
To: Leadership Board

On: 14th September 2016

Report by: Chief Executive

Heading: Consultation on a Child Poverty Bill for Scotland

1. Summary

- 1.1 Scottish Government has invited responses to a consultation on a Child Poverty Bill for Scotland.
- 1.2 Responses to the consultation are required to be submitted by 30th September 2016. Attached to this report is a proposed Council response which has been developed at the request of and in consultation with the Council's administration group.
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2. Recommendations

- 2.1 Members are asked to approve the content of the proposed response for submission to the Scottish Government
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3. Background

- 3.1 The consultation seeks views on the Scottish Government's proposals for a Child Poverty Bill. The proposals include:
- Putting in legislation an ambition to eradicate child poverty
 - Reinstating statutory income-based targets to reduce the number of children living in poverty
 - Placing a duty on Scottish Ministers to develop a Child Poverty Delivery Plan, and to report annually on their progress towards delivering that plan

Implications of the Report

1. **Financial** - None
 2. **HR & Organisational Development** – None
 3. **Community Planning** – None
 4. **Legal** - None
 5. **Property/Assets** - None
 6. **Information Technology** - None
 7. **Equality & Human Rights** - None
 8. **Health & Safety** – None
 9. **Procurement** – None
 10. **Risk** –. None
 11. **Privacy Impact** - None
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1) Do you agree with the Scottish Government including in statute an ambition to eradicate child poverty?

Yes, it is important that Scottish Government include an ambition to eradicate child poverty in statute. It is important to replace the provisions of the Child Poverty Act that are being removed, and to improve and strengthen elements of this legislation in Scotland.

2) What are your views on making income targets statutory?

Poverty is, first and foremost, about household income. As such, it is important that income targets are retained in statute and remain the key indicators of poverty. It is recommended that the four existing income measures are retained for consistency.

3) How do you think the role of the Ministerial Advisory Group on Child Poverty can be developed to ensure that they play a key role in developing the legislation?

The role of the Ministerial Advisory Group on Child Poverty could be strengthened, and there could be increased visibility of the Advisory Group's work.

It should also be noted that there have been a number of poverty and fairness commissions across Scotland at a local level, including Renfrewshire. It is recognised that while local Commissions have included Commissioners that add a local perspective, many of these Commissions have also included a number of the same national organisations or spokespeople.

It is suggested that Scottish Government consider where the recommendations of local poverty and fairness Commissions align, and the influence that these recommendations can have on national child poverty policy and practice, as well as how that learning can be shared at a local level.

It should be considered how the advisory group remains closely connected to communities and local action, and in particular what role citizens living in poverty can play in influencing national policy.

4) How can links between the national strategy and local implementation be improved? What could local partners do to contribute to meeting these national goals? This might include reporting and sharing best practice or developing new strategic approaches.

It should be recognised that much of the innovation around tackling poverty is led from local partners, and in particular local authorities. As above, the learning from the poverty and fairness Commissions that have reported across Scotland should be considered from a national policy context. Commission reports from Renfrewshire, Fife and Dundee, while they vary to account for local context, are consistent in their analysis of poverty and its impacts across Scotland.

There is currently a lack of engagement and fora for local authorities to share progress and practice with Scottish Government. For example, the development of the 2015 annual

report on child poverty included only updates from local authorities that are members of COSLA, and not those within the Scottish Local Government Partnership. It is essential that the SLGP are engaged alongside of COSLA on matters relating to child poverty, due to the concentration of the most deprived datazones in Scotland existing within SLGP local authorities. Authorities in the Scottish Local Government Partnership have a 38% share of the 20% most deprived datazones with a 24% share of datazones overall, according to the SIMD 2016 release.

While the Child Poverty Act placed a duty on English local authorities to report on its measures to tackle child poverty, it should be noted that this was not necessarily a driver for increased activity or innovation. Scottish Government should closely consult with local partners to ensure that any reporting and monitoring is not disproportionate or prohibitive.

5) What are your views on the income based measures of poverty proposed for Scottish child poverty targets? For example, are there any additional income-based measures you think we should also use (and if so, why)? Are there any alternative approaches to measuring income – for example, as used in other countries – that you think could apply in Scotland?

It is suggested that Scottish Government continue with the four income-based measures that existed in previous legislation; relative poverty, absolute poverty, combined low income and material deprivation and persistent poverty. This allows for a rounded view of poverty trends, and consistency with previous measurement.

6) What are your views on the Scottish Government's proposals for the levels of child poverty that the targets will be set at?

It is recognised that targets are an important aspect of setting Scottish Government's ambition and direction of travel. Considering the Institute for Fiscal Studies predictions that child poverty will rise significantly between now and 2020, a more ambitious programme of work will be required in order to meet Scottish Government's ambitions.

It is recognised that Scottish Government has now gained significant taxation and social security powers through the constitutional settlement and it should look to use these to support more redistributive national policies in order to meet its proposed targets.

It should be noted that it is neither Scottish Government's responsibility alone to tackle child poverty, and partnership will be an essential element of the Delivery Plan to meet targets. Local authorities have a number of levers to both prevent, and mitigate against child poverty, but we have previously highlighted the funding inequalities implicit in the Scottish Government's process for the distribution of government grant across local authorities and the negative impact this has on Councils such as Renfrewshire with significant pockets of deprivation.

Levels of deprivation still have very limited influence on the Scottish Government grant distribution system to local authorities. For example, education accounts for over half of the Grant Aided Expenditure (GAE) distribution process which underpins the distribution of the majority of the Government's revenue grant, yet only 5% of the value of the education related GAE lines are distributed on a basis which has a deprivation factor included. As a result, a school pupil from an affluent region of Perth & Kinross attracts the same level of grant support as a school pupil in Ferguslie Park, the most deprived ward in Scotland. The implicit assumption being that it requires the same level of funding to provide a similar level of service – this is purely an input perspective and consequently there is no recognition of the level of need of each child nor any recognition of the higher investment required to

support children from much poorer communities to aspire to and achieve similar outcomes to those achieved by children from affluent neighbourhoods.

This is a funding approach which far from helping to direct resources to assist in closing the inequality gap for children across Scotland, merely places, even the most innovative and high performing councils such as Renfrewshire, in a position which makes it more difficult to avoid inequality in educational attainment perpetuating for the most excluded children in our society.

7) What are your views on the Scottish Government's proposal to set targets on an after housing costs basis? For example, are there any disadvantages to this approach that we have not already considered?

Renfrewshire's Tackling Poverty Commission considered the after housing costs measure, on the basis that it gives a more accurate picture of families' finances. At a local level in Renfrewshire, it is considered that after housing costs measures are now the most useful and this is therefore the preferred approach.

8) What are your views on the Scottish Government's proposal to set targets that are expected to be achieved by 2030?

As above, and considering the IFS predictions, it is proposed that Scottish Government will need to consider a more ambitious programme of programme of work in order to meet the proposed targets by 2030. It would be helpful to see the rationale on which the proposed targets and timescales are based on, in order to better understand how the proposed reduction relates to the elements within the Delivery Plan. It should also consider the role of setting shorter term targets within the measurement framework.

9) What are your views on the proposal that Scottish Ministers will be required by the Bill to produce a Child Poverty Delivery Plan every five years, and to report on this Plan annually?

The proposed approach seems appropriate. Considering the longer-term nature of the 2030 targets, it would be useful to consider whether there are elements of the Delivery Plan which will take longer than 5 years and how these can be incorporated into the Delivery Plan in practice (particularly where new plans are delivered every 5 years).

The Scottish Government should also consider how the reporting on the delivery plan can be made accessible, meaningful and transparent to people living in poverty across Scotland.

10) Do you have any suggestions for how the measurement framework could usefully be improved? For example, are there any influencing factors that are not covered by the measurement framework? Or are there any additional indicators that could be added?

It is considered that the measurement framework is a useful and appropriate tool. The 'Pockets', 'Prospects' and 'Places' themes were used by Renfrewshire's Tackling Poverty Commission, and as such are the structure of Renfrewshire's Tackling Poverty Strategy. In addition to this, Renfrewshire has structured its Tackling Poverty Action Plan around these themes and the reporting and governance of our Action Plan is structured by these outcomes.

The measurement framework as it exists is a useful tool, but is limited in its usefulness at local level due to difficulty in getting data at a more local level, and sometimes even at Local Authority level. If the Child Poverty Delivery Plan is designed to be a 'Team Scotland' approach, then the measurement framework could be adapted to be more relevant for other stakeholders and local partners. In addition, Scottish Government should consider how it might be able to use and interpret local data – which often gives a more responsive picture of the issues that people living in poverty face and might be more useful in developing national and local policy responses.

11) Do you have any additional views on a Child Poverty Bill for Scotland?

Not applicable