

Every child, every chance



The Tackling Child Poverty Delivery Plan
2018-22



Scottish Government
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**The Tackling Child Poverty Delivery Plan
2018-22**

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Ministerial Foreword

by The Cabinet Secretary for Communities, Social Security and Equalities



This Tackling Child Poverty Delivery Plan is the first crucial step in our journey towards meeting the ambitious targets set out in the Child Poverty (Scotland) Act 2017. The Act is a landmark piece of legislation that clearly positions Scotland as leading in the UK on tackling child poverty. It is a clear statement of the Scottish Government's intent to eradicate child poverty and this first Delivery Plan, covering the period 2018-22, will make a real difference to children's lives.

Poverty is fundamentally about lack of income. That's why the targets in the Act focus primarily on income measures and why the majority of the actions set out in this Plan are aimed specifically at increasing family incomes or reducing costs. Action here will help children and families now. However, we will also do more to help families lessen the impacts of poverty and improve children's quality of life so that, ultimately, their life chances are improved. This will also help lower the risk that they themselves will be raising their own children in poverty in 2030.

Every part of government has a role in reducing child poverty and others need to play their full part too. That's why the Child Poverty (Scotland) Act also includes a local reporting duty, which will require local authorities and health boards to work together to report annually on what they are doing to tackle child poverty. We also want to ensure that everyone across Scotland has a stake in ending child poverty: this Plan's Partnership Working chapter explains how we're going to do just that.

The Plan more broadly is the result of partnership – across parliament, with stakeholders, with parents, and with children and young people, many of whom will be parents themselves in 2030. I'd like to thank everyone involved, but most of all I'd like to thank two groups. First, the Children's Parliament, whose consideration of the issues is threaded through this Plan in clever and insightful quotes. And second, the Poverty and Inequality Commission, which the Scottish Government established in July 2017; the Commission's advice on how to reduce child poverty has been invaluable and is reflected throughout the Plan.

As a government, of course, we don't have control of every lever that could reduce child poverty; external issues – such as UK Government policy changes or global economic problems – can also act as barriers to our goal. But we need to be aware of these external impacts and be able to respond wherever we can – as we have in relation to the bedroom tax, for instance. And we need to be making a compelling case for more powers – as we will be doing – so that we can do even more to help.

In short, if we work together and do our very best, we can end child poverty. And we must. It's simply not acceptable that so many children in Scotland live in poverty. In a country as prosperous as Scotland, no child should have their chances limited by poverty. **In the Year of Young People 2018, we are determined to demonstrate, by our actions, that Every Child deserves Every Chance.**



Angela Constance MSP

Cabinet Secretary for Communities,
Social Security and Equalities

Ministerial Foreword

by The Deputy First Minister and Cabinet Secretary for Education and Skills



The Scottish Government wants to build an inclusive, fair, prosperous, innovative country, ready and willing to embrace the future – and we’ve already made considerable progress. A key component of this is our pledge in legislation to eradicate child poverty.

Over recent years, we have developed our economy, created and protected jobs and businesses, and made record investments in our public services and social and physical infrastructure. We want the economic growth delivered in Scotland – by individuals, communities, businesses, and others – to support high quality jobs, decent wages and excellent public services to benefit everyone in our country.

Improving the education and life chances of children and young people is the defining mission of this Government. Our vision is simple: to deliver excellence and equity in Scottish education from early years through to college and university. All children and young people, whatever their background or circumstances, deserve the same chance to reach their full potential. Our investment to close the poverty-related attainment gap is aimed at helping children to do just this. If we can help deliver the skills, support and experiences children and young people need to fulfil their ambitions, we will together make Scotland the economic success we want it to be, with very low levels of child poverty.

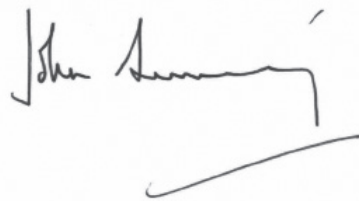
More broadly, public services and those who work in them support low income families in a range of crucial ways. Over the last 10 years, public services have become better integrated and more responsive to the needs of our diverse communities. By focusing on those who most require support and redesigning the way in which some services are provided, we will make sure we are using public resources in the long-term interests of the country.

The Fairer Scotland we want everyone to benefit from is one that genuinely advances equality and protects and enhances socio-economic rights and children's rights. And it really will take all of us to build this Fairer Scotland – with its fairer economy, excellent education system and reformed and improved services – if we are to meet our child poverty obligations.

Despite these strong foundations, the challenge is still considerable. We are living in a time of austerity imposed by the UK Government, with real-terms cuts set to continue, reducing family incomes and the resources available to the Scottish Government to mitigate poverty's damaging impacts. With Brexit adding further pressures and risks to our economy, some might argue that this is not a good time to be aiming to eradicate child poverty. The Scottish Government profoundly disagrees. That families are more at risk from poverty now than for a generation strengthens the case for making sure all our children and young people get the best start in life.

So we're investing in a whole host of ways to deliver the targets, including a new Tackling Child Poverty Fund, worth £50 million. This investment benefits all of us because everyone pays for poverty: governments spend huge amounts of tax-payers' money mitigating the short- and long-term effects of lives lived on low income. It's better for society – and for the economy – to prevent these negative outcomes by investing now to help every child have every chance.

There are no quick fixes – we simply need to do all that we can with the powers and the resources we have available. This will inevitably take time, but this Plan offers a strong and determined start. As a society, we should be doing everything we can to secure the best outcome for future generations. After all, what is good for children now is good for all of us, now and in the future when we will, in turn, be relying on them. It is our duty to help and support all our children and young people to give them the best start we can.



John Swinney MSP

Deputy First Minister and Cabinet Secretary
for Education and Skills

Executive Summary

This Delivery Plan contains many actions on child poverty that the Scottish Government will take between 2018 and 2022. **Here are some highlights.**



Work and earnings

1. **£12 million investment in new, intensive employment support for parents.** This will help those already in work to build skills, progress through their careers and earn more. It will also support those who are unemployed to move into work.
2. **Increased funding for the Workplace Equality Fund.** £750,000 is being made available to support employer-led projects that advance equality at work, with a focus on parenthood, progression, and families at high risk of poverty.



Costs of living

3. **A new minimum payment for the School Clothing Grant across Scotland.** This will give most low income families more money for school uniforms and sports kit.
4. **£1 million on new practical support for children experiencing food insecurity during school holidays.** New research will also help us understand what further action is needed at a national level to address this problem.
5. **New support for childcare after school and in the holidays.** This will help low income parents reduce childcare costs, work more flexibly and increase their incomes.
6. **A new focus on families in our Warmer Homes Scotland programme.** This will deliver an average saving of £350 per year off fuel bills for new customers.
7. **£3 million investment in a new Financial Health Check service.** Personalised advice will help low income families maximise their incomes, avoiding the 'poverty premium' of higher costs for essential goods and services.
8. **£1 million for the Carnegie UK Trust's Affordable Credit Loan Fund.** By growing the affordable credit sector, more parents will be able to access affordable credit when they need it, reducing the problems caused by insecure incomes.



Social security

9. **A new income supplement**, which in time will provide vital financial support for parents on low incomes.
10. **A new Best Start Grant.** This new and expanded grant will offer three more generous payments at key stages for children in lower income families during the early years.



Helping families in other ways

11. **£2 million investment to test the innovative Children's Neighbourhoods Scotland programme** in an urban centre, a small town and a rural community, helping to improve a range of outcomes for children.
12. **£1.35 million new investment for the further education sector to develop initiatives with colleges in local areas and for the Student Awards Agency for Scotland's outreach programme.** These preventative approaches will help ensure young people who have grown up in poverty have sustainable routes to positive destinations and out of poverty.
13. **An initial £500,000 for a new tailored community education programme for Gypsy/Traveller families.** This will provide specially tailored play and early learning opportunities for pre-school children and their parents living on Gypsy/Traveller sites, amongst a range of other support.



Partnership working

14. **A new £7.5 million Innovation Fund with The Hunter Foundation.** This joint investment will support new thinking and new approaches to preventing and reducing child poverty.
15. **£500,000 for the Healthier, Wealthier Children approach.** This will help secure financial and practical support, through healthcare settings across Scotland, for pregnant women and families with children at risk of or experiencing poverty.

SUMMARY

The Scottish Government is committed to ending child poverty. **Every child deserves every chance** and we are determined to do everything we can to deliver the change needed.



The Child Poverty (Scotland) Act 2017 requires the Scottish Government to reduce the number of children who live in poverty. By 2030, these targets must be met:

Fewer than 10% of children living in families in relative poverty. This means fewer than one in ten children living in households on low incomes, compared to the average UK household.

Fewer than 5% of children living in families in absolute poverty. This means fewer than one in twenty children living in low income households where living standards are not increasing.

Fewer than 5% of children living in families living in combined low income and material deprivation. This means fewer than one in twenty children living in low income households who can't afford basic essential goods and services.

Fewer than 5% of children living in families in persistent poverty. This means fewer than one in twenty children living in households in poverty for three years out of four.

The Act also includes a set of interim targets to be met by 2023.

All these targets are set on an 'after housing costs' basis – in other words, the income families have left after they've paid for their housing.

This Tackling Child Poverty Delivery Plan is for 2018-22. It sets out new policies and proposals to help us make strong progress towards these targets. Its actions are organised in two ways:

- Actions to make progress now on the three main drivers of child poverty (income from work and earnings; costs of living; income from social security)
- A range of preventative actions that help children and young people avoid becoming parents in poverty by 2030 (this includes a focus on quality of life and partnership working).

The Poverty and Inequality Commission, established by the Scottish Government in July 2017, has provided expert, independent advice on these issues and this Plan follows the structure of that advice.

Throughout, there is a focus on 'priority families' at high risk of poverty: lone parents, families with a disabled adult or child, young mothers, minority ethnic families, families with a child under 1, and larger families (with three or more children). This gives the Plan a strong equality emphasis and a specific equality impact assessment is set out at ANNEX 3.

We're already doing a lot to help low income families

Families living on a low income already benefit from a wide range of help from measures introduced by the Scottish Government over the last ten years.

This includes delivering 72,500 affordable homes so far; massive investment to increase free early learning and childcare; providing free school meals for children in low income families (and for all children in Primary 1-3) which saves families around £380 per child per year; investing more than £1 billion in the Council Tax Reduction scheme since 2013-14, helping almost half a million households each year; the Scottish Welfare Fund, providing crisis and community care grants; a new baby box of essential goods for every newborn; our on-going commitment to the Living Wage and supporting women in and into work; introduction of the Independent Living Fund; full relief from the bedroom tax; and our broader commitment to a 'social contract' – the offer all citizens should expect to receive, which includes free prescriptions and no tuition fees.



In this parliamentary term, our defining mission is to improve the education and life chances of children and young people. The Scottish Attainment Challenge, our national commitment to help tackle and ultimately close the poverty-related attainment gap, is backed by £750 million investment, allocated in three ways:

- £120 million Pupil Equity Funding – for headteachers to invest in approaches that meet local needs;
- £45 million Challenge Authorities and Schools Programmes – for schools in areas with high levels of multiple deprivation; and
- A small number of national programmes, such as developing new routes into teaching, which help support the aims of the Challenge.

So we're already doing a lot to help children living in low income families in a range of ways, but we know we need to do more.

New action on work and earnings

Sustainable, fair work is a long-term route out of poverty for families. To be sustainable, employment needs to offer parents decent rates of pay, good training and support, opportunities to progress, a flexible work environment, and enough hours in work to provide a weekly or monthly pay packet that – as a minimum – meets basic family needs.

Our new actions on Fair Work include **investing £12 million between 2019 and 2022 on intensive key worker support for parental employment.** This support will help those parents who face considerable barriers returning to work, with a particular focus on our priority families. It will also help parents already in employment to stay in work and progress through a rewarding career.

This new support offer is being developed alongside **our national devolved employment support service, Fair Start Scotland**. Fair Start Scotland goes live in April 2018 and will support at least 38,000 people over three years of referrals and will have positive impacts on around 7,000 children.

The Plan offers increased funding for the **Workplace Equality Fund**. £750,000 is being made available to support employer-led projects that advance equality at work, with a focus on parenthood, progression, and families at high risk of poverty.

The Plan also makes clear our intention to build a **Living Wage Nation**, with a focus on engaging with sectors, such as tourism and hospitality, in which low pay (and women's low pay in particular) is a concern.

New action on costs of living

We know that, for families on low incomes, costs of living can be high. Heating a family-sized home, feeding growing children, buying shoes, school uniforms and sports kit, equipment for school or hobbies, paying childcare and travel costs all add up. Families on low incomes often end up paying an unfair 'poverty premium' for basic essentials – for example, because they have a pre-payment energy meter, or are paying over the odds to a rent-to-own scheme to replace white goods because they can't access the cheap credit those on higher incomes can.

We're taking action to help. The Plan sets out our expansion plans for **early learning and childcare** and a new commitment on **after school and holiday childcare**. Lack of access to childcare is a key barrier to entering work for many parents, particularly lone parents, or to increasing their hours and their take home pay. The Poverty and Inequality Commission recommended that the Scottish Government should be developing a strategic framework for after school care as a priority and that's what we are now doing.

We're working with local authorities to reduce the **costs of the school day** and together we will deliver a new minimum for **school clothing grants across Scotland** – making sure that low income families, no matter where they live, get the help they need to get their kids ready for school.

We know too that while free school meal entitlement is a massive help for parents, there is concern about **meals during school holidays**. There's some excellent local practice developing and we want to find out more. So, as well as new research into provision locally, we're committing an extra £500,000 this year and next (£1 million new investment) to the annual £1 million we already invest in tackling food insecurity for this purpose.

On housing, the largest cost most parents have to cover, we're working with partners in the housing sector on keeping rents affordable. We're also taking action to boost take up of the **Warmer Homes Scotland programme** by our priority families. This programme, which tackles fuel poverty, delivers average fuel bill savings of £350 per year.

We're introducing a new **Financial Health Check Guarantee** for low income families in 2018 – investing £3 million in personalised advice to help with the poverty premium and benefit uptake to maximise incomes.

We're also committing **£1 million of match-funding with the Carnegie UK Trust in its Affordable Credit Loan Fund**. Insecurity of income is one of the biggest challenges faced by those living in poverty, and while short-term affordable credit is obviously no long-term answer to child poverty, it is part of the complex picture of provision that can help families get through a difficult time with money. Our investment will help the affordable credit sector to grow.

Costs of living can be more expensive in rural areas. Higher prices in local shops, additional delivery charges, greater distances to services, higher energy costs, lack of local childcare and a lack of competition from digital providers can all make life difficult. We'll be looking in detail at how we make sure the specific concerns of rural areas are addressed as we roll out this Plan.

New action on social security

We know from past experience at UK level that social security can play an important part in tackling child poverty. Child poverty rates in the UK fell in the early 2000s in part because of new benefits that were introduced for families. Of course, the reverse is also true – recent UK Governments have cut social security very deeply and this has led to rising child poverty across the UK.

We are introducing a range of new social security support. **The key action here is our commitment to work towards introducing a new income supplement within the lifetime of this Plan.** This will deliver regular, additional financial help to low income families.

In addition, the **Best Start Grant** (BSG) will provide lower-income families with financial support during the early years of a child's life. From summer 2019, BSG will replace and expand upon the UK Government's Sure Start Maternity Grant by providing eligible families with £600 on the birth of their first child and £300 on the birth of any subsequent children; and giving eligible families two further payments of £250 around the time of nursery and around the time a child starts school. Unlike the UK benefit, there is no limit on the number of children in a family who can be supported by BSG.

In terms of other support, the **Job Grant** will provide £250 for young parents, unemployed for six months or more, when they return to work. This will help with the basic costs of doing so. And we're providing more help for carers – an increase in **Carer's Allowance** to the level of Job Seeker's Allowance later this year and, from 2019, a new **Young Carer Grant** of £300 each year for carers aged 16 and 17. This will provide vital help to some of our lowest income households.

New action to help families in other ways

The Poverty and Inequality Commission advised the Scottish Government to focus on work, costs of living, and social security – as we have done above. The Commission also said that we shouldn't ignore issues of quality of life for children in poverty now. Actions on quality of life, even if they don't immediately affect the targets, can improve long-term outcomes. **This is, after all, a plan for 2030: our actions need to prevent children in poverty becoming adults with children in poverty by that date.** So we're developing action to help children and families participate in their communities, cope with adversity and build resilience.

We're taking a range of action. For example, **we're investing £2 million to extend the Children's Neighbourhoods Scotland programme** – which is being piloted in Dalmarnock in Glasgow – into another urban centre, a small town and a rural community. The programme has a strong international pedigree and aims to develop services to reduce poverty, extend power within communities, and improve outcomes for children and young people.

We are **supporting the further education sector to develop initiatives with colleges in local areas**, investing £1.2 million over the course of the Plan. This work will take account of young mothers and fathers in further education. Additional support (£150,000) is provided for the Student Awards Agency for Scotland's outreach programme.

We're investing an **initial £500,000 over the course of the Delivery Plan for a new tailored community education programme for Gypsy/Traveller families.** This will provide specially tailored play and early learning opportunities for pre-school children and their parents living on Gypsy/Traveller sites, amongst a range of other family support.

We're also working with **Young Scot to develop the National Entitlement Card** so it targets support, incentives and rewards to children and young people living in low income households.

New partnership working

We already work with a wide range of key partners to help low income families.

We're setting up a new £7.5 million Innovation Fund with The Hunter Foundation to trial new and innovative approaches to prevention and redesigning services. We've agreed with the Foundation that the Fund should aim to achieve sustained systemic change, with a view to speeding up progress on the targets.

We're also strengthening existing partnerships in a number of ways, with **the Poverty Alliance**, with communities via the **Empowering Communities Fund**, and with the **STV Children's Appeal** with guaranteed funding of £1 million per year for the transformative work they do.

In addition, we're **providing a range of support to local areas for their own work on child poverty**. We're funding a new **national coordinator** to help local authorities and health boards plan and report on their own actions. We are also partnering with the new **Scottish Poverty and Inequality Research Unit** at Glasgow Caledonian University, offering a range of analytical and policy advice.

How we're assessing impact

This Delivery Plan is the first of three plans that will take us from now to 2030. Many of our interventions have a long-term focus and, because we are operating in the context of on-going UK austerity, we do not expect the 2030 targets to be achieved quickly. We have commissioned a set of projections that show the scale of the challenge once planned UK Government welfare cuts have been introduced in full.

Despite this challenging backdrop, we need to have measures in place to ensure that progress is being made. The description of each action in the Plan includes a box showing resources allocated (where these are known) and a short assessment of impact. However, all new interventions in the key drivers sections (chapters 2, 3 and 4) required a more detailed line of sight to the targets to be included within the Plan. This rationale is set out for each new intervention in these chapters, with the full detail of how we have made these assessments set out in Chapter 7.

To track progress going forward, we will report against a new measurement framework that tracks key indicators of the drivers of child poverty. And we are committing to ensuring that each action in the Plan is properly monitored and evaluated, so we can learn from what works as we develop future policies in our journey towards 2030.

CHAPTER 1

INTRODUCTION



**“Children born
into poverty –
it’s not fair in
any way.”**

Member of the Children’s Parliament, age 11

Two scenarios for 2030

Our child poverty ambitions suggest two very different 2030 scenarios for Scotland.

Scenario 1 - If we do nothing, projections suggest that more than one in three children could be growing up in Scotland in poverty by 2030. The reasons for these trends are complex and hard to change. They include the UK Government's welfare reforms, changes to the world of work, patterns of global trade and growing inequalities between the richest and poorest in society and between the older and younger generations. Unless we take action, a third of our children will grow up poor and that crisis would damage our society and bring huge costs to our economy.

Scenario 2 - If we take the right action in the right ways, 2030 could see a Scotland where our child poverty targets have been met. This would mean that any child's experience of poverty would likely be short because parents' access to employment and training is responsive and effective. What's more, the consequences of poverty should be neither as deep nor as impactful as now, because the poverty premium has been tackled, social security offers a genuine safety net for people in hard times, and the stigma of low income has been properly and finally addressed. **If we deliver on our ambition, poverty will never have been so low in Scotland's history. This is the future we want for all of Scotland's children by 2030.**

This Plan sets out a clear direction of travel towards that better future

The Plan represents our first comprehensive and impactful programme towards achieving the child poverty reduction targets, covering the period 2018-22.

Based on the best available evidence to date, we have developed a **theory of change** – a theoretical underpinning for how we expect to meet our targets. This is based on four elements:

First, to make progress, we will focus on the three main drivers of child poverty:

- **Employment.** Income from parents' work and earnings is insufficient to lift them from poverty.
- **Household costs.** The costs of living that households have to cover are too high.
- **Social Security.** Income from social security has been cut back significantly by the UK Government, particularly for families with children, and is now inadequate to lift families from poverty.

We focus our efforts in this Delivery Plan on these three drivers – identified through our own analytical work and recommendations from the Poverty and Inequality Commission – and underpinned by our focus on inclusive growth.

The drivers are unlikely to change for future delivery plans because the evidence base is clear about their importance. But there is more to do to understand what kinds of interventions in these areas will deliver the scale and kind of impacts we want. That's why we're investing in a range of piloting work in this Plan – so we can build the evidence base we need. We're also setting aside approximately half of the Tackling Child Poverty Fund for use in 2020 and 2021; in part, this will be used to roll out the pilot programmes that prove successful.

The second point in our theory of change is that our actions need to prevent children and young people in poverty now becoming poor parents by 2030. This means taking preventative action to improve children's quality of life and helping families manage the impacts of poverty. Even if these actions have no immediate impact on the targets, building children's resilience in the face of poverty and other adversity should boost their long-term outcomes. So we will help children and families to participate in their communities, take action to address adverse childhood experiences, and provide support in mental health and other settings. This kind of support can help children and families better cope with adversity and build resilience. Again, knowing which interventions are particularly effective will be important.

Third, we will only meet our child poverty targets if we work in partnership. We have already legislated for local government and health boards to produce their own annual planning and reporting on child poverty. But we must also work closely with employers across sectors so that we maximise our collective effort on fair work and earnings. We must work with energy companies, financial services providers and schools – and they must work with us – to minimise household costs for families. We must work intensively with the UK Government so it understands the impacts of child poverty and the costs it brings to the economy, now and for the long-term. We must work with communities and our services and institutions to make sure children's quality of life is protected and assured.

Fourth, meeting the targets will require radical change and this Plan is only the beginning. The Child Poverty Act sets two target milestones: the final target date of 2030, and an interim target date in 2023. This Plan sets out actions we will take over the period to 2022, with a view to meeting those targets. The actions it contains are aimed at reducing child poverty both in the short and long term. The 2030 targets, which all take housing costs into account, aim to deliver:

- Fewer than 10% of children living in families in **relative poverty**. This means fewer than one in ten children living in households on low incomes, compared to the average UK household.
- Fewer than 5% of children living in families in **absolute poverty**. This means fewer than one in twenty children living in low income households where living standards are not increasing.
- Fewer than 5% of children living in families in **combined low income and material deprivation**. This means fewer than one in twenty children living in households which can't afford basic essential goods and services.
- Fewer than 5% of children living in families in **persistent poverty**. This means fewer than one in twenty children living in households in poverty for three years out of four.

We acknowledge that meeting these targets will be very difficult. The backdrop to meeting them includes some unprecedented challenges, not just on Brexit and on-going austerity, but in terms of structural and intergenerational change. The actions in this Plan include starting points for developing the kind of smarter thinking we need, including a £7.5 million Innovation Fund with The Hunter Foundation to drive systems change. But we will need to do more – this Plan is a starting point only, one we will need to revisit and reshape using the best evidence as we move forward through to 2030.

Finally, it's in everyone's interests that we meet these targets. Tackling child poverty is the ultimate in preventative spending – if we invest now, we invest for everyone's future, whether we have children or not. Billions of pounds go towards mitigating the life-long damage done to children by poverty. If we work together to tackle child poverty now, we can deliver the transformed society we want to see in 2030.

Our Plan is based on the best advice

The content of the Plan is based on the evidence base and on feedback from a great many different stakeholder groups – we've listed these in ANNEX 1.

Perhaps most importantly, we've heard from children – whose voices are threaded through the Plan – young people and parents. We asked equality representative groups and Scottish Parliament Committees to tell us what their child poverty priorities were too. Finally, we asked the new Poverty and Inequality Commission for its detailed advice.

As set out throughout the Plan, we've responded positively to the Commission's recommendations. The Commission set out general principles for the Delivery Plan and we have taken these into account by:

- Taking a strategic, cross-portfolio approach.
- Including actions on quality of life and helping families manage the impacts of poverty.
- Reflecting the geography of poverty across Scotland.
- Developing our partnership working.

Our Plan is serious about equality, prioritising families at high risk

Another Commission recommendation was to focus on families most at risk of poverty and this is the approach we have taken. Our assessment of the evidence base showed the extent to which child poverty and equality overlap, with strong age, gender, ethnicity and disability dimensions. Our Plan therefore has targeted its actions towards these families:

- Lone parent families, the large majority of which are headed by women.
- Families which include a disabled adult or child.

- Larger families.
- Minority ethnic families.
- Families with a child under one year old.
- Families where the mother is under 25 years of age.

More details on our priority families are provided in ANNEX 2.

We know that structural factors outwith the control of these households can lead to many becoming trapped in poverty. Often, the main issue is lack of flexibility around work and care, but there are many factors at play including discrimination, which leads to the far higher poverty rates¹ for children in these families, as shown below.

Lone Parents	Disabled	3+ Children	Minority Ethnic	Youngest Child Aged <1	Mothers Aged <25
36% of children in relative poverty	30% of children in relative poverty	30% of children in relative poverty	37% of children in relative poverty	32% of children in relative poverty	44% of children in relative poverty

¹ Figures shown are three year average poverty rates (2013-14 - 2015-16), Source: Households Below Average Income, DWP

Our Plan will tackle poverty now and also help prevent poverty for the future

The Commission also asked us to base our actions on the drivers of child and family poverty and develop actions based on these. We have therefore focused on work and earnings, costs of living and social security (chapters 2, 3 and 4) as key ways to make progress on our targets now.

The Commission also recommended that the Delivery Plan should focus on quality of life and helping parents lessen the impacts of poverty on children, even if these have no effect on the targets. Our thinking is that meeting the targets in 2030 means that we have to take a preventative approach now and that includes quality of life. Children living in Scotland now will be young adults in 2030, when these targets are due to be met. So we've set out a range of actions to help lessen the damage poverty can do to children (chapter 5), and reduce the risk that any impacts will be life-long.

We also recognise that government can't end child poverty on its own, so a range of actions working in partnership are set out (chapter 6), including support for local areas that are required by the Child Poverty Act to produce their own plans.

Our Plan is serious about understanding and assessing impact

Understanding the impacts of our interventions is crucial. Initial assessments of impacts and costs are set out in brief below each action. More detailed assessments are provided for interventions tackling the main drivers of poverty in chapter 7.

In some cases, we will need to develop pilots and proposals into policies and programmes and put these into place. And we need to be ready to explore and respond positively to new thinking.

Some of this will inevitably be challenging. We will need to work with all our partners to get interventions, and implementation, right. We will use our progress reports – every year from 2019 on – to feed back on how we're doing.

Going forward, we will work with partners to develop our modelling capabilities further. This will help us show the collective impact of actions against the targets where we can. A crucial part of this is our evaluation and monitoring approach, so we can demonstrate that the policies in this Plan are making a positive difference, and that we can learn from our actions to inform future delivery plans.

Our Plan thinks about place

We know that some places are more likely to experience multiple disadvantage than others. We also know that some local authorities are much closer to meeting our national child poverty targets than others. So our Plan thinks about place and geography and looks to test particular interventions and ideas where they're likely to have the biggest impact. The Plan recognises the specific barriers experienced in remote rural and island communities and acknowledges that implementation solutions will need to be tailored to help families in child poverty in rural areas access the range of support and help on offer.

Our Plan does not accept that poverty is inevitable

The child poverty targets are highly challenging. But the UN sustainable development goal of 'Ending poverty in all its forms everywhere' is even more challenging, as are our commitments on children's rights². Poverty is not inevitable – it is ultimately a policy choice.

There are, however, key policy levers that the Scottish Government has little control over. We will only be responsible for 15% of social security spend and crucially this doesn't include the main aspects that affect children. We don't have employment powers either and we can't, for example, raise the National Minimum Wage.

In all these cases and more, we will continue to try and influence the agenda, making the case for why having very low levels of child poverty makes economic sense and is good for people and society too.

² UN Convention of rights of child: [Article 26](#) (social security) Every child has the right to benefit from social security. Governments must provide social security, including financial support and other benefits, to families in need of assistance. [Article 27](#) (adequate standard of living) Every child has the right to a standard of living that is good enough to meet their physical and social needs and support their development. Governments must help families who cannot afford to provide this.

CHAPTER 2

WORK AND

EARNINGS



“My mum had a job, working all the time, but now she doesn’t get as many shifts so we’re struggling at the moment.”

Member of the Children’s Parliament, age 9

Fair work is central to improving the lives of all families in Scotland.³ Our vision for a strong Scottish labour market is one that drives inclusive, sustainable economic growth, characterised by thriving, competitive businesses, high employment, and a skilled population capable of meeting the needs of employers.

While employment is still the best route out of poverty, the majority of families in poverty already include someone in work, so to be a long-term solution, a culture of Fair Work needs to be embedded. In short, parents need to be able to access high quality jobs with a decent rate of pay, good training and support, opportunities to progress, a flexible work environment, and enough hours in work to meet basic family needs.

Parents who have to balance work and home responsibilities can find securing these kinds of jobs challenging. Some women, as traditionally the main carers of children, may feel that it's easier to work part-time, in a lower paid job, to balance family needs, topping up the wage of a primary earner. Other women, particularly lone parents, may be juggling several low-paid jobs at the same time to earn enough to cover basic essentials. It needs to be easier for all parents to earn more and work flexibly to make sure they can have rewarding careers with the ability to progress; and of course, the gender pay gap needs to be reduced further too.

For lone parents, young mothers, women returning to work after the birth of a child and parents with three or more children, a range of barriers can prevent them from finding quality jobs and staying in work. Many low income jobs in certain sectors (such as the 5 Cs – Cleaning, Catering, Caring, Cashiering, Clerical) tend to be done by women. By encouraging businesses to raise the value of these roles, and make them more flexible for families, we may be able to have an impact on child poverty. Focusing our efforts on businesses in these sectors, aligning to the Scottish Business Pledge (which, amongst other things, requires the Living Wage to be paid), will help us do this; and if businesses take action, the whole economy benefits.

³ Scotland's Labour Market Strategy (2016)
<http://www.gov.scot/Publications/2016/08/2505>

A quality job that takes disabled parents' needs properly into account can also be difficult to find. A Fairer Scotland for Disabled People⁴ set out our ambition to reduce, by at least half, the employment gap between disabled people and the rest of the working population, along with a range of supporting policies. Many of these policies help disabled people into work, but some also help to sustain employment for people already in work if they become disabled.

We also want to make sure that parents from minority ethnic communities have good access to high quality employment. In our Race Equality Action Plan⁵, we committed to set targets to check progress and work with stakeholders to ensure employment measures deliver fairly for minority ethnic communities. This included specific actions around raising the number of teachers and police officers, helping minority ethnic entrepreneurs and delivering a capacity building programme for social enterprise.

The structure of rural employment is different from that in the rest of Scotland, with a greater reliance on the private sector and on micro or small businesses. Rural areas have twice as much self-employment, and significantly greater seasonal employment, part-time working, working in multiple jobs and home-based working. This can create a flexible workforce to respond to economic circumstances but also makes it harder to roll out employment and employability schemes. So any actions we take will need to deliver for parents in rural areas too.

The current piecemeal approach to devolution – combined with significant concerns about the impacts of UK Government led welfare reforms, benefit reductions and the complexity and inefficiencies in the interaction between existing devolved and reserved powers – is such that the Scottish Government seeks full devolution of all relevant powers in this agenda. This includes full control over the Jobcentre Plus network in Scotland and relevant powers over employability. We believe that more powers are necessary if we are to deliver a more effective, coherent and complete offer – better supporting transitions into work and those unable to work, helping deliver a more inclusive workforce in Scotland and, crucially, helping us tackle child poverty and broader inequality.

The actions in this part of the Delivery Plan are intended to deliver this Fair Work focus.

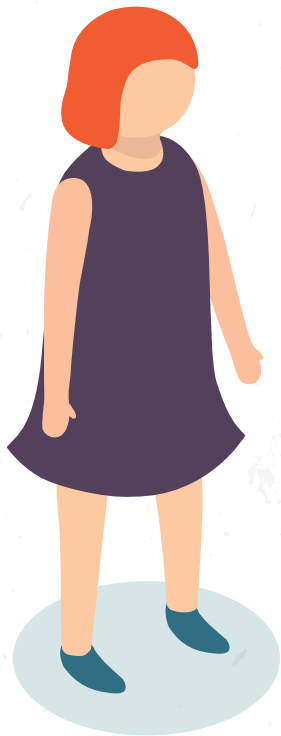
4 <http://www.gov.scot/Publications/2016/12/3778>

5 <http://www.gov.scot/Publications/2017/12/8700>

NEW EMPLOYMENT SUPPORT FOR PARENTS

“There are so many people that do not have money. As we know, money is an everyday necessity, especially for those with children or no job.”

Member of the Children's Parliament, age 12



Two major new initiatives will help low income parents with employment:

- Fair Start Scotland, our **national devolved employment support service**.
- **Additional employment support for parents**, investing £12 million over the period of the Delivery Plan to deliver key worker support to our priority families.

A new focus on sustainable employment – Fair Start Scotland

Our national devolved employment support service, Fair Start Scotland, goes live in April 2018 and will make a strong contribution to helping us meet our child poverty targets. It is estimated that the service could positively impact around 7,000 children currently in poverty.

The service concentrates on helping people gain sustained employment. It will support at least 38,000 people over three years and focus on helping people with particular challenges in finding work. Key among these are several groups who are able to access immediate and early entry to the service: lone parents, disabled people, minority ethnic groups, refugees and people who live in the 15% most deprived areas of Scotland.⁶ Care-experienced young people are also a priority group for the programme, as they have a higher proportion of adverse childhood experiences than young people not in care and face multiple barriers to employment.

⁶ As identified by the Scottish Index of Multiple Deprivation (SIMD).

Fair Start Scotland will be important for lifting families out of poverty. Understanding the drivers of inequality and taking action to address them is key to the success of Fair Start Scotland, and the Scottish Government's aim of treating people with dignity, fairness and respect.

Delivery of the new service will be taken forward in partnership with contracted providers, local authorities and third sector organisations, using a flexible and "whole person" tailored approach that identifies the needs and barriers individuals have in finding work, and staying in work.

Fair Start Scotland will offer pre-work support for 12-18 months. Participation will be entirely voluntary, and all participants can expect to receive in-depth action planning to ensure the support they receive suits their individual needs and circumstances. The service will also offer high quality in-work support for 12 months. Those who require specialist support to help them find work can expect to receive it – and this may be particularly beneficial for parents who will have particular requirements. For disabled people who require intensive support, supported employment and individual placement and support will be available. There will be national standards to ensure everyone is supported consistently across the nine geographic contract areas across Scotland.

Resources	Impact Summary
The Scottish Government has provided a budget of up to £96 million to deliver Fair Start Scotland over the next five years from April 2018.	Potential for impact on all four targets through earnings. The policy has a particular focus on lone parents, disabled people and minority ethnic groups.

Intensive employment support for parents

We will invest £12 million from the Tackling Child Poverty Fund to provide intensive support for low income parents to help them get into work and – for those already in work – to progress through a career.

Fair Start Scotland will provide help in a variety of ways, but we have been considering what more we can do for the priority families identified in this Plan who need support but aren't eligible or ready for this or other programmes. Key children's services organisations consulted in the course of developing the Plan highlighted that some parents would need holistic support to build confidence and develop skills before they would be ready to enter or come back to the workplace, while the Poverty and Inequality Commission said we needed action that recognised the barriers faced by those at greatest risk of family poverty.

Parents in our priority groups – lone parents, larger families, minority ethnic families, families with a disabled adult or child, young mothers and families with a child under one – often need structured and personalised support to help them get back into work or to take the next steps in building the career they want for themselves. The Commission also asked us to focus on supporting in-work progression for families living in poverty, so this is also a key component of our approach.

Working with our partners, we will therefore invest £12 million from the Tackling Child Poverty Fund to provide additional support for these low income parents.

Building on what works, the investment will focus on intensive key worker support that provides:

- Person-centred help for parents to address their barriers to work, which might include health support, money advice, or motivational support.
- Help in meeting the increasing challenge of in-work poverty, targeting support to help parents already in jobs to remain active in the workplace and gain progression through a rewarding career.

It is critical that new funding is delivered as part of a more straightforward, flexible and person-centred employability system in Scotland and aligns with Fair Start Scotland and other programmes at both a national and local level. We will therefore work closely with our partners to develop a package of support that delivers on these objectives and ensures a balance of support between those struggling to get a foothold in the labour market with those in low-paid work.

We will also monitor and evaluate to learn lessons and consider how to develop our support offer in the next Delivery Plan.

Resources

£12 million is available over the course of the Delivery Plan from the Tackling Child Poverty Fund. We will look to expand the offer if monitoring suggests strong indications of success.

Impact Summary

Potential for impact on **all four targets** through earnings. This proposal is subject to on-going design and the most appropriate way to target priority groups will be considered.

TACKLING LOW PAY

Parents consulted in preparation for this Plan said that wages hadn't increased in line with higher costs of living – they saw it as vital that employers paid a Living Wage.

This section sets out two key areas of action on low pay:

- Our focus on the Living Wage.
- Public Sector Pay.



Building a Living Wage Nation

To help tackle low pay, we commit to lifting at least 25,000 more people onto the Living Wage over the next three years. We will take concrete steps to build a new Living Wage Nation. We will take a sectoral approach, focusing on hospitality and tourism.

While some households are in poverty because of low wages, not everyone on low pay is in poverty – for example, where a couple's combined earnings are enough to avoid poverty. So this is not just a poverty-driven policy – it's also about fairness for all, particularly for those more likely to be on low pay – for example, young people, women, disabled people, and those from minority ethnic backgrounds. However, this does not take away from the fact that we know that boosting low pay will help reduce child poverty.

We have already done a lot to promote the Living Wage in Scotland. The Scottish Government has long championed the payment of the Living Wage and the real benefits to our economy of treating people who work more fairly. We have demonstrated our commitment to paying the Living Wage by becoming an Accredited Living Wage Employer, the first government in the UK to do so.

Scotland remains the best performing of all four UK countries with the highest proportion of employees paid the Living Wage or more (81.6%). With over 1,100 Accredited Living Wage Employers, we are now moving to a new level of ambition.

Over the next three years the Scottish Government will work with the Poverty Alliance to build a 'Living Wage Nation', boosting the wages of those on low pay and supporting inclusive growth. To embed and promote the Living Wage, in 2018 we will establish the UK's first Living Wage town, city and region.

Our work with the Poverty Alliance will mean that at least 25,000 more people over the next three years will receive a pay increase due to their employer becoming Living Wage accredited. The number of businesses accredited will grow by at least 10% a year.

There will also be a focus on hospitality and tourism. Although these sectors can offer high wages and quick promotion with early responsibility, there are many low paid jobs too. These sectors are dominated by women workers, the majority of whom work part-time. As a key growth sector, and Scotland's second largest employment sector, tourism and the hospitality industry needs to play its full role in ending child poverty. This sector has a lot to offer – it has a reach that is unlike many others, even into the most rural parts of Scotland. It can also provide a wide range of flexible working opportunities, at all levels of the industry and for those at all stages of their career path.

As we build wider support for Scotland's tourism destinations, we will also support them to make fair work part of their development, using the funding and other levers at our disposal to embed the promotion of fair working practices and to build Living Wage Places. In Dundee, Skills Development Scotland is already working with creative industries business networks to identify opportunities to strengthen entry level opportunities for young people and to stimulate business growth and sustainability.

Our joint strategy focussing on a place-based approach and low pay industries will greatly help the coordinated approach needed across government to ensure that for those who are able to work, paid employment offers the best and most sustainable route out of poverty.

Resources	Impact Summary
We are currently finalising funding with our partners for this action.	Potential for impact on all four targets through earnings. Women, who are more likely to work in low pay sectors, will benefit most.

Tackling low pay in the public sector

In the face of UK Government's continued budget cuts, we have once again developed a progressive Public Sector Pay Policy which is fair, supports those on lower incomes and protects public sector jobs and services while delivering value for money for the people of Scotland.

The Programme for Government included a commitment to lift the 1% public sector pay cap. We were the first government in the UK to make such a commitment, acknowledging the pressure inflation and benefit cuts are having on household incomes.

The Pay Policy demonstrates a progressive approach to pay and delivers:

- A 3% pay increase for all those earning up to £36,500. This benefits over 75% of staff covered directly by our Pay Policy and has the potential to benefit over 75% of public sector workers in Scotland.
- Up to 2% of baseline salaries for those earning between £36,500 and £80,000.
- A cap of £1,600 for those earning over £80,000 – recognising that senior public sector leaders need to demonstrate pay restraint in their pay settlements.

We have set an important direction of travel by delivering on our promise of pay increases which reflect the cost of living and remain affordable.

The Pay Policy is underpinned by our commitment to the real Living Wage.

Resources	Impact Summary
The 2018-19 pay policy applies to pay settlements between 1 April 2018 and 31 March 2019. Many public bodies are currently in early pay discussions with their staff representatives and costs will not be available until after individual pay awards are implemented.	Potential for impact on all four targets through earnings.

FLEXIBLE WORKFORCE DEVELOPMENT FUND

In December 2016, the Scottish Government announced the introduction of a new £10 million Flexible Workforce Development Fund (FWDF) to provide employers with workforce development training to up-skill and re-skill their existing workforce. The Fund is in direct response to feedback from the Scottish Government's recent consultation on the introduction of the UK Government Apprenticeship Levy.

Employers (in scope to pay the levy) will have flexibility to train members of their workforce through college provision to bring greatest benefit to their organisation. Within this and in line with Scottish Government priorities, employers are encouraged to give due

consideration to specific groups such as older workers; those in low skilled jobs; those working regularly with younger workers/apprentices; veterans/early service leavers; and workers from equality groups.

2016 figures showed that 31% of those in employment have a dependent child aged under 16.⁷ We expect therefore that around a third of those benefitting from FWDF will be parents – although it may be a higher share than that, given the FWDF focus on low pay sectors, which are more likely to be dominated by women. We will monitor and evaluate the Fund to check its impacts on parents.

Our investment will be administered by the Scottish Funding Council and be made available through regional colleges and Scotland's Rural College.

Resources

£10 million available for the Fund in academic year 2018-19.

Impact Summary

Potential for impact on **all four targets** through earnings. Employers are being encouraged to give due consideration to specific groups, including many of our priority families.

⁷ Annual Population Survey (2016).

NEW SUPPORT FOR EQUALITY AT WORK

Equality at work is
crucial if we are to
eradicate child poverty.



Professor Lesley Sawers' report on the Role & Contribution of Women in the Scottish Economy (2015) noted that changes in attitude, culture and workplace practices are needed if we are to unlock the full economic potential of the whole population of Scotland.

The Equality and Human Rights Commission stated in its report *Is Scotland Fairer?* (2016) that inequalities in access to employment and in the workplace are having negative impacts relating to gender, age, disability and ethnicity. Timewise has argued that a significant number of people, especially women, become trapped in low-paid part-time work, not because of a lack of skills, but because they need flexibility and can't find a quality flexible or part-time job.

We are taking forward a range of new actions to advance equality in the workplace. This includes the following:

1. New action to support the achievement of our commitment to seek to reduce by **more than half the disability employment gap**.
2. Action to reduce the **gender pay gap**.
3. A new **£750,000 Workplace Equality Fund** to help overcome long standing and systemic issues with recruitment practices and progression in the workplace.
4. Action to promote **flexible working** with employers.

More on these actions now follows.

A new approach to employment, developed with disabled people

In spring 2018, we will set out our next steps to reduce the disability employment gap by more than half. We will set targets to increase the number of disabled people employed in the public sector. Disabled parenthood will be an important element of this. We know that child poverty is more prevalent for those children living in households with a disabled person – with 30% of children in households with someone disabled in poverty compared to 20% of children in households where no-one is disabled.

We are consulting disabled people, their representative bodies, service providers, employers and other stakeholders on the actions necessary to support the achievement of our

commitment to seek to reduce by more than half the disability employment gap. We will set out our next steps for action at a major congress in April.

As part of this, we will ensure that employability of disabled parents has a place in our plans. We want to better understand the barriers disabled parents face balancing home and work responsibilities, on top of the other challenges presented by the modern workplace. We will work with them to ensure our approach is sensitively and appropriately developed.

We will also link to other Scottish Government policies which can have an impact on disability employment, including early years and childcare, our skills and fair work policies, health, transport and communities. Fair work is a particularly important factor in all of this – we need to make sure disabled parents get a positive outcome, not that they simply move from unemployment into in-work poverty.

Resources	Impact Summary
We are developing our final proposals and therefore the budget is still subject to consideration.	Potential for impact on all four targets for disabled parents through earnings if they are more able to take up paid work.

New action on the gender pay gap

Gender pay gaps are symptomatic of structural gender inequalities in the workplace, education and wider society. The issue limits economic growth and has negative consequences for children. If we could reduce the gender pay gap further, and do more to tackle occupational segregation, it is likely that child poverty would fall. We have taken a range of action already, including the following.

- We now require listed public authorities in Scotland with more than 20 employees to publish their gender pay gap every two years.
- Our National Science, Technology, Engineering and Mathematics (STEM) Education and Training Strategy (2017) is tackling occupation segregation. This Strategy outlines a five year programme of action to promote excellence and equity in STEM and to inspire and connect learners of all ages to STEM careers and opportunities. Skills Development Scotland's Equalities Action Plan for Modern Apprenticeships also includes activity to address gender imbalance within some apprentice occupational frameworks (e.g. women in STEM related apprenticeships).
- Women are more likely to take a break from paid employment when they have children, and this can lead to downgrading of careers once they return to paid employment. Our Returners programme is currently rolling out a number of programmes across Scotland to help parents (mainly women) to return to careers, ranging from financial services to security and childcare.
- We have funded Close the Gap to challenge and change employment practices and workplace cultures and Family Friendly Working Scotland Partnership to support and promote the development of family friendly workplaces across Scotland.

While this is a platform to build on, we recognise that there is more work to do in reducing the gender pay gap, for the Scottish Government, the wider public sector, and the private sector. **We will therefore establish a stakeholder working group to plan activity from baby to boardroom to reduce gender pay gaps as part of the Scottish Government's inclusive growth vision.** The working group will consider specific and timed actions to drive improvement across all sectors for the short, medium and long terms. It will take an intersectional approach, which means recognising that people's identities and social positions are shaped by multiple factors including age, disability, ethnicity, religion and belief, sexual orientation and socioeconomic background. There will also be a focus on the priority families in this Delivery Plan to help reduce child poverty. The group will develop evidence based proposals for Ministers' consideration by the summer of 2018. We will report back on action taken in our first progress report in 2019.

We recognise that addressing pregnancy and maternity discrimination at work will also help to reduce the gender pay gap and improve the economic position of women in Scotland. Despite the Scottish Government not having powers over employment law, as part of our commitment to helping women fulfil their potential in the workplace, we wanted to address this important issue and established a Ministerial working group in December 2016. As part of its remit, the group has produced new guidance for employers and has been actively promoting this to encourage best practice. A paper outlining the group's work to date is available online⁸. Next steps for the working group will consider how it can continue to support the priority groups identified in this Delivery Plan. In particular, ensuring websites such as Ready Steady Baby, NHS Inform and The Parent Club, that are targeted at supporting pregnant women and new mothers, include links

⁸ <http://www.employabilityinscotland.com/key-clients/women-and-work/pregnancy-and-maternity-discrimination-working-group/>

to the relevant pregnancy and maternity guidance such as those published by the Equality and Human Rights Commission and ACAS. The group will also work with Healthy

Working Lives as they consider their range of resources for employers on health and safety awareness and risk assessments.

Resources	Impact Summary
Additional investment and resource to support delivery of the strategy will be announced during the course of 2018-19.	Potential for impact on all four targets through earnings. By tackling gender inequality, all priority groups should benefit.

The Workplace Equality Fund

The Poverty and Inequality Commission's advice noted that we need to address inequalities in access to work and to in-work progression rates to make progress reducing child poverty. The Workplace Equality Fund will support employer-led, innovative solutions to overcome barriers faced by the people who work for them. The Fund will help some of our priority families, with a key focus on women, disabled people, and those from a minority ethnic background. The Fund will also support older workers (those over 50).

This Fund is a new investment by the Scottish Government to promote equality at work. We expect that proposals to the new Fund will focus on overcoming long standing and systemic issues with recruitment practices and progression in the workplace. This could include for example counteracting unconscious bias, promoting a positive culture towards pregnancy and maternity and/or introducing family friendly practices in the workplace.

The first round for applications to the Workplace Equality Fund was opened on 8 February 2018 and a second round of applications will open on 2 July 2018. We will now increase the total Fund to £750,000, with a particular focus on parenthood, the Delivery Plan's priority groups, and on progression, as a response to the Commission's advice.

Resources	Impact Summary
£500,000 has been allocated from the 2017-18 budget, and an additional £250,000 will be allocated from the 2018-19 budget.	Potential for impact on all four targets through earnings. By focusing on advancing equality at work, our priority families should benefit.

New support for flexible working

Parents consulted for this Delivery Plan said that employers should be willing to offer more flexible working hours or work patterns. Without flexibility in childcare provision, it felt to some like returning to work after having a baby was often very difficult. Employer flexibility was also seen to be key for emergencies faced by parents such as looking after an unwell child. Similarly, the Commission advised us to consider how the Scottish Government can work with employers to improve the quality of part-time work.

The Fairer Scotland Action Plan set out a range of actions on supporting flexible working, including development of Scotland's first Flexible Jobs Index, which was published by Timewise in 2017. Timewise found that amongst jobs in Scotland paid £20,000 FTE or more, only 11.9% were advertised with flexible working options at the point of hire. They argued that employers consistently underestimate how much employees value flexibility and, because flexibility rarely features in employer recruitment, they miss out on the many skilled candidates who can only consider flexible jobs.

Flexible working is important for most parents – and in particular for women, who are often the main carers of children and for disabled people, who may need additional adjustments. Parents stand to gain significantly from increases in quality jobs that are genuinely flexible, helping them balance work and family responsibilities. So we want to consider what more we can do across this parliamentary term to support flexible working.

We will invest monies from the Tackling Child Poverty Fund to deliver new programmes with partners to encourage employers to change workplace cultures. And we will work with Timewise and our other partners to produce an update of the Flexible Jobs Index Scotland for 2020.

As Timewise said in their Flexible Jobs Index:

“It is time to radically change the way jobs are designed and advertised, moving towards flexibility by default. ‘Normalising’ flexibility will help create a fairer Scotland: more people will be able to access quality work; we will see greater equality as women and men can progress in their careers while working flexibly and working families will have a better balance between home and family life.”

Resources	Impact Summary
We will be investing resources from the Tackling Child Poverty Fund, to support this work. Details to be confirmed in a future progress report.	Potential for impact on all four targets through earnings if it helps parents stay in work and progress. Flexible working is likely to be of particular benefit to women.

CHAPTER 3

COSTS OF LIVING



**“Children would
be worried
about affording
basic things.”**

Member of the Children's Parliament, age 9

For families on low incomes, costs of living can be high. Heating a family-sized home, feeding growing children, buying shoes, school uniforms and sports kit, equipment for school or hobbies, paying childcare and travel costs all add up.

What's more, families on low incomes often end up paying an unfair 'poverty premium' for essentials – for example, because they have a pre-payment energy meter or are paying over the odds to a rent-to-own scheme to replace broken white goods.

Costs of living impact in distressing ways for the lowest income households. We've all heard stories about parents skipping meals themselves so they can afford to feed their children. But we're hearing more about children being hungry in the school holidays because that's when they don't get a free school meal; not having the sanitary products they need and skipping school or college as a result; and families only heating one or two rooms in their home during winter. Costs of living can be particularly significant for our priority families and this Delivery Plan looks to make a positive contribution.

We're already doing a lot to help. For example:

- Since August 2017 every new-born child in Scotland has been eligible for a baby box of essentials, such as clothes, nappies and books, to help ensure they get the best start in life. The baby box concept can also help expectant mothers engage with maternity and antenatal services.
- We're also providing funding for healthy, nutritious free school meals which saves families around £380 per child per year. The introduction of universal free school meals in P1-3 has removed stigma associated with means-testing and led to increased take up amongst the most disadvantaged pupils, even where they were already entitled to a free meal.
- We've delivered nearly 72,500 affordable homes since 2007 and have now made a new commitment to 50,000 more in this parliamentary term.
- In addition, a Fairer Scotland for Disabled People – Our Delivery Plan to 2021 – sets out a number of housing related commitments including a requirement for targets within Local Housing Strategies for the delivery of wheelchair accessible housing across all tenures.

We're also providing significant support to the social enterprise sector. Although the sector is diverse, with thousands of organisations at work across the Scottish Economy, the *Social Enterprise in Scotland Census 2017* identified the third largest area of social enterprise activity as 'Early Learning & Childcare' with 708 (13% of all social enterprises) providing these services.

Since the launch of *Scotland's Social Enterprise Strategy* in 2016, we have invested over £7.8 million to deliver in three priority areas: stimulating social enterprise activity, developing stronger organisations and realising market opportunity. Social enterprises, including the substantial number that provide childcare, have access to specialist business support, procurement advice and affordable social finance.

The Delivery Plan expands our offer on early learning and childcare and on housing – perhaps the most significant regular costs families have to bear. We're also doing more to reduce the costs of the school day. We're taking world-leading action to make sanitary products available to women and girls via educational establishments. And we are building on great local initiatives to tackle food insecurity.

All policies related to costs of living can impact on the low income and material deprivation measure, as these policies could free up significant sums of money to be spent on essential goods and services. In addition, some of these policies could impact on the other targets – for example, by reducing housing costs, or increasing benefits in kind which are counted as income.

EXPANDED EARLY LEARNING AND CHILDCARE

Universally accessible, high quality early learning and childcare (ELC) is central to tackling child poverty in a number of ways. First, it helps provide children with skills and confidence to carry into school and is a cornerstone for closing the poverty-related attainment gap – so it has an important preventative dimension for adulthood. Second, it saves parents money – we estimate that the full ELC entitlement will save families over £4,500 per child per year. Third, ELC should also enable more parents to gain access to employment and training opportunities by giving them more flexibility and more time.

Our policy is truly transformational. Entitlement is now 600 hours. By 2020 – the mid-point of this Delivery Plan – this will almost double to 1,140 hours. The expansion is built upon four key principles: quality, accessibility, affordability, flexibility, with high quality provision at its heart.

The entitlement is available to all three- and four-year olds, and targeted to those two-year olds who would benefit most (around a quarter of two-year olds are eligible, based on free school meals criteria). Most two-year olds in our priority families should benefit. There is significant scope to improve the uptake of the two-year old targeted offer (currently sitting at around 10% of all two-year olds) and we have pledged to support local authorities in doing this. We'll also review the statutory framework to make sure that the eligibility criteria and service definitions meet the needs of this age group in full.

In addition to the three main points made at the start of this section, the expansion in funded ELC will also create new employment opportunities across Scotland. We estimate that we need up to 11,000 new entrants to the sector by 2020 to support the expansion, which will also create training and employment opportunities for parents and carers. There are few more important jobs than caring for our youngest children, and we are seeking to create more professional development opportunities for those already working in the sector and to ensure that careers in early learning and childcare are attractive to new recruits. We launched the first phase of a national marketing recruitment campaign in October 2017, which highlights the range of jobs and opportunities available in the sector.

Pay is obviously crucial. We want to see all childcare workers delivering the funded entitlement across all sectors paid at least the Living Wage, and we have committed to providing sufficient funding to enable this by 2020. We estimate that this will benefit up to 8,000 existing members of the workforce, as well as those joining the workforce to support the expansion. Our Living Wage commitment will provide much needed additional income to households across Scotland, many of which will include children.

We'll also introduce a new 'funding follows the child' approach to delivering ELC, alongside the expanded entitlement. This will be underpinned by a new national standard which will ensure that children will have access to a high quality ELC experience across a range of types of provision, including nurseries provided by local authorities or the private and voluntary sectors, and child-minding. The standard will also ensure that funded ELC is free to parents and carers at the point of access, removing financial barriers to accessing provision.

As well as increasing statutory entitlement to ELC, we are taking action to support families of younger children with childcare costs. **We are working with Early Years Scotland to pilot a childcare deposit guarantee scheme in three local authority areas.** This will launch later this year and will reduce the burden of upfront childcare costs for low income families. The evaluation of this scheme will help us design new policies to provide wider help with such upfront costs in this parliamentary term.

Resources	Impact Summary
The 2018-19 Scottish Budget allocates total funding of £243 million to support the near doubling of early learning and childcare, comprising £93 million revenue funding and £150 million capital funding. Scottish Ministers are committed to fully funding the expansion and we are in the process of agreeing a multi-year funding package for local authorities with COSLA.	Will impact on cost of living for those who currently use childcare and can transfer to free provision. May impact on earnings where it allows parents to work additional hours. Therefore, has the potential to impact on all four targets. Because women disproportionately take on unpaid caring responsibilities, they will benefit the most.

AFTER SCHOOL AND HOLIDAY CHILDCARE

The Poverty and Inequality Commission recommended that the Scottish Government should be developing a strategic framework for after school and holiday childcare as a priority. This built on a recommendation from the First Minister's Independent Advisor on Poverty and Inequality, Naomi Eisenstadt, who argued in her 2016 report, *Shifting the Curve*, that there was potential for using school buildings to provide after school care. The lack of access to such care is considered a key barrier for many parents, particularly lone parents, entering work or being able to increase their hours to a sufficient level to make work pay.

We want to respond positively to this challenge. We have already made a commitment to develop a new strategic framework for after school and holiday childcare by the end of this Parliament. The Scottish Attainment Challenge

is already delivering enhanced out of school care provision in some areas, ranging from homework clubs to family learning activities. We want to learn from and build on the success of these initiatives to ensure that more families across the country can benefit.

In 2018, we will assess the availability of existing provision, setting out what we will do to better meet the needs of families. Our resulting policies, which we'll report back on in our first progress report, will help meet the challenges of securing accessible, affordable and flexible childcare, maximising benefit for low income families.

The development of the new strategic framework will also consider how we can empower community-based solutions. There is also scope to integrate early learning and childcare (ELC) provision with out of school childcare at local authority level, particularly (but not exclusively) where ELC is delivered in a primary school setting.

Resources	Impact Summary
To be confirmed. Resources for this policy will be considered in future annual budget rounds.	Policy being designed – has potential to impact on all four targets where it allows parents to work additional hours.

NEW HELP WITH COSTS OF THE SCHOOL DAY

“Education is free but a lot of school things are not.”

Member of the Children's Parliament, age 11



In their submission to the Scottish Government on priorities for the Delivery Plan, the Education and Skills Committee highlighted the challenges to low income families of costs associated with the school day, including the variability in levels of school clothing grants across local areas. This was a theme that also came through strongly in engagement with parent groups, children and young people on priorities for the Delivery Plan.

Schools are already using the £120 million Pupil Equity Funding (PEF) to take actions they think will lead to improvements in literacy, numeracy and health and wellbeing for pupils with experience of poverty. Some schools are using the funding directly to support costs of the school day by, for example, supplying resources and uniform or running after school homework clubs which support not only pupil learning, but assist parents with free child care. PEF is part of our £750 million investment in the Attainment Scotland Fund over the course of this parliament, which aims to close the gap in educational outcomes caused by poverty.

In addition to this investment, we're developing support on school-related costs in a number of new ways:

1. We're working with local authorities to introduce a **new minimum level for School Clothing Grants**.
2. We're already investing heavily in free school meals, saving parents £380 per year. But we recognise that there's an issue during the school holidays when these meals are not normally on offer. We are **committing an additional £1 million over two years for our Fair Food Transformation Fund to help address that**.
3. We're exploring how we can target support, incentives and rewards to children from low income families, using the **Young Scot Card**.
4. We're funding the **Child Poverty Action Group** to do some further work with schools and local authority on costs of the school day.

These actions are now described in more detail.

A new minimum level for School Clothing Grants

More support to cover the costs of school uniforms and sports kit

The Commission recommended that we should act now to increase the value of school clothing grants. We will therefore work to introduce, as soon as is practicable, a new minimum level of School Clothing Grant. We will work with COSLA to ensure this can apply to all local authorities in Scotland.

School uniforms can be a considerable cost for families, particularly for larger families and/or at stages when children are growing fast. This issue was raised consistently by groups of parents we spoke to when developing the Plan, and by a group of young people convened by Young Scot to discuss the challenges faced by low income families. The School Clothing Grant, offered by each local authority in Scotland to low income families as an annual payment, is therefore an important tool in tackling child poverty. It should help relieve pressure on families at crucial points in the school year, reducing costs of living and removing some of the stress and stigma associated with struggling to afford essential school items.

At the moment, however, the School Clothing Grant currently varies substantially depending on local authority area. The lowest amount on offer is currently £40, which is clearly not enough to buy what's needed. We will therefore work with COSLA to secure agreement with local authorities to set the grant at a new minimum level in line with current costs of living. **This new minimum will give most low income families in Scotland more money for school clothing.** The Scottish Government will work with COSLA to make sure this minimum level is provided; helping to ensure every child can go to school feeling comfortable, confident and ready to learn.

In addition, we are exploring what valuable lessons we could build on from current practice in some local authorities. Glasgow, for example, pays the school clothing grant automatically to low income parents. Highland has a single application form for all benefits – and a single data processing team. We think both these are good models that minimise stigma and boost take up, so we will highlight these examples of good practice in the guidance on local child poverty action reports, which will also address the issue of branded uniforms, which tend to be more expensive.

Resources	Impact Summary
Costs will be finalised through negotiation between COSLA and the Scottish Government.	Potential to impact on cost of living, and feed through to the low income and material deprivation target . If significant, may be considered as income due to being a benefit in kind, and could therefore impact on all four of the targets .

Reducing food insecurity in school holidays

“If a child doesn’t have food, they won’t have energy to go to school meaning that they won’t be able to get a job and the chain will continue.”

Member of the Children’s Parliament, age 11

In the next two years, we will invest £1 million in providing help for children experiencing food insecurity during school holidays.

School holidays can be challenging times for families on low incomes. Research by the Child Poverty Action Group and others on the cost of the school holidays shows that for some families, children taking a break from school for several weeks of the year can lead to an increase in food insecurity. This can contribute to children having poor health and problems doing well in school. There is already some help in place to support families in this area:

- We offer free school meals to all pupils in primary years 1 to 3 and to other pupils beyond P3 who meet relevant eligibility criteria in relation to their own or family financial circumstances. This makes sure that every child has every chance to succeed at school and in life. It also saves families around £380 every year.
- Local authorities have the flexibility to provide meals and activities for children during school holidays where they think this is needed, and we know that some local authorities such as East Renfrewshire and North Ayrshire are already doing good work to support children in their areas.

- Our £750 million Attainment Scotland Fund provides additional funding for schools and local authorities which will support children and young people most in need, and help reduce the poverty-related attainment gap. That support can include the provision of meals and activities during school holiday periods, where schools and local authorities feel that is a priority for their area.
- The third sector also has a crucial role to play and we help to facilitate that through our Fair Food and Empowering Communities Funds which support community initiatives that provide food and other help to individuals, children and families throughout the year. Some of the projects supported through these funds focus on addressing food insecurity during school holiday periods.

Despite this work we know that increased food insecurity during the school holidays can still affect children in Scotland. We must therefore do more, working with stakeholders and partners, to address this. To achieve that we will:

- Increase our Fair Food Fund from £1 million to £1.5 million in 2018-19 to support activity that addresses food insecurity in dignified ways.
- Invest £500,000 of that in specific activities that will increase the practical support available to children experiencing food insecurity during school holidays, working with local authorities and other partners. An additional £500,000 will then be provided in 2019-20 to bring our total investment in this area to £1 million over the next two years.

- Undertake research during the first half of this year, working with COSLA and other partners, to map the provision already in place to tackle food insecurity during school holidays, and help us identify what delivers effective solutions.
- Use the results of that work to define whether any further actions are needed at national level to address food insecurity during school holidays, and if so, work with partners to put a plan of action in place to address that from 2019 onwards.

Resources	Impact Summary
In 2018-19, £500,000 new investment is available for activity to address food insecurity during school holidays. The Tackling Child Poverty Fund budget will provide an additional £500,000 in 2019-20, taking the total investment to £1 million.	Potential to impact on cost of living, and feed through to the low income and material deprivation target . If significant, may be considered as income due to being a benefit in kind, and could therefore impact on all four of the targets .

Further support on costs of the school day

We have agreed to **provide £31,500 to the Child Poverty Action Group (CPAG) in 2018-19 so that they can continue to work with schools and authorities to promote awareness of the financial barriers that pupils from low income families face at school**, the ways in which

these barriers prevent full participation and undermine achievement, and the practical steps that can be taken by schools and others to reduce and remove them. CPAG's Cost of the School Day project has run for four years, supporting local authorities and schools, developing resources, including an online toolkit for schools, and sharing evidence and good practice to drive change.

Resources	Impact Summary
£31,500 additional funding for CPAG for 2018-19.	Potential to impact on cost of living, and feed through to the low income and material deprivation target . Some aspects of these actions may feed through to income if uptake of benefits in kind (e.g. free school meals) or other financial transfers are improved.

New support, incentives and rewards with the Young Scot Card

We're funding a pilot with Young Scot to consider how we can use the **Young Scot National Entitlement Card to provide targeted additional support, incentives and rewards** to children and young people (aged 11-26) affected by poverty.

This could mean, for example, offering access to free or reduced-priced transport, leisure, sports or extra-curricular activities, and rewards and discounts (including for clothes) with local retailers, as well as targeted information and

advice. These areas for potential support were identified by young people themselves as priorities for action during the engagement programme which informed the development of this Plan.

We'll also be exploring how the smart technology in the National Entitlement Card can be used to ensure that children and young people can access support in a non-stigmatising way; for example to take advantage of free school meals, or discounts on sanitary products.

The pilot is currently taking place in three local authority areas and, if there is emerging evidence of impact, it will be expanded to a further three areas in 2019-20.

Resources	Impact Summary
Up to £300,000 will be provided in 2018-19 through the Challenge Authority and a direct grant to Young Scot and Highland Council.	Longer term funding will be determined depending on emerging evidence from the fund. Likely to impact on cost of living, and feed through to the low income and material deprivation target.

NEW HELP WITH FUEL POVERTY AND HOUSING COSTS

Housing is a very significant – and unavoidable – household cost that our child poverty targets take into account. Parents we spoke to while developing this Plan reported challenges with rent and fuel affordability, particularly where they were living in private rented accommodation. The Scottish Government is committed to using all its housing levers to help reduce child poverty – for families now, and in its longer term investment decisions for the future. We'll also work with tenants and housing partners in Scotland to improve our understanding of how current and future policy and funding decisions impact on reducing child poverty.

We'll take the following actions, with partners, across a range of housing policies to reduce child poverty in Scotland by 2030.

In summary, we will:

1. Increase uptake of our Warmer Homes Scotland programme amongst low income families, with average cost savings of around £350 per year
2. Target fuel poverty and energy efficiency measures on those most in need, including low income families, now and in the future
3. Work with the social housing sector in 2018 to agree the best ways to keep rents affordable
4. Ensure that future affordable housing supply decisions support our objective to achieve a real and sustained impact on child poverty
5. Evaluate the impact of the new private residential tenancy on families with children

We're also considering new campaigns on Council Tax Reduction and Housing Benefit, with a specific target audience of families with children. See 'Income maximisation' section.

Actions 1 and 2 together will help tackle fuel poverty, while actions 3, 4 and 5 look at ways of keeping rents affordable, ensuring future affordable housing supply policy supports this Plan and that current actions are effective. These actions are now described in more detail.

“People who do not have heating will get cold and ill. They will not focus in school because they are cold and unwell when they are doing work.”

Member of the Children's Parliament, age 10

1. Increase uptake of our Warmer Homes Scotland programme amongst low income families, with average cost savings of around £350 per year

To help families living in poverty now, we will work to increase their uptake of our national fuel poverty scheme, Warmer Homes Scotland. This scheme provides energy efficiency assessments and targeted improvement interventions to low income and vulnerable households in the private sector (owning or renting) to make their homes warmer and cheaper to heat. Average annual energy cost savings for households are around £350 – so this is help worth having.

We'll take sustained action to boost applications from low income families to Warmer Homes Scotland. We'll achieve this through targeted advertising and by partnering with key stakeholder organisations such as One Parent Families Scotland and the Child Poverty Action Group, ensuring a specific focus on this Plan's priority groups.

We will report back on how we have increased support to low income families in our 2019 progress report.

2. Target fuel poverty and energy efficiency measures on those most in need, including low income families

The Economy, Jobs and Fair Work Committee and the Rural Economy and Connectivity Committee highlighted in their submissions to the Scottish Government on priorities for the Delivery Plan that fuel poverty was a key issue we must address.

Through the new Warm Homes Bill, to be introduced in 2018, we commit to targeting fuel poverty and energy efficiency measures on those most in need, including low income families with children.

A warm and well insulated house can help keep fuel costs affordable. By 2021, the Scottish Government will have invested more than £1 billion in tackling fuel poverty and improving energy efficiency. Scotland is one of only a handful of European countries to define fuel poverty, and this year we will bring forward legislation – the Warm Homes Bill – including a new statutory fuel poverty target which focuses on those most in need.

The Commission has welcomed the proposed changes to the definition of fuel poverty to strengthen the relationship with low income. Initial analysis of the proposed new fuel poverty definition suggests that, in 2015, around 221,000 children were living in households considered fuel poor. There is therefore a clear link between child poverty and fuel poverty, and we will ensure that our plans to tackle both of these issues remain aligned and connected.

We have recently consulted on a new fuel poverty strategy, including proposals on new targets and putting in place a revised definition of fuel poverty. Our new definition will focus on those most vulnerable to cold-related health impacts and low income households, targeting support to those most in need, including families with children. Based on 2015 data, the fuel poverty rate for families with children would increase from 16% (under the current definition) to 23% under the proposed new definition.

The new definition would also include a move to measuring income after housing costs. This means that a household may be considered fuel poor based on a lower fuel bill than under the current definition, if that household's income (after housing, fuel and childcare costs) were also lower than 90% of the UK's Minimum Income Standard.

These proposed changes to the definition are expected to lead to greater numbers of families being identified as fuel poor and therefore eligible in the medium- and long-term for support to improve their energy efficiency and lower fuel bills.

Scotland's Energy Efficiency Programme (SEEP) will set out the long-term goals for the energy efficiency of all buildings in Scotland. This will build upon the work of Warmer Homes Scotland and our area based energy efficiency schemes which have proved effective for tenants in social housing in areas of low income and multiple deprivation. **As SEEP is developed, and its intervention programmes designed we will ensure that the reduction of child poverty is prioritised, with interventions targeted appropriately, and with the impact upon child poverty levels being a key part of the evaluation of their impact.**

Resources	Impact Summary
£24 million investment in the overall budget for Warmer Homes Scotland in 2018-19; a demand led programme. Circa £9 million investment in 2018-19 for advice and support, including a provision for Home Energy Scotland advice and support services which will focus on engaging with families with children.	Fuel costs impact on cost of living. These actions have the potential to impact on the low income and material deprivation target.

3. Work with the social housing sector in 2018 to agree the best ways to keep rents affordable

We will look at what's driving costs for social landlords and examine together opportunities to reduce these. We will support the sector to expand its own improvement, innovation and efficiency work. And we will work with social housing partners to understand how savings can be made within the affordable housing supply programme and other areas of spend, which social landlords can reinvest towards keeping rents affordable.

Councils, housing associations and the Scottish Government all understand the importance of keeping rents affordable. However, this is not easy to do. Landlords need to provide services, maintain and improve properties and invest in the new homes and community facilities for the future, all of which cost money. Despite these challenges, many landlords go further and find other ways to help alleviate the impacts of poverty on their tenants with children. This includes early years provision, supporting parents, working with local schools or helping to address children going hungry.

In Scotland, individual social landlords strike a balance between rent levels and meeting the housing needs of their local communities, but rents must not be increased without regard for the importance of affordability for tenants. Information on rent levels is monitored and published by the Scottish Housing Regulator.

To help landlords secure best value for money when developing new homes, the Scottish Government is offering support through its Achieving Excellence in Housing Development programme. One area of support is procurement and early results suggest that there is scope for savings by procuring goods, services and construction more effectively. This programme is also seeking to establish clearer measurement of performance and quality in new affordable homes. As performance improves, councils and housing associations will also be able to deliver new homes with increasing efficiency and this too will help to reduce costs. **We will report on the progress of this work in 2019.**

4. Ensure that future affordable housing supply decisions support our objective to achieve a real and sustained impact on child poverty

Many low income families live in a rented home in the social sector, provided by a housing association or the local council. Scotland has a relatively high proportion of social housing stock (23% – from Social Tenants in Scotland 2016) compared to England (17%) and Wales (16%). Average rents in Scotland last year were just under £75 a week, lower than in both England and Wales. Scotland also has a lower proportion of social rented households spending more than 30% of their income on housing costs when compared to England or Wales.

Since 2007, working with housing partners across Scotland, nearly 72,500 affordable homes have already been delivered by the Scottish Government. We are committed to investing more than £3 billion in this parliamentary term to deliver more than 50,000 affordable homes, of which 35,000 will be for social rent – we are on track to deliver this by 2021.

The Scottish Government's relatively high level of capital investment in delivering social rented homes is designed to help councils and housing associations keep their rents affordable. The levels of subsidy, which were increased in 2016, were set in consultation with partners in the sector with that explicit aim. The Scottish Housing Regulator promotes the interests of tenants, and publishes annual information about the cost of social rents across Scotland as part of its measurement of the Scottish Social Housing Charter.

In addition, a **Fairer Scotland for Disabled People** – Our Delivery Plan to 2021 – sets out a number of housing related commitments. These include working with local authorities, disabled people and other stakeholders to ensure that realistic targets are set within Local Housing Strategies for the delivery of wheelchair accessible housing across all tenures; and ensuring that the grant subsidy arrangements for the Affordable Housing Supply Programme do not prevent specialist housing identified by local authorities as a priority from being built.

And finally, the **Race Equality Action Plan** set out a number of commitments to ensure that ethnic minority communities are fully considered in housing plans and supported in the Private Rented Sector (see below).

The Scottish Government's forthcoming Local Housing Strategy guidance will ensure that local authorities continue to take a robust, evidence-based approach to the identification of specific housing needs. This will reinforce the importance of reporting against the delivery of local authorities' housing supply investment priorities on an annual basis.

We will also produce an evidence base to inform options for Ministers on affordable housing in Scotland from 2021 on. That will include an assessment of, for example, the impact of current housing investment decisions, our understanding of future need and demand, and the opportunities for innovation. Using that information, we will work with housing partners and tenants to ensure future affordable housing programmes for 2021 and beyond are designed to reduce child poverty. We will report on the progress of this work in 2019.

5. Evaluate the impact of the private residential tenancy on families with children

We know that larger numbers of families with children are now choosing the Private Rented Sector (PRS) as a long-term housing option. The number of children in the PRS has increased from 42,000 in 1999 to 145,000 in 2016. We also know that nearly a third of children in the PRS in Scotland are in poverty.

Our recent significant reforms of the PRS in Scotland have been introduced to help many more families. From 1 December 2017, all new tenancies in the PRS are a new form of tenancy – the ‘Private Residential Tenancy’. This provides security, stability and predictability for tenants, as well as appropriate safeguards for landlords, lenders and investors. Tenants now have the following protections:

- **Rent protection for tenants.** The new tenancy offers protection from frequent and unfair rent rises as rents can only be increased once a year, with the tenant being given at least three months’ notice of any increase. A tenant can also refer any rent increase to a rent officer, who will decide if it is fair.
- **Rent protection for areas.** New legislation also gives local authorities discretionary powers to apply to Scottish Ministers to cap the levels of rent increases in areas where rents are rising too much.

- **Longer notice periods.** If a tenant has lived in a property for more than six months, landlords must give 84 days’ notice to leave (unless it’s because a tenant has broken a term of their tenancy agreement).
- **Compensation.** If tenants think they have been misled into moving out, they can apply to the First-tier Tribunal for a ‘wrongful termination order’ which can be for up to six months’ rent in compensation.

We want to make sure that these major changes are having the effects intended. **So we commit – as the Poverty and Inequality Commission recommends – to putting in place an evaluation framework to assess the impact of all these reforms for everyone whose home is in the PRS.** The evaluation will consider how the changes affect families with children, so that we understand more clearly the impacts on security of tenure and housing quality, for example, which we know are important for family well-being. We will also monitor the impact in respect of rural areas and race equality.

In addition to these PRS reforms, we recently consulted on proposals to increase quality and energy efficiency standards in the PRS, which we will design to make sure they have a positive impact for low income families.

Resources	Impact Summary
£206,000 will be invested in the procurement support element of the Achieving Excellence in Housing Development programme in 2018-19. We are directing £756.145 m in 2018-19 to direct to affordable housing supply £3.8 million will be available in 2018-19 to drive higher standards in the PRS.	As well as impact on cost of living, housing costs directly affect net income in the definition of poverty. These measures have the potential to impact on all four of the targets.

NEW HELP ON INCOME MAXIMISATION AND THE POVERTY PREMIUM

Many of the parents we consulted with on priorities for the Plan stated that they would welcome advice on financial issues, including the range of entitlements that might be available to them. The Delivery Plan offers a range of new and extended programmes to help parents maximise household incomes and avoid some of the additional costs of the poverty premium. These programmes are:

- A new **Financial Health Check** Guarantee for low income families with children.
- A new campaign to help parents claim **council tax reduction**.
- A new campaign on **benefit uptake**.

A new Financial Health Check

A new £1.5 million personalised advice service starting in 2018 for low income parents to help with the poverty premium and benefit uptake.

Personalised advice is a key way for families with children to increase their incomes. This could be getting better access to cheaper deals on energy or other utilities; advice on government programmes that can help; or help with benefits that haven't been claimed in full or at all.

To make sure parents can access this advice, we're introducing a new Financial Health Check Guarantee for low income families with children. This is a major two year programme with a £1.5 million budget each year. The programme will offer low income parents the opportunity for personalised advice on income maximisation and how to avoid paying the 'poverty premium' where people on low incomes pay more for basic services because they have limited choices. The Health Check will also refer people to the Home Energy Scotland Advice network for free impartial advice and support on saving energy and making their home cheaper to heat. This service is also a route to access our energy efficiency programmes and support with switching supplier through our partnership with the social enterprise Citrus Energy.

Our priority families will be entitled to a tailored adviser conversation – face to face or over the phone. We will also develop an online Financial Health Check resource which will be accessible to everyone. This will give parents choice, particularly in terms of ease of access; it is also likely to be valuable for those in some rural areas or for those who can't access the service in daytime when it's most likely to be available. The programme will begin to be rolled out in 2018.

The Poverty and Inequality Commission has welcomed the Financial Health Check, and recommends monitoring who is being reached and considering action needed to ensure it is accessible to those who might benefit. So, while we're developing the programme, we'll be considering carefully how we can ensure our priority families benefit. Our consultation had already identified a strong need for holistic

and timely financial advice for minority ethnic communities, with refugees and asylum seekers being particularly in need of support. So we will work with organisations representing those communities to promote the Financial Health Check offer, taking into account any additional support that may be required – for example, around language support and travel costs.

Resources	Impact Summary
£1.5 million is available in both 2018-19 and 2019-20 for this work.	Potential to impact on cost of living, and feed through to the low income and material deprivation target . If significant, may be considered as income due to being a benefit in kind, and could therefore impact on all four of the targets .



A new campaign on Council Tax Reduction

We're providing help for low income families and others to claim Council Tax Reduction.

We will also run a targeted campaign to improve the take up of the Council Tax Reduction (CTR) Scheme. This will increase the available income of lower income families and potentially reduce child poverty.

Around 490,000 households receive CTR, of which 77% get full CTR. Of those on full CTR over two thirds are on passported benefits, all of which for working age people are being

replaced by Universal Credit. We know anecdotally that CTR take up rates for those on Universal Credit can be less as people are not aware they need to apply separately for CTR.

The number of CTR recipients has fallen by just over 12% since CTR began in April 2013 to December 2017, probably due to a range of factors, including an improving economy but also the roll out of Universal Credit.

We will work with local authorities, who administer CTR, and other appropriate stakeholders to take forward this campaign during 2018. We will also work with them to assess the impact of this activity.

Resources	Impact Summary
A budget for this action will be finalised later this year.	Improved take-up of council tax reduction will impact directly on income, and therefore this policy has the potential to impact on all four targets.

Encouraging benefit uptake

Over the course of this parliamentary term, we will deliver a range of benefit uptake activity.

The Scottish Government believes that social security is a human right and we have included a clear commitment in our social security legislation to support people to receive all of the benefits they are entitled to. This commitment includes Scottish and UK benefits – we all pay into this system and we want to ensure that we focus on reaching those households who are entitled to support but not claiming it.

We know that benefit uptake is an issue. Changes in circumstances can often mean that someone is entitled to a benefit – e.g. the birth of a child, or a change in work hours – but is unaware of that fact. People may not realise that the benefit exists or that they are entitled to it.

For example, not all families who are entitled to housing benefit and tax credits are receiving them. We estimate that in 2015-16 there were around 150,000 households in Scotland who were entitled to housing benefit but not claiming this important financial support. This may have resulted in around £305 million in unpaid housing benefit in that year. Around 60,000 households are estimated to not be claiming child tax credits, which means that around £250 million may have remained unclaimed in 2015-16.

Fairness, dignity and respect is key to our social security system – and making sure people can access the financial support they are entitled to is a key part of delivering that. We will therefore consider how current take-up rates across a range of benefits could, if improved, impact on reducing child poverty and use that evidence to establish priority areas for future benefit take-up campaigns starting in 2018-19.

Resources	Impact Summary
A budget for this action will be finalised later this year.	Improved take-up of benefits would impact directly on income, and therefore this policy has the potential to impact on all four targets .

NEW SUPPORT FOR AFFORDABLE CREDIT

We are providing support to Credit Unions and Community Development Finance Institutions, including £1 million new investment for the Affordable Credit Loan Fund to develop the affordable credit sector further.

Insecurity of income is one of the biggest challenges faced by those living below the poverty threshold. One of the clear messages from the people we engaged with on the Delivery Plan was that incomes can increase or decrease week by week because of changes to hours worked, changes to benefits or changing circumstances. This often led to parents having to borrow money at short notice, often at high cost, to pay bills or for other essentials. Recent regulations at UK level have reduced the number of high cost credit providers and, while these regulations are very welcome, low income families now have even fewer options if they need to borrow money for a short period. Family and friends are often asked to loan money but if there are difficulties paying back this can cause stress and disharmony between people who would otherwise be supporting each other.

There is now a need to help low income families find more affordable forms of credit, delivered for a social purpose.

We're already providing a range of support to Credit Unions (CUs). CUs provide valuable financial services and products to a wide range of customers, including those facing financial exclusion. We've provided investment to encourage Junior Savers schemes in schools and have been promoting payroll deduction schemes through the Business Pledge – payroll deduction is an important element of the CU business model. We're also committed to a national CU awareness raising campaign, which will include collaborating with sector representatives to identify opportunities for targeted local activity on funeral poverty.

We are now looking at what more we can do to support Community Development Finance Institutions (CDFIs). CDFIs operate as non-profit organisations with a social mission to support those who are financially excluded. They provide financial services, including affordable credit, to low income households who might otherwise be driven to high cost credit providers or other informal means of accessing short-term money. They operate a more flexible loans pricing model and lend to those lower income customer groups perceived as 'higher risk'. They can also help people gain access to financial capability support, debt advice, savings opportunities and to banking products and services, including basic bank accounts. They have a strong social inclusion ethos. They recognise that loans are not suitable for everyone and where they are not able to lend they seek to provide, or direct, people to appropriate advice and support. However, the CDFI sector is small and does not currently have a high public profile.

The Carnegie UK Trust has established a £1 million Affordable Credit Loan Fund to make it easier for the affordable credit sector to grow. We have decided to double the value of the fund by providing £1 million loan funding from Scottish Government Financial Transaction monies. This support will help grow the sector,

allowing low income families greater access to affordable credit – reducing the cost of borrowing, supporting financial inclusion and promoting equality and fairness. We will also explore options with Carnegie about providing additional grant support for marketing and other advertising for CDFIs.

Resources	Impact Summary
£1 million loan funding, from Scottish Government Financial Transactions monies, will be made available to the Affordable Credit Loan Fund in 2018 over a ten year loan period.	Potential to lead to lower interest payments on debt, and therefore could free up money to be spent on basic goods and services, impacting on the low income and material deprivation target .



NEW HELP FOR BASIC ESSENTIALS – ACCESS TO SANITARY PRODUCTS

“About 11 or 12, when your body starts to change and you get your period, you may not be able to buy all the things you need – tampons and stuff. I think a girl would be really anxious and cautious because she’d be constantly worried that she’d get her period. She’d be really self-conscious.”

Member of the Children’s Parliament, age 11

This Delivery Plan includes a range of measures to help low income families with basic essentials. Being able to access sanitary products is fundamental to equality, dignity and rights for all women and girls – and is crucial if we are to tackle poverty successfully. In a society as wealthy as Scotland, no-one should have to suffer the indignity of not having the means to meet their basic needs.

We are working with partners to ensure that there will be access to free sanitary products in schools, colleges and universities from Autumn 2018 and have committed to consider further action to support others on low incomes in light of the findings of the pilot scheme in Aberdeen.

This is a ground-breaking, word-leading commitment to tackle this gender injustice and we are proud to be the first nation in the world to take this action across our entire education system. It will make a real difference to the emotional well-being of young people through reducing anxieties about how they will be able to access sanitary products.

While, by itself, this proposal will not tackle child poverty, it should increase the disposable incomes of low income households where one or more of those in the household use these products. It may also have longer term benefits in terms of preventing poverty, as we know that in some cases not having access to sanitary products can disrupt education through absence or anxiety.

Resources	Impact Summary
Costs will be finalised through negotiation between COSLA, College and University representatives and the Scottish Government.	Potential to free up money to be spent on basic goods and services, impacting on the low income and material deprivation target .

CHAPTER 4

SOCIAL

SECURITY

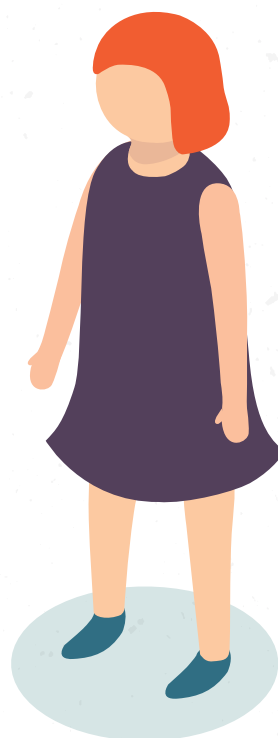


**“Children would
be worried
about affording
basic things.”**

Member of the Children's Parliament, age 9

Previous experience at UK level in tackling child poverty has demonstrated that social security is an important part of the solution. However, it is only one part of a much bigger picture and cannot solve the causes of poverty. We will not successfully meet the targets if we do not at the same time address the wider issues of increasing people's incomes via employment and reducing household costs.

The priority for the Scottish Government within this parliamentary term is the safe and secure delivery of the 11 benefits that will be devolved to Scotland; the biggest transfer of powers since devolution. The additional £3.3 billion in spending by the end of this Parliamentary term may only be 15% of total social security expenditure in Scotland but it is vital for the 1.4 million people in this country who depend on the help and support these benefits provide. We are absolutely committed to ensuring that individuals continue to get that financial support on time and in the right amount and that the complex transfer of these benefits, for them, is a simple and seamless transition.



We will also use this parliamentary term to ensure we have improved the benefits we will be responsible for. From increasing Carer's Allowance, to introducing the Best Start Grant, to uprating disability benefits and transforming the disability assessment process. We will also extend the eligibility for the Winter Heating Allowance to families with children in receipt of the highest care component of Disability Living Allowance. We want to better meet the needs of the people of Scotland and ensure that our new Scottish social security system treats people with dignity and respect.

We will also be realistic about what is deliverable now, and what might be deliverable in the future as part of the journey towards achieving the child poverty targets. This section offers a range of new and ambitious ideas and policy proposals demonstrating how we will use new devolved powers to support those on low incomes. These are new policies which will increase incomes for families with children and for carers, helping hard-pressed families and ensuring every child in Scotland has the best possible start in life. That vital support will continue through our proposal for a new income supplement for families. This promises to be a powerful tool in tackling child poverty in the future and we want to ensure that scarce resources are used efficiently and effectively to get money to those who need it most, minimising bureaucracy and maximising incomes.

We need a holistic approach to effectively tackle poverty in Scotland. Social security is one part of a much bigger picture. We want to avoid the mistakes the UK Government made in its previous efforts to tackle child poverty in the 2000s: placing too much emphasis on using social security to top up low wages; paying insufficient attention to the role of employers in supporting decent earnings, skills development and progression; not investing in the infrastructure – affordable childcare, for example – needed for a dynamic labour market; and failing to secure a sustainable and inclusive economy which enables families and local communities to withstand economic shocks.

The benefits being devolved to Scotland are not income replacement benefits and so are less effective as a tool to target and tackle poverty. We also have no responsibility for employment law, including the National Minimum Wage, and policies that could protect workers from insecure, low paid employment. In addition, under current arrangements Scottish people pay the majority of their taxes, including National Insurance Contributions, to the UK Exchequer to provide them with a social security safety net should they need it, but when benefits are devolved the fiscal transfer is limited to what the UK Government currently spends on the transferred benefits. Moreover, while new tax powers give some levers to raise revenues they are not sufficient to row back a decade of austerity imposed by the UK Government. Without control over the fiscal levers underpinning the social security system, this fundamentally limits the Scottish Parliament's ability to build a system that can meet emerging need, go beyond that offered in the rest of the UK and deliver on the underlying rationale of devolution – that Scotland can choose its own way and has the powers to make policy choices of its own.

Further devolution of social security powers to the Scottish Parliament, along with the associated fiscal levers, would enable us to gain control over the benefits that put the most money into family's pockets – Universal Credit and Child Benefit. The current system is causing unnecessary hardship with the introduction of Universal Credit causing increased debt, rent arrears and anxiety for many people. Further powers would enable us to ensure that these benefits (or their replacements) are delivered in a way that is consistent with the culture and principles that Scotland is putting at the heart of its social security system – dignity, fairness and respect for the people who rely on this support.

Further powers would also allow us to target support in a way that more effectively tackles child poverty, focussing on key high risk groups and lifting families with children out of poverty.

We think these are compelling reasons as to why it no longer makes sense for social security for Scotland to be delivered by a Westminster government and will be making a strong case to the UK Government for full devolution of social security.

A NEW INCOME SUPPLEMENT

As we have said above, social security on its own is not the answer, but it does play a key role in meeting our ambitious targets. That's why we're making clear within this first Delivery Plan that we are absolutely committed to **introducing a new income supplement for low income families**. We welcome the detailed advice of the Poverty and Inequality Commission and will now move to exploring options that will deliver an income supplement for children and families that need it most. We will work towards introducing the supplement within the lifetime of this Delivery Plan, taking appropriate steps to ensure that:

1. The additional income is targeted on those families who need it, and that it's therefore helping to lift the maximum number of children out of poverty;
2. There is a robust and viable delivery route to get the additional income to those families, and that the delivery costs are reasonable.

This will be a substantive undertaking, given the potential scale and reach of the supplement. To move forward, we will examine all available options, including the Commission's advice in relation to topping up Universal Credit (UC) but also looking in more detail at the caveats stated by the Commission in terms of deliverability and costs. We will also examine what the new Social Security Agency could do through a Scottish Government supplement.

As the Commission notes in its advice, in developing options on how best to use social security powers, we will need to consider a range of issues, including the cost and complexity of delivery, potential take-up rates, income security, and potential disincentives to move into work or increase earnings as well as the likely impact on households. We also want to make sure that any solution uses our resources effectively and efficiently so that as much money as possible goes to those who need it most.

The current devolution settlement means that if we choose to use UC full service as a mechanism to top up incomes, we will be reliant on the Department for Work and Pensions (DWP) delivering the supplement for us, including scheduling Scottish requirements into their work programme, which is often subject to change and delay. This will introduce constraints, complexity and, importantly, additional cost into the process, over which Scottish Ministers have no control. In addition, Scottish Ministers will have to rely on DWP to make any future or subsequent changes they may wish to make to the supplement, which will cost the Scottish Government each time.

As the Commission and many other commentators have noted, UC is not working well and is causing people on low incomes considerable hardship. We believe it is fundamentally flawed and have called for its roll out to be halted, amid growing evidence of increased rent arrears, debt and food bank use among Scottish households experiencing extreme hardship where UC full service has been implemented. The reduction of support for children through policies like the widely criticised two-child limit and rape clause will increase child poverty levels, according to the Institute for Fiscal Studies. The Scottish Government has limited responsibility for some administrative aspects of UC, and has used those powers to better meet the needs of households on UC in Scotland, but we have no control over UC policy, which means that we could be subject to DWP policy changes down the line that will impact on the new income supplement.

We want to weigh all this against other options open to us, including what our own Social Security Agency could do to introduce a Scottish supplement. In this, we would want to consider how we could identify eligible individuals or households and the potential reach and impact of a Scottish supplement. We will want to consider which options offer best value for money and which make the most impact on child poverty figures. We would want to look into how often payments should be made and administered in the most cost effective way. This could be monthly, or we could look at a model similar to Carers Allowance Supplement where people are paid a number of times throughout the year. We would also want to consider how this supplement might complement other support provided to families with children in Scotland, including other Scottish benefits like Best Start Grant, the expansion of childcare and School Clothing Grants.

The Social Security Agency will have a local footprint in communities across Scotland, which gives us an opportunity to reach the people we are trying to help, offering advice and support, signposting people to the services they need and, perhaps most importantly, treating Scottish families with dignity and respect.

However, if analysis shows that asking DWP to top up UC is the most effective use of resources, and the most effective way to target the families we are keen to help, then of course we will start negotiations with the UK Government to achieve this.

We will also ensure all this work is done in conjunction with what would be needed in terms of legislation – this Government believes that it is right and proper that additional primary legislation should be required for the creation of any new benefit, to ensure the

Scottish Parliament has the opportunity to fully scrutinise proposals. We will also consider what would be needed in terms of agreements with any other agencies or governments.

All of this analysis will take time, and we will want to work with stakeholders to develop and then consult on options. Our focus at present is on the passage of the Social Security (Scotland) Bill and establishing the new Social Security Agency. We will then start delivering Wave 1 benefits as promised this year and we will also announce plans for delivering Wave 2 benefits. While the safe and secure transition of the benefits being devolved under the Scotland Act 2016 is, therefore, a priority for this parliamentary term, we will start working on the options for the income supplement this year.

We will provide an update in the first progress report due next year.

Resources	Impact Summary
Resources for this work will be considered in future annual budget rounds.	Potential for impact on all four targets through income from social security.

A NEW BEST START GRANT

From summer 2019, we will provide a new grant providing eligible families with £600 on the birth of their first child and £300 on the birth of any subsequent children, plus two further payments of £250 per child around the time of nursery and a child starting school

In addition to the income supplement, the Scottish Government is already planning a range of measures designed to boost the incomes of families in need of support, using the limited powers we have to better support families with children. Where the Scottish Parliament has devolved powers over benefits, we are showing that we will use them, to make a real and tangible difference to people's lives.

The Best Start Grant (BSG) will provide lower-income families with financial support during the key early years of a child's life. Introduced by summer 2019, the Grant will replace and expand upon the UK Government's previous programme by:

- providing eligible families with £600 on the birth of their first child and £300 on the birth of any subsequent children⁹;

- not putting a limit on the number of children that are supported;
- giving eligible families two further payments of £250 around the time of nursery and a child starting school, to recognise the additional financial costs during these key transition periods;
- expanding on the DWP eligibility to include anyone on a tax credit or housing benefit, as well as any parent under 18; and
- extending the application window for the maternity payment of BSG from 3 to 6 months after birth, giving parents longer to apply.

This kind of support in the early years is particularly important for all our priority families. Coupled with the practical help and goods and equipment from the baby box, introduced in 2017 for all new-borns, this additional income can make a big difference at key milestones.

In line with the Commission's recommendations, Scottish Government analysts are currently considering options for monitoring and evaluation to help us understand how the benefit is working and assess its initial success.

Resources	Impact Summary
The annual investment in Best Start Grant payments is estimated at £17 million⁹. This does not include implementation, set up and administration costs.	Potential for impact on all four targets through income from social security. In particular, this policy is likely to impact on the low income and material deprivation measure.

⁹ Based on Social Security (Scotland) Bill Financial Memorandum – [http://www.parliament.scot/Social%20Security%20\(Scotland\)%20Bill/SPBill18FMS052017.pdf](http://www.parliament.scot/Social%20Security%20(Scotland)%20Bill/SPBill18FMS052017.pdf)

NEW SUPPORT FOR CARERS

We will provide a range of financial and other support for carers, with a particular focus on young carers.

Carers are often living on low incomes and have poorer outcomes on average than the rest of the population. Our new social security powers provide the opportunity to boost their incomes. An additional payment will be made to carers of more than one disabled child by the end of this Parliamentary term and, later this year, the Scottish Government will increase the value of Carer's Allowance (currently £62.70 per week) to the rate of Jobseeker's Allowance (currently £73.10 per week), representing an increase of 13% in 2018-19. This Carer's Allowance Supplement will be introduced from this summer, backdated to April, and paid twice a year as a lump sum payment. When the Scottish Social Security Agency takes over delivery of Carer's Allowance the full allowance will also be uprated in line with inflation.

These payments can help support carers, often in households with children, look after their own health and well-being. This in turn could have a positive impact on children during their growth, development and learning.

We will also introduce support targeted specifically at younger carers. From 2019 a new Young Carer Grant of £300 each year will be paid to carers aged 16 and 17, and 18 if still at school, who have significant caring responsibilities but are not in receipt of Carer's Allowance. The aim of the grant is to help young carers improve their quality of life, health and education outcomes, with funds expected (but not directed) to be used to pay for short breaks, or to purchase goods and services. This is part of a new package of support for young carers, including free concessionary bus travel for grant recipients (after piloting from 2020-21) and a bespoke carers' element to the Young Scot Entitlement Card, providing non-cash benefits for young carers aged 11-18.

While our priority at the point of taking over delivery of social security benefits is rightly, safe and secure transition, for the longer term, the independent Disability and Carer Benefits Expert Advisory Group established by the Minister for Social Security will provide advice on options to make further changes to carer benefits which support carers of all ages.

Resources	Impact Summary
Young Carer Grant estimated at £500,000 per annum. Carer's Allowance Supplement – in 2018-19 we will invest £35 million. (These do not include implementation, set up and administration costs.) Carers of more than one disabled child – policy detail still to be finalised, therefore estimates not available.	Potential for impact on all four targets through income from social security.

A NEW JOB GRANT

We will provide £250 for young parents out of work for six months to cover the basic costs of starting a new job.

We will introduce a new grant targeted at young people aged 16-24 who are starting work after a period of six months or more unemployed. The Scottish Government has made a commitment to a cash payment of £250 for young parents¹⁰ and a three month bus pass.

The Job Grant aims to meet the immediate costs of transitioning into employment, as well as contributing towards longer-term outcomes, such as improvements in employment and health.

The Job Grant is a new policy and, in line with the Commission's recommendation, we will review its impact on young people, and where possible their families, once it has been in operation for a sufficient amount of time to test its impact fully.

We are currently working with stakeholders, including young people, to develop the detail of the eligibility criteria and how the travel element might work in practice, as well as undertaking impact assessments.

Resources	Impact Summary
The overall costs, including implementation, set up, and administration will be informed by the Job Grant impact assessments and the final eligibility criteria.	Potential for impact on all four targets through income from social security, and should support employment and earnings.

WIDENED FUNERAL EXPENSE ASSISTANCE ELIGIBILITY

From summer 2019, we will introduce Funeral Expense Assistance (FEA) to help more people, including low income families, with funeral costs, thereby reducing funeral poverty.

FEA will replace the current DWP Funeral Payment in Scotland. The Scottish Government will expand on current DWP eligibility to help

around 2,000 more people each year. To support widened eligibility, the Scottish Government expects to invest an additional £3 million per annum above current DWP expenditure.

We will improve awareness of the benefit and look to improve the parts of the process that people find difficult at present. We will process applications in 10 working days, reducing the need for borrowing in the short term and the stress that this can cause.

Resources	Impact Summary
To support widened eligibility, the Scottish Government expects to invest an additional £3 million per annum above current DWP expenditure (a 60% increase). (This does not include implementation, set up and administration costs.)	Potential for impact on all four targets through income from social security.

¹⁰ £100 is available for people without children under the same scheme.

CHAPTER 5

HELPING

FAMILIES IN

OTHER WAYS



“If your parents are stressed about money and argue a lot, it’ll impact you and you feel like you can’t do anything about it.”

Member of the Children’s Parliament, age 10

The Poverty and Inequality Commission said that while the Delivery Plan needed to focus on work and earnings, costs of living and social security, it shouldn't ignore other issues that could help families in poverty now.

They specifically mentioned quality of life – and within that, we'd include the importance of addressing adverse childhood experiences and working to ensure that children's home and community environments are safe and nurturing, and help all children to fulfil their potential.

There are clear links here with some of our existing strategies. For example, we remain committed to implementing the recommendations in Naomi Eisenstadt's 2017 report for the First Minister on The Life

Chances of Young People in Scotland. We'll be taking these forward in Year of Young People 2018. Similarly, our New Scots Refugee Integration Strategy 2018-22 sets out a vision for a welcoming Scotland where refugees and asylum seekers are able to rebuild their lives from the day they arrive. Children and young people can arrive in Scotland with their families, through the UK's asylum dispersal process or refugee resettlement programmes, or they may arrive unaccompanied. Some of these children will have had traumatic experiences in their formative years and may also have missed significant amounts of education. The New Scots strategy recognises that these children and young people may require additional support to access the services they need and opportunities to participate in society.

As well as tackling the main immediate drivers of child poverty on work and earnings etc., our actions must help prevent children and young people now in poverty becoming parents in poverty by 2030. Improving health and well-being, quality of life, building children's resilience in the face of poverty and helping families cope with and address different adversities should improve long-term outcomes. We've set out a range of key actions here.

NEW HELP FOR CHILDREN'S NEIGHBOURHOODS

We will invest £2 million in the innovative Children's Neighbourhoods Scotland programme, expanding its reach in Glasgow and into another urban centre, a small town and a rural community.

Children's Neighbourhoods Scotland is a distinctive approach to improving outcomes for all children and young people in neighbourhoods with high levels of poverty. Based on experience and practice internationally,¹¹ the approach is place-based and has children, young people and communities at its core. It uses the power of collective action, joining up efforts and services within a neighbourhood to prevent and reduce child and family poverty.

In Scotland, the first Children's Neighbourhood has recently been established in the Bridgeton and Dalarnock neighbourhood of Glasgow¹².

The Scottish Government will extend our support in Glasgow, another urban centre, a small town and a rural community – so we understand how transferable the approach is to

these settings where child poverty is also unacceptably high. We will invest £2 million in Children's Neighbourhoods Scotland over the course of this Delivery Plan (2018-22) to support this work.

The Children's Neighbourhoods approach involves a local co-ordinator in a child-friendly base – such as a nursery, library, community hub, or school, which is used and valued by the community. A management team looks after the programme locally, providing strategic direction, evaluation and evidence, and development and learning support across the sites. Vitrally, children and families are at the heart of the approach – all the outcomes identified, and all the actions to meet them, are developed and agreed locally between families and partner organisations.

Our support for expansion will help us reduce child poverty in a range of ways, but for these new pilots, we will explicitly target economic development and entrepreneurship. This has not been a strong feature of the approach in neighbourhoods in other parts of the UK or internationally, but the Scottish policy context, with its emphasis on inclusive growth, provides an ideal opportunity to test this model.

Resources	Impact Summary
£2 million invested between 2018-22.	Aims to ensure children living in poverty now can fulfil their potential, which may help prevent them living in poverty in adulthood. Some elements, such as the focus on economic development and entrepreneurship, may have the potential to impact on all four targets between now and 2030.

¹¹ The introduction of Children's Neighbourhoods Scotland draws on expertise, experience and the lessons learned from a range of placed-based initiatives internationally and nationally. These include Children's Communities <https://www.savethechildren.org.uk/what-we-do/uk-work/in-communities/childrens-communities> in a number of sites across the UK such as the Children First Pioneer Projects in Wales <http://gov.wales/newsroom/people-and-communities/2017/children-first-pioneer-projects-announced/?lang=en>, the Greater Shankill Children and Young People Zone <http://shankillzone.org/> and elsewhere in northern Europe. Other examples include Strive Together <https://www.strivetogether.org/about/> and Harlem Children's Zone <https://hcz.org/> in the United States.

¹² <https://childrensneighbourhoodsscotland.com/>

SUPPORT FOR STUDENTS AND COMMUNITIES FROM FURTHER AND HIGHER EDUCATION

We are investing an additional £1.35 million over the course of the Delivery Plan in pilot projects based in further education settings and via the Student Awards Agency for Scotland (SAAS). These will support or scale up preventative approaches, helping ensure young people who have grown up in poverty have sustainable routes to positive destinations and out of poverty. This work will also help young mothers and fathers in further education.

Equality of access to further and higher education can help overcome barriers to accessing fair work in terms of skills, training, education and childcare, particularly for young people and parents at highest risk of poverty.

We are investing around £1.7 billion in higher and further education in 2018-19, and around £800 million in student support. We are driving forward the recommendations of the Commission on Widening Access so that every child, no matter their background or circumstances, has an equal chance of going to university by 2030. We continue to work with colleges and universities to focus on improved retention and outcomes. Over the course of the next year, we will progress an improvement

project to identify and share effective practice to better support young people across the college sector. At the heart of our efforts, the implementation of the Developing the Young Workforce programme, supported by a range of partners, and delivered in partnership with COSLA, is designed to transform young people's choices whilst at school and enable all young people to have access to the highest level skills and Scotland's best post school destinations.

Looking forward, we will take three key actions:

First, we're currently considering the recommendations made by the Independent Review of Student Support. At the forefront of our considerations are that those students in our most deprived communities and those in specific groups (such as disabled students, care-experienced young people, carers or student parents) are provided with the support they need to succeed.

Second, we will commit £150,000 from the Tackling Child Poverty Fund to expand the SAAS Outreach Programme. This programme proactively provides face-to-face, digital and published student information. It currently reaches, through its events, an estimated 30,000 young people and their parents/guardians, with a particular focus on widening access. The funding will help expand this successful model to reach children and young people from our priority families, making sure they can access the funding support available.

Third, we will support the further education sector to develop initiatives with colleges in local areas, investing £1.2 million over the course of the Delivery Plan. These will support or scale up preventative approaches, helping ensure young people who have grown up in poverty have, through further education, a sustainable route to positive destinations and a route out of poverty. This work will also take account of the needs of young mothers and fathers in further education, acknowledging the particular support they need and enabling them to build a future for themselves and their families.

We are also working to widen access to medical careers, which traditionally have attracted those from more affluent backgrounds. Since autumn 2017, the Scottish Government has funded two new pre-medical entry courses at Glasgow and Aberdeen Universities, supporting 40 places for pupils primarily from areas of multiple deprivation or rural areas to prepare them for undergraduate medical education. The aim is to give these students the experience and qualifications needed to meet the requirements to study medicine at university. We're also funding an increase of 50 medical undergraduate places across Scotland's medical schools, targeted at students from the most deprived areas.

Resources	Impact Summary
£150,000 for the Student Awards Agency in 2018-19. In addition, we will provide £1.2 million over the course of the Delivery Plan for Further Education initiatives.	Potential for impact on future earnings for parents who are more able to access further and higher education, and therefore will feed through to all four targets .

ADDRESSING ADVERSE CHILDHOOD EXPERIENCES

We are focused on addressing all Adverse Childhood Experiences (ACEs) as a route to tackling poverty, developing approaches that are more effective at preventing ACEs in the first place.

The Commission's advice included a recommendation to consider how families with complex needs can best be supported to manage and reduce the risks and impacts of child poverty. "These needs could include mental health conditions, homelessness, domestic abuse, substance abuse, ACEs or involvement in the criminal justice system." The Health and Sport Committee were also clear that the Plan should set out steps to address this problem.

ACEs are stressful and traumatic events in childhood that can have significant impacts on children's development and long-term outcomes into adulthood. They include abuse, neglect, parental separation, alcohol and drug problems, mental health difficulties, domestic violence, and parental imprisonment.

Although ACEs can be seen across income groups, living in a low income household is associated with higher levels of ACEs. Children growing up in poverty also have less access to resources that help reduce the negative impacts of ACEs – for example, sports clubs, leisure activities, and good quality housing and neighbourhoods. The stress associated with growing up in poverty is often considered an ACE in itself, along with other stressful experiences that can be associated with poverty, such as homelessness and area deprivation.

In the 2017-18 Programme for Government, the Scottish Government committed to embed a focus across all public services on preventing ACEs and reducing the negative impact of ACEs where they occur. This is part of our on-going approach of Getting it Right for Every Child, and better understanding how the early-life experiences of adults impact on health, wellbeing and parenting. The Scottish Government is also working with the Scottish Adverse Childhood Experience (ACE) Hub, established and co-ordinated by NHS Health Scotland, to learn how parents and families, schools, wider services (for example; health, housing, justice), third sector and communities can be better supported to address ACEs. We're also considering how to support the Scottish workforce with the knowledge and skills they need to help people with ACEs and other experiences of trauma, building on the National Trauma Training Framework developed by NHS Education for Scotland.

The Scottish Government is focused on addressing child poverty and ACEs, as we know that these childhood adversities present significant risks to health and wellbeing, attainment and economic participation. Over the coming years, we will embed approaches that are more effective at preventing ACEs in the first place and, where they've already happened, to support children and adults to better overcome them and fulfil their potential.

We now look at the specific ACE of parental imprisonment, and then consider child and adolescent mental health more broadly.

Action on parental imprisonment

We are taking a range of action, including preventative steps, to reduce the negative effects of parental imprisonment in Scotland.

Over 20,000 children each year in Scotland face parental imprisonment, a recognised ACE. Evidence shows that children experiencing parental imprisonment have worse educational outcomes, poorer health and long-term negative effects to their life chances. Parental imprisonment can also lead to an increase in family breakdown, stigmatisation and bullying and also has an immediate impact on economic wellbeing.

Scotland has a high rate of imprisonment compared with equivalent countries. Short-term sentences and remand disrupt housing, employment and family connections. We are taking forward a range of measures to reduce the use of short-term imprisonment and the inappropriate use of remand, including expanding access to robust community sentences; electronic monitoring and bail supervision. Specific measures are being targeted at women who offend, who are more likely to have dependent children.

Working in a prison setting affords a unique opportunity to influence parents while they have space to reflect. For younger parents this may be more challenging where they may have had poor experiences of being parented or cared for, or are experiencing a difficult transition to adulthood. They may also experience difficulties in their relationship with the mother of their children, and their extended family.

In recognition of this, the Scottish Prison Service (SPS) is delivering a number of parenting programmes across the estate. This includes the Parenting Matters Programme delivered in Polmont Young Offenders Institution to young men and women, in partnership with Barnardo's. This programme focuses on enabling participants to:

- consider their own childhood and experiences of being parented/cared for;
- consider their role as a parent and the impact this can have on their children and other relationships; and
- develop practical skills that will increase confidence and understanding

SPS also works with Early Years Scotland (EYS) to deliver 'Our Fathers programme' for parents of 0-5 year olds across a number of establishments. This programme concentrates on how children learn and develop. EYS also deliver learning through play and baby massage to some establishments.

Aberlour Family Support Services deliver 'Positive Parenting' and provide support and assistance to women within HMPYOI Cornton Vale, in particular:

- women who are pregnant;
- women who have care of their baby in custody;
- women who have children aged 0-18 years; and
- in addition, Seasons of Growth delivery for Bereavement Care and Loss.

We are also funding the development of a network of prison visitor centres which provide practical and emotional support to people visiting prisoners, with the aim of lessening the negative impacts of parental imprisonment (with particular attention paid to supporting children), and helping individuals engage successfully with other support services (i.e. health, welfare, family services etc.). We supported the opening of new centres at four prisons in 2017-18, and plans are underway for another new centre in 2018-19.

The Scottish Prison Service's Family Strategy 2017-22 sets out a framework for working with individuals in SPS's care as well as supporting their families and wider support networks. This includes, as a priority action, the active promotion of the wellbeing and positive life outcomes for children affected by parental imprisonment.

Better alignment and co-ordination of support for families affected by parental imprisonment offers the opportunity to both prevent and mitigate the impact of ACEs and enhances the potential for significant immediate and longer-term benefits for an especially vulnerable group of children.

Resources	Impact Summary
Parenting programmes in prison – These programmes are funded from the Scottish Prison Service's wider operating expenditure. In 2017-18 this was £345 million. Prison Visitor Centres – Investment of £550,000 in 2017-18.	This scheme aims to prevent and mitigate the impact of parental imprisonment to improve long-term prospects for children in families affected. May help to prevent future poverty when these children become adults and parents themselves.

Increased funding for mental health

Mental ill health is an important issue for the wellbeing of children and young people – one where we are taking strong action.

We want everyone to be able to talk about mental health. Reducing stigma and promoting discussion and early action are vital to ensuring that Scotland is the best place to grow up for our children and young people, especially in 2018 – the Year of Young People.

Our 10-year Mental Health Strategy sets out our vision to improve mental health in Scotland. There are a number of actions in the Strategy aimed at ensuring that children and young people have good mental health, and that agencies act early enough when issues emerge and impact young lives.

Early intervention and prevention are the cornerstone of our approach, and are a core area of focus in our Strategy. We're committed to improving services for mothers with mental health problems, particularly during pregnancy and after the birth of their child, and we're

funding a perinatal Managed Clinical Network to support early identification and treatment of mental health problems occurring during pregnancy and birth. This will play an important role in reducing ACEs related to mother's mental health.

If a child or young person does experience mental ill health, it is vital that they're able to access the support and help they need, when they need it – ask once, get help fast. That's why we are investing £150 million to 2021-22 on improving mental health and delivering the mental health strategy, including supporting better access to Child and Adolescent Mental Health Services (CAMHS). Such investment has seen the CAMHS workforce increase by over 65%. We expect this investment to contribute to reducing waiting times and improve board performance on addressing mental ill health for these groups.

In addition, the Scottish budget 2018-19 secured an additional £5 million for CAMHS. We are developing plans to deliver whole systems transformational change across the spectrum of support that children and young people will access.

Resources	Impact Summary
We are investing £150 million to 2021-22 on improving mental health and delivering the mental health strategy. In addition, the Scottish budget 2018-19 secured an additional £5 million for CAMHS.	Poverty increases the risk of mental health problems. Prevention and early intervention for mental health problems among children and parents has the potential to improve children's current quality of life as well as their future outcomes.

NEW ACTION ON TRANSITIONS

We will actively explore how to take forward the Commission's advice on a transitions fund.

The Commission included a recommendation to consider piloting a new 'transitions fund'. The aim would be to make support available to families at important risk points for entering poverty. These include life stage transitions, such as having a baby, a child starting primary or secondary school, or transitions to adulthood for young people; and other kinds of transitions which are less easy to predict, such as relationship break-down, losing a job, falling ill, or having your tenancy ended unexpectedly.

We are already offering or planning a range of support at key transitions – including the Baby Box, the Best Start Grant and the Education Maintenance Allowance. Building on what's already in place, we will examine the potential for further support at key transition points.

Possible options we want to consider include a capital endowment or a matched-savings plan for children in poverty, with a view to helping prevent their own future children growing up in poverty. One group we are particularly keen to help is young people aged 16 years or older who are leaving the care system. Other transitions mentioned by the Commission – relationship breakdown, move into/loss of employment, acquiring a health condition/impairment, or relocation – are arguably more difficult to target by grant giving. So while the Commission's transition fund idea is interesting and potentially valuable, it needs further, careful consideration.

Resources	Impact Summary
Once options have been confirmed budget will be allocated.	The aim of a transitions fund is to provide support to people experiencing life events that are risk points for entering poverty. Once options have been confirmed, the impact on those who receive support will be monitored and evaluated.

MAKING SURE YOUNG PEOPLE RECEIVE EMA PAYMENTS

The Scottish Government is committed to maintaining the Education Maintenance Allowance (EMA) programme, which provides financial support to eligible young people from low income households at a crucial time in their education. Recipients receive £30 per week paid fortnightly in arrears. Latest statistics show that 31,735 school pupils and college students received EMA payments in Scotland in the academic year 2015-16. The eligibility criteria was expanded in January 2016, increasing the household income thresholds and including part-time college students undertaking non-advanced courses for the first time.

We are aware of the Poverty and Inequality Commission's advice that we should consider how best to address any delays in the application process of EMAs and of course want the system

to work as effectively as possible. Our initial checks with local authority partners have not identified any systemic concerns with the process, but of course there can occasionally be challenges with any grant system.

Administrators, both Local Authorities and Colleges, have the option to, and are encouraged to make use of provisional awards where appropriate so that young people are not penalised. Provisional awards may be made for applicants with parent(s) who are unable to provide the correct income documentation at the time of application. This mainly, although not wholly, applies to those applicants whose parent(s) are self-employed and young people awaiting a decision on residency status from the Home Office.

But we're not complacent – we will consider what else we can do to strengthen the system and report back on this in the 2019 progress report.

Resources	Impact Summary
£25 million for Education Maintenance Allowance in 2018-19.	Educational Maintenance Allowance directly counts towards household income, so ensuring the system is functioning as well as possible for all eligible children will help with progress towards the targets.

ACTION ON TRANSPORT STRATEGY, POLICIES AND PROGRAMMES

Over the next year, we'll develop plans with stakeholders for how all areas of transport policy – including major projects, networks and travel concession schemes – can best support the delivery of the child poverty targets.

Transport policy has an important role to play in addressing child poverty, through its impact on both household income – improving access to employment, education, goods and services for parents and carers – and living costs – direct and indirect transport costs are a significant component of many households' expenditure.

As part of the development of the Delivery Plan, we consulted parents, groups of children and young people, and third sector organisations representing them. A key issue fed back to us consistently was a lack of affordable transport in disadvantaged communities to connect children and families directly with vital services such as Jobcentres, after-school provision and employment opportunities. Particular challenges were faced by parents of disabled children, who highlighted the prohibitive cost of taxi travel to attend hospital appointments where public transport was not available or accessible. Asylum seekers/refugees often experienced social isolation due to living on remote housing estates with limited options to travel into the heart of cities due to prohibitive costs and a lack of direct routes.

The Scottish Government supports the existing transport network in various ways, including the national franchises for ScotRail and the strategic Clyde and Hebrides and Northern Isles ferry services and distance-based operating subsidies for bus services (complementing the funding provided by local authorities to secure socially necessary but non-commercial services). Most operators offer reduced fares for children, in addition to which we fund free or discounted travel schemes on bus, rail and ferries for older and disabled people and young adults, and there are a number of supplementary local concession schemes funded by local authorities and regional transport partnerships. Our Accessible Travel Framework aims to make journeys easier for disabled people and those with accessibility issues whether temporary or permanent by ensuring concession information is easily available in order that we maximise concession take up. We have already committed to provide additional concessions on bus services for Modern Apprentices, young carers and recipients of the planned new Job Grant. Through our proposed Transport Bill, we will strengthen the tools available to local and regional transport authorities to improve local public transport services.

Over the next year the Scottish Government will work with stakeholders including local authorities and regional transport partnerships to develop plans for how all areas of transport policy – including major projects, networks and travel concession schemes – can best support the delivery of the child poverty targets set out in the Child Poverty Act and assist in addressing inequality. A working group on

‘Tackling Inequality’ is meeting as part of the National Transport Strategy Review and has a strong focus on socio-economic factors linked to transport affordability and accessibility. Policy options emerging from the working group will be tested with stakeholders and through formal consultation, and the new National Transport Strategy will be published in 2019.

Resources	Impact Summary
Dependent on content of plans to be developed during 2018-19 and National Transport Strategy Review.	Policies in this area have the potential to impact on all four targets through making travel more accessible and affordable. Bus travel in particular is important in allowing people on low incomes to access local services and employment.



TAILORED LEARNING SUPPORT FOR GYPSY/ TRAVELLER FAMILIES WITH CHILDREN

We will invest an initial £500,000 on a tailored community education programme for Gypsy/ Traveller families.

In her 2017 report, 'Addressing Race Equality in Scotland: The Way Forward', the Independent Race Adviser noted that 'on every indicator of what is required to live a happy, productive and fulfilled life, Gypsy/Travellers are worse off than any other community in Scotland'. What's more, Gypsy/Travellers face very high levels of discrimination which in turn impacts on their trust in – and use of – public services.

As a relatively young population (40% aged under 25 years compared to 29% of the whole population), and characterised by larger families, this is a community with a high incidence of children living in poverty. It is crucial that our attempts to eradicate child poverty explicitly include actions that will directly support the Gypsy/Traveller community.

We know that education is key to avoiding and moving out of poverty, but uptake amongst this community is relatively low, particularly in the early years. To address this, we will invest an initial £500,000 over the lifetime of this Plan to work directly with Gypsy/Traveller families and other partners as part of a tailored children and families community education programme.

There are three parts to the programme. The first is to provide specially tailored play and early learning opportunities for pre-school

children and their parents living on Gypsy/ Traveller sites. This will encourage parents and their young children to enjoy early learning together in community spaces, which over time should lead to increased uptake of funded nursery places in mainstream education settings.

The second element of the programme will deliver on site adult learning opportunities to parents and carers, to improve their own literacy and numeracy and enable them to support their children as they progress through their learning journey.

The third element of the programme will work with older siblings who are of secondary school age but not attending school, providing a route into community based learning, which in turn should enable them to access a range of different training opportunities and employment options, in line with the aspirations of Developing our Young Workforce.

Over the longer-term, we will build on the higher levels of engagement, trust and confidence generated through this programme. We want to ensure that Gypsy/Travellers are able to access information, advice and support across a variety of issues, and encouraged and enabled to access a range of services and opportunities that meet their needs and aspirations.

Crucially, this will be a flexible approach which maximises the benefits to the whole family. It will be developed and delivered with the full involvement of the community. And we will carefully monitor and evaluate the programme to learn lessons as we move to develop and/or expand it further over the later years of this plan.

Resources	Impact Summary
£500,000 investment from the Tackling Child Poverty Fund over the course of the Delivery Plan.	Over the long term, this programme should help to improve learning and work outcomes for children from the Gypsy/Traveller community.

SUPPORT TO TACKLE BULLYING

We know that bullying impacts on self-esteem and quality of life and is a serious concern for any child or young person affected. The Scottish Government has fully funded respectme, Scotland's Anti-Bullying Service, since its inception and will provide over £298,000 for the service in 2018-19. Respectme provides support to all adults working with children and young people to give them the practical skills and confidence to deal with all types of bullying behaviour.

Some children and young people are more at risk of bullying. For example, we are funding LGBT Youth Scotland to provide a programme of

work that aims to reduce the discrimination experienced by LGBTI young people – addressing bullying is part of this, as is tackling prejudice and discrimination, hate crime and promoting the LGBT Charter Mark to help schools with inclusion for LGBT pupils and staff. Previous LGBT Youth funding has supported the development of a resource and practice seminars to address homophobic, biphobic and transphobic bullying. We are also working with the Coalition for Racial Equality and Rights to deliver information and guidance to school staff on addressing racist bullying in Scottish schools.

In addition, we will provide £313,000 funding support to NSPCC (Childline) Scotland in 2018-19 to provide a range of services to those children and young people who need it, including confidential advice and information.

Resources	Impact Summary
£298,000 for respectme in 2018-19. £313,000 for NSPCC (Childline) Scotland in 2018-19.	Bullying can have both long and short term effects on the physical and mental health of children and young people and can directly and indirectly affect childhood development and future potential. Taking action to stop bullying, and ensuring that children and young people have the support they need, will help improve longer term prospects for those at risk of bullying.

FACILITATING ACCESS TO MUSIC EDUCATION

We're investing a further £9 million to make sure every pupil in Scotland is offered a year's free music tuition by the time they leave primary school.

Participating in the arts provides children and young people with opportunities to be creative, imaginative and curious and to experience inspiration and enjoyment, contributing greatly to children and young people's mental, emotional, social and physical wellbeing.

Ensuring that all children and young people have opportunities to engage in music, which is crucial for building young people's confidence, self-esteem and personal skills, is an important aspect of this and it's often children from low income homes (or children experiencing disadvantage) who miss out.

The Scottish Government is working to ensure that no young person's background is a barrier to taking part in the arts. Long-standing Scottish Government investment of £109 million since 2007 in the Youth Music Initiative (YMI) has made a huge impact helping children and young people across Scotland access music making opportunities and develop their wider skills and learning. In 2018-19, the Scottish Government is investing a further £9 million in the YMI, ensuring every school pupil in Scotland is offered a year of free music tuition by the time they leave primary school and enabling access to music making opportunities for thousands of children and young people across Scotland.

In addition, the Scottish Government will strengthen engagement with key stakeholders, including COSLA, the Royal Conservatoire, and other members of the Music Education Partnership Group. We will review existing evidence and consider what further research is required to ensure together we positively shape the future direction of the music education sector for the benefit of children and young people.

Resources

In 2018-19 we are investing £9 million in the Youth Music Initiative.

Impact Summary

This intervention is aimed at contributing to children and young people's mental, emotional, social and physical wellbeing and to help build their confidence and self-esteem. It may have benefits for future careers and aspirations.

A NEW RESOURCE FOR DISABLED CHILDREN, YOUNG PEOPLE AND THEIR FAMILIES

As we've noted before in this Plan, families with a disabled adult or child are more likely to be living in child poverty, so actions aimed at disabled people are particularly important. We'll be consulting on a new resource – **Supporting Disabled Children, Young People and their Families** – from April. The final version will highlight good practice, share information and will be based around three priority strands:

- **Rights and Information.** Disabled children and young people will be able to participate as active citizens in all aspects of daily and public life in Scotland. Children, young people and their parents will be more aware of the support that's available to them nationally and locally, and will understand their rights and entitlements and how to realise them.
- **Accessibility of Support.** Access to support and services will be easier and more efficient as families are more aware of what their

entitlements are and what support is available to them. Providers will work with children, young people and parents to ensure their needs are identified quickly and they receive the support that is right for them at the right time from birth into young adulthood.

- **Transitions.** Children, young people and their families will be at the heart of decision making from the very start of the transitions process. Support and services for children and young people at key points of transition will be better aligned and more responsive to their evolving needs to ensure all young people reach their potential. Services available and transition processes will be more clearly understood by young people and their families.

Our resource will empower families to better understand their rights and entitlements, to both financial and other forms of support. Following analysis of the consultation, work will start on developing the resource further into an accessible website and app, which we aim to launch in winter 2018.

Resources	Impact Summary
Investment is still to be finalised and will be updated in our first progress report.	Disabled children are at higher risk of poverty. Actions to help signpost them to support services, including financial support, could impact on all the targets.

CHAPTER 6

PARTNERSHIP

WORKING



**“My advice is plain:
in the case of child
poverty, the best
person to ask
is a child. What
we think should
make an impact
on Scotland!”**

Member of the Children's Parliament, age 9

The Poverty and Inequality Commission highlighted the need for the Delivery Plan to recognise the role played by the wider public, private and third sectors in tackling child poverty. Government cannot end child poverty on its own; the challenge has to be genuinely shared. The benefits are many – for example, new thinking, better ways of working and shared goals.

The Scottish Government already works in partnership with organisations across the piece. This section sets out how we are going to deliver more on child poverty with a number of key partners. We'll continue to build on our approach to partnership through the period of the Plan, and will report back on our progress annually.



A NEW INNOVATION FUND WITH THE HUNTER FOUNDATION

We will introduce a new £7.5 million Innovation Fund in 2018-19 with The Hunter Foundation to trial and scale up innovative approaches to prevention and redesigning services.

We said in the Programme for Government 2017-18 that we were committed to testing new approaches, strengthening the evidence base and supporting innovation at both national and local levels. We want to do this in a way that helps us meet our targets. So, we're establishing a new Innovation Fund as a joint venture with The Hunter Foundation, worth £7.5 million over the Delivery Plan period.

This Fund will be used to trial new and innovative approaches to prevention and redesigning services. We want to achieve

sustained systemic change, with a view to speeding up progress on the targets. We also want the Fund to help us take pilot approaches that are working and scale them up across Scotland. Central to our approach will be that families and carers needs must come first, and system needs second.

Recognising the geographical variation of poverty across Scotland, this Fund will invest strategically in a few local areas, while maintaining a keen focus on the national picture. As part of that we'll be looking at local child poverty action reports that show excellent innovative practice.

The Hunter Foundation will commit up to £2.5 million towards the £7.5 million Innovation Fund over four years. The balance of the funding will come from the Tackling Child Poverty Fund. The Innovation Fund will also use the wider assets of The Hunter Foundation and Scottish Government to help make sure change happens.

Resources	Impact Summary
Fund worth £7.5 million between 2018-22, with up to £2.5 million being committed by The Hunter Foundation.	Innovative approaches to prevention and redesigning services could help make progress towards the targets. As interventions are developed, they will be tested and will help add to the evidence on what works in reducing child poverty.

STRONGER LINKS BETWEEN CITY REGION AND REGIONAL GROWTH DEALS AND TACKLING CHILD POVERTY

City Region and Regional Growth deals are joint projects between the Scottish Government, local authorities and other partners; for City Region Deals these partners include the UK Government. They deliver billions of pounds worth of investment to stimulate inclusive economic growth. As we roll out Growth Deals

to cover all of Scotland, we will expect the Regional Economic Partnerships that manage them to deliver maximum benefit for all of the communities in their region, with a specific focus on reducing poverty, including child poverty. Therefore, we will work with local authorities and Regional Economic Partnerships across Scotland to promote, monitor and evaluate activity designed to maximise regional inclusive growth, including a focus on delivering strong and sustained reductions in child poverty. What follows are two examples of what we will do.

Community Wealth and Localism

This government has always sought to empower communities to take forward the solutions they think are best to tackle issues such as regeneration and inequality in their locality. Whether that's local activity in taking over a community asset or regional regeneration through City and Regional Deals. We want to explore what more we can do to encourage inclusive growth at community level and will therefore examine how other areas across the UK have addressed this issue to harness wealth for the benefit of local communities. For example using existing resources already in place through the social and public sector such as job creation, procurement, land assets, alongside local businesses and social

enterprises to encourage economic growth and to tackle poverty and inequalities at a local level. One part of this work will be consideration of the model of using 'Anchor Institutions' to benefit a locality is worthy of examination and we will take forward as part of a cross-government approach.

We will also pilot a specific Community Wealth approach to procurement with selected local authority areas, providing direct support and testing changes to current practice to retain a greater share of the public spend with local businesses. As this pilot rolls out, its potential contribution to reducing child poverty will be a central consideration.

Resources	Impact Summary
The Economic Policy Unit, working with Procurement Policy, will provide resource to take forward potential pilot projects.	May have the potential to support local employment opportunities. As the pilot is rolled out, additional work will take place to understand this further.

Partnership between the Scottish Government and Glasgow City Region on inclusive growth and child poverty

As a concrete example of our intent here, the Scottish Government and the Glasgow City Region Cabinet will take a range of actions over the period of this Delivery Plan. Specifically within the Glasgow City Region we will:

- Develop inclusive growth monitoring and evaluation frameworks that include analysis and reporting of child poverty impacts, including against the child poverty targets in the 2017 Act.
- Use the Inclusive Growth Diagnostic to understand opportunities, constraints and to guide investment.
- Ensure that Inclusive Growth is embedded within the City Deal interventions, including its child poverty dimensions, and in all other investment decisions taken by partners. We will also provide tailored support to those sectors of the economy which can have the greatest impact on achieving inclusive growth, particularly in supporting parents to gain skills and achieve in-work progression.
- Ensure improvements to the transport infrastructure are designed to promote inclusive growth, particularly in ensuring access to jobs for all communities. Transport issues were a particular concern for parents in our consultation activity.
- Explore practical ways to integrate employment support for low wage families e.g. skills, childcare, transport.
- Work with those with lived experience of child poverty to ensure their voices are at the heart of our policy development and delivery models – we say more about this in the following action.
- Work with employers to develop common purpose around an inclusive growth approach which tackles child poverty and benefits everyone as a result.

Resources	Impact Summary
Funding for this range of actions will be supported by the Glasgow City Regional deal investment programme, which includes Scottish Government investment of £500 million, covering a 15-20 year period.	Many of the barriers faced by families in poverty are also barriers to inclusive growth, and actions to tackle both should be mutually reinforcing.

A STRONG PARTNERSHIP WITH LOCAL AREAS

We are providing a range of support for local authorities and health boards. This includes:

- A national child poverty coordinator.
- A new analytical partnership.
- Support for communities to get their voices heard.

In addition, we're introducing a new Fairer Scotland duty on public bodies from April 2018 to help deliver strategic decision making that has a positive impact on outcomes. We now say more about each of these.



A National Child Poverty Co-ordinator

We're funding a new post in the Improvement Service to help local authorities and health boards with their child poverty planning and reporting.

Local solutions to tackle child poverty are a crucial part of the picture. That's why we included a local reporting duty in the Child Poverty Act, which covers local authorities and health boards. We've worked closely with a reference group of key stakeholders to develop clear guidance for reporting, while ensuring that there is flexibility for local areas to respond to their unique needs. The first set of local reports will be published in 2019.

To help support local partners on the ground, we are also funding a new **national co-ordinator** who will have a particular focus on the planning and reporting duties under the Child Poverty (Scotland) Act.

The co-ordinator will be based in the Improvement Service but will work closely with the Scottish Government, NHS Health Scotland and other stakeholders such as the Poverty Alliance to support local partners to develop their reports and think about how to monitor progress.

They will also facilitate the sharing of best practice across Scotland. This will include, for example, helping local authorities to explore a more proactive and, where possible, automated approach to benefits, grants and payments in kind.

The co-ordinator will also play a key role in supporting the implementation of the Fairer Scotland Duty, and the role will be funded from the Tackling Child Poverty Fund.

A new analytical partnership on local child poverty

We're providing funding for the new Scottish Poverty & Inequality Research Unit to provide analytical expertise for local area child poverty planning.

The new Scottish Poverty and Inequality Research Unit (SPIRU) brings together researchers from Glasgow Caledonian University, working alongside external partners to analyse various aspects of poverty and inequality. It focuses on applied research and policy engagement, and aims to collaborate and communicate with policy makers, campaign groups and community stakeholders. Professor John McKendrick and Professor Stephen Sinclair, who lead SPIRU, have a long-established interest and expertise in understanding how poverty is experienced by people in their local communities, and the types of action that can make a difference.

To help support local partners we are providing new funding to SPIRU (£20,000 per year for three years) to support their engagement with local authorities and their local health boards to help develop and understand actions that influence child poverty and to share best practice. Over the three years SPIRU will seek to engage in all 32 local authority areas aiming, through collaborative working, to identify and share good practice on the ground. A key priority for the analytical partnership will be to engage with local partners who have historically had less capacity to participate in work to tackle child poverty.

A new Fairer Scotland duty

We've introduced a new statutory responsibility for public bodies on reducing the inequalities of outcome caused by socio-economic disadvantage.

From April 2018, the Scottish Government is introducing a new duty on the public sector, the Fairer Scotland duty. The duty will require public bodies, including the Scottish Government, to consider how they can reduce inequalities of outcome, caused by socio-economic disadvantage, whenever strategic decisions are being made. We will task the national co-ordinator post, above, with supporting public bodies to implement the duty successfully to bring about better decision-making. We'll also ask the co-ordinator to focus on links between the duty and public bodies' child poverty responsibilities so that the duty genuinely improves outcomes for children who are living in households on low incomes.

Bringing the voices of people with experience of poverty into local decision-making

We're making resources available for public bodies to help them involve people with experience of poverty in their decision-making.

The Scottish Government has already invested in helping local areas set up their own community bodies to bring people with direct experience of poverty into strategic decision making. Dundee, North Ayrshire and Shetland have already benefited. We are now looking to expand that support over the period of the Delivery Plan so that, in other areas of Scotland, people with experience of poverty – including parents and those who experienced poverty themselves as children – can help shape both child poverty planning and contribute to implementation of the Fairer Scotland duty. Some of this support will be analytical or about national leadership, rather than additional financial resources.

For example, over the period of this Delivery Plan, the Scottish Government will be working together with Edinburgh City Council to do all that we can to eradicate child poverty as well as the wider inequalities that exist across the city. The Scottish Government will support the Council as it convenes a new Edinburgh Poverty and Inequality Commission to help the city tackle the significant pockets of poverty and deprivation that exist within Edinburgh so that all of its citizens – including children – can thrive and grow. The Scottish Government will support the Commission to listen to, and engage with, those who have lived experience of poverty in Edinburgh.

In terms of additional investment, we'll be particularly keen to support those authority areas where anti-poverty work is under-developed, perhaps because of a lack of capacity locally.

Resources	Impact Summary
The national co-ordinator will be funded from the Tackling Child Poverty Fund. Costs to be agreed with the Improvement Service. £20,000 per year from 2018-19-2021-22 will be invested in SPIRU from the Tackling Child Poverty Fund. Additional investment for these actions will be set out shortly.	Establishing and sharing best practice among local authorities and health boards should help speed up local actions to help meet the targets. Expanding capacity outwith local authorities will provide a further means of helping them to develop robust action to put in place to help meet the targets. Taking account of socio-economic disadvantage when taking strategic decisions will make sure tackling poverty is given appropriate consideration in decision making. It is important that decision-making is informed by the lived experience of poverty, if it is to be effective. Not being heard can be both a cause and a symptom of poverty, and compounds experiences of being disempowered.

NEW PRIORITY IN THE EMPOWERING COMMUNITIES FUND

We are introducing a new child poverty priority within our £20 million Empowering Communities Fund to further enable communities to make a positive impact on the targets.

We want to support communities to make an even more active contribution to tackling child poverty locally. To do this, we will introduce a new child poverty priority within the Empowering Communities Fund.

Community-led regeneration is at the heart of our regeneration strategy.¹³ The £20 million Empowering Communities Fund supports communities to develop:

- skills, resources and confidence to identify their own needs and aspirations;
- community-led responses and solutions; and
- assets, services and projects which improve social, economic and environmental outcomes.

The Empowering Communities Fund has already helped to unlock the power of communities to meet their own needs. It supports disadvantaged communities to tackle poverty and inequality on their own terms; and, increases community participation, involvement in planning and decision making, and delivery of change. Community empowerment and inclusive growth is relevant to every community in Scotland. And by introducing a child poverty priority, we will ensure that our investment in communities makes even more of a positive impact for disadvantaged children.

Resources	Impact Summary
The Empowering Communities Fund has been maintained at £20 million for 2018-19.	Ensuring that decisions are made at the community level when appropriate, and by using local assets, the benefits of inclusive growth will be owned and felt directly by communities. This approach will be flexible to community needs, and could help identify and intervene in areas where local and national government are less effective.

¹³ <https://beta.gov.scot/publications/achieving-sustainable-future-regeneration-strategy/>

STRENGTHENING OUR INVESTMENT IN THE STV CHILDREN'S APPEAL

We're making a £4 million commitment to the Appeal's work over the course of the Delivery Plan.

The Scottish Government has been supporting the STV Children's Appeal for several years now. It is an annual Scottish charity appeal organised by STV and The Hunter Foundation, in aid of the STV Charitable Trust.

The Appeal is committed to providing support across a wide range of issues affecting Scotland, and in its first year the charity's work was

focused on supporting children and young people affected by poverty. The Appeal focuses on helping parents through key underlying issues of child poverty, including employment, income maximisation, education and housing.

The charity funds impressive work tackling the causes and consequences of child and family poverty and adverse childhood experiences (ACEs). Until now, we have been providing funding on an annual basis. However, we want to help the Appeal to be able to plan its investments with longer term funding. So we are now committing to supporting the Appeal with annual funding of £1 million over the course of the Delivery Plan. This will ensure the Appeal can continue its great work to tackle child poverty.

Resources	Impact Summary
£1 million per year between 2018-19 and 2021-22	Funding support over the course of this Delivery Plan will provide certainty for the fund, and help in their efforts to tackle the causes and consequences of child poverty.

WORKING IN PARTNERSHIP WITH THE NHS ON CHILDREN'S HEALTH AND WELL-BEING

Health services have a key role to play in managing the complex links between health and family poverty, and there are a number of ways in which we will support them to do so.

We know that Scotland's substantial health inequalities are driven by poverty and that the problem is in many ways cyclical. In its simplest form, this means low income making health problems worse or illness making it more difficult to earn enough to get out of poverty. We continue to target health policy and services at areas of deprivation and are looking to do that ever more effectively. Over the next three years we will see significant investment in the primary care workforce, which will release GPs to spend more time with those who need it, and the new funding formula for general practice reflects the impact of deprivation on practice workload.

We now set out some specific partnership working with the NHS on early years and income maximisation.

Extra help for families with children's health in the early years

Building on the learning from the Building Connections project in Glasgow, we will provide funding in 2018-19 for a welfare advice service facilitator to support the development of embedding Welfare Advice Services in Health and Social Care settings, with a particular focus on general practice and early years.

We will deliver on our commitment to 250 Community Links Workers over the life of the Parliament, and increase the number of health visitors by 500. The increase in frontline staff will support the delivery of improved health visiting services for all families with children aged 0-5.

Our £1.5 million Neonatal Expenses Fund will go live on 1 April 2018. The Fund will support families of premature babies with travel and subsistence costs while their baby is being cared for in a neonatal unit and will be particularly useful for low income families.

The increased £16.9 million funding for the Family Nurse Partnership will help complete the roll-out of the programme to all first-time teenage mothers and reach vulnerable first-time mothers up to the age of 24, providing intensive support during pregnancy and the first years of their child's life. This help will be particularly beneficial for some of our priority families.

In 2018, we will publish our Child and Adolescent Health and Wellbeing Action Plan, which will set out concrete actions to support all children to become, and remain, healthy and successful, putting children and young people at the centre of policies that affect them. The Action Plan will include a focus on cross cutting issues relating to health and wellbeing including child poverty.

Health and Income Maximisation

We will invest an additional £500,000 over two years to support income maximisation services in health settings.

The Health Promoting Health Service includes a requirement for NHS Boards to identify referral pathways to financial inclusion advice in secondary healthcare settings. As such there is already a positive foundation on which to build, with all NHS Boards reporting financial inclusion support services either being in place within hospital settings or mechanisms to signpost/refer patients on to, in the reporting year 2016-17.

NHS Greater Glasgow and Clyde's Healthier Wealthier Children model has been particularly well evaluated, and Scottish Government remains committed to embedding its key principles of Health and Advice services joining up to ensure pregnant women and families with children receive access to high quality and timely financial advice.

Healthier Wealthier Children supports pregnant women and families with children at risk of, or experiencing, poverty by creating information and referral pathways between the NHS early years workforce and money/welfare advice services. As well as securing financial and practical support for families, the approach raises awareness of child poverty among the NHS early years workforce, and builds skills in raising the issue with parents and accessing appropriate advice and support.

NHS Health Scotland carried out a scoping exercise late last year with all NHS Boards to establish their current position regarding the embedding of referral pathways, and have now established a sub-group of Health Promotion Managers to make recommendations to Scottish Ministers on how to embed the approach in areas that don't currently have maternity and advice pathways.

Building on the recommendations of the Health Promotion Managers group due in April 2018, we will work with NHS Boards, Integration Authorities and Local Authorities to ensure referral pathways suitable to local needs are embedded in all health boards by the end of this Parliament. **We will explore how implementation can be supported with £500,000 from the Tackling Child Poverty Fund.**

Resources	Impact Summary
£1.5 million Neonatal Expenses Fund. £16.9 million funding for the Family Nurse Partnership. £250,000 per year in 2018-19 and 2019-20 from the Tackling Child Poverty Fund.	Embedding Welfare Advice services in Health and Social care settings could directly help families access financial support. Many of the other interventions will provide support, including financial support, for families at high risk of poverty at crucial stages in their child's life. This could help progress towards all four targets.

TARGETED OPPORTUNITIES FOR CULTURAL PARTICIPATION

New plans to make sure partnerships with schools and community organisations can meet the needs of the most socially disadvantaged children.

Expressing ourselves through culture helps us make social connections, boosts our self-esteem and well-being, contributes to the quality of buildings and places and often helps us to make sense of the world around us. We are developing a 'Culture Strategy for Scotland' in collaboration with individuals, communities and organisations across the country which will ensure that everyone has an equal opportunity to take part in and contribute to culture in Scotland.

There is consistent evidence that children who are encouraged to attend and take part in cultural activities are more likely to do so as adults, compared with those who were not encouraged to do so. This remains true even when other factors such as education, gender, age, income, deprivation and area rurality are taken into account.

We will therefore work with cultural organisations and partners, in the most deprived areas of Scotland, to evaluate existing partnerships with schools and community organisations with a view to developing and expanding these to ensure they meet the needs of our most socially disadvantaged children now and in the future.

Resources	Impact Summary
This action is part of our overall 2018-19 culture spend of almost £167 million, an increase of almost 10 per cent on 2017-18.	Aims to ensure that a person's background is not a barrier to participating in the arts. Has the potential to impact positively on the social connections, self-esteem and well-being of our most socially disadvantaged children.

NEW SUPPORT FROM THE POVERTY ALLIANCE

We work closely with stakeholder organisations and experts to ensure that we have access to the best information about poverty in Scotland and that we are hearing the voices of those with lived experience of poverty.

The Poverty Alliance have been one of our partner organisations for some time, and we are pleased to have agreed a new three-year funding commitment with them, to deliver a programme of work on child poverty.

The Poverty Alliance will take forward a **new policy development initiative: *Get Heard Scotland***.

Get Heard Scotland will see the Alliance tap into their existing strong community, voluntary and grassroots networks to help support the development of policies and proposals from the Delivery Plan, as well as local child poverty action and reporting.

This new partnership will provide clear recommendations for the Scottish Government and local partners, based on evidence from people with direct experience of poverty, and it will increase community participation in the child poverty agenda.

Resources	Impact Summary
The Poverty Alliance will deliver this action from their currently agreed level of core funding.	Working with voluntary and grassroots networks to develop robust policies will help the Scottish Government and local partners best target future resources at tackling child poverty.

SCOTTISH HOUSING REGULATOR

The Scottish Housing Regulator is the independent regulator of social landlords in Scotland. It safeguards and promotes the interests of nearly 610,000 tenants and over 123,000 owners who receive services of social landlords; around 40,000 people and their families who may be homeless and seek help from local authorities; and over 2,000 Gypsy/Travellers who can use official sites provided by social landlords.

The Regulator recently published a discussion paper – the first step in a review of its Regulatory Framework, setting out its emerging thinking on the future of regulation of social landlords in Scotland. The discussion paper highlights that rent affordability, value for money and cost control are becoming increasingly

important for landlords and their tenants given wider economic pressures, Universal Credit rollout and objectives around child poverty. The Regulator has invited feedback from stakeholders on how it, and landlords, might present landlord rents and cost information in accessible ways, to empower tenants and help them consider whether the services they are getting represent value for money. The Regulator will reflect on this feedback and develop detailed proposals for consultation in autumn 2018.

In December 2017, the Regulator also published a special update for landlords and other stakeholders on rent affordability. It highlighted the importance of landlords setting rents in a way which ensures their continued financial viability, while at the same time protecting tenants' ability to keep paying their rent. The Regulator will continue to have a strong focus on rent affordability in the coming year.

Resources	Impact Summary
The costs for this measure will be met through the Scottish Housing Regulator's normal operating budget.	Efforts to focus on the issue of rent affordability for tenants could help prevent future increases in housing costs, potentially impacting on all four targets .

A ROLE FOR THE CHILDREN'S SECTOR STRATEGIC FORUM IN MONITORING IMPLEMENTATION

We will work with the children's sector to monitor cross-government delivery of the Plan.

Children in Scotland has established a Strategic Forum for senior members of the children's sector to connect, collaborate and influence the policy areas of shared concern. Ending Child Poverty is one of their key themes and throughout 2018 the Forum is working with Leslie Evans, the Permanent Secretary of the Scottish Government and the senior civil servant in Scotland, on a new project. This will

test out a more integrated approach to Scottish Government work on delivering better outcomes for children and young people, and strengthen and deepen connections between Scottish Government Directorates and their partners in the children's sector.

We will work with the Strategic Forum, building on the work they are undertaking with the Permanent Secretary, to monitor the effectiveness of cross-government working needed to deliver this Plan. We will ensure that engagement at a senior level takes place over the coming year so that the Forum, with its expertise in children's policy, will be able to challenge and support the Scottish Government as we work towards our first progress report in 2019.

Resources	Impact Summary
There are no direct costs for this, aside from Scottish Government staff costs.	Monitoring the effectiveness of this Plan will be invaluable in terms of providing learning for future policies and plans.

CHAPTER 7

ASSESSING

IMPACT



“People in poverty might be scared to ask for help or go to a foodbank because they don’t want to look weak. They want to be seen as strong.”

Member of the Children’s Parliament, age 10

Throughout the report we have shown how the interventions in this Plan link through to the targets. In this chapter, we provide a more detailed assessment of the ways in which the policies in chapters 2, 3 and 4 will help us meet our targets.

Figure 7.1 shows how we have approached the analysis, both in terms of impact analysis, and in terms of how we are thinking about monitoring and evaluation.

Figure 7.1 – Summary of analytical approach



The end goal is that we will see progress towards the **child poverty targets**. So this chapter starts by discussing the four targets, and then sets out what future performance against the targets is predicted to be if no action is taken. We also explore the key groups that we need to focus on to ensure that our efforts to reach the targets are effective. This helps us to understand that there is no single solution to eradicating poverty, and different families face different barriers to permanently exiting poverty.

We then discuss the **drivers of child poverty**. These are the key underpinning issues that influence child poverty. Monitoring these drivers over time will help us understand changes in performance against the targets.

The final section of this chapter describes our approach to assessing the **impact of individual policies** on child poverty and its drivers. It focuses on the interventions in chapters 2, 3 and 4 and shows how these are aligned to the drivers.

THE CHILD POVERTY TARGETS

There are many reasons why children are in poverty and the reality of poverty in their daily lives will vary. Some children may only be in poverty for a short period of time, or may transition in and out of poverty at different times during their childhood. Others may find themselves in poverty for a number of years. Some families with savings may still be able to afford basic necessities even in periods of

low income, whereas others may struggle to afford these goods and services even if their income is close to or even slightly above the poverty line. The targets in the Child Poverty Act are designed to cover all these aspects. Housing costs are a particularly significant and unavoidable cost of living. Poverty is fundamentally about lack of disposable income, and it is important to take housing costs into account when determining disposable income. This is why all our targets are measured on an After Housing Cost (AHC) basis¹⁴.

Relative poverty	Children in families with incomes less than 60% of the contemporary UK median income
Absolute poverty	Children in families with incomes less than 60% of inflation adjusted 2011-12 median income
Combined low income and material deprivation	Children in families with incomes less than 70% of the contemporary median and who cannot afford a number of essential goods and services
Persistent poverty	Children in families who have been in relative poverty for three out of the past four years

Monitoring future trends in the child poverty targets

We are committed to publishing income inequality and poverty statistics on an annual basis. We use two publications; Poverty and Income Inequality in Scotland (Official Statistics) and Persistent Poverty in Scotland (Experimental

Statistics) to provide rolling annual updates on all four child poverty targets. This data will allow us to track high level trends against the child poverty targets over time.

¹⁴ See Annex 2 for full description of income and housing costs

Projections of child poverty rates if no action taken

As part of the development of the evidence base to support the Delivery Plan, we commissioned a set of projections of child poverty that take into account tax and benefit changes already announced by the UK and Scottish Governments. This gives us a truer reflection of the scale of the challenge between now and 2030.

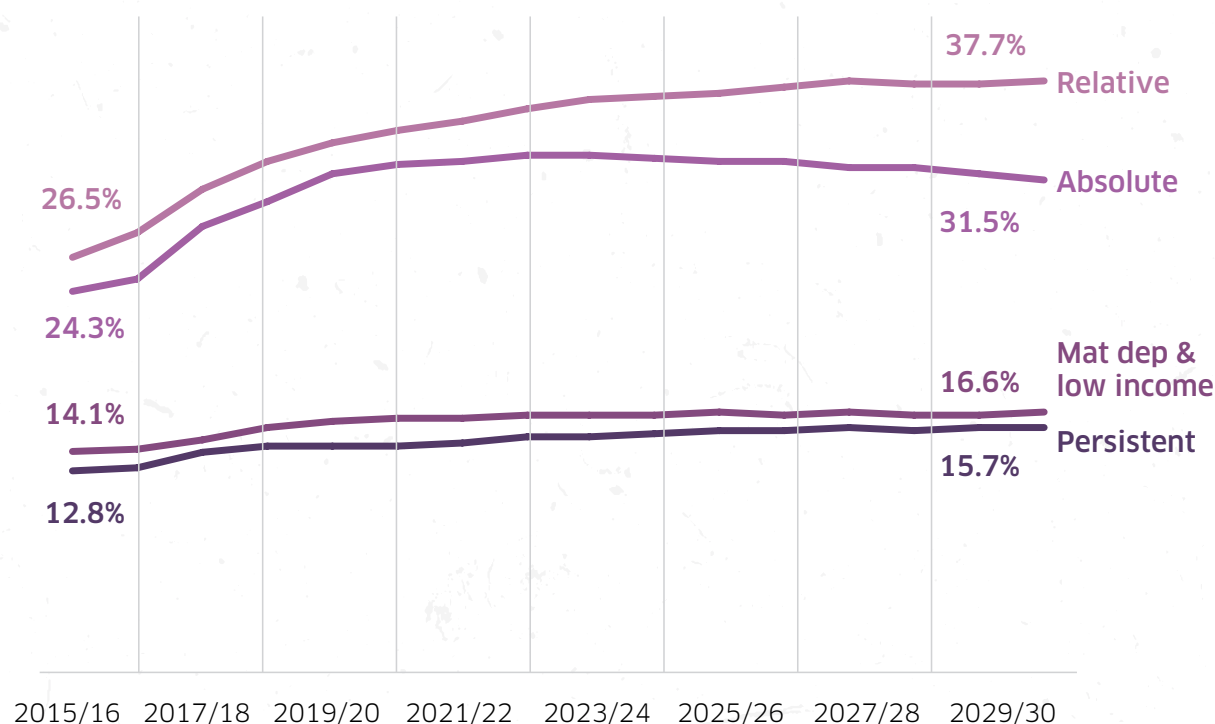
These projections were independently produced by Howard Reed at Landman Economics and Graham Stark at Virtual Worlds Research¹⁵. These projections do not take into account the impact of most of the policies laid out in this

Delivery Plan. They effectively give us a baseline projection of how many children we can expect to be in poverty if we take no action.

Chart 7.1 shows the projected trend of child poverty for each target. By 2030-31, it is estimated that 38% of children will be in relative poverty, 32% of children will be in absolute poverty, 17% of children will be in combined low income and material deprivation and 16% of children will be in persistent poverty.

The key reason for these rises is the announced UK Government cuts, primarily the benefit freeze and the two child limit on tax credits. The impact of these cuts is predicted to be most acute between now and 2020.

Chart 7.1 – Projected child poverty rates



Source: Reed and Stark 2018¹⁶

¹⁵ The full report is available on the Scottish Government website.

¹⁶ These projections use the latest available data published for all four measures as of the Scottish Draft Budget in December 2017 as their starting point. They do not take into account new data published on the 22nd March 2018.

How the risk of child poverty varies between different groups

There are a number of 'priority groups' that we know – from our own statistics and from the wider literature – have a particularly high risk of poverty. Interventions that address poverty in these groups are crucial in ensuring we meet the targets.

Lone Parents 36% of children in relative poverty	Disabled 30% of children in relative poverty	3+ Children 30% of children in relative poverty	Minority Ethnic 37% of children in relative poverty	Youngest Child Aged <1 32% of children in relative poverty	Mothers Aged <25 44% of children in relative poverty
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These are groups where there is strong evidence that the risk of poverty is higher. The majority of these households have at least one adult in work. But there are structural barriers that throw up additional challenges for these parents in the workplace, meaning that many are at higher risk of poverty because they are unable to work enough hours and/or earn a high enough wage. These structural barriers are often outwith the control of these families, and stem from a range of issues, including flexibility and affordability of childcare, and wider issues around skills and progression. There is also evidence of discrimination.

Any barrier to employment and progression is of detriment to economic growth. In order to achieve inclusive growth and a productive economy, the skills and talents of every person, regardless of their situation, need to be utilised.

Because these groups are more likely to be excluded from the paid labour market, they are often more reliant on the social security system. Therefore, the impact of UK Government welfare cuts is even more apparent. For example, our projections estimate that, unless action is taken, relative poverty for lone parents is expected to be in the region of 60% by 2030-31, and for 3+ child families, the rate is expected to be over 50%.

Gender and poverty

We have conclusive evidence that poverty and gender are inextricably linked. We know that lone parents (who are predominantly women) and households where only one adult works are at a higher risk of poverty. We know that women face a range of barriers to paid employment and progression, hence the existence of a substantial gender pay gap and we know that women take on most of the paid and unpaid caring roles in households.

But, the relationship between gender and poverty is about much more than paid work and earnings. Wider social structures and power relations mean that we cannot simply assume that women share the same access to resources, whether from paid work or from social security as men when they are in the same household. This can lead to hidden poverty within households, which may also affect children.

Many of our interventions are directly targeted at alleviating women's poverty, whether lone parents or cohabiting parents, and we make explicit reference to this in introductory sections and where applicable in the analysis of each intervention. Further exploration of the link between gender and poverty is provided in Annex 2 and in the equality impact assessment.

Local variations in poverty

The place where families live can also create additional challenges. Income varies across Scotland, as shown in Figure 7.2. Local authorities and health boards have duties under the Child Poverty (Scotland) Act, and are clearly best placed to understand their local areas. We will continue to work with our local partners to help where possible with their own reporting.

In this national Delivery Plan, we focus on two particular geographies where there is evidence of additional barriers: rural areas, and areas of high deprivation.

Not all people who live in these areas are at a greater risk of poverty. Indeed, quantitative analysis of large datasets has tended to conclude that 'neighbourhood effects' are marginal when compared to other factors in explaining poverty¹⁷. For that reason, we have not treated these areas as high risk 'priority' groups. Instead, we are exploring where there is evidence that place can have a small, but potentially significant, impact for some low income households. This is primarily due to lack of access to employment and public services, and due to additional costs of living.

The SIMD Income Domain¹⁸ is not a proxy for child poverty. But it does clearly show how incomes vary across Scotland.

17 Matthews, P. and K. Besemer, Poverty and social networks evidence review: a Report for the Joseph Rowntree Foundation Anti-Poverty Programme. 2014, University of Stirling: Stirling.

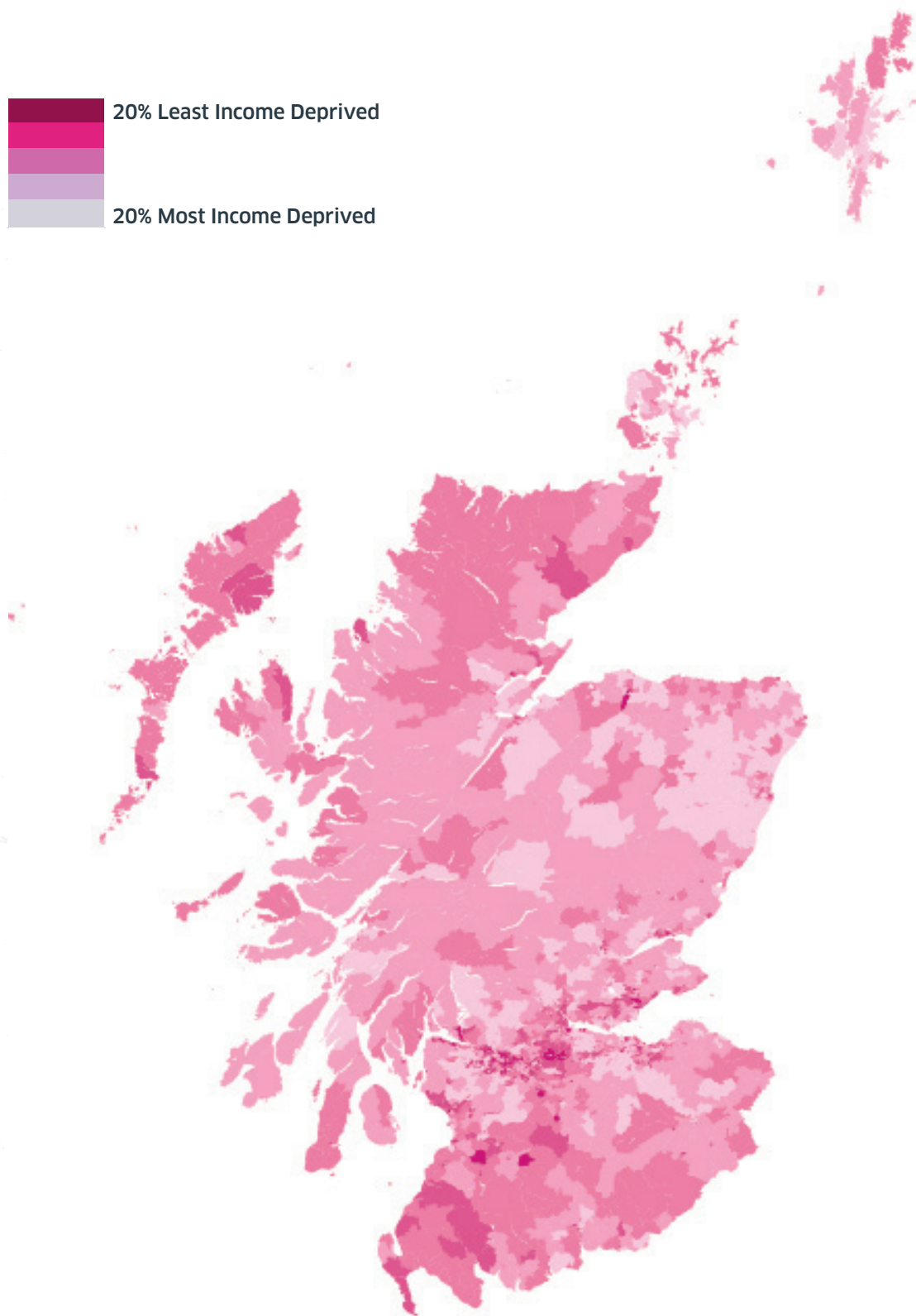
18 The components of this domain are: number of adults (all ages) receiving Jobseeker's Allowance; (all ages) not in paid employment receiving Universal Credit; aged 16-59 receiving Income Support (IS) or income-based Employment and Support Allowance (ESA); aged 60 plus receiving Guaranteed Pension Credit

Number of children (aged 0-15) dependent on a recipient of Income Support, Jobseeker's Allowance or Employment Support Allowance

Number of adults and children in Tax Credit families on low incomes

See: <http://www.gov.scot/Resource/0050/00504822.pdf> for more details

Figure 7.2 – SIMD Income Domain 2016



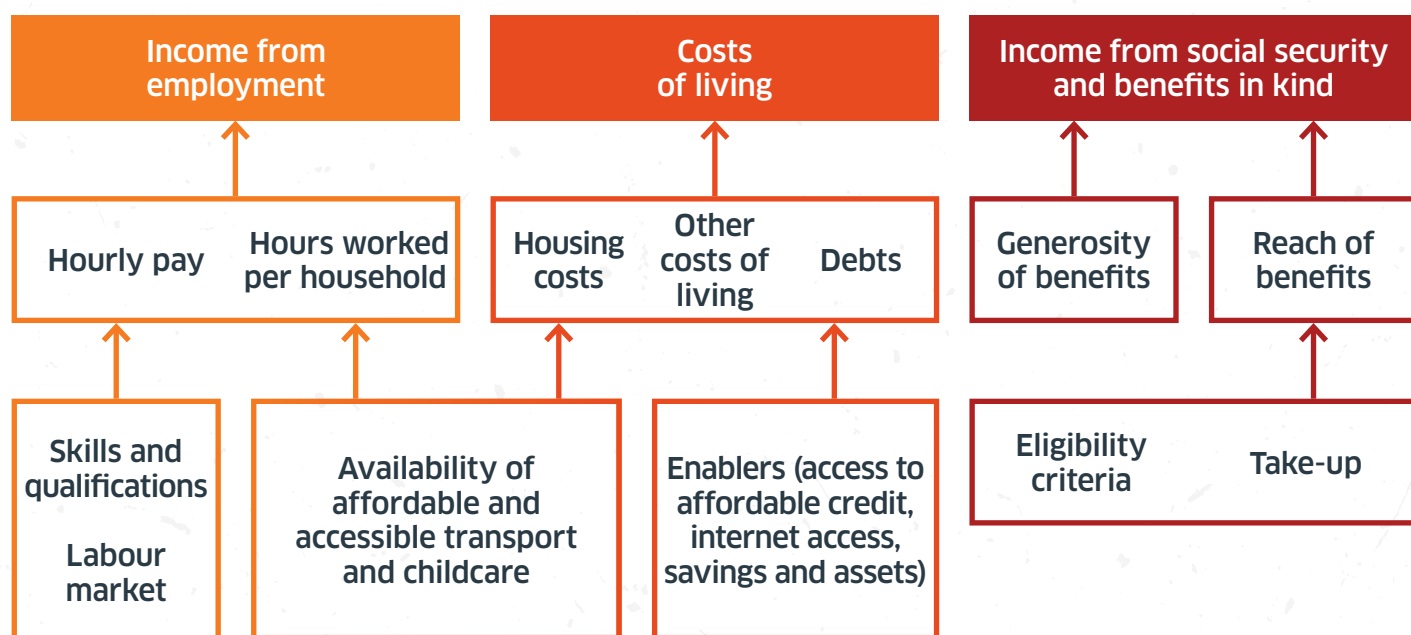
THE DRIVERS OF CHILD POVERTY

There is a strong evidence base that helps us to understand the 'drivers' of child poverty – in other words, the reasons why families with children are in poverty. These can vary markedly by household, and derive from different circumstances and life events. However, at their core, the direct drivers of poverty fall into three main categories – income from employment, costs of living, and income from social security.

These categories align closely with the headings of Chapter 2, 3 and 4 of this report. The only difference is that benefits in kind (e.g. free school meals) count as income for the purposes of measuring poverty. So in this chapter we have grouped them in the same category as social security.

Income from employment, income from social security and housing costs influence all four targets. Other costs of living influence the combined low income and material deprivation target.

The drivers of poverty are summarised in the diagram below, and discussed in more detail in Annex 2.



Monitoring future trends in the drivers of child poverty

As part of our annual reporting against the Delivery Plan, the Scottish Government will publish statistical indicators for each of the poverty drivers – the Child Poverty Measurement Framework. The proposed indicators are set out in the table below. Where possible and appropriate, the data for each of the indicators will be presented separately for each of the priority groups, and by gender.

There are some indicators we would like to include in the measurement framework – for example, levels of benefit take-up – but have not been able to, because of limitations of the data that are currently collected. We will continue to improve our data and analysis, where possible, and develop and refine the measurement framework accordingly.

Income from employment	Costs of living	Income from social security & benefits in kind
Parental employment	Housing affordability	Take-up of free school meals
Children in households with no paid employment	Energy affordability	Level of school clothing grant
Children in households with no paid employment in last 12 months	Childcare affordability	Level of devolved social security payment entitlement*
Parental underemployment	Food insecurity	Level of reserved social security entitlement (excluding housing)*
Employees earning less than Living Wage	Problem debt	Level of housing related social security payments*
Jobs density	Internet access	
Parents with low or no qualifications	Low or no savings	
School leaver attainment gap		
Childcare availability – school holidays		
Childcare availability – extended hours		
Satisfaction with local public transport		

*Real terms entitlement for illustrative out of work and in-work families with children

The measurement framework is one part of a broader approach to assessing impact. Monitoring these statistics will tell us what's happening in relation to the various drivers of child poverty over time, in order to better understand what's driving any change in

performance against the targets. It will not, however, allow us to attribute the reasons for change to the specific actions of any government, organisation or individual. It is therefore complementary to any monitoring and evaluation of the impact of individual policies.

IMPACT OF INDIVIDUAL POLICIES

Each new intervention featured in Chapters 2, 3 and 4 is analysed here. Crucially we show how each policy links to the targets, via the drivers of income from employment, cost of living and income from social security or benefits in kind.

We describe the type of impact, and the numbers impacted. We also look across the priority groups to show where there are direct links, as well as considering geographical factors, and wider impacts on gender and inclusive growth.

This analytical structure ensures consistency and transparency, and provides a clear explanation of how our assessment of the impact on child poverty has been arrived at.

Assessments of interventions included in Chapters 2, 3 and 4

Chapters 2, 3 and 4 contain the key new interventions that we expect to have an impact on the targets. Each intervention includes a summary box with a short assessment of the impact through to the targets. In this section, this is explained in more detail.

Each of the following pages provides a brief overview of the policy, and shows how this links to the key drivers outlined earlier in this chapter. We then look at an assessment of impact, taking into account the numbers expected to be impacted, whether it will have a direct impact or whether there are other interdependencies that will have a bearing on the impact, and then finally whether we can be certain that this policy will have a significant impact on family incomes. In cases where we do not know the answer to any of these questions, we are committing to further research to gather this information.

We also show how each intervention links to the priority groups. Arrows indicate where interventions specifically target priority groups, or where we think these groups will disproportionately benefit. However, many of the policies will benefit most, if not all, of the priority groups.

FAIR START SCOTLAND

Fair Start Scotland is a voluntary employability service that aims to support people into work who face barriers to employment, over three years

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
This is a voluntary offer. The programme aims to support 38,000 people, who are currently not in paid work, into employment.	Direct impact through income from employment.	For those who benefit from the scheme, impact on income could be significant. The numbers involved in the scheme means this policy, in isolation, could impact on the targets.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

All priority groups should be positively impacted by this policy. Lone parents, disabled people and ethnic minorities are specifically targeted. The policy is also focussed on reaching those in the most deprived areas of Scotland.

This policy is likely to be of particular benefit to women due to lower levels of labour market participation compared with men and support will be tailored to each individual who accesses the scheme.

Sustained employment for those facing barriers to work will permanently lower the risk of households in poverty and will also help Scotland's economy achieve inclusive growth.

INTENSIVE EMPLOYMENT SUPPORT FOR PARENTS

New employment support to engage with the most disadvantaged parents to support them into employment, up-skill those in employment and achieve financial independence.

Income from
employment

Costs
of living

Income from social security
and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
The scope of the support offer is yet to be determined.	Direct impact on income from employment and potential direct impact on security income and costs of living from financial advice.	This policy is still in development.

Analysis of Priority Groups, Additional Barriers and other factors

Lone
Parents

Disabled

3+
Children

Minority
Ethnic

Youngest
Child Aged <1

Mothers
Aged <25

This proposal is subject to on-going design and impact assessment. **We would expect all of our priority groups to benefit.**

Previous programmes in this area targeted lone parents and disadvantaged parents, with households with disabled inhabitants benefiting.

Minority ethnic groups, young mothers, parents with younger children and parents with lower qualifications are likely to benefit particularly from the new policy.

BUILDING A LIVING WAGE NATION

Increasing low pay for those on the Minimum Wage or the National Living Wage, both of which are far below the 'real' Living Wage.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
430,000 people in Scotland aged 18+ currently earn less than the living wage.	Direct impact from income from employment.	An increase in pay to the Living Wage will be sufficient to lift some children out of poverty.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

Potential to benefit on all priority groups. In particular, low pay sectors are more likely to be female dominated and employ a younger workforce, so lone parents, who are also predominantly women, and younger mothers, are most likely to benefit.

We know that not all people who earn less than the Living Wage are in poverty, but many people in in-work poverty are on minimum wage levels. As the Commission noted in their advice, the Living Wage, is

not going to end in-work poverty by itself. However, low wages are an important part of the reason why in-work poverty exists, along with barriers to hours worked.

TACKLING LOW PAY IN THE PUBLIC SECTOR

Tackling low pay in the public sector.

Income from
employment

Costs
of living

Income from social security
and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
As a large employer, pay policy in the public sector has the potential to affect a large number of people.	Direct impact on income from boosting earnings	We know that boosting low pay to the Living Wage can lift some households out of Poverty.

Analysis of Priority Groups, Additional Barriers and other factors

Lone
Parents

Disabled

3+
Children

Minority
Ethnic

Youngest
Child Aged <1

Mothers
Aged <25

This should be of benefit to all priority groups. In particular, the lowest paid workers are

more likely to be female and younger, therefore lone parents (who are predominantly female)

and mothers aged less than 25 should benefit in particular.

FLEXIBLE WORKFORCE DEVELOPMENT FUND

Addressing skills gaps and supporting productivity
and helping employees to build a career.

Income from
employment

Costs
of living

Income from social security
and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
It is estimated that around 4,000 businesses/ organisations in Scotland, employing 1.7 million people will be eligible for this assistance.	If the training leads to higher productivity and pay, then this will increase income from employment.	This policy, in isolation, could be sufficient to lift some children out of poverty. Initial feedback from the fund will help us to understand the certainty of impact more.

Analysis of Priority Groups, Additional Barriers and other factors

Lone
Parents

Disabled

3+
Children

Minority
Ethnic

Youngest
Child Aged <1

Mothers
Aged <25

This fund has the potential to benefit all priority groups. Employers are being encouraged to give due consideration to specific

groups, including those belonging to equality groups. In particular, low pay sectors are more likely to be female

dominated and employ a younger workforce, so lone parents, who are predominantly women, are likely to benefit.

A NEW APPROACH TO EMPLOYMENT, DEVELOPED WITH DISABLED PEOPLE

Actions in development to close the disability employment gap.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
Around 70,000 children in poverty live in a household with a disabled adult. Over half of these children live in a household where no adult is in paid work.	Direct impact from income from employment.	Policy still in development, but for disabled parents who move into employment as a result of this intervention, the impact on income could be significant. This policy, in isolation, could impact on the targets.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

Actions will be directly targeted at households where there is a disabled adult.

Households with a disabled adult face significant challenges with regards to employment, which is why poverty rates

for this group are so high. This is before we consider the additional costs of disability, which may mean that living standards for some of these households may be worse than the poverty

statistics suggest. This policy is still in development, and actions will be developed which takes the full range of barriers to work for disabled parents into account.

NEW ACTION ON THE GENDER PAY GAP

Increasing women's access to the labour market and earnings potential.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
Practically all households in poverty would benefit from removing barriers to women's employment and earning potential.	Direct impact from income from employment.	For those who benefit from actions, impact on income could be significant. The numbers impacted could mean this policy in isolation could impact on the targets.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

All groups were the child lives in the same household as their mother will benefit from increased women's pay. The disproportionate amount of time that women spend caring for children is one of the key drivers of the gender pay gap.

Most lone parents are women; therefore these actions will particularly benefit this group. Research from the Equality and Human Rights Commission also suggests that the minority ethnic gender pay gap is even higher than the overall gender pay gap.

Research also suggests that pregnancy and maternity discrimination is a significant issue, particularly for young women. Actions on tackling the gender pay gap are key to ensuring inclusive growth in Scotland.

WORKPLACE EQUALITY FUND

Seeking employer led solutions to overcome workforce inequality using the Workplace Equality Fund.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
This policy has the potential to impact on all households in poverty with protected characteristics who face inequalities in the workplace.	Direct impact through income from employment	For those who benefit from the scheme, impact on income could be significant. The fund will continually be reviewed and evaluated to ensure it achieves maximum impact.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

A lack of equality in the workplace affects all our priority families in many different ways.

All women are subject to additional barriers in the workplace, especially once they become parents. Therefore **all groups could benefit.**

Removing barriers to employment could have long lasting impacts on families, permanently reducing their risk of poverty. This is necessary to help ensure that the Scottish economy achieves inclusive growth.

NEW SUPPORT FOR FLEXIBLE WORKING

Supporting flexible working for parents by working with employers to build flexibility into job roles at the outset.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
Yet to be determined. Success of new pilot programmes will help determine scale.	If it allows parents to work and progress their careers because of the flexible offer, it will impact on income from employment.	Monitoring and evaluation of past projects and future pilots will help determine how much of an impact this will have on parents.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

Has the potential to impact on all priority groups.

Flexible working can be particularly important for parents – and in particular for women who are often

the main carers of children and for disabled people, who may need a range of additional considerations.

EXPANDED EARLY LEARNING AND CHILDCARE

Expansion of funded Early Learning and Childcare to 1,140 hours per year for eligible children.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
Universal for three- and four-year olds. Two-year olds who meet free school meal criteria are eligible (around 25%).	Will have a direct impact by reducing costs to families who currently pay for childcare. It has the potential to enable parents to access work or training where affordability of childcare is currently an issue.	Potential for significant financial impact for families meaning that this policy, in isolation, could impact on the targets.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

Because women disproportionately take on unpaid caring responsibilities, they are likely to benefit disproportionately. **This will benefit all the priority groups.**

The targeting of provision for two-year olds meeting Free School Meal criteria will benefit low income households who are more likely to live in areas of high deprivation. Larger families, with more than one young child, may benefit more.

Long run improvements to child outcomes (e.g. educational attainment) could result in higher lifetime earnings.

AFTER SCHOOL AND HOLIDAY CHILDCARE

New strategic framework for after school and holiday childcare. *If this results in greater availability or lower costs then it could have relevant impacts.*

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
Uncertain as policy not yet defined but could impact on all families where there are children of school age.	Uncertain as depends on the type and cost of provision. However, it has the potential to impact on cost of living and income from employment if it allows more parents to work longer hours.	Potential for significant financial impact for families meaning that this policy, in isolation, could impact on the targets.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

Policy not yet defined, but **likely to benefit all priority groups**, and could involve measures targeting particular groups at most need.

A MINIMUM LEVEL FOR SCHOOL CLOTHING GRANTS

A new minimum level of School Clothing Grant that will apply to all local authorities in Scotland.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
Yet to be defined, but likely to be targeted at households on low income.	Direct impact on cost of living and on income from benefits in kind.	Costs of the school day are a significant issue for families in poverty, and this policy will have a direct impact on reducing these costs, and have a positive impact on material deprivation.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

Potential to benefit all priority groups with school age children, in particular those in larger families.

REDUCING FOOD INSECURITY IN SCHOOL HOLIDAYS

Provision of free meals and activities during the school holidays.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
Yet to be defined, but likely to be targeted at least at those currently eligible for free school meals.	Direct impact on cost of living and impact on income from benefits in kind. Potential for impact on income from employment if the offer includes some kind of supervised care.	Uncertain at this time, but work will be undertaken to enhance our understanding of the issue and how it can best be tackled.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

Potential to benefit all priority groups with school age children, in particular those in larger families.

FURTHER SUPPORT ON COSTS OF THE SCHOOL DAY

Promoting best practice of how to reduce and remove financial barriers that pupils face at school.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
Potential to benefit all low income children of school age.	Direct impact on cost of living and impact on income from benefits in kind if it increases uptake of schemes such as free school meals.	Impact will differ depending on the circumstances of different families.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

Potential to benefit all priority groups with school age children, in particular those in larger families.

NEW HELP WITH FUEL POVERTY

A new longer-term approach to fuel poverty which will be set out in legislation through the introduction of a Warm Homes Bill. Delivery mechanism includes Scotland's Energy Efficiency Programme.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
Preliminary analysis suggests that 134,000 families lived in fuel poverty in 2015 based on the proposed new definition (to be agreed through Parliamentary process). These families include around 221,000 children.	Should impact on cost of living. However, improved energy efficiency will only lead to reduced fuel bills if this is not countered by increased energy prices.	As Scotland's Energy Efficient Programme (SEEP) is developed, there will be further analysis on how it can be targeted appropriately. Impacts on individual households may be significant, although evaluation will be required to be certain of impact.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

Changes to proposed new definition **are likely to benefit many of the priority groups in particular**, due to the characteristics of these households. We assume this will be the case for all our

priority groups, but currently we do not have enough data to confirm this for minority ethnic households.

As SEEP is developed, and its intervention programmes are designed, we will ensure that

the reduction of child poverty is prioritised, with interventions targeted appropriately, and that the impact on child poverty levels is a key part of the evaluation of their impact.

HELP WITH HOUSING COSTS

We will (1) work with social landlords to identify the best ways to keep rents affordable, (2) produce an evidence base and strengthen our guidance to ensure our current and future affordable homes delivery is focussed on specific housing needs, including children's, and (3) evaluate the new Private Rental Tenancy to ensure households with children are benefitting from its greater security.

Income from
employment

Costs
of living

Income from social security
and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
About 16,000 households with children (27,000 children) will benefit from the current 50k affordable home commitment. There are an estimated 250,000 children in the social sector and 145,000 in the private rented sector.	Affordable rents have a direct impact on cost of living and housing costs count directly towards the targets. Improved security in the private rented sector may also have indirect effects.	Impact of more affordable rents on cost of living could be substantial, although may be partly offset for households on housing benefit.

Analysis of Priority Groups, Additional Barriers and other factors

Lone
Parents

Disabled

3+
Children

Minority
Ethnic

Youngest
Child Aged <1

Mothers
Aged <25

While generally not based directly on income, housing need will correlate strongly with low income and with

the characteristics of **all the priority groups**.

The Scottish Government formula for allocating funding to

local authorities also specifically factors in the barriers of remoteness and deprivation.

A NEW FINANCIAL HEALTH CHECK

Maximising incomes from take-up of social security and ensuring households can access best value goods and services.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
All families on low income will be offered the check.	Potential for direct impact on income from increased social security take-up. Cost of living should be positively impacted by advice on how to avoid the poverty premium.	Potential for significant impact on some households. A pilot project targeted at older people successfully reached its target group.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

Over the period of programme development, we will be considering how best this programme can be delivered to **all the priority groups** and how it could be best tailored

to suit the circumstances of particular groups. For example, our consultation identified a strong need for holistic and timely financial advice for minority

ethnic communities, with refugees and asylum seekers being particularly affected.

Financial impact from putting advice into practice will be long lasting.

A NEW CAMPAIGN ON COUNCIL TAX REDUCTION

A targeted campaign to improve the take-up of the Council Tax Reduction (CTR) Scheme.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
Analysis suggests that over 200,000 households could benefit from taking up CTR (number with children not known)	Direct impact through income from social security or benefits in kind if eligible families start to take up CTR.	Unknown at this point in time. Further analysis and monitoring and evaluation will be required to understand scale of impact on children.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

As the campaign is developed, ways to target the message **to all priority groups** will be considered.

ENCOURAGING BENEFIT UPTAKE

A programme of activity to increase uptake of the financial support that people are entitled to

Income from
employment

Costs
of living

Income from social security
and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
Around 140,000 households are estimated not to be claiming Housing Benefit. Around 60,000 households are estimated to not be claiming child tax credits.	Direct impact through income from social security if take-up is increased.	Further analysis and monitoring will be required to understand effectiveness of campaign.

Analysis of Priority Groups, Additional Barriers and other factors

Lone
Parents

Disabled

3+
Children

Minority
Ethnic

Youngest
Child Aged <1

Mothers
Aged <25

As the campaign is developed, ways to target the message **to all priority groups** will be considered.

NEW SUPPORT FOR AFFORDABLE CREDIT

Increasing access to affordable credit, to reduce the cost of borrowing for low income families.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
We know that problem debt affects many households so there is the potential for the affordable credit sector to grow.	Direct impact on cost of living where households are using credit and could benefit from more affordable options.	This could have a significant impact on disposable income for parents, and therefore will help address material deprivation.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

Benefits of using affordable credit will continue for the length of the loan, helping smooth out periods where

household income is fluctuating. Once users are engaged with affordable credit services they will be more likely to

access other basic financial services, including savings products and bank accounts.

ACCESS TO SANITARY PRODUCTS

Ensuring access to free sanitary products in schools, colleges and universities, and considering further action to support others on low income.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
Currently estimated that 410,000 individuals will benefit.	Direct impact on cost of living.	The evaluation of the Aberdeenshire pilot will help us to understand the impact on those who benefit. Although the financial impact may be relatively small, it will make a difference to some households and free up money to be spent on other essential goods or services.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

Although not targeted at particular household types, larger households in poverty should particularly benefit as these are likely to have

more children who need access to sanitary products. Improved school attendance will have long lasting benefits

on educational attainment and reduce the risk of future poverty.

A NEW INCOME SUPPLEMENT

A new income supplement for low income families. We are now looking at a range of options for an income supplement of this kind, which will be either a top up of a reserved benefit or a new Scottish social security benefit.

Income from
employment

Costs
of living

Income from social security
and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
Policy currently under development.	Direct impact on household income from cash transfer.	Policy currently under development. However, analysis shows that, for those who benefit, even a relatively small income supplement could be enough to lift families out of poverty.

Analysis of Priority Groups, Additional Barriers and other factors

Lone
Parents

Disabled

3+
Children

Minority
Ethnic

Youngest
Child Aged <1

Mothers
Aged <25

Although the policy is currently under development, all priority groups should expect to benefit from the new income supplement.

A NEW BEST START GRANT

Replaces and expands on Sure Start Maternity Grant – providing cash payments to eligible low-income families at the birth of a child, and at the start of nursery and primary school.

Income from
employment

Costs
of living

Income from social security
and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
Target group likely to be around 60,000 children	Direct impact on household income from cash transfer(s).	The policy is likely to have a small direct impact on Material Deprivation and may have an impact on absolute poverty and relative poverty for a very small number of families in the years that the benefit is paid.

Analysis of Priority Groups, Additional Barriers and other factors

Lone
Parents

Disabled

3+
Children

Minority
Ethnic

Youngest
Child Aged <1

Mothers
Aged <25

Mothers under 18 are automatically eligible for the grant meaning that it reaches young mothers. The Grant is set

at a lower value for second and subsequent children, but the predecessor to BSG – the UK Sure Start Maternity Grant –

was payable for the first child only, meaning that eligible larger families are better off under BSG.

NEW SUPPORT FOR CARERS

The generosity of Carer's Allowance will be increased by £8.50 p/w in 2018/19 to raise the benefit to the level of Jobseeker's Allowance.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
Targets low income households as eligibility is limited to those earning £116 a week or less. However, a relatively small proportion of Carer's Allowance recipients have children.	Direct impact on income from social security through increased generosity of payments.	In isolation, policy is likely to have very limited impact on child poverty targets. The payment may allow families with children to afford one or more items on the Multiple Deprivation list.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

This policy has not been designed to directly target any of the priority groups, however indirect benefits may be felt

by disabled people cared for by those on Carer's Allowance – especially where they are in the same household. Carer's

Allowance is paid to those who care full time for a disabled person – that person does not have to be in their household.

A NEW JOB GRANT

A payment of £100 (£250 for those who are parents) and three month free bus travel for all young people (16-24 year olds) who find a job after a period of six months of unemployment.

Income from
employment

Costs
of living

Income from social security
and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
6,500 to 8,500 people are likely to be eligible and are likely to be at risk of poverty due to extended period of unemployment. However, less than 10% of those eligible have children.	Small direct impact on income from social security through cash payment. Direct impact on cost of living and income from benefits in kind if claimants use bus pass. Potential impact on income from earnings through incentive to access paid employment.	Uncertain. Monitoring and evaluation will be required to understand scale of impact on the targets.

Analysis of Priority Groups, Additional Barriers and other factors

Lone
Parents

Disabled

3+
Children

Minority
Ethnic

Youngest
Child Aged <1

Mothers
Aged <25

The job grant has the potential to benefit **all priority groups**.

WIDENED FUNERAL EXPENSE ASSISTANCE ELIGIBILITY

Funeral Expense Assistance to help more people with funeral costs, including low income families with children.

Income from employment

Costs of living

Income from social security and benefits in kind

Potential size of impact	Type of impact	Certainty of impact
By replacing Funeral Expenses Payments with an enhanced Funeral Expenses Assistance, it is estimated that an additional 2,200 payments will be made each year, with total payments of approximately 5,600 in Scotland in 2020/21.	Direct impact through income from social security for affected households.	Unknown at this stage, but impact on child poverty is likely to be small.

Analysis of Priority Groups, Additional Barriers and other factors

Lone Parents

Disabled

3+ Children

Minority Ethnic

Youngest Child Aged <1

Mothers Aged <25

Has the potential to impact on **all priority groups**.

Analysing the impact of the Scottish Budget

The Commission recommended that we commit to providing analysis of the likely impact of annual budget decisions on the child poverty targets. The Draft Budget has been accompanied by an Equality Budget Statement for the last nine years. This statement and the process of equality impact assessment that leads to it ensures that the Scottish Government understands the impacts of policy and spending decisions on a range of equality and socio-economic outcomes. Supporting children and young people has been a focus of the 'age' characteristic for many years. In the Equality Budget Statement this sits alongside sections on socio-economically disadvantaged households and a focus on inclusive growth which features many of the key drivers of child poverty in terms of income from employment. As a result child poverty is already part of budget considerations.

However, to ensure that this assessment is easily accessible, **in future years we will include a separate chapter providing a qualitative assessment of the impact of the budget on child poverty.** This chapter will combine findings from the above themes and examine budgetary impacts of the three drivers of child poverty; income from employment; income from social security and benefits in-kind; and costs of living.

The development of new outcome focussed budgeting in response to the Budget Review Group's recommendations will provide further opportunities to build the narrative and budgetary impact around child poverty. This starts with the five-year medium term financial framework which sets out key strategic expenditure priorities.

Building on our analytical capabilities for future Delivery Plans

Our current evidence base on child poverty equips us with the tools to determine which policies will impact on the targets. As this is the first Delivery Plan, we recognise that future plans will need to learn from policies put in place now. We have ambitions to use this learning to develop our modelling capabilities in order to help us plan and prioritise our resources most effectively.

Over the next few years, we will scope out and develop tools to help us analyse the full range of policies, with the intention of being able to produce quantitative estimates of the impact of future interventions on the poverty targets. This is not possible at the moment, primarily because of the lack of applicable evaluation evidence.

Without doubt, we will need to ensure that robust monitoring and evaluation processes are in place for all policies in the Delivery Plan to ascertain the monetary impact on household incomes. We will also need to understand the interdependencies with other factors, and how impact varies between different household types. Most importantly, we will need to know which policies do not have the full intended effects and why.

We hope that the information gained from these evaluations will be able to be applied to other, similar, interventions. Our ambition is to build a modelling tool that uses this learning to understand the likely quantitative impact of poverty reduction policies in the future.

Building a modelling tool of this sort is not an easy task. We will work constructively with our partners and stakeholders, but as far as we are aware, no models currently exist that fulfil our requirements.

To ensure that we have adequate data to enable a fully evidence based approach, we are establishing a governance group for the evaluation of policies in the Delivery Plan. Progress reports will be prepared for each Child Poverty Annual Report.

ANNEX 1

CHILD POVERTY (SCOTLAND) ACT 2017 REQUIREMENTS

Section 9 of the Child Poverty Act sets out a range of requirements around Delivery Plans. This annex explains how we have met those requirements, with directions to the relevant chapters or specific pages within the Plan.

The Scottish Ministers must prepare a plan (a “Delivery Plan”) for each of the following periods– • 1 April 2018 to 31 March 2022 • 1 April 2022 to 31 March 2026 • 1 April 2026 to 31 March 2031	This is the first of three Delivery Plans that will be prepared. The actions set out here take us up to 31 March 2022. Preparations for the second Delivery Plan will begin in 2021.
A Delivery Plan must set out–	
• the measures that the Scottish Ministers propose to take during the period of the Plan for the purpose of meeting the child poverty targets; • an assessment of the contribution the proposed measures are expected to make to meeting the child poverty targets; • an explanation of how that assessment has been arrived at; and • an assessment of the financial resources required to fund the proposed measures.	Each action in the Plan is accompanied by a summary box, setting out the expected impact on child poverty and the resource implications. Chapter 7: Assessing Impact contains the full detailed explanation of the analytical approach underpinning the Plan. It also contains a separate page of analytical information for each of the new interventions in the drivers section of the Plan (Chapters 2–4).
A Delivery Plan must, in particular, set out what (if any) measures the Scottish Ministers propose to take in relation to–	
The provision of financial support for children and parents, including the making of such provision by virtue of Part 3 of the Scotland Act 2016 (welfare benefits and employment support).	Chapter 4 sets out our proposals for providing direct financial support to families through the social security system.
Children living in households whose income is adversely affected, or whose expenditure is increased, because a member of the household has one or more protected characteristics.	Page 19 summarises our approach to priority groups – groups who we know are at higher risk of poverty, sometimes because of a protected characteristic, for example where an adult or a child in the household is disabled; minority ethnic households; and households where the mother is particularly young or the child is less than one year old. More detail on the analysis underpinning our priority groups is available in Annex 2. In addition, a full Equality Impact Assessment and Children’s Rights and Wellbeing Impact Assessment have been carried out and are published as Annexes 3 and 4.

Supporting local authorities to consider the automatic payment of benefits and support.	This is an example of something that we expect our National Child Poverty Co-ordinator (page 96) to be able to take forward.
The provision and accessibility of information, advice and assistance to parents in relation to– • social security matters; • income maximisation; and • financial support.	Chapter 3 contains the section ‘New help on income maximisation and the poverty premium’ (page 55). This section sets out a range of commitments related to income maximisation, financial support, benefit uptake and the poverty premium.
Education and, in particular, closing the attainment gap.	New help with costs of the school day (page 47). New support for students and communities from Further and Higher Education (page 76). Ongoing commitment to the Scottish Attainment Challenge (pages 10, 41-46, 78).
The availability and affordability of housing.	Chapter 3 contains a section on ‘New help with fuel poverty and housing costs’ (page 49).
The availability and affordability of childcare.	Chapter 3 contains commitments on ‘Expanded early learning and childcare’ (page 41) and ‘After school and holiday childcare’ (page 41).
The facilitation of– • the employment of parents (with remuneration that is sufficient to secure an adequate standard of living); and • the development of the employment-related skills of parents.	Chapter 2 sets out our approach to parental employment; adequate wages; and employment-related skills development. Chapter 5 also contains a section on ‘Support for students and communities from further and higher education’ which is relevant (page 76).
Physical and mental health.	Chapter 5 includes a commitment on ‘Increased funding for mental health’ (page 81). Chapter 6 contains a section on ‘Working in partnership with the NHS on children’s health and wellbeing’ (page 101).
Children living in single-parent households.	Chapter 7 assesses policies for their impact on priority groups, including single-parent households.
Arrangements for setting the amount of the revenue support grant payable to each local authority in order to ensure that resources are directed for the purpose of contributing to the meeting of the child poverty targets.	Any commitments in the Delivery Plan which require changes to the revenue support grant will be discussed and agreed with COSLA in accordance with the usual procedure.

A Delivery Plan must, in particular, set out whether, during the period of the Plan for the purpose of meeting the child poverty targets, the Scottish Ministers intend to bring forward legislation to exercise the power provided for in section 24 of the Scotland Act 2016 to top-up social security benefits in relation to providing a top-up for child benefit paid under section 141 of the Social Security Contributions and Benefits Act 1992.	Chapter 4 contains a commitment to introducing a new income supplement.
In preparing a Delivery Plan, the Scottish Ministers must–	
• consult the Commission on the measures they propose to include in the Delivery Plan; • have regard to any recommendations made by the Commission; and • set out in the Delivery Plan the changes, if any, they have made in the Delivery Plan as a result of any such recommendations.	In October 2017 the Cabinet Secretary wrote to the Chair of the Poverty and Inequality Commission to request advice on the Plan. That advice was published on 28 February. We have set out throughout the document where and how we have taken account of the Commission’s recommendations.
In preparing a Delivery Plan, the Scottish Ministers must consult–	
Such local authorities or associations of local authorities as they consider appropriate.	The following were consulted: • COSLA • Shetland Islands Council • Dundee City Council • Fife Council • Highland Council • Dumfries and Galloway Council • Falkirk Council • West Lothian Council • Glasgow City Council • Parent Network Scotland (local authority and health parenting coordinators)
Such persons and organisations working with or representing children as they consider appropriate.	The following were consulted: • Scottish Out of School Care Network • Save the Children • Children in Scotland • Action for Children • With Kids • Children’s Parliament • Young Scot • Princes Trust • LGBT Youth • Scottish Women’s Aid

Such persons and organisations working with or representing parents as they consider appropriate.	The following were consulted: • One Parent Families Scotland • Fife Gingerbread • Stepping Stones for Families • Homestart • Circle
The Scottish Parliament.	The following were consulted: • Economy, Jobs and Fair Work Committee • Culture, Tourism, Europe and External Relations Committee • Social Security Committee • Rural Economy and Connectivity Committee • Local Government and Communities Committee • Justice Committee • Finance and Constitution Committee • Health and Sport Committee • Equalities and Human Rights Committee • Education and Skills Committee
Such persons and organisations as they consider appropriate who work with or represent children or parents living in households whose income is adversely affected, or whose expenditure is increased, because a member of the household has one or more protected characteristics.	The following were consulted: • LGBT Youth • BEMIS • Radiant and Brighter • Interfaith Scotland • Contact • British Deaf Association • Inclusion Scotland • People First • Voices of Experience • Scottish Refugee Council • British Red Cross

Such persons who have experience of living in poverty and such other persons as they consider appropriate.	The following were consulted: • 2 parent groups convened by One Parent Families Scotland • 1 parent group convened by the Poverty Truth Commission • 1 parent group convened by 3-D Drumchapel • 2 parent groups convened by Falkirk Council • 1 parent group convened by Shetland Council • 1 parent group convened by Fife Gingerbread • 1 parent group convened by Contact Scotland • 1 parent group convened by British Deaf Association, People First, Inclusion Scotland and Voices of Experience • 1 parent group convened by Maryhill Women's Centre • Young people focus group convened by Young Scot • Young people discussion group convened by Princes Trust • Six discussion groups with children convened by the Children's Parliament
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NOTES



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