

Child Poverty

Summary and Recommendations

Local authorities have now submitted their Year 2 Local Child Poverty Action Reports (LCPARs) and are now working in Year 3. This paper includes a report from the Improvement Service on their reflections from work to support local child poverty leads.

The Children and Young People's Board is invited to:

- i. Note the report from the Improvement Service on Local Child Poverty Action Reports
- ii. Note, reflect and agree on the recommendations from the Improvement Service set out in paragraph 7.
- iii. Agree the positions set out in paragraphs 8 -9.

References

Previous CYP Board Paper(s):

- Child Poverty – May 2020
- Every Child, Every Chance: tackling child poverty delivery plan 2018-2022 (Scottish Government, 2018)
- Child Poverty (Scotland) Act 2017

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May 2021

Child Poverty

Purpose

1. This paper updates the Board on the ongoing and potential future impact of COVID-19 on child poverty and the ongoing work of the Improvement Service and Local Government to tackle these issues.
2. A report from the Improvement Service, attached as appendix 1, includes reflections from a review of Local Child Poverty Action Reports published to date and their work to support local child poverty leads.

Current COSLA Position

3. Child poverty continues to be a priority area for COSLA and partner organisations including Public Health Scotland, Improvement Service and Scottish Government and COSLA acknowledges that the impact of Covid-19 already seen, and still to be seen, will have an impact on Scotland's children and young people.
4. A new Public Health Scotland post for Local Government and children and young people is now in place working within the CYP COSLA team with a view to developing partnerships and public health support for and with Local Government around a range of issues including child poverty.

What is changing?

5. The report from the Improvement Services, attached as appendix 1, highlights the acknowledged cross-cutting nature of this area of work and the Improvement Service plans to present the report to other relevant COSLA Boards. The report also highlights the ongoing need for this work to be properly resourced and prioritised alongside the need for it to be considered in line with other areas of recovery and remobilisation following Covid-19. It also asserts that action needs to go further than crisis management and mitigation to prevention and affecting change with regards to the factors that drive child poverty
6. The report is also clear that the continually changing landscape in terms of social support, education and economy will require continuous monitoring and consideration as local areas progress with Year 3 activity. Local areas will require leadership and resource in order to continue to prioritise this programme of work alongside a host of competing priorities.

Proposed COSLA Position

7. The report from the Improvement Services invites the Children and Young People Board to:
 - i. Restate their commitment to child poverty to ensure that child poverty remains a priority
 - ii. Identify how child poverty is included in broader COVID recovery and renewal plans, seeking to maximise the use of all available policy levers to address the issues. This will include proactively considering how future funding (both in terms of the £50 million Scottish Government Tackling Child Poverty Fund and wider local and national investment in recovery and renewal) can be used to provoke and drive positive change.
 - iii. Ensure child poverty is considered in all aspects of their future work, including identifying and building important policy linkages that can be further developed to support work on child poverty.
 - iv. Actively contribute to the development of the next Child Poverty Delivery Plan.
8. It is proposed that COSLA continues to prioritise child poverty and work closely with partners in order to provide the best available evidence and guidance to members.
9. COSLA should also actively engage in the development of the next national child poverty delivery plan and take a leadership role to encourage Local Government participation in the forthcoming consultation to ensure the local voice is captured in the next version of the plan.

Next Steps

10. COSLA officers will work with the Improvement Service and other partners to ensure ongoing involvement and awareness of this changing landscape.

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May 2021

COSLA Children and Young People

Tackling Child Poverty post COVID 19

Purpose of this paper:

- To update on the position of year 2 Local Child Poverty Action Reports and key learning arising from these and from the experiences of child poverty lead officers
- To identify opportunities and priorities in relation to the development of year 3 Local Child Poverty Action Reports
- To encourage all members to consider and include child poverty within broader plans for recovery and renewal

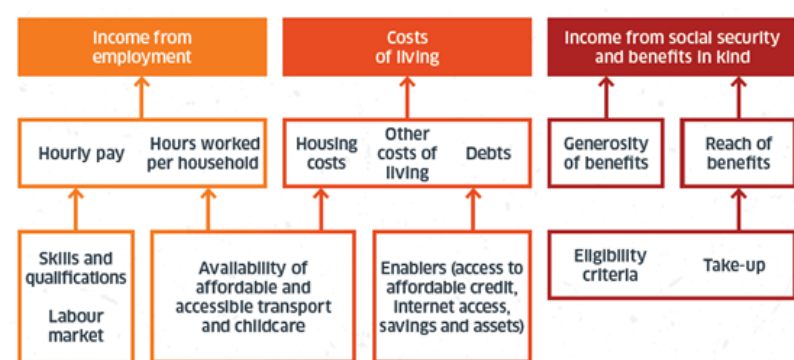
Key asks of the CYP Board:

This paper asks the Board to:

- Restate their commitment to child poverty to ensure that child poverty remains a priority
- Identify how child poverty is included in broader COVID recovery and renewal plans, seeking to maximise the use of all available policy levers to address the issues. This will include proactively considering how future funding (both in terms of the £50 million Scottish Government Tackling Child Poverty Fund and wider local and national investment in recovery and renewal) can be used to provoke and drive positive change.
- Ensure child poverty is considered in all aspects of their future work, including identifying and building important policy linkages that can be further developed to support work on child poverty.
- Actively contribute to the development of the next Child Poverty Delivery Plan.

1. Introduction and background

1.1 The Child Poverty (Scotland) Act 2017 requires all local authorities and health boards in Scotland to work together to produce an annual joint 'Local Child Poverty Action Report' (LCPAR). These reports articulate the work underway in local areas to address child poverty and are focused on the key drivers as outlined in the diagram below:



1.2 Guidance for local partners on the development and delivery of Local Child Poverty Action Reports identifies a number of priority groups being targeted as particular beneficiaries. These are: -

- Lone parents
- Families where a member of the household is disabled
- Families with 3 or more children
- Minority ethnic families
- Families where the youngest child is under 1
- Mothers aged under 25

2. 2019/2020 Local Child Poverty Action Reports (year 2)

2.1 The first round of Local Child Poverty Action Reports were published in 2019 and showcased a high level of commitment to tackling child poverty at local level. Publication of year 2 reports was initially expected by the end of June 2020. However, as a result of COVID-19 disruption, publication was delayed and the Scottish Government and COSLA advised local areas to produce reports 'when reasonably practicable'. Year 2 LCPARs were submitted over the course of 2020-21 and at the time of writing (May 2021) almost all Year 2 LCPARs have been published. Work now focuses on the development of year 3 reports. This comes at a time when the impact of COVID 19 on child poverty is significant and still emerging.

2.2 Year 2 reports highlight the importance attached to tackling child poverty at local level and showcase a diverse range of policy and practice across the key drivers of poverty. Given the unprecedented context in which local partners were operating, their publication is a significant and laudable achievement. Though there is wide variation in the content of the reports, in general they reflect:

- High level commitment to the anti-poverty agenda and the need to address the root causes of child poverty
- The employment of a wide range of policy and practice levers across the key drivers of poverty
- Significant commitment to partnership working, joint policy development and governance in each local area.

2.3 While initially intended to describe activity in 2019-20, Year 2 LCPARs also go some way towards capturing the extraordinary efforts made in local areas to respond to the needs of families experiencing hardship as a result of COVID-19. The significant role local government has had in crisis management and supporting low income families at an incredibly challenging time is immediately evident from the reports.

2.4 Across all reports there is a clear focus on:

- Reducing food insecurity through the provision of direct and indirect support to families in the form of food hampers, cash payments, support for locally based food projects
- Digital inclusion ensuring families had access to both devices and data, particularly as schools were closed to the majority of children

- Stronger partnership working that allowed a joined up response to those in need within communities.

2.5 Many reports also highlight an agile and innovative approach to service delivery. The focus of the Scottish Government has been on a **cash first approach** e.g. the replacement of free school meals and the direct payments to families in the form of Winter and Spring Hardship payments. This aimed to ensure that families with children on low incomes had access to the money available to support essential items including food and winter essentials. This has been achieved in many areas and anecdotal evidence suggests it has been welcomed by families as an approach which respects their dignity and choice.

3 Continuing work to tackle child poverty Post COVID 19

3.1 The economic and social impact of COVID 19 and social protection mechanisms are still emerging. For some families, the circumstances and choices they have had to make will have implications that last for some time to come. The end/receding of the furlough scheme and other business support grants, the removal of the temporary Universal Credit uplift and the ending of the evictions ban all hold potential to further deepen the experience or risk of poverty for families. Examples of the known impact of COVID 19 on child poverty are outlined in Appendix 1.

3.2 As in pre COVID times, capacity and resources remain a key concern for local areas seeking to tackle child poverty. These concerns have been exacerbated in the past year, with COVID 19 restrictions and the UK's exit from the EU adding a layer of uncertainty and anxiety. While officers remain ambitious in the work and impact they seek to make, continuously shifting circumstances make it difficult to develop informed and appropriate responses, particularly in the medium to long term. *'As many organisations are forced to reprioritise and refocus their work, or way of working, there is a huge amount of change and it is a challenge to ensure everything is aligned and to ensure a common vision to work towards'*. (Local Government Child Poverty lead).

3.3 How local and national government responds to these challenges will be key in determining our ability to meet the ambitious 2030 child poverty targets and to reduce the significant and unacceptable toll that child poverty places on children, families and communities across Scotland. The Board is asked to note:

- It is essential that local authorities' and health boards' consideration of child poverty continues to go beyond mitigation and crisis management and is understood as a key tenet of broader COVID recovery and renewal plans. The Social Renewal Advisory Board [recommendations](#) include a number of significant 'calls to action' which support and emphasise the need to continue to place work on tackling poverty at the heart of recovery and renewal. These recommendations were welcomed by COSLA in its response to the report.
- Despite an increasingly difficult financial context, the future health and wellbeing of Scotland's children requires government at all levels to continue to prioritise

reducing child poverty. We must be vigilant in our work to ensure this commitment is not eroded as other priorities compete for resources. Reducing child poverty must be seen as a priority issue for local authorities and health boards to address systematically e.g. as a core priority within the Local Outcome Improvement Plan and other strategic commitments. This will set a strategic direction and alignment that will be important in influencing all other workstreams and activities.

- The scale of the challenge presented will require local authorities and their partners to utilise all the policy levers at their disposal in order to address child poverty. This must go beyond those traditionally associated with poverty alleviation such as information, advice and employability support (although their importance cannot be overstated) and incorporate the role of local partners – as far as their powers allow – in employment and procurement, the provision of flexible and affordable childcare, the local role in supporting initiatives such as community wealth building and support for affordable housing and transport.
- Local and national economic development and child poverty strategies need to be integrated and tailored to the needs of parents, particularly priority households at the highest risk of poverty. Consideration should be given to where the biggest impact on preventing and reducing child poverty can be achieved. This might include, for example, ensuring economic development activity is informed by an understanding of the characteristics of jobs that have provided financial resilience for families and the barriers (such as a lack of affordable childcare) that households with children are likely to experience.
- While long term inclusive growth and sustainable employment will be key to tackling child poverty in the medium to long term, it is also vital that local mechanisms to directly provide financial support to families such as School Clothing Grants, Free School Meals and the Scottish Welfare Fund are used to maximum possible effect. This will involve building on ongoing work to ensure they are delivered as intuitively and sensitively as possible and reach those most in need. Likewise, it will be necessary to facilitate access to UK and devolved benefits by ensuring advice and support services are easily accessible to families with children and automated where possible.
- Ensuring that the contribution of all council policy and budget decisions to reducing and preventing child poverty – particularly among priority groups – is considered. This will not only be key to ensuring consistent progress towards reducing poverty but also an important aspect of meeting local requirements in relation to the Fairer Scotland Duty, the Children and Young People (Scotland) Act 2014 (in relation to Child Rights and Wellbeing impact Assessments) and the Equality Act 2010.

3.4 Ongoing national policy and legislative developments will provide further opportunity to embed child poverty across the work of local and national government. Key amongst these is the publication of the Scottish Government's second Child Poverty Delivery Plan which will cover 2022-2026. It is expected that this will be published in Spring 2022 following a period of consultation.

4 Key Asks of the Board

4.1 Given the Board's unique oversight of a wide range of policy areas relevant to tackling child poverty, we ask the Board to:

- i. Restate their commitment to child poverty to ensure that child poverty remains a priority
- ii. Identify how child poverty is included in broader COVID recovery and renewal plans, seeking to maximise the use of all available policy levers to address the issues. This will include proactively considering how future funding (both in terms of the £50 million Scottish Government Tackling Child Poverty Fund and wider local and national investment in recovery and renewal) can be used to provoke and drive positive change.
- iii. Ensure child poverty is considered in all aspects of their future work, including identifying and building important policy linkages that can be further developed to support work on child poverty.
- iv. Actively contribute to the development of the next Child Poverty Delivery Plan.

Report by:
National Co-ordinator for Local Child Poverty Action Reports
Improvement Service

Appendix 1: Examples of the impact of COVID 19 on child poverty

- Significant rise in those claiming out of work benefits, with further economic uncertainty ahead as furlough and other protection schemes come to an end. In May 2020 there were 440,039 people on Universal Credit in Scotland.
- Increased cost of living for families including additional expenditure on food, energy and resources for learning.
- Food insecurity: many families relying on food parcels from local authorities, food banks and other supports. Replacement of Free School Meals has varied across Scotland from cash based approaches to lunches being delivered to homes.
- School and childcare closures severely impacting family's ability to access the labour market. Lack of books, stationery, craft materials, digital equipment and connectivity at home creates real barriers that need to be recognised and addressed.
- Digital exclusion, as digital access (infrastructure and skills) varies significantly across tenures and can be challenging in rural areas. This impacts across a range of issues including access to information and advice services, employment and training opportunities, health and wellbeing information, educational resources and social connectivity.
- Increased levels of debt, including rent arrears, as families struggle with lower incomes (combined with increased costs of living). Before the pandemic, lower income households were more likely to report having no savings than those with higher incomes. Some of the initial actions taken by families during lockdown may create more longer lasting problems, e.g. borrowing from high cost lenders to purchase essentials, selling assets or borrowing from family.
- Women and children's poverty is inextricably linked. Women will also bear the brunt of the pandemic economically. A recent report by Close the Gap highlights that women in low-paid jobs will be particularly affected by job disruption, placing them at greater risk of poverty. Women are disproportionately affected by the need for more unpaid care, impacting their ability to do paid work.

Differential risk of the impact of COVID 19 and social protection measures

IPPR Scotland's recent report on [Financial Insecurity in Scotland](#) highlights the differential impact of COVID-19 and the social protection measures in place. *'It is already clear that **low income families** – who reported lower levels of financial resilience coming into this crisis – are at risk of deepening insecurity. In the months ahead, increased pressure from the withdrawal or disruption of care services puts **parents and carers** at risk of long-term reductions in earnings, or of being pushed out of the labour market altogether. This presents a significant **threat to women's equality** in Scotland's labour market.'*

As noted above, guidance published under the Child Poverty (Scotland) Act 2017 highlights the 'priority groups' at particular risk of experiencing child poverty. Research suggests these – and other vulnerable groups - are likely to be disproportionately affected by the COVID-19 crisis:

- **Young people** IPPR modelling suggests we could see youth unemployment peak with over 100,000 young people facing unemployment by next year – over one in three of Scotland's young workforce.

- **Disabled people**, who were 37 per cent more likely than non-disabled people to report struggling financially coming into this crisis, risk being disproportionately exposed not only to the physical health impacts of Covid-19, but to its financial impacts, too.
- **Black and minority ethnic workers** have been disproportionately exposed to job loss over the first few months of the Covid-19 crisis.
- **Renters** are far more exposed than homeowners, across those who own their home outright and mortgagors.
- **Self-employed people** are over 50 per cent more likely than employees to have experienced a fall in pay over the past few months.

A Public Health Scotland briefing highlights the population groups most affected by impact of COVID-19 control measures <https://publichealthscotland.scot/media/2832/inclusion-health-principles-and-practice.pdf>. An additional paper focuses on the impact on lone parent households. <http://www.healthscotland.scot/publications/covid-19-and-lone-parents-with-dependent-children>

Research from Gingerbread, 'Caring without Sharing' (November 2020) highlights the impact of COVID-19 on single parents. <https://www.gingerbread.org.uk/wp-content/uploads/2020/11/Caring-Without-Sharing-WEB-FINAL-v2.pdf>