The 2016-21 Scottish Government will be in power at a time when child poverty is expected to rise dramatically in Scotland. The scale of the problem – over one in five children already live in poverty – and the harm it does to Scotland’s children cannot be over-estimated. It is a big challenge and, with key poverty reducing powers still reserved to the UK government, one that requires action not just from the Scottish Government but the UK Government too.

Yet while huge challenges exist, there is also real progress to build on. Until recently, rates of child poverty were falling and history has proven that strong leadership, the right policies and a clear commitment from government can make a huge difference. CPAG in Scotland therefore calls upon the new Scottish Government to make the strongest possible public commitment to build on the progress that has been made and do everything within its power to end child poverty in Scotland.

The Scottish Government must focus on the many exciting opportunities that exist to take a positive, proactive approach to addressing child poverty and its effects. New taxation and social security powers, alongside existing powers, will provide a chance to reduce inequality and increase the income of those families most in need. Topping up child benefit, for example, will help to prevent poverty and ensure that families have the resources they need for their children to thrive.

The new Scottish Government should also work with low-income families to remove the financial barriers that prevent children from achieving their goals. The cost attached to going to school or accessing childcare can be overwhelming for families, yet these are problems the new Scottish Government has the power to address.

None of these solutions are a silver bullet. But each of them has the potential to make a huge difference to those children denied the fun and opportunity that growing up in Scotland should offer everyone.
CPAG IN SCOTLAND CALLS UPON THE NEW SCOTTISH GOVERNMENT TO:

- Introduce a Child Poverty Act for Scotland setting out a clear legislative framework for the prevention, reduction and eradication of child poverty.
- Invest in families by topping up child benefit by £5 per week. This could reduce child poverty by 14%\(^1\).
- Reduce the need for food banks by making sure all families can access the advice and financial support they need before reaching crisis point.
- Develop a fair, simple and intuitive national system for the delivery of Scottish social security benefits.
- End the ‘learning levy’ by ensuring there are no financial barriers to education for children in Scotland.
- Increase the availability of good quality jobs and family friendly employment practices.
- Implement an ambitious childcare strategy for Scotland including clear timescales for delivery.
**PRIORITISING CHILD POVERTY**

**THE CHALLENGE**

More than one in five (210,000) of Scotland’s children live in poverty. And unless we act now, things will get worse. Independent modelling by the Resolution Foundation and the Institute for Fiscal Studies (IFS) forecast massive increases in child poverty in Scotland, and across the UK. The effects of poverty are real and significant. When children grow up poor they miss out. They miss out on the things most children take for granted: warm clothes, school trips, having friends over for tea. They too often do less well at school and earn less as adults.

As well as damaging children and families, poverty is a costly problem. Independent research commissioned by CPAG estimates that child poverty costs the UK at least £29 billion a year in extra pressure on public services that deal with the effects of poverty and, in the longer term, wasted economic potential.

Eradicating child poverty will require sustained action by both UK and Scottish Governments. Yet despite the context of growing child poverty, the UK Government is dismantling the UK Child Poverty Act 2010, removing key child poverty targets and wiping out the legislative commitment to eradicate child poverty in the UK by 2020. The UK government is also legislating to remove the UK and Scottish Governments’ binding duty to produce child poverty strategies every three years.

**THE SOLUTION**

CPAG in Scotland calls upon the next Scottish Government to reiterate its commitment to eradicating child poverty by:

- Making preventing and reducing child poverty a national priority across government and other public bodies at all levels
- Introducing a Child Poverty Act for Scotland within the first year of government including duties to:
  - Establish ambitious child poverty targets for the reduction and eradication of child poverty;
  - Produce regular national child poverty strategies and report annually on progress relating to those strategies;
  - Report annually on the four key income and material deprivation measures of child poverty as originally contained in the Child Poverty Act 2010;
  - Require local authorities and other public bodies to set objectives and report progress in relation to tackling child poverty.
INVESTING IN SCOTLAND’S CHILDREN

THE CHALLENGE

Raising a family is an expensive business. Since 2012, the minimum cost of raising a child has increased by 5%. At the same time, family incomes have risen far more slowly, with low income families facing higher rates of inflation than others. Earnings have been largely stagnant, and benefits for families with children have been cut in real terms. By 2020, it is projected that child benefit will have lost 28% of its value when compared to 2010. As a result of all these factors, families in Scotland are finding it increasingly difficult to make ends meet.

Mary, lone parent, Fife

You can’t buy healthy food. I mean I’d love to have fruit and veg every day... and chicken, instead of junk and junk and junk. Like I say, you get five packets of biscuits for £1, what you pay for a melon. So it’s just easier but it’s not good for your health.

A healthy economy and the creation of more family friendly, high quality, well-paid, flexible jobs will help to reduce poverty in the long term. However, there is also a need for an adequate social security system to assist those families whose wages don’t cover the cost of raising children and those who can’t work due to illness, disability or caring responsibilities.

THE SOLUTION

New powers coming to Scotland over the course of the next parliament provide a valuable opportunity to increase family incomes in Scotland and ensure that every family can afford what their children need to thrive. We call upon the next Scottish Government to:

- Use new powers to increase the income of low-income families in Scotland.
- Use ‘top up’ powers to increase the value of child benefit by £5 a week. This will support hard pressed families with the extra costs of raising Scotland’s next generation, reduce the number of families experiencing income crisis in Scotland and provide a buffer against the rising cost of living. Modelling suggests that this measure could reduce child poverty by 14% compared with non-investment.
- Ensure soon to be devolved benefits like Sure Start Maternity Grant and Healthy Start work for families. Sure Start Maternity Grants should be available to all children born into low-income families - not just the first child - and should reflect the increasing cost of living.
THE CHALLENGE

In 2014/15, the Trussell Trust gave out 117,689 emergency food parcels to people in Scotland. This suggests that tens of thousands of families are experiencing the stress, anguish and hardship associated with income crisis.

I was waking up at 4 o’clock in the morning, bolt upright, heart pounding, worrying about something, and going “what is it I’m actually worrying about here”?... And it always comes down to money. It’s always about money. That’s always the root of it.

Sarah, lone parent, Glasgow

Both emergency food aid statistics and wider research suggest that an increasing number of households are experiencing ‘income crisis’, whereby income is slashed suddenly and often unexpectedly. Research suggests that this income crisis often happens because low-income is compounded by official errors, extensive delays and the application of sanctions. In other words, problems with the benefit system.

While many of these problems are a result of policy set at UK level, there is a great deal that could be done here in Scotland to reduce ‘income crisis’ and ensure families receive appropriate support and advice before the need to visit a food bank arises.

THE SOLUTION

CPAG in Scotland is calling upon the next Scottish Government to:

- Make sure families are referred to information and advice before they reach crisis point. In the next parliament this should include building on the Healthier Wealthier Children approach to ensure all pregnant women and families with new babies are offered a referral to income maximisation and welfare rights services. This should be accompanied with investment to ensure welfare rights services have the capacity to meet increasing demand.

- Investing in and promoting good practice to ensure pathways are developed in every local authority area so that those identified as being in a food crisis are referred to the Scottish Welfare Fund and for income maximisation services in the first instance.

It is also essential that the next Scottish Government establishes a framework for delivering devolved benefits that is less complex and less likely to result in errors and delays than the existing system.

New benefits and systems should be administered in line with the following key principles:

- Social security benefits should be cash payments. They should not be ‘in kind’ or merged with existing social care and support budgets.

- Eligibility and entitlement criteria should be established at national level and delivery should be uniform across Scotland. To ensure consistency and accountability devolved benefits should generally be delivered by a national Scotland-wide agency.

- The process of claiming benefits should be simple, intuitive and designed around the needs of the most vulnerable. Everyone should be treated with dignity and respect and people with experience of claiming benefits should be involved in the design and operation of new systems.

Number of people provided with three days emergency food by Trussell Trust food banks in Scotland

<table>
<thead>
<tr>
<th>Year</th>
<th>Adults</th>
<th>Children</th>
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<tbody>
<tr>
<td>2010-2011</td>
<td>4,108</td>
<td></td>
</tr>
<tr>
<td>2011-2012</td>
<td>5,726</td>
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<td>2012-2013</td>
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<tr>
<td>2013-2014</td>
<td>71,428</td>
<td></td>
</tr>
<tr>
<td>2014-2015</td>
<td>117,689</td>
<td></td>
</tr>
</tbody>
</table>
END THE ‘LEARNING LEVY’

THE CHALLENGE

CPAG in Scotland welcome the priority that all parties have attached to the need to close the educational attainment gap. Sadly this cannot happen until the financial barriers which limit children’s opportunities at school are removed.

Our Cost of a School Day research highlighted how children are still excluded from learning opportunities and experiences because they face a ‘learning levy’. Children and teachers told us that financial barriers to education can include the cost of school uniform, the cost of getting to and from school, the cost of classroom materials, the cost of snacks and meals, the cost of IT equipment, the cost of trips and excursions and the cost of clubs and extracurricular activities - amongst many other things.

“...

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 is 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, it can be an issue.

Liam, lone parent of a disabled child, Edinburgh

THE SOLUTIONS

CPAG in Scotland is calling upon the next Scottish Government to:

■ Work with parents and local authorities to ensure that school clothing grants reflect the real costs of clothing a child throughout the school year.

■ Ensure Scottish ministers, local authorities and schools identify and reduce the cost barriers associated with education. This should include ensuring the inspection regime assesses the extent to which schools have identified and reduced the cost of learning.

■ Make a legislative commitment to protecting universal free school meals for P1-P3 and set out a timetable to extend universal free school meals to all children in P4-P7.

5 CHILDREN IN AN AVERAGE SCOTTISH CLASSROOM OF 23 LIVE IN POVERTY
THE CHALLENGE

In 2013/14, 56 per cent of children in poverty in Scotland were living in households with at least one adult in employment. This is why strengthening wages and in-work benefits must form a key part of any credible plan to end child poverty.

In-work poverty can be seen as the product of three variables: the level of pay; the level of in-work benefits; and the number of hours worked. Our research has found that low-paid parents find themselves subject to increasing pressure to work as many hours as it takes to make ends meet, regardless of the needs of their children.

Shifting the emphasis from long hours to decent pay, affordable childcare and adequate levels of in-work benefits would do much to ease the pressure on low-paid working families.

“I’ve still not got any job security, I’m still on a short-term contract until December next year and I’m very, very much aware of that, you know. Financial insecurity is lurking around every corner and…once you’ve experienced poverty it never really leaves you.”

Sarah, lone parent, Glasgow

THE SOLUTION

■ The new Scottish Government must demonstrate its leadership and ambition by encouraging more employers to pay the living wage, provide adequate, predictable and flexible hours and ensure there is career progression for working parents.

■ The Scottish Business pledge should be extended to include a commitment to Family Friendliness as a core requirement. In order to satisfy the commitment, business should show that they offer flexible working, a supportive environment and support employees to access childcare.
Helping families into work is a crucial part of ending child poverty. It is no silver bullet – the quality of jobs is vital, as is supporting parents with the extra costs children bring – but it is an essential part of the solution. High quality childcare also plays a key role in promoting child well-being and development.

However, childcare is the single most expensive item in the budgets of many families. 2015 research found that the cost of childcare jumped by 33 per cent between 2010 and 2015, far above the rate of inflation. In Scotland between 2014 and 2015, the cost of nursery care rose by 3.7 per cent. Many parents also struggle to access care that is suitable and flexible.

“
It’s very hard for me to find work because I am limited by my childcare duties. What they say is, if you get a job you can find reasonable childcare … reasonable and suitable childcare, but my argument with them would be, well it’s not really suitable because my son does need attention. He needs me. I can’t pap him off to someone else who doesn’t understand his needs.

Liam, lone parent of a disabled child, Edinburgh

Inevitably, this has put the squeeze on households, and forced many parents out of the labour market or into fewer hours of work. Rising childcare costs cause a poverty double whammy: they take money out of the pockets of parents, directly impacting upon children’s wellbeing. And they make it harder for parents to find or sustain work, leading to lower family incomes.

The new Scottish Government should publish an ambitious childcare strategy, including clear timescales for delivery. The strategy should:

- Have quality and accessibility at its heart and should build on existing commitments to provide free universal core childcare hours to all families;
- Work toward a model of comprehensive, universally available, high quality early years, out-of-school and holiday childcare. To achieve this Scottish and UK Government must work together to achieve a shift to supply side funding of childcare services;
- Ensure fees for additional childcare hours are capped at no more than 10 per cent of household income, with the lowest income families exempt from charges altogether;
- Identify and address other financial barriers associated with accessing childcare. CPAG in Scotland evidence suggest these may include the cost of public transport and the need for large down payments to secure nursery places.
ENDNOTES

3 The most recent modelling (January 2014) by the Institute for Fiscal Studies relating specifically to Scotland suggests that up to 100,000 children will be pushed into poverty by 2020 with the proportion of children living in poverty in Scotland forecast to increase to 26.2% by 2020, after housing costs are taken into account see www.ifs.org.uk/publications/7054 (Appendix Table B2). More recent IFS figures (March 2016) suggest relative child poverty (before housing costs) will increase by 50% by 2020 across the UK (from 17.0 per cent in 2014-15 to 25.7% in 2020-21). Living standards, poverty and inequality in the UK: 2015-16 to 2020-21, March 2016, James Browne and Andrew Hood, Institute for Fiscal Studies www.ifs.org.uk/publications/8171
4 An estimate of the cost of child poverty in 2013 by Donald Hirsch, Centre for Research in Social Policy, Loughborough University www.cpag.org.uk/content/cost-child-2013
6 Short Changed: The True Cost of Cuts to Children’s Benefits, End Child Poverty, 2015
7 Indicative modelling, Professor Jonathan Bradshaw and Antonia Keung, University of York, 2016
8 www.trusselltrust.org/news-and-blog/latest-stats
9 See for example, Emergency Use Only: Understanding and Reducing the Need for Foodbanks in the UK, Oxfam, Trussell Trust, CPAG, Churches Against Poverty (2014) www.cpag.org.uk/content/new-report-why-do-people-use-foodbanks
10 Healthier, Wealthier Children, Phase 2 Evaluation, Glasgow Centre for Populations Health www.gcph.co.uk/publications/457_healthier_wealthier_children_phase_two_evaluation
12 Poverty and Income Inequality in Scotland in 2013/14, Table A7, In-work poverty (relative AHC) in Scotland 1998/99 to 2013/14 www.gov.scot/Publications/2015/06/7453/16
13 Round the Clock: In Work Poverty and the Hours Question, CPAG 2014 www.cpag.org.uk/content/round-clock-work-poverty-and-hours-question

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