



Child Poverty (Scotland) Act 2017

Scottish Parliament votes unanimously for legislation with aspiration to end child poverty

December 2017

OPFS Briefing

Summary

OPFS warmly welcomes the **Child Poverty (Scotland) Act**¹. We are extremely pleased that the Act contains a duty to eradicate child poverty and that there are clear and identifiable targets about when and how this should be achieved. We particularly welcome the fact that the Act establishes four income based targets which will be measured after housing costs and that particular mention is made of single parent households. We believe that focusing on income-based targets in this legislation is the correct approach.

One Parent Families Scotland

One Parent Families Scotland is Scotland's national single parent organisation. OPFS provides expert information, advice & family support, along with training activities, employability programmes & flexible childcare, tailored to the needs of single parent families.

OPFS model of transformational change has co-production at its centre through the active involvement of single parents as volunteers, peer mentors and as members of the board. OPFS works with Single Parents in ways that acknowledge and recognise the different needs, experiences, concerns, knowledge, interests and abilities of parents, this is central to our work.

OPFS approach enables single parents, the majority of whom are women, to build their self-esteem, confidence and skills, increasing parent's access to employment, training and education. OPFS programmes raise participants' aspirations and expectations - giving single parents the desire, confidence and skills to change their lives whilst offering the support to challenge the structural barriers that prevent them from achieving their potential.

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¹ <http://www.legislation.gov.uk/asp/2017/6/contents/enacted>



Single Parents and Child Poverty

There are 170,000 single parents in Scotland with over 281,000 dependent children, 92 per cent (156,000) are female.² By 2037 Households containing just one adult with children are projected to increase by 27 per cent, to 196,300 households.³ 44 per cent of children in single parent families live in relative poverty, around twice the risk of relative poverty faced by children in couple families (24 per cent).⁴ 23 per cent of single parent households were in persistent poverty in 2008-2013, compared with 5 per cent of couple households.⁵

The Child Poverty (Scotland) Act⁶

The Child Poverty (Scotland) Act requires the Scottish Government to meet four income based child poverty targets by 2030 as well as set out and report on the actions they will take to meet those targets. It was brought forward in response to the repeal of sections of the UK Child Poverty Act, to reinstate the use of a set of income-based targets. This short briefing covers areas in the Act where specific mention is made of parents and single parent families in particular. The Act will:

- Set in statute targets to reduce child poverty by 2030;
- Place a duty on ministers to publish child poverty delivery plans at regular intervals and to report on progress annually;
- Place a duty on local authorities and health boards to report annually on what they are doing to contribute to reducing child poverty;
- Establish a Poverty and Inequality Commission.

MSPs unanimously agreed to pass the Child Poverty (Scotland) Bill in November 2017, with the vote finishing 115 to 0. For the first time local authorities and health boards in Scotland will also have a duty to produce local child poverty action reports. The legislation means that in the financial year starting in April 2030, the government has a statutory obligation to have achieved:

- Less than 10% of children living in households that are in relative poverty - currently 22%;⁷
- Less than 5% of children living in households that are in absolute poverty - currently 21%;
- Less than 5% of children living in households that combine low income and material deprivation - currently 12%;
- Less than 5% of children living in households in persistent poverty.

² www.scotlandcensus.gov.uk/2011/householdsandfamilies

³ <http://www.nrscotland.gov.uk/files/statistics/household-projections/2012-based/2012-house-proj-publication.pdf>

⁴ DWP (2015) *Households below average income, 1994/95-2013/14*. Table 4.14ts

⁵ ONS (2015) *Persistent poverty in the UK and EU, 2008-2013*. Household type breakdown on persistent poverty.

⁶ <http://www.legislation.gov.uk/asp/2017/6/contents/enacted>

⁷ <http://www.gov.scot/Resource/0051/00511975.pdf>



More than one in four (260,000) of Scotland's children live in poverty and unless we act now, the situation will deteriorate. 'The Austerity Generation'⁸ published by CPAG and the Institute for Public Policy Research reveals that UK cuts to Universal Credit will put 1 million more children into poverty. The report finds that families already at greater risk of poverty - including single parents, families with very young children, larger families and those with a disability - will be especially hard-hit by a decade of cuts.

Under both the Tax Credit and Universal Credit systems families with children have taken the biggest impact from cuts over the decade. Children in single parent families already face almost twice the risk of poverty of those in couple families (47 per cent and 24 per cent, respectively) but are hit particularly hard by changes made since 2015. **The report says that the average change in annual income for single parents with children resulting from changes to Tax Credits (2010-2020) is £1,940 and changes to Universal Credit (2013-2020) is £2,380.**

As well as damaging children and families, poverty is a costly problem. Independent research⁹ commissioned by CPAG estimates that child poverty costs the UK at least £29 billion a year in extra pressure on public services that deal with the effects of poverty and, in the longer term, wasted economic potential.

Scottish Government Child Poverty Delivery Plans: Single Parents

The Child Poverty (Scotland) Act says the Scottish Government must prepare 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. The delivery plan must set out the measures that Scottish Govt proposes to take with the aim of meeting the child poverty targets. The plan should describe measures Scottish Government proposes to take in relation to:

- the provision of financial support for children and parents;
- supporting local authorities to consider the automatic payment of benefits;
- the provision and accessibility of information, advice and assistance to parents in relation to: social security matters; income maximisation; financial support;
- education;
- the availability and affordability of housing;
- the availability and affordability of childcare;
- the facilitation of the employment of parents;
- the development of the employment-related skills of parents;
- physical and mental health;
- **children living in single-parent households;**
- consulting, amongst others, such persons and organisations working with or representing parents.

⁸ www.cpag.org.uk/austerity-generation

⁹ www.cpag.org.uk/poverty-researchupdate.pdf



- A delivery plan must in particular, set out what (if any) measures the Scottish Government propose to take in relation to supporting local authorities to consider the automatic payment of benefits and support. This involves exploring whether local authorities can ensure that those who are already eligible for a benefit such as housing benefit can be cross-matched to establish their eligibility for certain other benefits. This helps remove the barriers caused by complex forms and often complex processes.

Child Poverty Progress Reporting: Single Parent Families

The Scottish Government must prepare reports on the progress made towards meeting the child poverty targets, and in implementing the relevant delivery plan.

In particular a progress report must describe the measures taken, the effect of those measures on progress towards meeting the child poverty targets and the effects of those measures on reducing the number of children living in single-parent households

- who fall within section 2 (relative poverty);
- who fall within section 3 (absolute poverty);
- who fall within section 4 (combined low income and material deprivation);
- who fall within section 5 (persistent poverty).

If, in preparing a progress report Ministers consider that the measures taken in accordance with the relevant delivery plan have not delivered sufficient progress towards meeting the child poverty targets, the progress report must describe how Ministers propose to ensure sufficient progress is delivered in the future.

The Child Poverty (Scotland) Act is an immensely positive step in the aim of ending child poverty in Scotland. The unanimous support for income based child poverty targets and for delivery plans setting out the employment, employment-related skills of parents, social security, housing and childcare measures needed to end child poverty creates an important foundation for future action. All the political parties in the Scottish Parliament have recognised that child poverty is not inevitable and that it can be eliminated.

OPFS Response

OPFS has begun a consultation process with single parents around their views on priorities for action to feed into the Child Poverty Delivery Plans. We have held two workshops in November 2017 with single parents in partnership with Scottish Government officials. This along with an on-line and paper based [survey](#) will feed into OPFS contribution to the ongoing implementation of delivery plans which aim to meet the child poverty reduction targets.



Conclusion

Eradicating child poverty by 2030 will require a continued and focused programme of activities across a number of areas, including reserved policy areas.¹⁰ A number of matters related to addressing child poverty – such as education, health, public transport and some social security benefits - are within the remit of the Scottish Parliament, other areas directly related to increasing family income, such as the National Minimum Wage, most ‘safety net’ social security benefits, and many areas of taxation are reserved to the UK Parliament.

Together with a range of anti-poverty organisations¹¹, we are calling on the Scottish Government to top up Child Benefit by £5 per week which would lift 30,000 children out of poverty. OPFS also believes the inclusive economic growth¹² approach is crucial in any policy focus on how to fund and create a fair society. In this context the desire of the Scottish Parliament and Government to have a debate around tax raising powers¹³ is very welcome.

Eliminating child poverty will need action at a UK level as well as by national and local government in Scotland. Legislators at the Scottish Parliament have set the challenge that ending child poverty has to be a top priority. In order to achieve the ambitious targets set out in the Bill, there needs to be co-ordinated action across all relevant areas within the Scottish Government. The creation of a short-term working group with senior officials from across government with responsibility for child poverty and specifically the commitments made in the Child Poverty (Scotland) Act is to be welcomed.

There is much that can be done across the areas of devolved responsibility to minimise the impact of poverty on families and lift families out of poverty. This approach, to ensure connections and collaborations across teams around the shared aim of eradicating child poverty, is one OPFS would like to see replicated at a local level within the statutory sectors and in partnership with the third sector. Central to all of this must be the voices of families themselves. It is also now crucial that the UK government restores the child poverty targets and duties that are needed to prioritise progress at a UK level.

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¹⁰ www.parliament.scot/visitandlearn/12506.aspx

¹¹ www.cpag.org.uk/content/give-me-five-child-benefit-top-campaign

¹² www.jrf.org.uk/event/achieving-inclusive-growth-scotland

¹³ www.scvo.org.uk/what-are-the-scottish-government-and-parliaments-tax-and-spending-options