

Poverty Alliance Briefing on Bright Start, Better Futures

Social Justice and Social Security Committee

April 2022

1. About the Poverty Alliance

1.1 The Poverty Alliance is Scotland's anti-poverty network. Together, we influence policy and practice, provide evidence through research, support communities to challenge poverty and build public support for the solutions to tackle poverty.

1.2 Our members include grassroots community groups, activists who are experiencing poverty, academics, large national NGOs, voluntary organisations, statutory organisations, trade unions, and faith groups.

2. Background

2.1 The Poverty Alliance welcomes the opportunity to provide a contribution to the Committee's evidence session on the new Tackling Child Poverty Delivery Plan (TCPDP) 2022-26, *Best Start, Bright Futures*.

2.2 The publication of the new Plan is an important moment in the development of a Scottish approach to addressing child poverty. As intended by the Child Poverty (Scotland) Act, the publication of these plans is useful not only in refreshing the approach to tackling child poverty but also to help refocusing political and policy attention on the issue. We therefore welcome the Scottish Government's new plan, recognising it as a serious contribution that will take forward our efforts to address child poverty. The TCPDP is, of course, published at a time when there is much focus on the rising cost of living and the impact that this will have on increasing levels of poverty. This only serves to reinforce the critical importance of the TCPDP, but also of the need to keep the plan under review over the coming years.

2.3 The Poverty Alliance has, as part of the *Get Heard Scotland* project which is funded by the Scottish Government, engaged with a range of grassroots organisations and with people with direct experience of poverty to understand their priorities for the new TCPDP. This briefing summarises some of the key issues arising from this engagement, before outlining initial response to the new TCPDP.

3. Priority issues in *Get Heard Scotland*

3.1 From July to November 2021, the Poverty Alliance spoke with community organisations and people with experience of living on a low income across Scotland to understand their priorities for tackling poverty. The views that were gathered were fed back to Scottish Government and a final report was published in March 2022.¹ Below are the key issues that were raised:

Social Security

3.2 The role of our social security system is fundamental to addressing child poverty. Participants need to ensure that all Scottish entitlements are contributing to an adequate income. More needs to be done to raise awareness and uptake of available support from both DWP and Social Security Scotland. Improving support for key groups such as unpaid carers and people with No Recourse to Public Funds should be a priority.

Jobs and Employability

3.3 Jobs paying at least the real Living Wage and which provide secure and reliable incomes are vital for reducing poverty. This requires more action from employers in sectors such as hospitality, retail and care. Procurement processes and increased conditionality on employers that receive government support should be used to help address child poverty. The high cost of childcare was noted as a barrier to employment and, although welcome steps have been taken already, an expansion of free childcare provision must be rolled out to better support parents to access and stay in employment.

Communities and Poverty

3.4 Community organisations (COs) provide crucial support to people on low incomes, and the significant support provided by COs during the pandemic reinforced their essential role in tackling child poverty. By being embedded within communities, these organisations are well placed to deliver preventative interventions. Greater sustained investment in community organisations is required if they are to play their full role in reducing and preventing child poverty.

3.5 Civil society organisations also provide much of the infrastructure and expertise needed to coproduce solutions to child poverty. The next CPDP should set out how the goal of participation and co-production are to be realized at both the local and national levels.

Addressing Stigma

3.6 Although there has been welcome recognition of the impact of stigma by policy makers, there remains little tangible action to practically address the problem. Initiatives like the *Cost of the School Day* show that problems of stigma can be

¹ Kelly, P. et al (2022) Child Poverty Delivery Plan 2022-26: Voices from our Communities, Glasgow: Poverty Alliance https://www.povertyalliance.org/wp-content/uploads/2022/03/TPA_GHS_Child_Poverty_Plan_2022-26_proof_02.pdf

addressed in ways that make a real, material difference to the wellbeing of children and families; lessons from this work should be learned when producing the next TCPDP. To this end, the next TCPDP should be accompanied by an awareness raising programme designed to both provide a higher profile of the actions that are being taken across Scotland and help undermine some of the stigmatising beliefs that persist about poverty.

4. Initial response to *Best Start, Bright Futures*

4.1 As the national anti-poverty network in Scotland the Poverty Alliance always seeks to be led by our members. It has not been possible in the time available to gather feedback from our members on the details contained new plan. We will be gathering views and raising awareness of the new plan over the coming months as part of the new *Get Heard Scotland* plan.

4.2 **Overall approach:** There is much to welcome in the new TCPDP. At a time when living costs are rising, with many more children at risk of being swept into poverty, the need for Scottish Government to set out its plans for addressing child poverty is more important than ever. We were therefore pleased that the new TCPDP retains the analysis and approach that was evident in the first plan. The retention of the focus on the key drivers of child poverty (income from employment, the cost of living and income from social security and benefits in kind) alongside the six priority groups is important and welcome. In the past child poverty strategies have sometimes valued innovation in analysis over consistency of approach. The consistency of analysis of the problem of child poverty between the first and second plans means that that there is a strong basis with which to develop the long-term solutions needed. This consistency is, in part, driven by the requirements set out in the Child Poverty (Scotland) Act. Nevertheless, it is important that the Scottish Government has retained focus on the key drivers of child poverty.

4.3 In any strategic response to poverty there is always a need to balance efforts to address the immediate needs of children and families with the requirement to lay the basis for longer term actions to end child poverty. Poverty is a complex, deep seated, multidimensional, structural problem. It requires solutions that reflect this complexity but that also deliver meaningful change for individuals and families now. By setting out a three-part strategy focused around 'Scotland's Offer to Families', *Best Start, Bright Futures* goes some way to achieving this balance.

4.4 **Child poverty targets:** Delivering on the statutory child poverty targets is of vital importance. The recommitment to reaching these targets, even in the very challenging current context is to be welcomed. The analysis provided in Annex 4 suggests that relative child poverty will fall to 17% in 2023/24, thereby meeting the interim target. It also notes that that the target for absolute child poverty will be missed. However, the caveats contained in the annex are important – that “the outcome [the relative child poverty reduction] is sensitive to factors which cannot be modelled with complete precision or predicted with complete certainty.”

4.5 The modelling should therefore be seen as encouraging, but it is far from a guarantee that the interim target will be met. As is acknowledged in appendix 4,

external factors will continue to have an impact on whether the targets are met. These external factors include changes in the macroeconomic context, but also changes in the structure of reserved tax and benefit policies. What is clear from the modelling is that investment in key policies such as Scottish Child Payment will have a real impact on reducing child poverty and it is vital that this investment is maintained and increased.

4.6 Working together: Throughout the TCPDP there is an acknowledgement that to drive down current levels of child poverty and to prevent it in the future will require not only investment in key social security benefits but will also need a new way of working together to address child poverty. We agree that this ‘national mission’ approach is an essential part of the Scottish Government’s anti-poverty strategy. Local authorities, other public bodies, the third sector, employers, alongside Scottish Government must be active in consciously delivering change to address child poverty.

4.7 The local pathfinders that will be established to test the person-centered solutions is to be welcomed. One of the fundamental barriers to achieving sustainable change and to preventing child poverty is the complexity that can arise from the range of bodies required to make change possible. Our research in Edinburgh has shown that for individuals experiencing poverty difficulties navigating services can be lead missing out on vital support to help them out of poverty.² It will be important that lessons learned from the pathfinders are effectively shared with local authorities and public agencies responsible for addressing poverty.

4.8 In this respect, it would have been useful to see a clearer role for local authorities articulated in the TCPDP. Local authorities are clearly central to the delivery of many of the actions referred to in the Plan, and given their particular responsibility alongside Health Boards to produce annual Local Child Poverty Action Reports, we would have expected that their delivery role would have been clearer. There are commitments to put in place improved processes to oversee the delivery of the plan, which are welcome, but it is vital that these build on the established processes that already exist.

4.9 The involvement of the private sector in addressing child poverty is also referred to in the TCPDP. Our experience is that the attempts to involve the private sector in discussions about child poverty have been tentative in recent years. The commitments regarding becoming a Fair Work Nation are very welcome and are a vital part of addressing child poverty. However, there is more to be done to bring business into these conversations if we are to achieve the changes that are required.

4.10 It was encouraging to see reference in the Plan to the importance of engaging people with lived experience in the delivery of many aspects of the plan. The new Parental Transition Fund and the stakeholder group on benefit take up are just two examples where the use of lived experience is explicitly referenced. However,

² Robertson, L. (2020) Poverty in Edinburgh: Experience of Accessing Support and Navigating Services, Glasgow: Poverty Alliance, <https://www.povertyalliance.org/wp-content/uploads/2020/07/Edinburgh-Poverty-Commission-briefing-March-2020.pdf>

clearer and more coherent approach to participation of children and families directly affected by poverty in continued development and evaluation of the *Best Start, Bright Futures* is required.

4.11 Addressing low incomes: The headline, new, commitment in the TCPDP to increase the Scottish Child Payment by an additional £5 per child per week before the end of 2022 is very welcome. An in-year increase of 25% in the level of the Scottish Child Payment in 2022-23 should be seen in contrast to the recent 3.1% increase in reserved benefits. This, coupled with the decision to increase other Scottish social security benefits by 6%, demonstrates how social security can be used as a tool to mitigate and prevent poverty. It is an approach that begins to answer the demand raised from those we spoke to as part of *Get Heard Scotland* and referred to above that social security benefits must be set at levels that provide an adequate income. Our Scottish social security benefits do not yet deliver an adequate income but increases above inflation are part of the way to ensure that they do.

4.12 In a similar fashion, the decision to mitigate the benefit cap is an important one. The Poverty Alliance has highlighted the impact of the benefit cap on families that are already experiencing poverty, particularly on lone parents, and we are therefore pleased that the Scottish Government is committing to work with local government to mitigate one of the most unjust aspects of the UK social security system. We look forward to seeing how this will be delivered in practice.

4.13 It is clear though that the increase in SCP, whilst very welcome, will not be sufficient to make the impact on child poverty that is required. Along with others³ we have called for SCP to be increased to £40. Our social security system has a vital role to play in addressing child poverty in Scotland, but to realize this role will require further investment and soon.

4.14 Employment and employability: We welcome the new approach to addressing poverty that results from exclusion from the labour market or as a result of in-work poverty. We heard very clearly from our work on *Get Heard Scotland* that greater support is needed to help people into the labour market and to stay in work when there. Past experience has shown that employability support must be tailored to the needs of parents, and that much of this support may have little to do with traditional training and employability support. The linking of the new support to issues of transport and childcare is welcome. The plans that are contained in the TCPDP are ambitious, but they will need to be to ensure that they deliver the 2% reduction in child poverty that is hoped for.

4.15 Stigma: A key issue raised by participants in *Get Heard Scotland* was the discrimination and stigma that forms a core part of the experience of poverty. It emerged through our consultation as one of the main areas, alongside adequate social security and decent work, that needed to be addressed through the TCPDP. It

³ Statham et al (2022) Tackling Child Poverty and Destitution, Save the Children & the Trussell Trust, https://www.savethechildren.org.uk/content/dam/gb/reports/scotland-tackling-child-poverty-and-destitution_003.pdf

was disappointing then that there is very little mention of the issue of stigma and potential actions that could be taken to address it in the new Plan. Initiatives such as Cost of the School Day are an excellent example of the practical efforts that can be taken to combat the stigma that often accompanies experiences of living on a low income. The experience of the development of the Scottish Social Security Agency shows that taking a clear and focused approach to ensuring that services are delivered in a dignified and non-stigmatizing way can achieve real results.⁴ *Best Start, Bright Futures* would have benefited from more attention and consideration being paid to this important issue in the new plan. The delivery of the new employability offer is one area where an emphasis on non-stigmatizing delivery will be essential for the success of the programme.

For more details, please contact:

Neil Cowan, Policy and Campaigns Manager, Poverty Alliance

neil.cowan@povertyalliance.org

⁴ Social Security Scotland (2020) Social Security Scotland Client Survey, 2018-20.
https://www.socialsecurity.gov.scot/asset-storage/production/downloads/Social-Security-Scotland-Client-Survey-Report_2021-07-06-083730.pdf