**Statement in response to the European Commission Country Specific Recommendation of the United Kingdom**

On 2 June 2014, the European Commission published Country Specific Recommendations (CSRs) for 26 of the 28 EU Member States including the United Kingdom. The recommendations are advisory and based on a thorough assessment of every Member State's medium term plans and economic reform programmes as well as the general priorities outlined in the EC's Annual Growth Survey in line with the Europe 2020 Strategy for sound public finances and policy measures to boost inclusive growth and jobs. The CSRs form a vital part of how the EU encourages Member States to implement the Europe 2020 strategy.

The UK Alliance generally welcomes the CSRs of the EU in respect of the UK. The EU has identified a number of key priorities, which include tackling child poverty, delivering 'adequate' benefits, addressing youth unemployment and enhancing childcare provision. If solutions for effectively addressing these priorities are properly resourced and delivered, we believe that this would go some way towards the implementation of the duties enshrined in the Europe 2020 framework.

Whilst we are receptive of the priorities for the UK being identified which reflect many of the current priorities put forward by the children's NGO sector, the CSR do not sufficiently convey the need for urgent action which is now required if the UK is to begin to address many of the social and economic problems which a growing number of the population are experiencing. The rising cost in living and low wage employment, compounded by reform of the tax and benefit system, will result in the UK 2020 child poverty target being missed, and missed by some distance. Independent analysts predict that there will be at least 3.5m children in poverty by 2020, with a sharp rise predicted in the next set of UK Government statistics soon to be released.

The increasing divergence witnessed between political rhetoric and the lived experience of poverty by families across the UK is particularly worrying. Foodbank usage has grown sevenfold in the last two years, debt is on the rise, employment, while growing, is increasingly characterised by low pay and job insecurity, with growing insecurity of tenure a realisation for an increasing number of householders. In parallel, the safety net provided by the state to protect and safeguard children and families in times of need is under threat as the UK Government embarks on the biggest reform of the welfare state in over 60 years. The introduction of the benefit cap, cuts to child benefit, below inflation rises in other family benefits, more rigorous assessments, greater use of sanctions and the problematic 'bedroom tax' are causing real hardship for more and more families already struggling, changes which are disproportionately affecting many vulnerable groups, including families with a disabled child or adult.

The magnitude and scale of the welfare reform changes are unprecedented, of which the transition to Universal Credit is a key part. Universal Credit is presently being rolled out in England and Wales, as a single payment designed to simplify the exiting complex benefit system. Whilst there continues to be support for the basic principles which underpin Universal Credit, there remain key concerns around the cost of the changes, the delivery of the programme to date and that many families will be worse off following its full implementation. Welfare reform changes are taking place at a time of economic austerity, cuts to public spending and local services, below inflation wage growth and a general squeeze on the countries finances. This toxic combination has the propensity to increase the vulnerability of many low income families, many of whom are becoming more reliant on overstretched frontline advice and support services struggling to cope with an increase in demand and often less resources.

The UK Alliance is calling for the UK and devolved governments to fully implement the European Commission's Recommendation 'Investing in Children'. There is an urgent need to invest in, and safeguard existing services that promote children's rights, prevent child poverty and deliver better well-being outcomes for all of our children and young people. The implementation of the Investing in Children Recommendations alongside the CSR will go some way towards the UK delivering on its duties enshrined in the Europe 2020 strategy and reverse the current trend of increasing levels of child poverty.

Supported by the European Commission

This statement has been produced by the steering group of the **Alliance for Investing in Children (UK)**

The **Alliance for Investing in Children** (UK) is a project led by Children in Wales working in partnership with Children in Scotland, Children England and Children in Northern Ireland through a steering group of UK Eurochild National Network member organisations. The UK Alliance is part of a wider Joint Action led by the EU Alliance for Investing in Children coalition to aid the implementation of the European Commission Recommendation 'Investing in Children-Breaking the Cycle of Disadvantage'. This project is supported by the European Union Programme for Employment and Social Solidarity - PROGRESS (2007-2013). This programme is implemented by the European Commission. It was established to financially support the implementation of the objectives of the European Union in the employment, social affairs and equal opportunities area, and thereby contribute to the achievement of the Europe 2020 Strategy goals in these fields. The seven-year Programme targets all stakeholders who can help shape the development of appropriate and effective employment and social legislation and policies, across the EU-27, EFTA-EEA and EU candidate and pre-candidate countries. The information contained in this briefing does not necessarily reflect the position or opinion of the European Commission and doesn't necessarily reflect the opinions and views of the EU Alliance for Investing in Children.