

MEASURING CHILD POVERTY AND ITS EFFECTS AT LOCAL AND NATIONAL LEVEL

Introduction to the Early Warning System

The Early Warning System (EWS) is a framework which has been developed by Child Poverty Action Group (CPAG) in Scotland to collect and analyse case evidence about how changes to the social security system are affecting the wellbeing of children, their families and the communities and services that support them. The cases are enabling us to develop an in-depth understanding of the impact of welfare reform and to identify how policies and services in Scotland can continue to contribute to delivery of better outcomes for children.

CPAG in Scotland acknowledge the support of the Scottish Government through the Third Sector Early Intervention Fund, managed on behalf of the Scottish Government by the Big Lottery Fund in Scotland.

The policy meeting being held on Wednesday 2nd December will provide an opportunity to consider:

- What changes to the Child Poverty Act 2010 will mean for the Scottish Government, local authorities and children and families experiencing poverty
- How the Scottish Government, local authorities and community planning partnerships can work together to gather information and develop effective indicators of child poverty and its effects.
- How case studies and wider evidence gathered through the early warning system might inform this process

1. THE NATIONAL FRAMEWORK FOR MEASURING CHILD POVERTY

Changes to the Child Poverty Act 2010

The Welfare Reform and Work Bill 2015 sets out drastic measures which – if implemented – will dismantle the Child Poverty Act 2010, removing key child poverty measures and wiping out the legislative commitment to eradicate child poverty in the UK by 2020.

Clause 1 of the Welfare Reform and Work Bill would remove the UK Government's duty to measure child poverty using the relative income measure. Measures relating to absolute low-income child poverty, persistent child poverty, combined low-income and material deprivation child poverty would also be scrapped. Instead the UK Government will report on its progress in relation to worklessness (across the UK) and educational attainment, apprenticeships, troubled families and social mobility in England¹.

The Welfare Reform and Work Bill will also remove the UK Government's binding duty to eradicate child poverty in the UK by 2020. The UK Government will no longer be obliged to produce child poverty strategies every three years.

Impact in Scotland

Given the fact that the income based targets will no longer exist, Scottish Ministers will no longer have a duty to describe in their strategies the progress they intend to make to contribute to the meeting of the targets of relative low income, combined low income and material deprivation, absolute low income and persistent poverty which this Bill removes.

Measuring child poverty in the future in Scotland

In a letter to the Secretary of State for Work and Pensions, the Scottish Cabinet Secretary for Social Justice,

Communities and Pensioners Rights has requested the UK Government repeal all parts of the Child Poverty Act 2010 relevant to Scotland, and confirmed the Scottish Government will remove itself from the new Social Mobility Commission. He has announced that the Scottish Government will now work with stakeholders and the independent poverty advisor to build on the current measurement framework already in place in Scotland. The Scottish Government plans to “develop a distinct and Scottish approach which does not ignore the increasing problem of in-work poverty which affects 120,000 children after housing costs.”ⁱ

Question for consideration

- Should the SG bring forward legislation in the Scottish Parliament – such as a Scottish Child Poverty Act - to provide a distinct Scottish framework for tackling child poverty?
- Given that local authorities in England currently have a legal duty to develop child poverty strategies, might a Child Poverty (Scotland) Act place duties on Scottish local authorities and community planning partners too? If so, what might those duties be?

2. LOCAL FRAMEWORKS FOR MEASURING RATES AND IMPACT OF CHILD POVERTY

At the last policy meeting for local seminar leads we discussed the difficulty of measuring progress in relation to child poverty at local level. Key points raised by local authorities and community planning partners included:

- The difficulty of measuring progress given that many of the key indicators used in relation to child poverty are several years out of date by the time they are published.
- Single Outcome Agreements and the Early Years Collaborative provided useful impetus and indicators of progress locally, though some felt the approach locally was ‘piecemeal’ and that there was a lack of co-ordination both between planning partners and within local authorities.
- Some – though not all – local leads were familiar with the Scottish Government’s Child Poverty Measurement Framework. (see Annex 2 below)
- Several local authorities felt that having an ‘anti-poverty strategy’ locally had provided the necessary focus and ‘buy-in’ from senior members of staff.
- Some also felt that there was a role for the Scottish Government to play in providing up to date information on poverty and the factors which underlie it to allow action to be targeted and the impact of policies to be measured effectively. *“We need detailed info and analysis of poverty locally but local authorities just don’t have the staff to do that kind of analysis. We are working with other local authorities to find out what worked for them.”*
- Some felt there could also be more leadership from the Scottish Government in terms of the importance of prioritising child poverty and what is expected of local authorities and their planning partners.

Question for consideration

- What information and indicators are most useful to you locally? Do you have examples of what works well in your area?
- Is there other information / indicators which would be useful but which are not currently available locally?
- What do you think about the measures suggested by the findings of the Early Warning System (Annex 1 below)?
- Is there more that could be done by the Scottish Government to help support you to measure your progress in relation to child poverty and its effects?

ANNEX 1. WHAT THE EARLY WARNING SYSTEM SUGGESTS IT MIGHT BE USEFUL TO MEASURE

Cases from the early warning system and wider evidence suggest that measuring the following might provide useful information about the resources available to families and whether the right action is being taken locally to address it.

In work poverty

In relation to in work poverty amongst parents, for instance, we know that 56% of children in Scotland living in poverty are living in a households where somebody is in workⁱⁱ. Early Warning System cases and wider research suggest major problems include a lack of suitable roles, low pay and unpredictable hoursⁱⁱⁱ.

"We were working for an agency and they 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 [did] not call for us. The agency didn't tell us why." Alexander and his wife have a new baby and live in West Lothian.

Lack of flexible, accessible, affordable childcare is also repeatedly identified as a problem amongst parents keen to return to work. Indeed, research conducted by Save the Children has found that a high proportion of those in severe poverty had given up work, turned down a job, or refrained from taking up education or training because of difficulties in accessing childcare^{iv}.

"Just the childcare, and the hours, and trying to get childcare to fit the hours. There's a really good after-school club in my area that will pick the children up from school but they only keep them until six o'clock. So even if you're finishing your work at five, but you're in Edinburgh, you're not guaranteed to be home for six. It's a wee bit easier now because the boys are a wee bit older." Fiona is a lone parent of two boys. She lives in Edinburgh and was interviewed as part of a qualitative research project forming part of CPAG's Early Warning System

Indicators of progress in this area might, therefore include,

- Increased progression from employability schemes to long term employment for parents
- Increased number of local employers paying living wage / signed up to Scottish business pledge
- Increased uptake of free childcare hours amongst low income families

Problems with the social security system

The early warning system also tells us that error and maladministration in the delivery of benefits are causing huge difficulties for families. Almost half of the cases received through the EWS highlight problems with maladministration, error or delay^v. Useful **indicators of progress in this area might, therefore include,**

- Increased % of low income families who have accessed income maximisation advice in the last 12 months
- Increased % of successful referrals from health care professionals to welfare rights / income maximisation advice

One advisor's client should have been in receipt of the Enhanced Disability Premium because she was in the support group of ESA. This would have meant her receiving an extra £15.55 per week of income-related ESA. The DWP have wrongly stated that the client should not be awarded the EDP because she also receives

Both our cases and UK government statistics also clearly show that many households are failing to access all the benefits they are entitled to^{vi}. **Useful indicators might therefore include;**

- Increased uptake rate of out of work benefits
- Increased uptake of sure start maternity grant, free school meals, school clothing grants and free transport amongst eligible families

Income crisis

On top of the difficulties created by long term low income, we know from rocketing demand for food banks that ‘income crisis’ – a sudden, dramatic drop in income – is also an increasing problem affecting families in poverty. Research conducted in partnership with the Trussell Trust and Oxfam found that in between half and two thirds of households using foodbanks were doing so as a result of problems with the social security system such as wrongful application of sanctions, delay and maladministration with the social security system^{vii}. Useful **indicators of progress in this area might, therefore include**

- Increase proportion of sanction decisions challenged by claimants
- Increase proportion of households sanctioned who have applied for hardship payments
- Decrease number of families with children using foodbanks

Engagement with foodbanks users in Scotland has shown that in some cases, people are being referred to food banks without being referred to welfare rights services and without being made aware of the Scottish welfare fund. A pilot project being taken forward in North Lanarkshire suggests that referring individuals to these services before giving them food bank vouchers can substantially reduce demand for food banks. Useful **indicators of progress in this area might, therefore include**

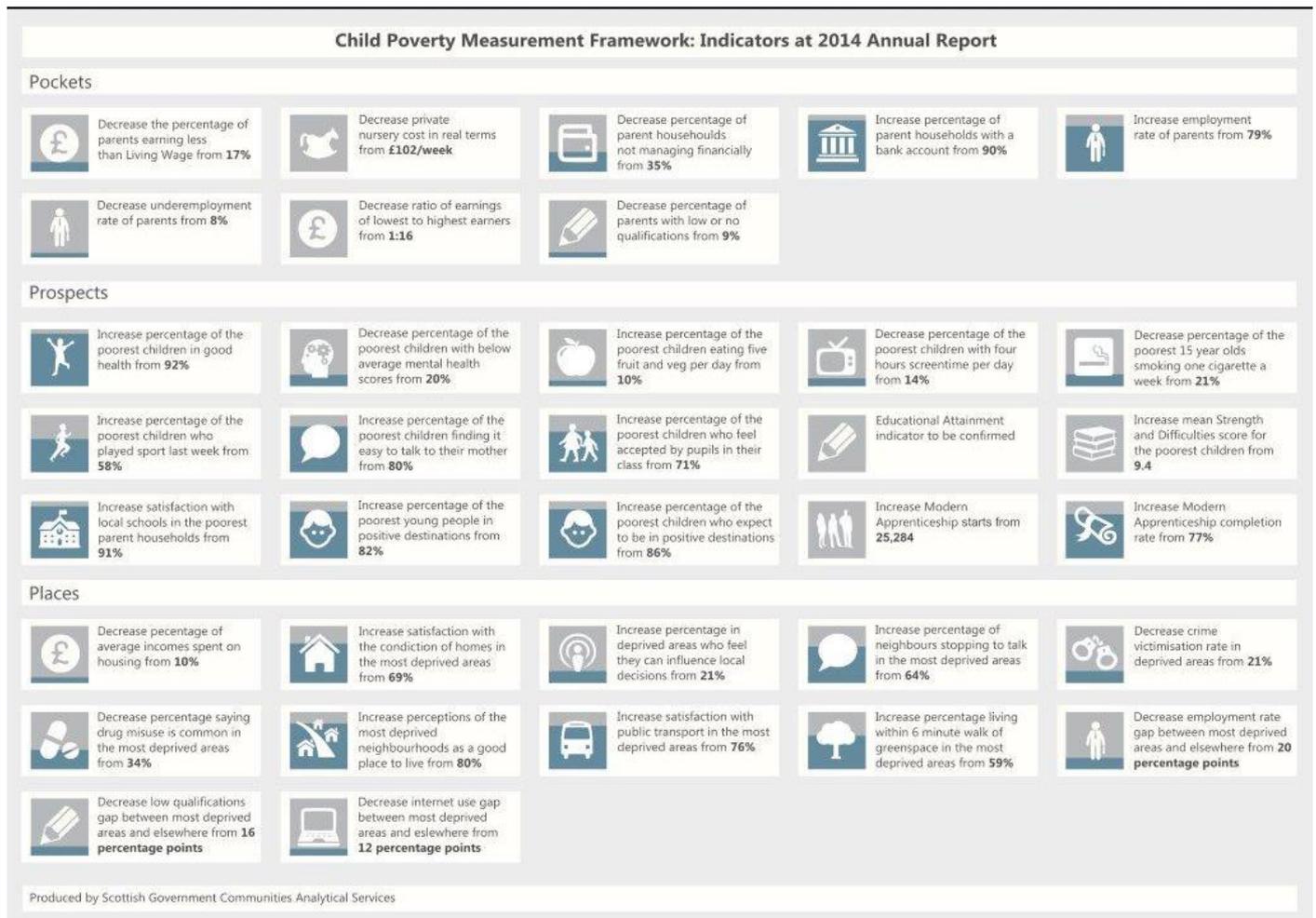
- Increase percentage of families accessing foodbanks that have had contact with Scottish Welfare Fund
- Increase percentage of families accessing foodbanks that have accessed welfare rights / income maximisation advice

Removing financial barriers to public services

Research conducted by CPAG in Scotland through the Early Warning System and through the Cost of a School Day Project^{viii} has highlighted that numerous financial barriers can prevent low income families from having equal access to vital services, resulting in a knock on impact on their health and wellbeing. In relation to education, for example, barriers identified have included the cost of school uniform, the cost of school transport the cost of school trips and equipment. Useful **indicators of progress in this area might, therefore include**

- Reduced rates of absenteeism amongst children from low income families
- Increased % of schools who have ‘poverty proofing / socio-economic equality strategies
- Increased % of health care settings which have active poverty proofing policies
- Increased % of children from low-income backgrounds taking part in after school activities
- Increased % uptake of free school meals / school clothing grant / free transport

Annex 2. Scottish Government Child Poverty Measurement Framework



Annex 3. Early Year Collaborative

Early Years Collaborative: The Early Years Collaborative has identified addressing child poverty as a key change area, that is a key area of interest where improvements will make a significant impact on the health and wellbeing of Scotlands children and young people.

The recent Child Poverty Key change event held at the COSLA Building in Edinburgh on the 7th May 2015 brought together members from various agencies across Scotland. The aim of the event was to coordinate the various testing that is happening to Address Child Poverty and to identify any specific interventions that will help families.

There seemed to be agreement with attendees as to the areas of testing; with three primary areas thought to require the most support:

- **Income Maximisation** - with two main areas of work, access to financial advice and the Healthy Start scheme.
- **Employment/ employability** - this would focus on access to suitable nursery provision taking into consideration the recent changes to the 600 hours and the eligibility criteria for two year olds.
- **Cost of living** - support with daily living costs looking at housing and fuel costs.

¹ <http://scottishgovernment.presscentre.com/News/Tackling-child-poverty-1ce4.aspx>

-
- ii 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
- iii <http://www.cpag.org.uk/content/cpag-scotland-response-childcare-commission-call-evidence-august-2014>
- iv Save the children; Making Work Pay: The Childcare Trap; Scotland Report; 2013
- v <http://www.cpag.org.uk/content/emerging-themes>
- vi <https://www.gov.uk/government/statistics/income-related-benefits-estimates-of-take-up-financial-year-201314>
- vii <http://www.trusselltrust.org/resources/documents/press/foodbank-report.pdf>
- viii <http://www.cpag.org.uk/content/cost-school-day-report-and-executive-summary>