

**According to the latest official statistics over 1 in 5 (220,000) children in Scotland were living in poverty in 2012/13 (<http://www.gov.scot/Publications/2014/07/9247/7>), up from 190 000 in 2011/12.** Local figures are available [here](#). The Institute for Fiscal Studies (IFS) has forecast that by 2020 up to 100,000 **more** children in Scotland could be living in poverty than were in 2011/12 (i).

Reasons for the existence of child poverty are complex and include a wide range of inter-related factors including low wages, under-employment and lack of paid work. However the increase in child poverty currently being seen and projected is largely a result of ongoing changes to the tax and social security system. Amongst these changes, the policy which will have the biggest impact on child poverty are cuts to the way family benefits are uprated and the limit placed on the amount by which family benefits increase from year to year. Family benefits (including child benefit, working tax credit and child tax credit) have traditionally increased in line with inflation but have been capped so as to rise by no more than 1% a year between 2011/12 and 2015/16. This could put increased pressure on family budgets if the cost of living continues to grow. [Other reforms](#), including tighter eligibility criteria for tax will see low income family budgets fall further. Information on the financial impact that reforms will have on Scottish local authorities can be found [here](#).

In addition to this gradual squeezing of family budgets, a growing number of families are experiencing more dramatic falls in their income or 'income crisis'. Use of Trussell Trust food banks in Scotland increased from 14,332 in 2012/13 to 71,438 in 2013/14(ii). [Research](#) suggests that this dramatic increase is largely a result of problems with the social security system, particularly increased incidence of benefit delay, suspension, administrative error and benefit sanctions. There is little to suggest these issues will be resolved in the immediate future.

Increased child poverty is and will have a devastating impact. This will be felt not only by children and their families (the impact of poverty on child wellbeing is well documented (iii)) but also by local communities and local services. CPAG has estimated that child poverty already costs the UK £29 billion a year through increased demand for public services, lost earnings and claims for social security benefits (iv).

### **The early warning system**

The early warning system (EWS) is a framework which has been developed by CPAG in Scotland to collect case studies and wider evidence about how welfare changes are impacting on children, young people and the families and communities that support them. Information is gathered from frontline workers across Scotland, including welfare rights workers, housing officers and health and social workers. To date over 900 cases have been collected and analysed through the framework. The objective of the system is to gain an in-depth understanding of the impact of welfare reform and to identify actions that might be taken at local and Scottish national level to mitigate negative effects.

**The purpose of this briefing and the seminar on 22<sup>nd</sup> April 2015 is to bring local child poverty leads together, share the findings of CPAG's early warning system and consider, in the context of social security cuts and welfare reform;**

- What might be done at local level to prevent and reduce child poverty and mitigate its impact on child health and wellbeing.
- Whether these actions are already being taken at local level.
- How examples of local good practice can be shared.
- What obstacles exist and how might they be overcome.

### **Relevant findings from the early warning system include the following:**

#### **- The need for improved access to welfare rights information and advice**

The early warning system was established to gain a deeper understanding of how individual welfare reforms were affecting children and families. The most surprising aspect of the findings is the extent to which maladministration and misinformation have contributed to the negative effects of welfare reform. **To**

date, 44% of cases collected through the [early warning system](#) have involved misinformation or maladministration of some kind on the part of the DWP, HMRC and/or local authorities. For example:

- HMRC stopped paying a lone mother of two children tax credits because they had information to suggest she was living with her partner. She was not. The nursery continued providing childcare; despite the fact tax credits were no longer in payment. As a result the woman now owes the nursery over £4,000 which she is paying back in small instalments. Eventually, the nursery stopped providing care and the woman nearly lost her job because she had difficulty arranging childcare. One of her children had to start school a year earlier than intended as a result. The client won her tribunal against HMRC but faced a delay of several months while her 'new' claim was processed.
- A lone parent with young children was incorrectly informed by the jobcentre that because she was receiving discretionary housing payments (from her local authority) she would have to start completing work related activity – despite the fact she was in receipt of income support. This is incorrect.
- A pregnant woman with two young children failed to complete mandatory work activity because she did not have access to a computer. Her sanction was applied on a Wednesday but she was not informed that she could apply for a hardship payment until the Friday. She was told on the Friday that she would not be able to access the payment until the following Monday. More EWS sanction cases can be found [here](#).

Problems detected through the EWS do not only relate to HMRC and DWP. They also illustrate instances of maladministration on the part of local services, including those delivering housing benefit and the Scottish welfare fund (SWF). Details of cases relating to SWF can be found in our [recent policy briefing](#).

- A lone parent moved to Scotland from Ireland and was claiming JSA. However, her claim for housing benefit was incorrectly refused on the basis that EU nationals are not entitled to HB if their only right to reside is as a jobseeker. However, this is incorrect as Irish nationals do not require a right to reside under the Common Travel Agreement.

These cases suggest there is a need for all local authorities to continue investing in high quality welfare rights information and advice. As well as helping to ensure families are aware of their rights and can challenge erroneous decisions, access to information and advice could also help to maximise benefit uptake locally, helping to boost the local economy. Indeed, the DWP's figures suggest that only 78-84% of those entitled to housing benefit are in receipt of it, falling to 60-67% for those entitled to claim income based job seekers allowance<sup>v</sup>.

The cases also highlight a need to invest in additional training and support for housing benefit staff and those administering the Scottish welfare fund in order to minimise error and delay.

#### **- There is a need to overcome barriers to information and advice**

Qualitative research conducted by CPAG has highlighted some of the obstacles that low income families face when seeking information and advice. These include attitudinal barriers, such as fear of being judged, as well as more practical issues such as the cost of making a phone call and/or getting to the advice agency.

- **Robbie and Donna** had their benefits suspended after a change in their living arrangements. They have three young children and had been living on child benefit alone (£90 a fortnight) for several weeks. We spoke to them at a food bank where they explained they had not accessed help with debt or benefits because, *"it was too expensive for the two of us to go... it would be £7.60 or £10.50 depending on the driver if we had to pay for the kids or not. So that is too much money, money that we could have used for something else rather than going to the advice shop."*
- **Mary** is the lone parent of a disabled child. She approached her local authority for help with her financial situation and was referred to the Scottish welfare fund. She explained, *'I was so embarrassed. I wish I had just left it. It was so degrading. I know we all need help in life now and again, and you have to hit the bottom before you come up again, but it was so degrading. They don't know my situation but people do judge'. I'm not caring if I've got half a slice of bread I'll never do it again, never ever'*.
- **Sarah** is a lone parent who has had continual problems with her housing benefit entitlement since returning to her studies. She says all the problems she has had have left her feeling apathetic. *'I'm feeling cheated by the housing benefit... feeling trampled on and knowing that the figures are wrong, I just know that the figures are wrong, but dealing with it is just a big thing to go and do....I need to go and do it'*.

- **The success of projects involving direct referral by a health worker to money and welfare rights advice services (e.g. Healthier, Wealthier children<sup>1</sup>) suggest that these approaches might help to overcome some of the barriers families face. Are these approaches being taken across Scotland? Have they been successful?**
- **Are there other ways of facilitating access to information and advice for low income families?**

#### - There is a need to remove barriers to employment

As well as maximising household income through social security benefits, there is clearly a need to ensure families can access secure, well-paid employment opportunities. In-work poverty is an increasing problem<sup>vi</sup> and more than half of children living in poverty in Scotland are from households where at least one parent is in work<sup>vii</sup>. Qualitative research conducted through the early warning system suggests that obstacles to work for parents and carers include unpredictable hours, the inflexibility of employers and a lack of suitable childcare.

- **Aleksander and Elena** have a new baby. When they first came to Scotland two years ago they worked together in a bakery, doing 12 hours shifts each day. However the agency they had used to find the employment suddenly stopped phoning them without explanation, so they were both left without any work. *“We were working for an agency and agency didn’t call us for two weeks. So I had to find another job. I don’t know why they just didn’t call. We waited.....but we needed to work and they not call for us. The agency didn’t tell us why”*
- **Christie** has arthritis in her hips, shoulder and knees. Until January 2014, she had been employed as a care assistant. However, as her health deteriorated, work became more difficult. *“I was still working, I had been taking [painkillers] for relief and but I went down like a ton of bricks, so I was off sick with that and I had to get X-rays and that but there was nothing broken. They (her work) sent me for a medical and they deemed me unfit for the job.....I was used to going out working and bringing in £800 a month to having to ask for money from the government to keep you, it’s quite a stoop.”*
- The availability of transport links can also make sustaining employment difficult for those on low incomes. **Robbie** described having been sacked from his catering job in a country hotel in West Lothian because of having to run for the last night bus home rather than working late to complete tasks: *“A couple of times I had to run in front of the bus, to get on the (last) bus. And then the next day they (my employer) would say ‘You did not finish your job last night.’ and I said ‘I had to run for the bus. Then they said ‘Right, you have got a week’s notice. That is it.”*

#### - There is a need to facilitate access to high quality, affordable childcare

The impact that the availability of childcare can have on access to employment is also illustrated through the cases collected. A recent study by the Family and Childcare Trust found that only 15% of local authorities in Scotland had enough childcare for parents who worked full-time, down from 23% in 2013<sup>viii</sup>. High quality child care and early learning has also been shown to have a positive impact on child development and as such is also extremely important to families both in and out of work<sup>ix</sup>.

- The client is a female, lone parent with a child under 5. She currently works full time but is having difficulties accessing child care so feels that she has to give up work to look after child. She sought advice on whether she would be able to claim income support.
- Client lone parent starting work having been on income support then jobseekers allowance. Needs to pay nursery fees but being asked to pay four weeks up front which she could not afford. Knows about help through WTC but is there any help available with the advanced costs?
- **Ashleigh**, a young lone parent from the Highlands noted, *‘the whole system is just not structured properly for single mothers, or any kind of mothers so... It should be flexible a lot sooner, because at the end of the day, like for instance (my friend) is struggling to find work because there is no childcare available for younger children’.*

- **Can Community Planning Partnership (CPPs) and local authorities play a role in encouraging employers to adopt better practice such as flexible working hours, secure jobs and the living wage?**
- **Are there other steps, such as reducing the cost of transport which CPPs could take to facilitate access to work for low income families?**
- **Do the interim findings of the [Scottish Commission for Childcare Reform](#) suggest any areas for improving provision of child care to low income families?**

### - There is a need to reduce the cost of living for families

As well as maximising family incomes CPAG in Scotland believe there is also a role for local authorities in reducing the costs faced by families. For example CPAG, in partnership with Glasgow's Poverty Leadership Panel has been working in 8 schools across Glasgow to identify the costs involved in a normal school day that might exclude pupils and undermine the attainment of children from low income households<sup>x</sup>. The project report has not yet been published but early findings highlight numerous costs which may be putting additional pressure on family resources. These are likely to include....**transport to and from school, the cost of uniforms, snacks, school lunches, trips and outings, access to IT for homework, materials for art class and cookery, stationary, contributions on fundraising days, dances, discos and proms, costumes for drama and school productions, musical instruments, music lessons, swimming lessons, sports kit, yearbook, lunchtime and afterschool clubs, birthday presents, Christmas cards and presents etc.....**

The problems caused by these costs are reflected by the testimonies of many of the parents we spoke to.

- **Liam** is a lone parent to an 8 year old son with autism and emotional problems. He told us, "*The school is always coming up with wee trips and things like that and then you're caught out. It's not very good that they don't give you enough notice. You know, and maybe it's only two or three pound and they don't really see that two and three pounds as a big issue, but when you're struggling it is. If you've got to put aside that extra couple of pounds from here and there, you're robbing Peter to pay Paul, you know.*"

While the cost of a school day project is looking solely at financial barriers to education, financial barriers are likely to exist in relation to many purportedly universal services. CPAG would encourage local authorities to "poverty proof" all services to understand where hidden problems may lie in relation to accessing health services, nursery school, colleges, debt advice etc.

- **Do low income families face additional barriers to accessing universal services such as health, social care, education etc.?**
- **Are there any examples of local good practice to overcome these barriers?**

### - There is a need to take a strategic approach to tackling child poverty

Cases gathered through the early warning system illustrate very starkly the extent to which poverty and welfare reform have a knock-on impact on most - if not all - local services . For example:

- A father who was sanctioned because he missed an appointment with the job centre. A subsequent deterioration in his health – and the fact he couldn't afford transport across the city - meant he couldn't visit his daughter. She phoned him to ask why he didn't want to see her any more. Access arrangements were being revisited as a result. Furthermore, because of the sanctions, the man was also unable to pay court fees that were usually deducted from his benefit. The man said he was facing 14 days in prison as a result.
- Another father was sanctioned for being fifteen minutes late for an appointment with the jobcentre plus. He only received 2 hardship payments throughout his 13 week sanction period because he was not informed that he still had to sign on every two weeks in order to access them. This situation contributed to the client becoming homeless, at first sleeping on a friend's floor and then subsequently sleeping rough. He was assaulted and hospitalised during this time and has had no contact with his children since becoming homeless.

The two cases above are likely to have affected the NHS, local authority family services, the Scottish Court Service, the Scottish Prison Service, the local Homelessness team and the police. This raises the question of how Community Planning Partnership (CPP) can ensure a more co-ordinated and strategic approach to reducing poverty in order not only to protect children, but also to reduce pressure on public services.

Approaches being considered by local authorities include:

- **The development of local child poverty strategies:** Currently legislation aimed at reducing child poverty in Scotland has a national rather than local focus. The Child Poverty Act 2010 obliges the Scottish Government to create a Child Poverty Strategy for Scotland every three years and to report on its progress annually<sup>xi</sup>. While local authorities in England and Wales also have a legal duty to produce Child Poverty Strategies setting out their plans for reducing child poverty in their area, no such obligation exists Scotland. Despite this it is clear that the Scottish Government expects them to play an important role, with the Child Poverty Strategy stating that, "*we need CPPs to provide the shared*

leadership which drives the pace of partnership working, focuses sharply on prevention, and secures continuous improvement". Indeed, some Scottish local authorities have taken it upon themselves to take a more strategic approach to tackling poverty, including child poverty. [Glasgow](#), [Renfrewshire](#), and [Fife](#) for example, have established commissions and/or leadership panels to direct local action.

- **Using Children's Services Planning to address child poverty:** Under the Children and Young People (Scotland) Act 2014 all public bodies with a role in providing services to children will have a duty to work together to create a local Children's Service Plans. This will outline how local services will promote and protect the health and wellbeing of children. The plans provide an opportunity to recognise the extent to which child poverty undermines child wellbeing and to ensure that children's service planning has a clear role in working together to tackle poverty. The relevance of Children Services Plans is acknowledged in the Scottish Government's Child Poverty Strategy 2014-17, which states that, "*Poverty remains a key barrier to improving the wellbeing and outcomes of children. Through the [Children and Young People (Scotland) Act 2014], local authorities and health boards will now jointly develop children's services plans that show how services across the whole of a local area will affect the wellbeing of children and young people. The guidance to be developed on these plans will **highlight the importance of the plans showing how services can take account of child poverty and support vulnerable children, young people and families.***"

- **Do child poverty leads feel that a strategic approach is being taken locally?**
- **What other national supports and mechanisms need to be put in place to support a strategic local focus on child poverty? Would a legislative duty to provide a child poverty strategy make it easier for local authorities to prioritise the issue?**

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<sup>i</sup> <http://www.ifs.org.uk/comms/r78.pdf>

<sup>ii</sup> Trussell Trust Figures <http://www.trusselltrust.org/stats>

<sup>iii</sup> See for example [http://www.endchildpoverty.org.uk/files/Health\\_consequences\\_of\\_Poverty\\_for\\_children.pdf](http://www.endchildpoverty.org.uk/files/Health_consequences_of_Poverty_for_children.pdf)

<sup>iv</sup> [http://www.cpag.org.uk/sites/default/files/Cost\\_of\\_a\\_child\\_2014\\_1.pdf](http://www.cpag.org.uk/sites/default/files/Cost_of_a_child_2014_1.pdf)

<sup>v</sup> <https://www.gov.uk/government/collections/income-related-benefits-estimates-of-take-up--2>

<sup>vi</sup> <http://www.jrf.org.uk/sites/files/jrf/poverty-jobs-worklessness-summary.pdf>

<sup>vii</sup> <http://www.cpag.org.uk/scotland/child-poverty-facts-and-figures>

<sup>viii</sup> <http://www.bbc.co.uk/news/uk-scotland-31527481>

<sup>ix</sup> See for example [http://www.nao.org.uk/wp-content/uploads/2004/02/268\\_literaturereview.pdf](http://www.nao.org.uk/wp-content/uploads/2004/02/268_literaturereview.pdf)

<sup>x</sup> For more information see <http://www.cpag.org.uk/content/cost-school-day-project>

<sup>xi</sup> Section 11, Child Poverty Act 2010