, western and southern parts of Europe, child poverty rates are often higher than the national average, in some cities more than twice as high<sup>2</sup>. Families living in cities face higher living costs along with specific urban challenges that increase their risk of poverty. Population growth in cities has led to a shortage of places in childcare. As housing prices have dramatically increased, many families cannot find an affordable home. This has made children in precarious housing conditions particularly vulnerable to child poverty. The lack of affordable housing often affects families on low incomes, migrants and Roma, who seek housing in cheaper areas of the city. This has led to concentration of families with similar backgrounds in certain urban areas,

<sup>1</sup> WHO (2020). Schooling in the WHO European Region in the time of Covid-19. Available at: <https://bit.ly/3oAEL7w>

<sup>2</sup> Eurocities (2020). Fighting child poverty in cities in Europe: Lessons from cities for the EU Child Guarantee. *Forthcoming publication*

resulting in large disparities between different parts of the same city, with children in the most deprived areas facing the highest risk of poverty, which is from three to ten times higher than children in well-off areas<sup>3</sup>.

Child poverty has a strong territorial dimension and causes an intergenerational cycle of disadvantage. Children living in deprived areas and coming from disadvantaged backgrounds face the biggest barriers in access to services. Many disadvantaged children live far from a health clinic and sometimes even going to school or day care requires travel that many families cannot afford. Even in cities with a decentralised system of service provision, it is difficult to ensure the same quality of services in all areas of the city given the limited financial and human resources allocated to local governments from the national budget. This is further aggravated by the fragmentation of responsibilities at national and local level, with some services managed by local authorities (childcare) while others are managed by regional or national authorities (school education). To protect children from poverty, it is vital to make services better, more affordable and available to them in the area where they live by boosting investment in local services and infrastructure for children.

## Our actions

Fighting child poverty is a key priority for many cities. Cities invest considerable resources from their municipal budgets in childcare and family support services, integrating them with housing, healthcare and social services. 18 cities<sup>4</sup> signed pledges to deliver the European Pillar of Social Rights principle 11, together committing over €6 billion to reinforce childcare services and provide specific support to children in need. For example, Ghent has committed to investing €570 million in tackling child poverty through an integrated municipal plan in 2020-2024. Hamburg pledged to build 100 additional day care centres with an investment of €1 billion. Madrid aims to increase the number of places in childcare by 10% and reduce costs for low-income families.

Cities play a key role in fighting child poverty and breaking the cycle of intergenerational disadvantage. As the level of government closest to citizens, local authorities are the first to see and respond to any new emerging needs, such as during the COVID-19 crisis<sup>5</sup>, and offer tailored local services closest to children and families, who in turn feel better supported and trust in the local service providers. Many cities already carry out an integrated local strategy to reduce child poverty. They often combine a systemic approach to promote equal opportunities for all children across policies with targeted measures to tackle the specific needs of children most in need. In doing this, cities work in partnership with the third sector.

To fight child poverty and promote equal opportunities and social inclusion for all children in need, cities<sup>6</sup>:

- provide families in need with income support, food aid, basic material assistance, housing or shelter as well as targeted support to help them access social security or assistance, debt relief, and find work.
- integrate services in one-stop-shops to connect education, childcare, healthcare and welfare services, and offer tailored assistance to families in need, including guidance and counselling for migrants and refugees.
- put in place prevention and early intervention measures to proactively identify children at risk of poverty.
- implement neighbourhood plans to reduce child poverty in the most deprived areas.

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<sup>3</sup> Idem

<sup>4</sup> 18 cities signed pledges to commit to the European Pillar of Social Rights principle 11 on childcare and support to children: Bilbao, Bristol, Brno, Ghent, Hamburg, Istanbul, Leeds, Ljubljana, Lyon, Madrid, Malmo, Nicosia, Pau, Utrecht, Timisoara, Vantaa, Vienna, Warsaw. All city pledges are available at: <https://inclusivecities4all.eu/political-campaign/>

<sup>5</sup> Eurocities (2020). Overview of city measures to respond to the impact of the COVID-19 pandemic on children. Available at <https://eurocities.eu/latest/what-can-cities-do-to-mitigate-covid-19-impact-on-children/>

<sup>6</sup> Eurocities (2020). Fighting child poverty in cities in Europe: Lessons from cities for the EU Child Guarantee. *Forthcoming publication*

- ensure access to education and childcare by increasing the number of places in public education and childcare, offering financial support or reduced fees for low-income families and funding additional educational support for children with disabilities or special needs, including language learning for migrants.
- promote healthy development of children through outreach measures to ensure vaccination and primary care for all children, provide healthy nutrition (e.g. free school lunches) and combat child obesity.
- improve urban planning to ensure more green spaces, parks and play infrastructure in all areas of the city.
- promote the right to social and cultural self-development by organising accessible forms of participation and co-creation with children, and ensuring their voice is heard in the policies that directly impact them.
- apply child impact assessments to their policies and child-friendly budgets with participatory budgeting.

Cities are committed to doing more to fight child poverty, but we cannot do it alone and need financial support from national and EU level. Given the increasing levels of child poverty and the impact of the COVID-19 crisis on municipal budgets<sup>7</sup>, our local resources are no longer sufficient and need to be complemented by higher social investment in children from national and EU budgets. No government should be allowed to pass on the costs and burden of child poverty to cities without providing them with adequate financial means.

## Key principles for the EU Child Guarantee

Every child deserves the opportunity to realise their full potential, regardless of their background. However, evidence shows that the socio-economic situation of the family and the parents' education level are still strong predictors of a child's future opportunities. There is a need to shift the approach from fragmented policy on child poverty to an integrated approach to promote equal opportunities and long-term investment in children.

The following **horizontal principles** should be incorporated in the design and delivery of the Child Guarantee:

- **Be inclusive of all children in need.** The EU Child Guarantee should help all children in need living in Europe regardless of their origin, background, citizenship or residence status, or the place where they live. No child should be left behind. All children should have their rights protected. The EU framework for Child Guarantee should cover gaps in national legislation to ensure measures are applicable not just to nationals of EU member states, but also to children who are refugees or asylum-seekers, and children who are citizens of an EU country but moving to or living in a different EU country (intra-EU mobile citizens), such as children of Roma families, who are often at highest risk of poverty or unequal access to services.
- **Promote a positive and participatory approach.** The EU Child Guarantee should not only focus on basic needs of children because this is insufficient to bridge the gap between children in need and those not in need. The realisation of children's rights must be maximised. Every child has the right to be protected from poverty and to access opportunities to develop their talents. The Guarantee should ensure children in need have access to culture, sports, recreation as well as to digital skills, financial and media literacy so they can develop into responsible citizens, fulfil their full potential in society, belong and participate in their community, city and Europe. With this mind, the Child Guarantee should ensure child participation in creating all policies and measures that directly affect them at all levels.
- **Holistic support for families.** It is not enough to focus on children in isolation from their parents, but support for the whole family is needed to break the intergenerational cycle of poverty. Improving the situation of children depends on improving the situation of their family, be it getting out of debt, or helping parents get a good job with fair pay or getting their home heated, renovated or connected to the internet.

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<sup>7</sup> Eurocities (2020). A stronger social Europe powered by inclusive cities. Available at: <https://bit.ly/3gtltgl>

- **Focus on prevention and early intervention** to detect risk before it materialises into disadvantage. An early warning system should be integrated in all services working with children to alert social services, who can reach out to children at risk, early on, with tailored support. A case management approach should be promoted with one case manager coordinating, with all relevant services, the individualised support for each child according to their individual needs, including psychological counselling if necessary. A preventative and proactive approach to identifying children in need is more cost-effective than mitigating the effects of child poverty, but it requires building capacity and resources for outreach social work. This approach calls for addressing the root causes of child poverty, which often relate to the child's family, such as the socio-economic background, parents' level of education, the risk of entering debt due to recent unemployment in the family or the risk of being evicted.
- **Adopt a territorial, place-based approach.** Child poverty has a strong territorial dimension with children living in deprived areas having a multiplied risk of poverty. Protecting children from poverty means offering support to them where they live and making services available to them in their neighbourhood. To address such unequal access to services, the EU Child Guarantee needs to make services available locally where children in need live by investing in increasing the number and quality of healthcare, childcare and education services in deprived areas. More services and activities for children in the area where they live means services are easier to access and more affordable (less money spent on travel to get to city centre).

## Our recommendations

The EU Child Guarantee should bring all levels of government together to work on an integrated strategy to reduce child poverty by stepping up policy actions and social investment in children. To close the gap in access to services, it is vital to make services more locally available to where children live, as close to their home as possible, and more accessible by further integrating and adapting services to local needs. This requires a serious increase in investment in local social infrastructure for children, especially in the most deprived areas.

### Recommendation 1: Support local Child Guarantee schemes

The EU Child Guarantee should support cities to ensure a good start in life for all children. In cities, especially in deprived urban areas, children often accumulate multiple risk factors, such as poor housing, limited or no digital equipment or connectivity, risk of discrimination, violence and unequal access to services such as childcare, healthcare and education. Such a complex issue can only be addressed effectively at city level through an integrated strategy to tackle child poverty through local Child Guarantee schemes.

Each city has different groups of vulnerable children whose specific needs vary and that may not be the same for other cities within the same country. This requires locally tailored interventions to help the children most in need in every city. Therefore, the Child Guarantee should allow flexibility to adapt to local needs by enabling the definition of target groups of 'children in need' to be made on the local level and allowing cities to use resources in a flexible way to support the children who need it the most. The EU Child Guarantee should:

- Support local Child Guarantee schemes. Coordinated by city authorities, they should deliver integrated municipal plans to fight child poverty, connecting childcare, education, health, housing and social services. These local schemes should combine measures to improve availability, accessibility and affordability of local services, including covering any gaps in service provision, with targeted policies to enhance social inclusion and equal opportunities for disadvantaged children and support for parents to access work, get out of debt, find better housing and improve the family's situation to break the cycle of poverty.

- Support local partnerships between municipal-led services and other service providers, local communities, parents and children, schools, charities, NGOs and private sector (promote champions from businesses). The local partnerships would ensure a participatory approach to developing, implementing and monitoring the local Child Guarantee and would share in the responsibility of its actions as a ‘Local Pact for Children’.

## Recommendation 2: Boost local level social investment

It is vital to reinforce local services and social infrastructure, such as childcare facilities, schools, social housing, play infrastructure, to provide effective access to services for all children. **With sufficient financial support, cities could make it possible to offer universal access to early education and childcare, ensure all children have a decent, warm home, and adequate nutrition through free school meals.** The EU should:

- Ensure ring-fencing of ESF+ to support local projects and programmes to address child poverty.
- Encourage member states to prioritise investing in children in national recovery and resilience plans.
- Ensure adequate and easily accessible funding at local level, such as through ERDF and InvestEU, to boost investment in social infrastructure at local level and give cities sufficient resources to tackle child poverty.
- EU funding should allow room for direct help to boost capacity of local services as well as sufficient room for social innovation at local level to pilot new models and new solutions to reduce child poverty, and test how to best organise services that are accessible and better tailored to children’s individual needs.

## Recommendation 3: Involve cities as partners in design and delivery of the Child Guarantee

The expertise from cities is vital to ensuring the success of the Child Guarantee. Cities are the closest level of government to citizens and see child poverty first-hand as well as detect emerging issues quickly. Cities from different countries in Europe encounter similar problems due to their scale and have developed innovative approaches to tackle child poverty, testing which (integrated) policies work and which do not. The EU Child Guarantee can help cities evaluate their policies on poverty reduction and disseminate successful good practices. This can offer valuable lessons for the local and national Child Guarantee schemes.

- Involve cities in the shaping of the Child Guarantee at all levels (EU, national, and local). Cities should be involved from the very beginning in defining national strategies and lines of action to combat child poverty. The expertise of cities should be recognised as well as the strong territorial dimension of poverty.
- Ensure multi-level governance of the EU Child Guarantee, with joint responsibility and coordinated strategies between local, regional, national and EU levels to prevent and mitigate child poverty. This should foster better vertical and horizontal inter-service coordination between all relevant services.

## Recommendation 4: Mainstream equal opportunities for children across policy areas

The EU Child Guarantee must avoid a fragmented policy approach. Tackling child poverty structurally is a complex challenge that requires an integrated strategy based on a holistic and transversal approach to address not just the effects of child poverty, but the root causes of the child’s vulnerability, which are the risk factors affecting their family’s situation. This requires the mainstreaming of equal opportunities for children across policy areas beside targeted measures to support effective equal access of disadvantaged children to services.

- The EU Child Guarantee should add a horizontal objective to promote equal opportunities for all children. This should be mainstreamed across policy areas to ensure coherence and complementarity with new EU initiatives to tackle housing exclusion, combat in-work poverty and ensure decent income, among others.
- Urge member states to mainstream the principle of equal opportunities for all children in all policies, including in housing, healthcare, welfare, employment and education policies as well as in digital infrastructure policies. There should be a 'child poverty' task force to coordinate across policy areas and departments and ensure a child focus in all new policy initiatives.
- All policies should be 'child proofed' to assess their impact on children and budgets should be 'child friendly'.
- Integrate services (childcare, healthcare, education, housing) in a coordinated approach to reducing child poverty. As some services are of municipal competence (childcare, housing) while others are of national competence (education, healthcare), enhanced efforts are needed to ensure the coordination of services. One way is to set up one-stop-shops for easy access to all relevant support services and ensure data-sharing between the different services. A case management approach can also help coordinate services in a tailored intervention to meet the individual needs of each child and their family to help them exit poverty.

### Recommendation 5: Improve data collection, sharing and monitoring of child poverty

Cities, member states and the EU need a common framework of indicators and a joint database to share data and coordinate support services to respond proactively to prevent child poverty and mitigate its effects. It is important to make sure that any (new) child poverty indicators on the social scoreboard or the European Semester capture the diverse child poverty situations within member states. Aggregate figures at macro-level based on national averages are not sufficient to reveal the complexity of child poverty within the same country.

- Improve the monitoring of child poverty by adding micro-level data from local level. The local data would help detect territorial inequalities in access to child-relevant services and support evidence-based policies.
- Build capacity of cities to collect comparable data on child poverty based on common methodologies.