

Tackling Child Poverty in Scotland: A Discussion Paper





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1. Introduction

The Scottish Government is seeking views to inform the development of its new Child Poverty Strategy for Scotland. In the rest of this discussion paper this strategy will be referred to as the "Scottish strategy". The Scottish strategy will set out the Scottish Government's plans on doing all within its powers to tackle child poverty in Scotland in line with the requirements of the Child Poverty Act 2010¹. The first Scottish strategy, which requires to be reviewed every three years up until 2020, will be published in Spring 2011.

Children and young people growing up in poverty are more vulnerable than their peers to a wide range of negative outcomes. This represents a huge injustice and waste of human potential. Our vision is for a Scotland where no children are disadvantaged by poverty. We are already working hard to tackle child poverty in Scotland and it is intended that the Scottish strategy will build on existing policy, and set out the areas on which we must increase our focus to make this vision a reality.

This discussion paper describes the current approach of Scottish Government and its community planning partners to tackling child poverty in Scotland and improving outcomes for children and families living in poverty. It sets out the key principles of our current approach, and provides a broad overview of the main policies and actions relating to child poverty.

G Our vision is for a Scotland where no children are disadvantaged by poverty

We believe that there are already strong policies to build on. However the development of the Scottish strategy presents us with an opportunity to take stock of these policies, particularly in the light of our changing and difficult economic context, and to ensure that they are appropriately focused on the particular challenges of child poverty. We are keen to engage and work with our stakeholders to make this happen. This paper seeks input and poses questions for respondents on how policy and action can be improved, to make further and faster progress in tackling child poverty in Scotland.

¹ In the rest of this discussion paper we will refer to this Act as simply the "Child Poverty Act", or "the Act".

Analysis of responses to this paper will build on recent closely-related consultation exercises, particularly that on Achieving Our Potential², and will be accompanied with a wider range of stakeholder consultation activities. A child poverty evidence paper will also be published on the Scottish Government website, as a companion piece to this document.

The closing date for written responses to the questions posed in this paper is **7 January 2011.** The questions, and directions for responding to this consultation, can be found in Section 6.

The Child Poverty Act 2010

The Child Poverty Act sets out UK-wide targets relating to the eradication of child poverty. It provides that it is the duty of the UK Government to ensure that the targets are met in relation to the year commencing 1 April 2020.

Broadly stated, the targets³ provided for in the Child Poverty Act are:

- The relative low income target that less than 10% of children live in households that have a household income of less than 60% of median household income.
- **The combined low income and material deprivation target** that less than 5% of children live in households that have a household income of less than 70% of median household income **and** experience material deprivation.
- The absolute low income target that less than 5% of children live in households that have a household income of less than 60% of the median household income for the financial year starting on 1 April 2010⁴.
- The persistent poverty target to reduce the proportion of children that experience long periods of relative poverty (that is to reduce the percentage of children who live in households that have a household income of less than 60% of the median household income for three years out of a four-year period) with the specific target percentage to be set at a later date⁵.

² http://www.scotland.gov.uk/Publications/2008/02/01150409/0

³ All income poverty measures are Before Housing Costs. References to "household income" in the bullet points are to equivalised net household income. "Equivalised" for these purposes means adjusted to take account of variations in household size and composition. Please note that some of the details of how the targets are defined are to be set out in regulations.

⁴ This will be adjusted to take account of changes in the value of money since the base year (2010).

⁵ The target percentage cannot be set because the required data is not yet available. It is hoped that the data will be available before 2015 and the intention is for the target to be set before 2015.

The Scottish strategy must set out the measures which the Scottish Government proposes to take:

- to contribute towards the meeting of the targets in relation to the year commencing 1 April 2020; and
- to ensure that, as far as possible, children in Scotland do not experience socioeconomic disadvantage.

It must also describe:

- the progress that Scottish Ministers intend to make in Scotland by the end of the period to which the strategy relates in order to contribute towards the meeting of the targets in relation to the year commencing 1 April 2020;
- the other progress that Scottish Ministers intend to make by the end of the period to which the strategy relates to ensure that, as far as possible, children in Scotland do not experience socio-economic disadvantage; and
- the progress that the Scottish Ministers intend to make by the end of the year commencing 1 April 2020, other than by contributing to the meeting of the targets, to ensure that, as far as possible, children in Scotland do not experience socio-economic disadvantage.

The Scottish strategy must be laid before the Scottish Parliament, and revised every three years up until 2020.

Some further details on the Child Poverty Act can be found at Annex A to this paper.

Working with our local partners

As Achieving Our Potential observed, "...we can only deliver significant and lasting improvements to the lives of those experiencing poverty through collective action with all parts of Scottish society playing a role." The child poverty strategy will set out the national priorities for tackling child poverty, but these can only be delivered in partnership, with local government and the public sector, and with wider civic society in Scotland. The Scottish Government will consult and collaborate with its key partners, including COSLA, in the development of the Scottish strategy, and the strategy will set out how Scottish Government will work with and support local partners to deliver on our shared aims.

Working with the UK Government and the other Devolved Administrations

Working with the UK Government, the Welsh Assembly Government and the Northern Ireland Assembly, is also a necessary part of the development and successful delivery of the Scottish strategy. Scottish Government already works closely with the UK Government and colleagues in the devolved administrations to share information on policy development, evidence and good practice, and we are committed to continuing to learn from other countries, across the UK and further afield.

The Scottish Government believes that child poverty in Scotland could be tackled most effectively if full responsibility for personal taxation and benefits was devolved to the Scottish Parliament. We must recognise that while much can be achieved within devolved powers – particularly in addressing the longterm drivers of poverty – policies reserved to the UK Government have significant influence over child poverty in Scotland.

The recently announced welfare reforms and UK Budget are of particular importance for child poverty in Scotland. Initial analysis of the June and October UK Budgets, and of the information currently available on the UK Government's plans to reform the welfare system, shows that child poverty is unlikely to decrease as a function of the announced spending decisions and policy reforms. Reduced spending on public services may also have a disproportionate effect on people living in poverty. The Scottish Government is undertaking a full analysis of the impacts of these decisions on child poverty in Scotland. We are also engaging with the UK Government to ensure a full understanding of the impact of these announcements and future proposals on our ability to tackle child poverty in Scotland, and to seek to influence policy to get the best outcomes for Scotland.

The UK Government, and the other devolved administrations, will also produce child poverty strategies, in keeping with the requirements of the Child Poverty Act⁶.

⁶ Although the Welsh Assembly Government's child poverty strategy is a requirement of separate legislation (the Children and Families (Wales) Measure 2010).

Next steps

Responses to this discussion paper, and a wider range of consultation activities, will inform the development of the Scottish strategy. The Scottish strategy will also build on key documents reviewing the Scottish Government's wider approach to tackling poverty and inequality. In particular, the Equally Well review, reported on the implementation of the three social policy frameworks, in June 2010, and the Tackling Poverty Board, established by the Scottish Government to review poverty reduction policy and practice in Scotland, is due to report at the end of 2010.

The Scottish strategy will be refreshed every three years, after careful consideration of progress against key indicators and the impacts of the key policies relating to child poverty, and in consultation with stakeholders.

2. Child poverty in Scotland

The impacts of child poverty are well documented, and we know that children in poor households are at increased risk of a wide range of negative outcomes in later life. Children in Scotland deserve the best possible start in life, and we do not want to see any Scots child being born into or consigned to living life in poverty.

As shown in Figure 1, levels of child poverty in Scotland have declined over the last decade. Relative poverty has declined from 28% to 21%, absolute poverty has declined from 28% to 11% and low income/material deprivation has declined from 19% to 16%.

However, these reductions have stalled, and there has been little change in levels of child poverty since 2004/5. In 2008/9, 210,000 children in Scotland were in relative poverty. Clearly, we need to make further and faster progress.





Poverty is unevenly distributed throughout Scottish society, and some equalities groups are particularly at risk. For example, more women live in poverty, and are more likely to work in part time and low paid jobs. A high percentage of lone parents are in poverty, the vast majority of whom are women. As well as caring for children, women are also much more likely to have other caring responsibilities which may limit their capacity for paid work. The risk of poverty is higher for children in families affected by disability, and for ethnic minority communities.

The current economic climate makes the challenge of tackling child poverty both more vital and even more difficult. While the economy is emerging from recession, this recovery remains fragile. Rising unemployment, and an uncertain outlook for the public sector, including associated cuts to service delivery, mean that the impacts of the recession are likely to be felt for some time.

Evidence suggests that recession does not widen the risk of poverty. It increases it for those people already most at risk of becoming poor, or remaining in poverty for longer. Primarily, this means unskilled workers and the long-term unemployed who are furthest from the job market – particularly those who are disproportionately represented among the long-term unemployed, including disabled people and some ethnic minority groups⁷. There is also evidence that young people aged 16-24 have been particularly affected by the recent rises in unemployment.

There is a considerable body of evidence on the impact of child poverty and the scale of the challenge ahead. An evidence paper reviewing a broader range of measures relating to child poverty has been published on the Scottish Government website, as a companion piece to this discussion paper⁸. The forthcoming report of the Tackling Poverty Board will also review the evidence on, and impact of, key aspects of the Scottish Government and its partners' current approach to tackling poverty. This review will be published at the end of 2010.

⁷ Equally Well Review 2010: Annex

⁸ www.scotland.gov.uk/Topics/Statistics/Browse/Social-Welfare/IncomePoverty/cpstrategy-analysis

3. Our approach to tackling child poverty: key principles

3.1 Contribution to the Scottish Government's Purpose and the National Performance Framework

The Scottish Government's Purpose is to create a more successful country with opportunities for all in Scotland to flourish through sustainable economic growth. To achieve this, we need to break the cycles of poverty, deprivation, unemployment, health inequalities and poor educational attainment which have become deeply embedded in our society, particularly in our disadvantaged communities.

Our focus on poverty and income inequality is reflected in this Government's Economic Strategy, through the Solidarity target: **'to increase overall income and the proportion of income received by the three lowest income deciles as a group by 2017'.**

Tackling poverty and income inequality, and improving outcomes for children and young people, are also reflected through the National Outcomes, in particular:

- "We have tackled the significant inequalities in Scottish society"
- "Our children have the best start in life and are ready to succeed" and
- "We have improved the life chances for children, young people and families at risk"

and also:

- "Our young people are successful learners, confident individuals, effective contributors and responsible citizens"
- "We realise our full economic potential with more and better employment opportunities for our people."

Progress will be tracked through the National Indicators - in particular:

- "Decrease the proportion of individuals living in poverty"
- "Increase healthy life expectancy at birth in the most deprived areas"
- "Increase the proportion of school leavers in positive and sustained destinations."

These targets and outcomes complement our commitment to eradicating child poverty, and reducing the impacts of disadvantage on children, in Scotland.

3.2 Key principles of our approach to tackling poverty and inequality

Evidence shows that growing up in poverty can have a profound and lasting impact on children's outcomes. The causes and effects of poverty are complex and multi-dimensional, and require equally complex and multi-dimensional interventions and responses.

It is intended that the Scottish strategy will set out this Government's approach to maximising household incomes and reducing pressure on household budgets among low income families through improving families' employment prospects, and promoting greater financial inclusion. However our ultimate aim is to break inter-generational cycles of poverty, inequality and deprivation. Taking a longterm view requires us to look at the wider forces driving income poverty and material deprivation, and at how to reduce the impacts of poverty on children, breaking the links between life outcomes and the economic circumstances in which children grow up.

There are three key principles to our current approach to tackle child poverty: focusing on early intervention and prevention, taking an assets-based approach and ensuring that the child is at the centre. The Scottish strategy will be based upon these principles, which are drawn from the main social policies to tackle child poverty already in place.

These are the three inter-related frameworks: Achieving Our Potential: A Framework to Tackle Poverty and Income Inequality in Scotland; the Early Years Framework; and Equally Well: Report of the Ministerial Taskforce on Health Inequalities (commonly referred to as the `three social policy frameworks'). These have been developed in partnership with COSLA, and provide the basis for Scottish Government with its local partners (local government, the NHS, the third sector and other community planning partners) to set out our shared approach to tackling the major and intractable social problems that have affected Scotland for generations.

These frameworks are underpinned by policies that are consistent with the principles of Getting it Right for Every Child, which is a distinctively Scottish approach to improving outcomes for all children. They are also linked to a wide range of other social policies, summarised in Section 4 of this paper.

3.2.1 Early intervention and prevention

The principles of early intervention and prevention are at the heart of our approach to tackling child poverty. As the Equally Well review explains, "the three social policy frameworks recognise that children's start in life, cycles of poverty and poor health are interlinked. These are complex problems, involving complex solutions, and which require a long-term approach. So we advocate early intervention, moving from crisis management to prevention and breaking cycles of poor outcomes in people's lives. The three social policy frameworks share a commitment to tackling inequality and promoting equality."⁹



the early years provide the first and best opportunity to set children off on the right trajectory



There is a strong research base and rationale behind the prioritisation of early intervention. Ensuring that children's early years are a priority is a fundamental part of this. The Early Years Framework explains that: "...the early years are a period of rapid development and can have a major influence on the rest of a person's life... (they) provide the first and best opportunity to set children off on the right trajectory and reduce the need for later interventions that are more costly in both financial and social terms."¹⁰

The Chief Medical Officer for Scotland, Dr Harry Burns, has provided significant evidence-based insights on how a child's early experiences influence their later development – both socially and biologically. This is based on research by Dr Aaron Antonovsky which identifies the ability to make sense of the external world as a key factor in a person's ability to create and maintain their own health. Antonovsky describes this as a "sense of coherence" which describes a person's ability to conceive of the world as structured, predictable and explicable; to believe that they have the resources available to meet the external demands in their world; and to view these demands as challenges that are worthy of investment and engagement.

Parental attachment in the early years in particular, and good, consistent parenting more generally, are the key factors in building a sense of coherence and, in turn, increasing a person's chances of experiencing a range of positive social outcomes. On the other hand, chaotic surroundings and lack of coherence can produce consistently higher stress levels as children grow up. This impacts directly on cognitive and emotional development, and can lead to a higher likelihood of experiencing problems in later life, such as poor health, low educational attainment, substance misuse and offending.

⁹ Equally Well Review 2010: p1

¹⁰ Early Years Framework 2008: p1

While the critical importance of the early years is clear, our early intervention and prevention approach applies throughout the life course. It is about ensuring that the right support is available to people at the key points when they need it, so that people at risk or in the early stages of developing difficulties do not reach crisis point. This principle underpins this Government's approach to social policy, across the whole spectrum of issues affecting families.

There is also a clear economic case for shifting resources into early intervention. Notably, a wide range of economic studies suggest that returns to early investment in children during the pre-birth period and first few months of life, up to the age of eight years old are high, but reduce the later the investment is initiated. Investment in early and effective interventions translates into substantial savings to the public sector. Rates of return on investments in the early years range from 1:3 to 1:7, up to 1:17 where children have been tracked beyond the age of 21, based on international evidence. Further, a new economic modelling study undertaken by the Scottish Government and experts in the early years field puts the potential savings from investment in the early years into a Scottish context. Key findings are that there are short, medium and long term savings through effective early years interventions. While savings in the short term are more modest, it is estimated that up to $\pounds131$ million per annum could be saved in the medium term. Failure to intervene effectively in complex cases could cost 9 times more in direct public costs in the longer term, compared to a child who only needs access to universal services. There is also strong evidence in support of focusing public spend on preventing negative social outcomes across a wider range of social policy fields, including health and criminal justice¹¹.

3.2.2 An assets-based approach

Although the barriers to exiting poverty for individuals and families may be considerable, it is important that policy makers and delivery agents ensure that efforts to tackle poverty do not focus on these barriers alone. Individuals, families and communities have assets and capabilities as well as support needs.



moving from welfare to wellbeing and from dependency to self determination

The three social frameworks promote an assets, rather than a deficits, approach, to tackling poverty and inequality. This means building the capacity of individuals, families and communities to manage better in the longer term, "moving from welfare to wellbeing and from dependency to self

¹¹ Taken from Scottish Government officials' evidence to the Scottish Parliament Finance Committee's Inquiry into Preventative Spending - http://www.scottish.parliament.uk/s3/committees/finance/inquiries/preventative/fcpreventative-evid.htm

determination"¹². An assets-based approach relies on the ability of professionals to recognise that individuals, communities and populations have significant potential to be a `resource' rather than just a consumer of services. The principles of asset-based approaches include:

- Emphasising those assets (any resource, skill or knowledge) which enhance the ability of individuals, families and neighbourhoods to sustain health and wellbeing;
- Instead of starting with the problems, starting with what is working and what people care about; and
- Ensuring programmes include the need to build networks, friendships, self esteem and feelings of personal and collective effectiveness which promote health and wellbeing.

We will consider how an assets-based approach can be taken in the final child poverty strategy, building on evidence of how best to harness the assets and promote resilience and capabilities within families and communities. This consultation seeks views on how this approach might be more effectively promoted through the new Scottish child poverty strategy.

3.2.3 A child-centred approach: Getting it Right for Every Child

Getting it Right for Every Child aims to improve outcomes for all children and young people through a shared approach to service provision (including adult services where parents are involved). It is about how practitioners across all services for children and adults put the needs, experience and wishes of children and young people at the heart of the process. Getting it Right for Every Child builds solutions with and around children and families, and enables children to get the help they need when they need it

Getting it Right for Every Child:

- builds solutions with and around children and families;
- enables children to get the help they need when they need it;
- supports a positive shift in culture, systems and practice; and,
- involves working together to make things better.

The Getting it Right for Every Child approach creates a single system for planning and delivery across children's services. It helps to create a positive culture of collaborative working, streamlining systems, achieving valuable savings in time and resources and develops consistently high standards of practice. Evaluation of pathfinder projects has shown that the Getting it Right for Every Child approach brings considerable benefits to the children and families who receive more joined up, holistic and timely support. It also brings efficiency savings through identifying need for intervention at an earlier stage, and reducing bureaucracy¹³.

3.3 Equalities and children's rights

Getting it Right for Every Child has been developed to reflect the principles of The Children's Charter and is consistent with the UN Convention on the Rights of the Child (UNCRC). It has at its heart an ethos that respects the voice of the child and their best interests. The new child poverty strategy will also support and promote the key principles of the UNCRC.

Child poverty is an issue that disproportionately impacts on certain groups within society (see Section 2 of this paper), and the development of a child poverty strategy provides us with an opportunity to address the significant inequalities experienced by children and families. Poverty itself is also associated with stigma and discrimination, which adds to the exclusion and stress experienced by disadvantaged families. We will consider these issues in the development of the strategy and a full Equalities Impact Assessment of the policy will be undertaken.

¹³ http://scotland.gov.uk/Resource/Doc/292706/0090352.pdf For a summary see also: www.cosla.gov.uk/attachments/execgroups/ey/ey100519item05.doc

4. Our approach to tackling child poverty: current policy and action

We envisage that the Scottish strategy will have two key aims:

- to maximise the resources of households with children; and
- to improve the wellbeing and life chances of children.

There is significant overlap between these aims – in particular, measures to reduce poverty and improve material wellbeing of families will also have positive impacts on children's outcomes. While growing up in income poverty can have a profound and lasting effect on a child's wellbeing, child poverty is about much more than income or material resources.

We believe that the Scottish strategy must also be based on recognition of the role of place and local delivery, setting out what will be done to support and improve:

- communities and the physical environment; and
- delivery of the strategy, including how Scottish Government will work with key delivery partners.

Current policies and actions to support them provide a strong basis for the development of our new strategy, and this section provides an overview of these.

The causes and consequences of child poverty are complex, and cut across a very wide range of policy areas. Inevitably, not all aspects of Scottish social policy relating to child poverty can be fully captured, and this narrative is simply intended to outline the main elements of the overall approach being taken by the Scottish Government and its partners.

Links to key policy documents have been provided in Annex B.

4.1 Maximising household resources

Family income: A family's income has a huge influence over the opportunities they have to thrive. While we recognise that a household's assets are not just material and comprise much more than financial income, increasing incomes for poor families is still an important means for achieving better outcomes for children.

Put simply, a family's financial position can be maximised by increasing the household's incomings and reducing outgoing payments on household essentials. UK Government policies on personal taxation and welfare benefits play a critical role in determining families' incomings: taxation, tax credits, benefits, the National Minimum Wage and other statutory workers' rights are all reserved to the UK Government. UK Government spending decisions and reform of the welfare system have the potential to impact significantly on child poverty in Scotland and the Scottish Government will continue to pursue the best interests of Scotland in its dialogue with UK counterparts.

Current evidence demonstrates that many families struggle to negotiate the overly complex tax and benefit system at present, especially at times of transition and change. This has a range of adverse effects for families, including difficulties with managing household budgets, presenting parents with disincentives to seek or remain in employment, and a significant sense of social exclusion. The main policies to tackle these issues are reserved and will be the focus of the planned UK Government welfare reforms¹⁴.

While in the longer term we wish to see the simplification of this system, it remains a priority for this Government to support families to maximise their incomes through good quality, well-targeted information and advice. Much can be done in Scotland to help to ensure that families receive the benefits and tax credits they are entitled to. Devolved policies and actions can also help to alleviate the impacts of poverty on households, and to reduce families' outgoings, for example through measures to increase levels and quality of employment, and by widening access to and facilitating progression and retention in work.

Employment: Evidence clearly shows that appropriate work remains the best way for families to escape poverty. Modelling work undertaken by the Child Poverty Unit¹⁵ indicates that increasing employment levels and reducing in-work poverty can significantly reduce child poverty. Increasing levels of parental employment is also key to promoting families' broader health and wellbeing, particularly in an environment of constrained spending on welfare.

The availability of jobs is therefore fundamental to tackling child poverty in Scotland. Increasing sustainable economic growth plays a crucial part in creating jobs, and the work of bodies like Scottish Enterprise and Highlands and Islands Enterprise is key to promoting such growth. Supporting business, enterprise, and entrepreneurship, stimulating the labour market, and broader efforts to promote Scotland's sustainable economic growth are all critical factors determining the availability of employment. However while much can be done within devolved powers and responsibilities, many of the key policy levers in this field are currently reserved to the UK Government.

¹⁴ http://www.dwp.gov.uk/docs/21st-century-welfare.pdf

¹⁵ http://www.hm-treasury.gov.uk/budget2010_childpoverty.htm

Employability: Parents must, of course, be in a position to take up the opportunities available. Efforts to support and empower people to access and sustain employment are therefore central to the reduction of child poverty, particularly for those furthest from the labour market (such as the long-term unemployed), who are most vulnerable to the impacts of the economic downturn.

It is also necessary for employment to provide a genuine route out of poverty. However, for many families in poverty there are still significant barriers and disincentives to work, and moving into employment can present a significant level of risk. Too many families in work also remain in poverty – more than half of children in poverty live in a household with at least one adult in employment. This can be due to factors such as low wages, under-employment and insecure and transient employment, as well as the costs and practicalities of childcare. Significant inequalities in employment and low pay also exist, particularly among groups such as women and disabled people. Addressing these issues is critical to tackling recurrent and persistent poverty, and to meeting the child poverty targets. The emerging UK welfare reforms, and the decisions announced in the recent Budget, will clearly have a significant impact on in-work poverty, and the extent and nature of these impacts will become clearer as further details on the forthcoming changes to the welfare system emerge over the coming months.

Achieving Our Potential sets out the approach of Scottish Government and partners to maximising the potential for people to work. This has included implementation of Workforce Plus and the Employability Learning Network to improve local practice in supporting the most disadvantaged in the labour market into work. We continue to work with NHS Boards, Skills Development Scotland, Community Planning Partnerships, the third sector and Jobcentre Plus to provide support and job opportunities for those who need the most help, both through mainstream services and targeted interventions. One example of this is the Supported Employment test sites, aimed at supporting people with complex needs such as disabilities, into sustainable work in the open labour market.

Employability and skills: Education and skills are critical to the reduction of child poverty by improving employment prospects, earning potential, and wider wellbeing of families. As a recent review of evidence observed: "Education and labour market outcomes such as earnings and employment are directly related; the more education an individual has, the more they are likely to earn and the more likely they are to be employed. This principle holds whether the qualifications are gained earlier or later in life. What's more, many of these effects are inter-generational with children benefiting from the gains made by

their parents."¹⁶ The newly-refreshed skills strategy, Skills for Scotland, sets out Scottish Government action and makes a number of commitments to help improve the skills, knowledge and creativity of individuals, and for this talent to be absorbed and used effectively by employers.

Employability and health: Evidence clearly shows us the extent of health inequalities in Scotland – the poorest in society are disproportionately affected by a wide range of physical and mental health problems and have far lower healthy life expectancy. The distribution of poor health has an impact on income inequality and can pass from generation to generation. People with physical and mental health problems, and people with disabilities, can face particularly significant barriers to accessing and sustaining employment and to escaping poverty.

For most people, being in work is good for their long term health and being unemployed is harmful to health. As well as meeting material needs, work helps to give people an identity, social status and social role. Many people with poor health are at risk of falling out of work. Without access to the right support they run the risk of remaining out of work and of their health deteriorating further, increasing the difficulty of returning to work. Conversely, remaining in good health improves the ability to enter into work and to remain in and progress in work. Maintaining and improving the health and wellbeing of the workforce can deliver significant benefits to an employer, and the workplace can also contribute to the recovery and rehabilitation process.

Equally Well details the overall vision for, and approach to, tackling health inequalities in Scotland, and Health Works (the review of Healthy Working Lives) focuses on improving the health of the working-age population in the workplace and supporting into work those with health conditions who are unemployed. This includes improving connections between healthcare services and other bodies that support people towards employment, taking an approach that seeks to get as early an intervention as possible to catch conditions before they become more serious.

Employability and childcare: Caring for children and balancing the demands of work and family life are crucial considerations for parents moving into and sustaining employment. The availability of affordable and accessible childcare plays a very significant role in parents' choices and chances in the labour market, particularly for lone parents.

¹⁶ Garrett and Campbell, The Value of Skills (2010) p141: http://www.employabilityinscotland.com/ thevalueofskillsanevidencereview.aspx

The Early Years Framework makes a strong commitment to the importance of affordable, flexible and accessible childcare and states a long-term aim to ensure access to integrated pre-school and childcare services in every community matched to an assessment of local needs and demand. It is the responsibility of the local authority, in conjunction with the local childcare partnership, to ensure that there is sufficient childcare in the local area, and there is a medium-term commitment in the Early Years Framework on local government to implement strategic reviews of childcare in each council area.

Support for parents with the costs of childcare (outwith free pre-school education) is provided through tax credits and childcare vouchers, which currently operate under a complex system. These are matters which are reserved to Westminster but the Scottish Government has stated a desire to see a single, progressive and more accessible means of supporting childcare costs.

The promotion of family-friendly working practices can also help to ensure that more people with children can access and sustain employment. The Scottish Government believes that a more flexible labour market can play a key part in our economic recovery and in increasing levels of productivity. Businesses can benefit through reduced absenteeism and higher staff retention, as well as increased productivity and the ability to recruit from a wider talent pool. For individuals, flexibility enables them to better balance work, home and caring responsibilities. The UK Government recently announced their intention to create more flexible, family friendly workplaces, through extending the right to request flexible working for all parents of children under 18, and will be consulting on the design of a new system of flexible parental leave. The Scottish Government welcome these developments and will work with the UK Government on their implementation in Scotland.

In addition to supporting parents into employment, we recognise that parents need to be supported through Higher and Further Education, and that childcare is often required in order to enable parents to further their education and improve their family's prospects. We have recently reviewed the current provision of childcare support available through Discretionary Funds and new arrangements will be put in place, from academic year 2011/12, with the objective of ensuring a more even distribution which better meets the demand of student parents across the Further and Higher Education sectors.

Financial inclusion: Achieving Our Potential sets out our approach to maximising incomes through greater financial inclusion, for example by supporting and empowering families to reduce debts and take greater control of their finances to reduce pressure on household budgets. Access to the right information, advice and financial services and measures to improve financial capability can make significant impacts on the material wellbeing of families.

To build financial inclusion, it is important to engage people at key transition points in their lives, and provide support to enable good decision making. Equally Well recommends that "Universal public services should build on examples of effective financial inclusion activity, to engage people at risk of poverty with the financial advice and services they need" and the subsequent Equally Well Review reiterates "the need to prioritise and sustain public services which directly support the most vulnerable people, both to maximise their income and to enter or maintain employment where appropriate". Community Planning Partnerships are expected to harness opportunities to embed financial inclusion opportunities into existing pathways and referrals for individuals, for example, through maternity and early years services.

Tackling financial exclusion in its early stages, as well as ensuring that the right support and advice is available at crisis points, is essential. Financial capability is the early intervention for financial inclusion, tackling one of the causes of poverty and deprivation rather than struggling to deal with the symptoms. It plays an important role in achieving wider financial inclusion, alongside income maximisation, debt advice and measures to ensure access to affordable credit. The aim of financial capability work is to develop the ability and confidence of individuals so that they have the motivation and skills to manage their finances, can engage confidently with banks and other providers of financial services and make better informed decisions about products such as insurance and loans. Low income families, single parents and women are among the groups most likely to be at particular risk from the consequences of poor financial decision making. Our discussion paper Achieving Better Co-ordination in Scotland outlines a programme of work to support those working on financial capability in the short term and is intended to start a long-term process to build a focus on early intervention in financial inclusion.

Reducing pressure on household budgets: There are measures that can be taken to reduce pressure on household budgets for low income families in Scotland. Free prescription charges, freezing council tax since 2008, measures to tackle fuel poverty, school clothing grants, and free school meals policy are some current examples of where devolved policies have made a difference. While some of these measures benefit all groups across society, others are more specifically directed towards low income families – for example, entitlement to free school meals has been extended to all children in low-income households, based on their entitlement to benefits and/or tax credits. The cost of housing can also put significant pressure on family budgets, and policies to improve the availability of good quality, accessible and affordable housing can have significant impacts on the material and wider wellbeing of families.

These policies, along with many of the other elements of our approach outlined above, do not of course just affect the material resources of households – they have significant impacts on children and families' wellbeing and life chances.

4.2 Improving child wellbeing and children's life chances

A sustainable solution to child poverty requires a broader approach than purely focusing on maximising household incomes and resources. We must also minimise the impact of socio-economic disadvantage for children by promoting the wellbeing of children and families with the ultimate aim of improved outcomes for children. Scottish Government has a range of inter-related policies in place to improve outcomes for all children – these are delivered through local Community Planning Partnerships, particularly local government and the NHS.

Supporting children and families: The capacity of families to provide a nurturing and stimulating environment for children is a critical factor influencing their outcomes in later life. Ensuring that families have the necessary support and resources to develop a strong attachment between a child and their parents or carer is essential – for example, facilitating parenting skills, and assisting families through times of crisis through mediation services can help to empower families and build resilience.

Research shows the benefits of parental attachment, parenting skills, the home learning environment, play and high quality nursery and pre-school education on outcomes and life prospects for our children. These are regarded as key components of successful delivery of the Early Years Framework. Scottish Government is working with local delivery partners to ensure that such services are given due priority, despite the worsening financial situation.

We know that a child's home learning environment has a huge influence over their development and their subsequent life chances. Scottish Government is financing the national "Play, Talk, Read" campaign, which recognises the importance of the home learning environment and signals where further advice and ideas can be obtained. It is intended to encourage parents to interact more with their children and also supports the main parenting and childcare organisations in the voluntary sector.

Creation of a good home learning environment requires parents to feel confident in their own skills. We know there are clear links between deprivation and poor literacy skills, both for young people and amongst the adult population¹⁷, associated with a range of issues including poor educational attainment and unemployment. To support people to develop the literacy skills they need to participate fully in society, learners must be supported from an early age by parents and teachers. This focus on the early years will help to break the intergenerational cycle of low literacy levels within families.

¹⁷ Through surveys including the Scottish Survey of Achievement and the Scottish Survey of Adult Literacies 2009.

We have published a "Literacy Action Plan" to address these issues. It sets out our vision to improve the literacy skills of all people in Scotland, and covers the full continuum of learning from the early years through to adulthood. It ensures there is sustained and ongoing action to provide a targeted focus on improving literacy skills, through the formal education system and other public services which can have a positive impact.

High quality and integrated services play a crucial role in ensuring that the circumstances a child is born into do not dictate their future outcomes. Developments in the universal services of health and education, such as Better Health, Better Care and Curriculum for Excellence, are identifying what needs to be done in those particular areas to improve outcomes for children, and Getting it Right for Every Child is becoming embedded in the delivery of all services which support children and families.

For example, we are supporting a test of the Family Nurse Partnership model in Scotland. This is a preventive programme for vulnerable young first-time mothers, offering intensive and structured home visiting from specially trained nurses. It uses an assets-based approach, and focuses on the expectant mother's intrinsic motivation to do the best for her child.

Children and families at risk: We need to ensure a particular focus on the most vulnerable children and families. These include families with disabled children, children who offend, are in homeless families, looked after or accommodated, who live in substance misusing households, are at risk in situations of domestic abuse and violence or live with parents who have mental health problems or learning disabilities. In many instances, these risk factors overlap and are strongly associated with poverty and deprivation.

New guidance on child protection is aimed at supporting our most vulnerable children¹⁸. The Early Years Framework has a particular focus on improving outcomes for such groups and Scottish Government is working with local partners to ensure there is a continuum of care for vulnerable children and young people that supports them well beyond their early years, in line with Getting it Right for Every Child principles and approaches. For example, Health for all Children (Hall 4) is a surveillance, assessment and need identification programme which provides NHS Boards with the foundation for working with young children, and the means of access to more intensive support for those with greater needs.

¹⁸ http://www.scotland.gov.uk/Publications/2010/05/27095252/0

Tackling health inequalities for children and families: Children living in severe and persistent poverty are especially vulnerable to the adverse effects of poverty on health. Equally Well, the Early Years Framework, Better Health, Better Care Action Plan and NHSScotland's Healthcare Quality Strategy set out our shared approach to improving the spectrum of health outcomes for children and families.

These policies recognise that a child's life course starts in the womb before birth. There is compelling evidence that interlocking maternal health, social and lifestyle circumstances lead to poor health, educational, social and economic outcomes for children and across the life course. We know that those women and their babies at the greatest risk of poor outcomes are the least likely to access and/ or benefit from the antenatal healthcare they need. The framework for maternity services in Scotland is being refreshed to strengthen the role NHS maternity care has in giving all children the best possible start in life. Alongside the refreshment of the framework, guidance is being prepared to support NHS Boards strengthen their capacity to reach and manage risk in the antenatal period.

Learning and positive opportunities for children and young people:

Children's learning opportunities and experiences are strongly linked to their later outcomes in life. There is much that can be done to enable children of all backgrounds to fulfil their potential. In order to do so, children and young people need to be given the right opportunities and environments for learning and thriving – in the formal education system, and in their wider community. Evidence shows that social mobility in many other OECD countries is higher than in the UK¹⁹ – the relationship between childhood background and employment outcomes in later life is still much stronger than it is in many other comparable countries. This clearly shows that there is nothing inevitable about this link – we can aspire to breaking intergenerational cycles of disadvantage.

Improving educational outcomes for all children and young people is a clear priority for this Government and there are already a wide range of policies being delivered to tackle the causes of educational disadvantage. Curriculum for Excellence, the Early Years Framework and Getting it Right for Every Child set out the vision of, and approach to, providing a personalised and coherent package of learning and support, enabling every child and young person to achieve their potential, whatever their circumstances.

Educational attainment in Scotland is high and continues to improve. However, it is still the case that young people from deprived backgrounds are less likely to do well at school and progress to a positive and sustained destination.

¹⁹ `Getting On, Getting Ahead', Cabinet Office (2008) – http://www.cabinetoffice.gov.uk/media/66447/gettingon. pdf

As well as a good home learning environment, there is strong research evidence to show that high quality day care and pre-school education can bring substantial benefits for children. The Concordat between the Scottish Government and local government includes commitments to expand entitlement to free pre-school provision and this entitlement has already been expanded to 475 hours per annum, and discussions are ongoing about further expansion. Services across Scotland are inspected by the Care Commission and HMIE and standards are generally high. In order to drive improvements in the quality of children's pre-school experiences, the Concordat also commits to improving access to teachers in pre-school settings.

Curriculum for Excellence is being implemented across Scotland to raise standards, improve knowledge and develop skills to help prepare all young people from 3-18, whatever their circumstances, to take their place in a modern society and economy. The flexibility offered by Curriculum for Excellence gives schools and their partners the opportunity to devise a curriculum that offers more personalisation and choice, enabling young people, including those who may need more choices and more chances, to engage in learning in a setting and context that is suited to their individual needs.

The Scottish Government has supported Learning Teaching Scotland to produce new advice on embedding the Curriculum for Excellence in the early years for both practitioners and parents. Measures to reduce class sizes – including forthcoming new legislation to introduce legal limits for class sizes in Primary 1 – are also intended to improve the quality of children's learning experiences.

In line with the principles of Getting it Right for Every Child, every child and young person is entitled to personal support to enable them to gain as much as possible from the opportunities which Curriculum for Excellence can provide. It is the responsibility of all practitioners supporting a young person's learning to deliver this entitlement, wherever the learning is taking place. If a young person is learning in school, in college, in a community setting or through a training provider, they should receive appropriate and relevant support, suited to their individual needs. Under the Additional Support for Learning Act, all education authorities are under a duty to make adequate and efficient provision of support for all children with additional support needs due to barriers to learning arising from home circumstances.

We recognise that young people deserve a range of positive opportunities and support in their lives, not just with learning. Valuing Young People sets out a range of principles and connections to support young people achieve their potential. It is a common reference point for anyone working with young people and will support a much wider partnership in the delivery of outcomes and opportunities for young people – detailing key policies and partners working to deliver positive outcomes for young people. **Transitions to adulthood:** For most young people, their transition to adulthood helps to set them up for success, but some face issues in this period that can have significant long term consequences. Clearly not all periods of economic and educational inactivity experienced by young people indicate disengagement or disaffection, and they do not necessarily harm later life chances – but for some, this is a pivotal life stage and not having the right choices, chances and support can have a scarring effect in the longer term. Helping young people to move into positive and sustained destinations beyond school is a key concern for the Scottish Government; a relatively high proportion of our young people are not in education, training or employment in comparison to our European neighbours, and there have been recent rises in these figures.

The More Choices, More Chances Strategy aims to reduce the proportion of 16-19 year olds not in education, employment or training. It focuses on prevention – early identification of those at risk of disengaging; engagement – engaging those at risk; and sustainability – re-engaging those who have disengaged to get them back into learning, training or employment.

More Choices, More Chances seeks to ensure that as well as receiving the right opportunities and support in school, young people have a clear pathway from school into learning post 16, and support during their transitions, and that they are also able to find out about, engage with and sustain learning and employment. Curriculum for Excellence entitles every young person in Scotland to a senior phase of education, which normally takes place around age 15-18. The senior phase might include staying on at school for S5/S6, going to further or higher education, taking part in a national training program, engaging in community learning and development or working as a volunteer. These options all offer young people the opportunity to obtain qualifications and work on the skills they need for learning, for work and for life. 16+ Learning Choices supports young people to decide on the best learning option as they reach their compulsory school leaving age, and guarantees entitlement to a place in learning and training to any young person who wants it. Although it is a universal model, it has a particular focus on improving outcomes for those young people who leave school as soon as they can who are more likely to be from low income backgrounds and less likely to enter learning post-16. This model is being rolled out across Scotland as part of local authorities' mainstream responsibility for delivering Curriculum for Excellence.

Learning must, of course, also be a financially viable option. Educational Maintenance Allowances have been targeted at young people in low income households in order to help young people to make learning choices based on what is right for them. Skills for Scotland also makes clear the intention for young people to stay in learning post 16 and high quality career information, advice and guidance has an important role in helping people to understand their skills and help them to progress in their learning and into work. A Careers IAG Strategy will be published later this year which will make clear our commitment to ensuring that career services are available for all and that intensive services are targeted towards those who need it most.

Modern Apprenticeships, including targeted provision for young people requiring additional support, provide valuable opportunities for young people and routes into sustainable, productive employment. An independently led Review of Vocational Education and Training will also be completed by March 2011, and will include an assessment of the effectiveness of the support available for young people seeking work or self-employment for the first time.

4.3 Communities and the physical environment

The neighbourhood a child grows up in and the quality of their living conditions, can have profound effects on their wellbeing and outcomes²⁰. There are huge differences in the nature of child poverty between areas, and in the potential for local solutions. Building supportive social networks and physical environments that offer opportunity and promote self-esteem is a critical part of the overall approach to tackling child poverty.

Area deprivation and regeneration: Child poverty is particularly clustered in areas of concentrated multiple deprivation. Deprived communities face significant challenges and require focused and locally appropriate solutions. The relationship between the physical, social and economic regeneration of areas of multiple deprivation and poverty means that the creation of environments that allow people to grow and prosper will deliver positive impacts for all local residents. The particular issues experienced by deprived families in rural areas – related to living in remote locations, accessibility and availability of services and employment opportunities, for example – must not be overlooked. Community issues facing families in child poverty vary widely, although some key issues can be identified. Transport, access to services, safe places and facilities for play and recreation, and affordable, accessible healthy food are just some examples of community resources that can have significant impacts on household finances and families' quality of life.

Equal Communities in a Fairer Scotland confirms the commitment of government at national and local level to tackling multiple deprivation. The ring-fence was removed from the Fairer Scotland Fund in 2010/11 and trust placed in local authorities and their partners to decide which activities are the most effective in supporting the delivery of locally-agreed outcomes.

²⁰ Tomlinson & Walker (2009): http://www.cpag.org.uk/publications/extracts/coping_with_complexity.pdf

Community engagement and empowerment: The recent Equally Well review noted that meaningful engagement with communities: "...recognises the benefit that can be gained by mobilising the assets that communities themselves represent. This means a shift from a culture of clienthood to one of active citizenship whereby people expect less from the state and more from themselves, their families and their communities." Enabling and empowering children and families to meaningfully participate in decisions that affect them underpins good policy and service development and delivery.

The Scottish strategy will set out how children and young people, their families and communities, can become better engaged in and mobilised in efforts to tackle child poverty, building on the approaches set out in Equally Well, the Early Years Framework and the Community Empowerment Action Plan. Scottish Government will be working with key stakeholder groups, including the Poverty Alliance, in order to explore this aspect of the Scottish strategy further, and more generally to shape the strategy itself.

This complements both the guidance for Community Planning Partnerships on community learning and development and the subsequent Joint Scottish Government and COSLA Statement on Community Learning and Development (CLD). The joint statement recognises the contribution that CLD can make to giving children the best start in life, in particular through work with their parents, others who care for them and the wider community that contribute to children's earliest experiences. This can take the form of: community development, empowering groups to make things happen on their own terms; adult learning in communities, helping people to take the first steps back into learning or to access and sustain employment or working with young people to help their personal, social and educational development.

Safer communities: Crime and anti-social behaviour impact disproportionately on deprived communities, particularly on young people within these communities²¹. Everyone has the right to be safe and feel safe in their communities, and Scottish Government is committed to creating and supporting safer and stronger communities where we live, work and play. Action to improve and promote community safety across Scotland focuses on a range of issues from reducing antisocial behaviour and violence to promoting more positive behaviour, through the CashBack for Communities programme, which uses the proceeds of crime to fund diversionary activities for young people. Scottish Government also works to support greater capacity and expertise within the community safety sector, developing relevant guidance, support and tools for practitioners through the Safer Communities Programme.

²¹ Tomlinson and Walker (2009)

Physical environment - Housing: There are some key aspects of families' physical environments that have a significant impact on their material and wider wellbeing. Quality, availability and affordability of housing are clearly an important part of this.

Scottish Government is working to support the delivery of new affordable homes throughout Scotland, helping families throughout the country in housing need, by investing in affordable housing over the current Spending Review and supporting the delivery of high quality new affordable homes over that period. We are also working closely with local government and others, including Registered Social Landlords, to ensure that we meet the commitment that all unintentionally homeless people will have the right to settled accommodation by 2012, and we published guidance in June to help authorities identify the areas to consider when working with homeless households that include children. The Scottish Housing Options Funding Programme is also funding and supporting local authorities to make the changes needed to move towards a more holistic housing options approach to homelessness prevention. Other work with COSLA and key partners is to share best practice across local authorities on the prevention of homelessness and provision of supported accommodation.

Measures to tackle fuel poverty also help to improve the quality of families' living conditions. The Energy Assistance Package provides energy efficiency advice, tax credit and benefits entitlement checks, information on energy tariff and a package of standard insulation measures to a wide range of people. In addition it offers a range of enhanced energy efficiency measures to those most vulnerable to fuel poverty including families with a child under 16 who live in energy inefficient homes and receive one of a range of qualifying benefits.

Physical environment - green space and play opportunities: The wider physical environment has an important role to play in the quality of children and families lives, and can have significant effects on physical and mental wellbeing.

For children and young people, the availability of green space, and safe spaces and opportunities for play and recreation, are of real importance. Equally Well recommends that children's play areas and recreation areas for young people generally should have high priority in both planning and subsequent maintenance by the responsible authorities. More broadly, Equally Well recognises that the Government, NHS Boards and other public sector organisations should encourage the use and enjoyment of green space by all, with a view to improving health, especially in communities at risk of poor health.

The Go Play Programme, administered by Inspiring Scotland, aims to increase opportunities for children aged 5-13 years to engage in free play activities, contributing to mental and physical health outcomes and building social

cohesion. Go Play targets specific local authority areas where children are least likely to have opportunities to develop through play and will improve the infrastructure of the play sector at local, regional and national levels.

Scottish Planning Policy and the National Planning Framework (2) set out national policy on planning for open space and facilities for sport and recreation, which includes measures to safeguard existing valued open space and identify priorities for future investment. The Scottish Government is also testing the Good Places, Better Health model, to look at how environmental policy in its widest sense can deliver positive health and wellbeing outcomes. The test phase is concentrating on children's health and sustainable places, looking at the key environmental influences on four child health priorities including mental health and wellbeing, with the evidence being used to support policies and decision-making at national and local level.

4.4 Supporting local delivery

Delivery of the Scottish strategy will rely on all parts of Scottish society playing a part. Scottish Government is committed to supporting all of our partners and engaging wider society to reduce child poverty. As the Equally Well Review states: "A more collaborative approach across different public services is required if we are to influence effectively the range of circumstances that contribute to people's health and wellbeing. Joint action by the full range of community planning partners to redesign local services is key in delivering the vision of change set out in the three social policy frameworks. This means Community Planning Partnerships delivering genuinely integrated services, through partnership working and shared resources, which target the underlying causes of inequalities. It means that the third sector should be actively involved. It also means that communities themselves must be engaged and consulted."²²

The Scottish Government continues to work closely with COSLA and other key local partners to take forward local efforts to tackle child poverty. The 2009 Joint COSLA and Scottish Government policy statement, Equal Opportunities in a Fairer Scotland, restated our determination to use the combined resources of Community Planning Partners to tackle concentrated disadvantage.

This includes working with local employability partnerships, which target their funding and services to those most disadvantaged in the labour market and are supported to learn from one another through the Employability Learning Network. The work of employability partnerships includes efforts to engage more effectively with local employers. Local areas are supported through the Community Regeneration and Tackling Poverty Learning Network which supports

²² Equally Well Review 2010: p2

the delivery of the Equal Communities in a Fairer Scotland Action Plan and practitioners working across the three social policy frameworks. This includes capacity building work with local practitioners and planners focused specifically on child poverty, including action learning sets and an on-line guide to child poverty.

The Scottish Government support to build capacity in local areas also takes place across a wide range of associated policy areas, such as housing, early years and health. The Scottish strategy will set out further plans for supporting and building capacity within local areas to develop and implement strategic approaches to tackle child poverty, and to encourage local innovation.

The private sector will have an important part to play too, and the Scottish strategy will consider what business can contribute to the eradication of child poverty, drawing from the work of the Tackling Poverty Board²³. The third sector also performs a range of key roles in working with disadvantaged communities, and creating employment and income in areas where the private sector may not, and the Scottish strategy will also take into account the unique role and contribution of voluntary organisations and social enterprise. Wider civic society is fundamental to the eradication of child poverty – community engagement and empowerment and volunteering, including working with children and young people, needs to be an integral part of the development of local approaches and their delivery.

We believe that to deliver the Scottish strategy effectively, the broader early intervention agenda must influence allocation of resources. This will inevitably involve difficult choices across the public sector and redirection of resources from crisis intervention in order to enable a preventive approach, as well as maximising efficiencies from improved integration and innovative service redesign. This is especially challenging in the tight current and future economic climate, but these circumstances only serve to make this agenda even more critical. As the Early Years Framework notes, "There is no single programme or approach that can deliver the improved outcomes we seek. Instead, it will take a concerted and long-term effort across a range of policies and services to achieve a transformation in outcomes." The Scottish Government is continuing to work closely with its partners in order to facilitate these efforts, but views are welcomed through this consultation exercise regarding what kind of support will be most useful in driving forward the agenda to tackle child poverty and its effects on children.

²³ http://www.scotland.gov.uk/Topics/People/tackling-poverty/Initiatives/TacklingPovertyBoard

5. Monitoring and evaluating progress

A great deal of work already takes place to measure levels of child poverty in Scotland, and a wide range of outcomes and indicators relating to poverty and child wellbeing are also regularly analysed and reported on. The main activities to measure progress at national and local level are outlined below.

5.1 National measures

Child Poverty Act Targets

The targets set by the Child Poverty Act are detailed in Section 1 of this discussion paper. Progress towards meeting the first three targets is already reported on an annual basis in the Poverty and Income Inequality Statistics bulletin²⁴. Progress at UK level is reported in the annual publication of statistics on Households Below Average Income²⁵.

With respect to the persistent poverty target, robust estimates for Scotland will be available from the UK Household Longitudinal Survey. Scottish Government analysts continue to work with their colleagues in the UK Government and the other devolved administrations to develop interim estimates of persistent poverty based on the British Household Panel Survey.

Measuring progress against these targets must be considered within the wider context of improving outcomes for children.

National Performance Framework

Reducing levels of child poverty and alleviating its impacts are reflected throughout the National Performance Framework. The most relevant measures are detailed in section 2 of this paper. All of our national Purpose targets, outcomes and indicators are reported on annually in Scotland Performs.

5.2 Local measures

Single Outcome Agreements (SOAs): SOAs are agreements between the Scottish Government and Community Planning Partnerships which set out how each will work in the future towards improving outcomes for the local people in a way that reflects local circumstances and priorities, within the context of the Government's National Outcomes and Purpose. It is for CPPs, with their

²⁴ http://www.scotland.gov.uk/Topics/Statistics/Browse/Social-Welfare/IncomePoverty

²⁵ See http://www.sns.gov.uk/

knowledge of local needs and priorities, to decide the best way to tackle child poverty at local level, and to reflect this within their SOAs.

We believe that the current accountability structure provides the right balance between accountability and sensitivity to local circumstances. It still allows for key Scottish Government priorities to be reflected appropriately within SOAs, and activity "below the waterline".

In terms of specific child poverty indicators within SOAs, Scottish Government²⁶ recommends using the number of children living in households in receipt of out of work benefits or in receipt of Child Tax Credit rather than the family element as one of the best proxy indicators available at local authority level. However CPPs may approach child poverty through a range of policies and actions, and use associated indicators to measure the multi-dimensional causes and impacts of poverty and deprivation on children and families.

In working with CPPs to agree second phase SOAs in 2009, the Scottish Government placed a particular emphasis on efforts to secure economic recovery and on taking forward approaches jointly agreed with local government in dealing with poverty (Achieving our Potential), tackling health inequalities (Equally Well) and improving the opportunities available to our young people (Early Years Framework). All of these are central to tackling child poverty.

Early Years indicators and reporting: The Early Years Framework made a commitment that Scottish Government and local partners would jointly launch a process to develop new indicators for early years to complement those national and local indicators that already exist in the National Performance Framework and around SOA agreements. The framework sets out that local indicators generally are not mandatory, but will provide a guide to local partners as to how they can measure both the success of early years policies and start to assess whether they are on course to improve a range of higher level outcomes in the longer term. These indicators will be published on the Scottish Government website shortly.

Scottish Public Health Observatory Children and Young People Profiles:

These profiles will present information for a set of indicators of the health and wellbeing of children and young people in Scotland. By doing so they will help inform and support work to improve outcomes for children and young people. The profiles will be presented at Community Health (and Care) Partnership (CHP) level, with data provided for smaller geographies where possible.

²⁶ http://www.scotland.gov.uk/Resource/Doc/933/0088607.xls
By drawing together a broad range of information, including data on ill health, health behaviour, education, crime, maternal health, and poverty, the Children and Young People Profiles will seek to provide an overview of health and wellbeing. This resource will be presented as a report for each CHP and a Scotland report, and is intended to assist with prioritisation, planning services and addressing inequalities at a local level. The Children and Young People Profiles will be published in late November 2010. While there are no current plans to repeat this exercise, some of the key indicators from the children and young people profiles will also be included in the Scottish Public Health Observatory (ScotPHO)'s community profiles, which are part of a series, published every 2 years. Outputs will be available on the ScotPHO website²⁷.

Support for monitoring child poverty at local level

The Community Regeneration and Tackling Poverty Learning Network provides a range of tools and resources for its members which include profiling and understanding poverty at a local level. Future developments will include an online resource for local areas to support them to develop and monitor strategy in relation to child poverty as well as access local practice examples and guidance on partnership working. This is currently being developed by Glasgow Caledonian University and will be published on the Network's website.

²⁷ www.scotpho.org.uk.

6. Consultation questions

We are keen to gain views from as wide a range of stakeholders as possible, on our existing approach to tackling child poverty, and how we can most effectively build on this in the Scottish strategy.

1. What are your views on the Scottish Government's current approach to tackling child poverty, outlined in this paper? In particular: does it capture the key areas where action is required to ensure the greatest impact on reducing child poverty, and are there any important steps to be taken by the Scottish Government that are **not** covered in this paper?

- 2. We would like to hear your views on what the priority areas for action in the Scottish strategy should be:
 - (a) What measures will make the biggest difference to **reducing levels of child poverty**?
 - (b) What measures will make the biggest difference to **reducing the impact** of socio-economic disadvantage on children?
- What, in your view, are the main constraints to tackling child poverty in Scotland:
 (a) at the (Scottish) national level?

(b) at local (Community Planning Partnership) level?

4. This discussion paper sets out the principles of an "assets-based approach" (Section 3). What are your views on this approach? What would help to deliver and promote it?

- 5. What can the Scottish Government do to effectively support its partners to tackle child poverty? In particular:
 - This discussion paper notes the particular challenges of focusing public spending on early intervention and prevention in a constrained economic climate. What could the Scottish Government do to support local areas with these challenges?
 - More generally, what can the Scottish Government do to facilitate local strategic approaches to tackling child poverty, and to support effective local delivery?

6. What are your views on existing measures to monitor progress on tackling child poverty, set out in Section 5?

7(a) We are interested in examples of effective local practice in tackling child poverty. If there are any examples you think it would be useful for us to be aware of, please provide a brief summary below.

7(b) Would you be prepared to be contacted for further information on any examples you have provided above? If so, please provide contact details below.

8. Do you have any other views in relation to the development of the Scottish strategy?

HOW TO SUBMIT RESPONSES TO THE CONSULTATION

Please submit your comments on the consultation paper on the Respondent Information Form: **(www.scotland.gsi.gov.uk/childpovertydiscussionpaper)**

Alternatively, responses can be submitted by email or hard copy, to:

Myra Watson Scottish Government Education and Lifelong Learning Directorate Employability and Tackling Poverty Team Area 2-E (South) Victoria Quay EDINBURGH EH6 6QQ

Myra.Watson@scotland.gsi.gov.uk

RESPONSES SHOULD BE SUBMITTED NO LATER THAN 7 JANUARY 2011. Early submissions would be greatly appreciated.

ANNEX A: The Child Poverty Act 2010

- 1. The Child Poverty Act 2010 (in this Annex referred to as "the Act") is an Act of the United Kingdom Parliament and was passed on 25 March 2010. The overarching aim of the Act is to step up efforts to eradicate child poverty.
- 2. The Act sets targets ("the targets") relating to the eradication of child poverty and makes other provision about child poverty. It places a duty on the UK Government to meet the targets and places certain strategic and reporting duties on the UK Government and the Scottish Government and relevant Northern Ireland departments (defined as Office of the First Minister and Deputy First Minister).
- 3. The Act is intended to "future-proof" the targets and the measures required to meet them, and to ensure that the eradication of child poverty remains on the political agenda. It also contains measures to ensure that the definition of success in tackling child poverty in general, and the meaning of "eradication" in particular, remains as clear and consistent as possible over time. It is intended to support a co-ordinated approach to tackling poverty within Scotland, and across the UK, and to build consensus and momentum on tackling child poverty.
- 4. Some of the main elements of the Act are described below.

Part 1 of the Act

UK Aspects

- The Act defines the targets ((i) relative low income, (ii) combined low income and material deprivation, (iii) absolute low income and (iv) persistent poverty)²⁸.
- The Act places a duty on the Secretary of State to ensure that the targets are met in relation to what is defined as the "target year" – ie the financial year commencing 1 April 2020.
- The Act places a duty on the Secretary of State to publish and lay before the UK Parliament by 25 March 2011 an initial UK strategy for meeting the targets and for ensuring, so far as possible, that children in the United Kingdom do not experience socio-economic disadvantage and to publish and lay before the UK Parliament a revised strategy every three years thereafter, up to 2020.
- Any UK strategy may refer to proposals of the Scottish Ministers.

²⁸ These targets are more fully described in Part 1 of this discussion paper.

- Any UK strategy must describe:
 - the progress that the Secretary of State considers needs to be made by the end of the period to which the strategy relates if the targets are to be met in relation to the United Kingdom in relation to the year commencing 1 April 2020;
 - the other progress that the Secretary of State intends to make by the end of the period to which the strategy relates to ensure that, as far as possible, children in the United Kingdom do not experience socio-economic disadvantage; and
 - the progress that the Secretary of State intends to make by the end of the year commencing 1 April 2020, other than by ensuring that the targets are met, to ensure that, as far as possible, children in the United Kingdom do not experience socio-economic disadvantage.
- Any UK strategy other than the first UK strategy must describe:
 - the measures taken in accordance with the previous UK strategy and the measures taken in accordance with any Scottish strategy;
 - the effect of those measures on progress towards meeting the targets; and
 - the other effects of those measures that contribute to ensuring that, so far as possible, children in the United Kingdom do not experience socio-economic disadvantage.
- The Act provides for the establishment of a Child Poverty Commission and imposes an obligation on the Secretary of State, in preparing any UK strategy, to request and have regard to advice provided by the Commission. The Act also imposes certain obligations on the Secretary of State to consult in preparing any UK strategy.
- The Act places a duty on the Secretary of State to report on an annual basis, up to 2020, on progress towards meeting the targets and on implementation of the UK strategy. Such report requires to be laid before the UK Parliament. It also places a duty on the Secretary of State, as soon as practicable after the end of the year commencing 1 April 2020, to lay before the UK Parliament a report on the progress made in implementing the most recent UK strategy. Before preparing these reports the Secretary of State requires to consult the Scottish Ministers.
- The Act makes provision requiring the Secretary of State to ensure that the targets, once met in relation to the year commencing 1 April 2020, are met in later financial years, or to make provision about how to meet the targets if they have not been met in relation to the financial year beginning 1 April 2020 or any later specified year.

Scottish Aspects

- The Act places a duty on Scottish Ministers to publish and lay before the Scottish Parliament by 25 March 2011 the first Scottish strategy for contributing to compliance by the Secretary of State with the duty to meet the targets and for ensuring, so far as possible, that children in Scotland do not experience socio-economic disadvantage and to publish and lay before the Scottish Parliament a revised strategy ever three years thereafter, up to 2020.
- Any Scottish strategy must describe:
 - the progress that Scottish Ministers intend to make in Scotland by the end of the period to which the strategy relates in order to contribute towards the meeting of the targets in relation to the year commencing 1 April 2020;
 - the other progress that the Scottish Ministers intend to make by the end of the period to which the strategy relates to ensure that, as far as possible, children in Scotland do not experience socio-economic disadvantage; and
 - the progress that the Scottish Ministers intend to make by the end of the year commencing 1 April 2020, other than by contributing to the meeting of the targets, to ensure that, as far as possible, children in Scotland do not experience socio-economic disadvantage.
- Any Scottish strategy other than the first UK strategy must describe:
 - o the measures taken in accordance with the previous Scottish strategy;
 - the effect of those measures in contributing towards meeting the targets; and
 - the other effects of those measures that contribute to ensuring that, so far as possible, children in Scotland do not experience socio-economic disadvantage.
- A Scottish strategy may not include proposals that relate to reserved matters, within the meaning of the Scotland Act 1998.
- Preparation of any Scottish strategy by the Scottish Ministers must involve requesting, and having regard to, the advice of the Child Poverty Commission. It must also involve consultation with:
 - o local authorities in Scotland (or associations of local authorities);
 - the Secretary of State;
 - o children, and organisations working with or representing children;

- o parents, and organisations working with or representing parents; and
- $\circ\;$ such other persons as Scottish Ministers see fit.
- It places a duty on the Scottish Ministers to lay before the Scottish Parliament on an annual basis a report which describes:
 - the measures taken by the Scottish Ministers in accordance with the Scottish strategy;
 - the effect of those measures in contributing to the meeting of the targets; and
 - the other effects of those measures that contribute to ensuring that, so far as possible, children in Scotland do not experience socio-economic disadvantage;
- The Act places certain duties on the Scottish Ministers in connection with the Secretary of State's duty to ensure that the targets, once met in relation to the year commencing 1 April 2020, are met in later financial years, or to make provision about how to meet the targets if they have not been met by the financial year 2020 or any later specified year.

Part 2 of the Act

5. Part 2 of the Act places various duties on local authorities in England. This Part of the Act does not apply to Scotland.

Annex B: Links to key documents

Scotland Government Economic Strategy and National Performance Framework

- Scotland Performs: http://www.scotland.gov.uk/About/scotPerforms
- The Government Economic Strategy: http://www.scotland.gov.uk/ Publications/2007/11/12115041/0

Child Poverty Act 2010

Child Poverty Act 2010: http://www.opsi.gov.uk/acts/act26-03

The Three Social Policy Frameworks and Getting it Right for Every Child

- Achieving Our Potential: http://www.scotland.gov.uk/Publications/2008/11/ 20103815/0
- Early Years Framework: http://scotland.gov.uk/Topics/People/Young-People/ Early-years-framework
- Equally Well: http://www.scotland.gov.uk/Publications/2008/06/25104032/0
- Equally Well 2010 Review: http://www.scotland.gov.uk/Publications/2010/06/ 22170625/5
- Getting it Right for Every Child: http://www.scotland.gov.uk/Topics/People/ Young-People/childrensservices/girfec

Poverty

- Community Regeneration and Tackling Poverty Learning Network: http://www.scotland.gov.uk/Topics/Built-Environment/regeneration/pir/ learningnetworks/cr
- Tackling Poverty Board: http://www.scotland.gov.uk/Topics/People/ tackling-poverty/Initiatives/TacklingPovertyBoard
- Poverty and Income Inequality in Scotland: http://www.scotland.gov.uk/ Publications/2010/05/povertystats0809

Children and Young People

- Looked After Children and Young People: We Can and Must Do Better: http:// www.scotland.gov.uk/Publications/2007/01/15084446/0
- Moving Forward: a Strategy for Improving Young People's Chances through Youth Work: http://www.scotland.gov.uk/Publications/2007/03/08113759/0
- Valuing Young People: http://www.scotland.gov.uk/Publications/ 2009/04/21153700/0
- Children's Rights: http://www.scotland.gov.uk/Topics/People/Young-People/ Childrens-Rights
- Free School Meals: http://www.scotland.gov.uk/Topics/Education/Schools/ HLivi/Schoolmeals
- Scottish Childcare: http://www.scottishchildcare.gov.uk/

Education

- Curriculum for Excellence: http://www.ltscotland.org.uk/
 understandingthecurriculum/whatiscurriculumforexcellence/index.asp
- Building the Curriculum Series: http://www.ltscotland.org.uk/ buildingyourcurriculum/policycontext/btc/index.asp
- More Choices, More Chances: http://www.scotland.gov.uk/Publications/ 2006/06/13100205/0
- 16+ Learning Choices: http://www.scotland.gov.uk/Topics/Education/ Life-Long-Learning/16581/newpage4
- Determined to Succeed: http://www.determinedtosucceed.co.uk/ dts/dts_display_home.jsp?p_applic=CCC&p_service=Content. show&pContentID=4008&

Health

- Better Health, Better Care: http://www.scotland.gov.uk/ Publications/2007/12/11103453/0
- Recipe for Success: http://www.scotland.gov.uk/ Publications/2009/06/25133322/0
- Road to Recovery: http://www.scotland.gov.uk/Publications/2008/05/ 22161610/0
- Delivering a Healthy Future: An Action Framework for Children and Young People's Health in Scotland: http://www.scotland.gov.uk/Publications/ 2007/02/14154246/0
- Caring Together: The Carers Strategy for Scotland 2010-2015: http://www.

scotland.gov.uk/Publications/2010/07/23153304/0

Employability

- Workforce Plus: http://www.employabilityinscotland.com/workforceplus_1.aspx
- Employability Learning Network: http://www.employabilityinscotland.com/ employabilitylearningnetwork.aspx
- Working Life for All Disabled People: The Supported Employment Framework for Scotland: Main Report: http://www.scotland.gov.uk/ Publications/2010/02/23093849/0

Communities and Housing

- Community Planning Partnerships: http://www.scotland.gov.uk/Topics/ Government/PublicServiceReform/community-planning
- Single Outcome Agreements: http://www.scotland.gov.uk/Topics/ Government/local-government/SOA
- Community Learning and Development: http://www.scotland.gov.uk/Topics/ Education/Life-Long-Learning/LearningConnections
- National standards for community engagement: http://www.scdc.org.uk/ national-standards-community-engagement/
- Equal Communities in a Fairer Scotland: http://www.scotland.gov.uk/Topics/ Built-Environment/regeneration/fairer-scotland-fund/equalcomms
- Housing in Scotland: http://www.scotland.gov.uk/Topics/Built-Environment/ Housing
- Scottish Government Community Safety Unit: http://www.scotland.gov.uk/ Topics/Justice/public-safety/17141
- Preventing Offending by Young People: http://www.scotland.gov.uk/ Publications/2008/06/17093513/0
- Cashback for Communities: http://www.scotland.gov.uk/Topics/Justice/ public-safety/17141/cashback
- Scottish Planning Policy: http://www.scotland.gov.uk/Topics/Built-Environment/ planning/National-Planning-Policy/newSPP

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