

Research  
Centre



## **Appendix D.**

### **Scotland case study**

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## 1. Summary

- Child poverty in Scotland has been in decline since 1998, though progress has slowed since 2005.
- Responsibility for interventions to address child poverty sits with both the UK and devolved Scottish Governments.
- The Scottish child poverty strategy links with other Scottish strategies to reduce income and health inequalities.
- Key policies relate to the provision of in-work benefits, job creation and work readiness, provision of childcare, parenting support and reducing household expenditure.
- Policies have some focus on rights and addressing inequalities.

## 2. Country overview

The Scottish parliament was established in 1999 following devolution through the Scotland Act (1998). Scotland currently remains part of the UK, although a referendum on full independence is due in autumn 2014. Scotland is governed by the First Minister.

The Scotland Act (1998) sets out policy responsibilities 'reserved' by the UK government, including trade and industry, social security and UK foreign policy and defence. Anything not explicitly laid out in the Act became, by default, a 'devolved' responsibility. These include health, education, home affairs, rural affairs, economic development and some aspects of transport. The Scottish Parliament holds 'full legislative competence' in that it can pass legislation within the devolved areas.

The overall 'Purpose' of the Scottish Government is to "*focus government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth.*"<sup>1</sup> This purpose is underpinned by a 10-year (2007-2017) outcomes-focussed framework that incorporates five key strategic objectives for Scotland to be: (1) wealthier and fairer; (2) healthier; (3) safer and stronger; (4) smarter; and (5) greener. Eight high-level 'targets' sit beneath these objectives to:

- improve Scotland's economic growth
- improve productivity
- improve economic participation
- increase population growth
- increase healthy life expectancy
- reduce income inequality
- reduce inequalities in economic participation
- reduce greenhouse gas emissions.

A further set of 16 national outcomes and 50 national indicators sit under these objectives. The four indicators identified as specifically linking to child poverty are:

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<sup>1</sup> <http://www.scotland.gov.uk/Resource/0038/00387872.pdf>

- reduce the proportion of individuals living in poverty
- reduce children's deprivation
- increase the proportion of babies with a healthy birth weight
- increase the proportion of young people in learning, training or work.

Progress towards each of the 50 outcomes (and, thus, ultimately the overall *purpose*) is measured independently and communicated publicly through the 'Scotland Performs' website.<sup>2</sup> The website is a continually updated and accessible resource that illustrates 'at a glance' key indicator data and direction of travel year on year. The website also outlines in more detail sources of data used to measure progress and baseline measures.

At a local level, Scotland consists of 32 unitary authorities represented by the Convention of Scottish Local Authorities (COSLA). From 2009, each local authority Community Planning Partnership (CPP) was required to draw up, in partnership with the Scottish Government and supported by the Improvement Service,<sup>3</sup> a three-year 'Single Outcome Agreement (SOA) outlining key strategic priorities for the area, the outcomes these should achieve, and how these local outcomes would contribute to achieving the overall purpose for Scotland.

### 3. Demographics

Scotland's population was recently estimated at 5.2 million (National Statistics, 2011) with the four largest cities being Glasgow, Edinburgh, Aberdeen and Dundee. In terms of ethnic diversity, the population is largely White (98 per cent); South Asian (1.1 per cent), Black (0.2 per cent), Mixed (0.3 per cent), Chinese (0.3 per cent) and Other (0.2) ethnic groups make up the remainder of the population.

Scotland, along with the rest of the UK, is in the midst of a recession. Though recent data has indicated a precarious return to growth since 2009, it also shows a gap between economic development in Scotland and the UK as a whole. For example, GDP in Scotland in the second quarter of 2011 grew by 1.1 per cent, whereas for the UK as a whole it grew by 1.5 per cent.<sup>4</sup>

In 2011, unemployment in Scotland stood at 7.7 per cent (slightly lower than the UK rate of 7.9 per cent). Overall, the rate of unemployment was lower amongst women than men but there was some evidence that this was shifting. However, women in Scotland still have the highest employment rate amongst all the UK nations.

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<sup>2</sup> <http://www.scotland.gov.uk/About/Performance/scotPerforms/glanceperformance>

<sup>3</sup> <http://www.improvementservice.org.uk/single-outcome-agreements/>

<sup>4</sup>

<http://www.scotland.gov.uk/About/Performance/scotPerforms/purposes/economicgrowth>, accessed 21/09/12

## 4. Child poverty in Scotland

The UK Child Poverty Act 2010 (HM Government, 2010) includes four key targets that span the different ways in which child poverty is defined and measured in the UK and Scotland:

- reduce *relative low income* (less than 10 per cent of children live in a household where income is less than 60 per cent of the median before housing costs (BHC))
- reduce *combined low income and material deprivation* (less than five per cent of children live in households where income is less than 70 per cent of the median and experience material deprivation)
- reduce *absolute low income* (fewer than five per cent of children live in households where income is 60 per cent less than the adjusted base amount)
- reduce *persistent poverty* (fewer children – the exact percentage yet to be confirmed – live in households where income is less than 60 per cent of the median for a period of three years).

Data for these income and poverty measures come from the *Household Below Average Income* (HBAI) measure, which is obtained via the Family Resources Survey (TARKI, 2010). The material deprivation measure (which captures the number of families unable to afford 'usual' items such as a family holiday and so on) also comes from the Family Resources Survey.

A comprehensive analysis of child poverty in the European Union in 2010 described how poverty more than doubled in the UK between 1979-1997 (TARKI, 2010). This growth was attributed to a steep rise in unemployment in the early 1980s, changing demographics (including an increase in the number of lone-parent families) and welfare policy that reduced the real value of state benefits. By 1997, the UK had the highest rate of child poverty in the EU.

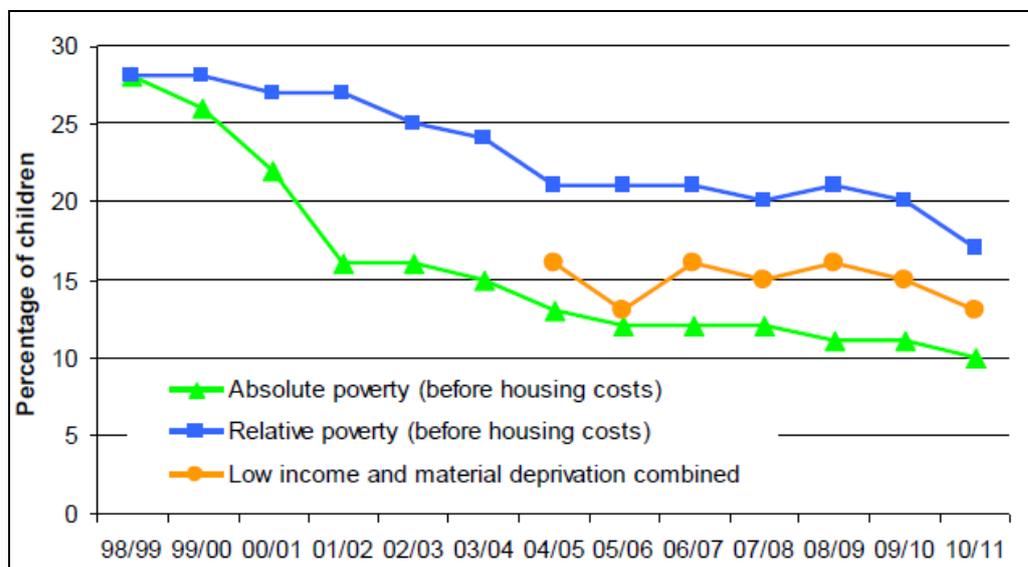
A more recent report by the Institute of Financial Studies (Brewer, Browne, & Joyce, 2011) outlined that relative child poverty (BHC) fell in 2010-2011 to its lowest point since the 1980's: down by 300,000 (2.1 per cent). However, linked to the prevailing economic climate, this measure was influenced by the downward move in median household income and a fall in the real value of earnings. Overall, between 1998-1999 and 2010-2011 child poverty reduced by 1.1 million, largely attributed to the implementation of financial redistribution to families with low income.

The Scottish Government (National Statistics, 2012) outlined the most recent data on child poverty available from 2010-2011, as well as trends over the last 14 years (see Figure 1):

- *Relative low income* stood at 17 per cent, a three per cent decrease on 2009-2010 figures.
- *Low income and material deprivation* stood at 13 per cent, a two per cent decrease on 2009-2010 levels.

- *Absolute low income* stood at 10 per cent, a one per cent decrease since 2008-2009.

**Figure 1 Child poverty in Scotland 1998- 2011**



Source: HBAI dataset, DWP.

The Growing Up in Scotland (GUS) longitudinal survey series explores experiences of a cohort of Scottish children and their families.<sup>5</sup> A research summary highlighted how children of single, younger mothers were more likely than single, older mothers to be living in poverty (Bradshaw, Martin, & Cunningham-Burley, 2008). In addition, those mothers were more likely to smoke and were less likely to participate in healthy activities or services associated with positive child health outcomes, such as breastfeeding and antenatal classes.

Another briefing from the study explored the nature of *persistent* child poverty (i.e. poverty experienced in at least three years between 2005-2009) (Barnes, Chanfreau, & Tomaszewski, 2010). The children most likely to experience persistent poverty tended to live in lone parent households, households with three or more children, households where parents(s) were not consistently employed, social housing and/or deprived areas. The briefing also suggested that children living in persistent poverty were more likely than children who experienced temporary poverty to experience problems with language development and emotional and behavioural difficulties.

## 5. Child poverty strategy

The UK Child Poverty Act stipulates that the UK parliament publish an overarching child poverty strategy every three years, and that devolved nations each produce a separate strategy taking in to account devolved powers held. It

<sup>5</sup> <http://www.growingupinScotland.org.uk/>

also established a UK-wide Child Poverty Commission to advise the UK and devolved governments.

### **UK strategy**

The Labour government produced a UK child poverty strategy in 1997, which set ambitious targets to halve child poverty by 2010 and eradicate it by 2020. In 2010- 2011 child poverty fell by 300,000 to its lowest point since the 1980's (Cribb, Joyce, & Phillips, 2012). Yet, the target of halving child poverty by 2010 was missed by 600,000 children.

In 2011, the Department for Work and Pensions (DWP) outlined the coalition government's first child poverty strategy (HM Government, 2011). This builds on the four key targets outlined in the UK Child Poverty Act (summarised at the start of Section 1.3), but emphasises the desire to tackle (what they consider to be) the 'causes' of child poverty, namely: worklessness, education failure and family breakdown. The new strategy also amends the previous Commission to create a Social Mobility and Child Poverty Commission that reports to Parliament and is responsible for measuring progress towards eradicating child poverty.

The new UK strategy outlines a clear set of goals and indicators, most of which relate to the UK as whole. The strategy focuses on:

- *supporting families to achieve financial independence*: removing financial disincentives to work, improving financial management and supporting people in to work
- *supporting family life and children's life chances*: providing support and removing barriers in relation to attainment, health, housing, early years and environment, among other factors to enable children achieve their potential
- *the role of place and transforming lives*: supporting and encouraging local communities and local partners to identify and support families in a long-lasting way.

Indicative measures are linked to family resources (income and poverty), family circumstances (working status and transition from childhood to labour market) and health and well-being (UK indicators to be confirmed). Further details of the strategy, indicators and steps taken or planned can be found here:

<https://www.education.gov.uk/publications/eOrderingDownload/CM-8061.pdf>

### **Scottish Child Poverty Strategy**

A distinct Scottish Child Poverty Strategy was produced in 2011 (The Scottish Government, 2011a) in line with the stipulations of the UK Child Poverty Act. The strategy incorporates two key aims: to increase household income and increase the well-being and opportunities for children. It links directly to the overall national *performance framework*<sup>6</sup> and the '*purpose*' for Scotland.

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<sup>6</sup> The overall strategy for Scotland outlined in Section 1.

Three principles underpin the Scottish strategy:

- the prevention of poor outcomes and early years intervention; breaking inter-generational causes and effects of poverty
- positive asset-development, individual and community development; focusing on what is working and co-production and positive transitions out of the welfare system
- developing services that reflect children's needs; adopting a rights-based approach.

Progress is measured at a high level through the *Purpose for Scotland* targets and national indicators outlined in Section 1 (related to poverty, child deprivation, birth weight and young people's training and employment). Progress on these is available through the Scotland Performs website. In addition, an annual report on progress will be produced, the first of which was published in March 2012. The strategy itself will be refreshed every three years.

The strategy is clear in recognising that drivers exist at both UK and Scotland levels, but is explicit in the view that Scotland would be better placed to tackle poverty if powers for tax and credits were more or fully devolved. The recent recession is recognised as creating additional challenges for reducing child poverty (though it should be noted that reductions in the child poverty rate in Scotland had stalled around 2005 before the UK entered the recession).

## 5.1 Summary of related strategies

As mentioned, the child poverty strategy Scotland feeds in to the overall *Purpose for Scotland* outlined in the first section of this summary. However, it is also linked to, and builds upon, a number of policies that have been developed since devolution. Three public policy frameworks underpin all of Scotland's policies and outline an explicit approach to tackle opportunity, health and economic inequalities in Scottish society. In this section we outline these three frameworks, followed by a range of other strategies.

*Early Years Framework:* The Early Years Framework for Scotland (The Scottish Government, 2008b) highlighted the importance of the early years in influencing later outcomes for children. Overall, the framework states the desire for equality of opportunity and outcomes for all children and effective intervention to prevent or address inequity as it arises. The framework incorporates 10 steps to achieving the 'transformational change' necessary to realise these ambitions:

- a coherent approach
- support for families and communities to achieve outcomes independently
- prevent the cyclical nature of poverty and other poor outcomes
- empower families and communities
- prevent and intervene with strong universal services
- services of high quality
- services that address the needs of families and children
- use of play to improve children's outcomes and quality of life
- straightforward and efficient service delivery
- collaboration that works.

The framework puts the emphasis on outcomes and the SOA and CPP mechanisms to achieving positive outcomes for children, and specific actions relate to children's well-being broadly rather than solely focusing on poverty *per se*. The framework defines the early years as pre-birth to 8 years but puts particular emphasis on birth-three as a critical time in determining children's outcomes.

*Equally Well Framework: The 'Equally Well Implementation Plan'* (The Scottish Government, 2008c) was launched in Scotland following the report of the Ministerial Task Force on Health Inequalities. Its overall aim is to improve health outcomes and reduce health inequalities through four key areas for action and reform: (1) early years; (2) mental well-being; (3) alcohol, drugs and violence; and (4) 'big killer diseases' (i.e. heart disease and cancer).<sup>7</sup> The framework highlights the role of local CPP in planning, implementation and monitoring progress. It also describes the need to support individuals in adopting healthy lifestyles and remove barriers preventing them from doing so, such as supporting people to maintain a healthy weight or develop skills to increase employability.

As part of the implementation plan a number of 'test sites' were approved (local authorities submitted applications based on identified local targets and implementation plans). These test sites were akin to pathfinder sites to test change and provide learning. The framework (and test sites) covered specific topics including:

- early years
- education and information for young people
- mental health and well-being
- poverty and fuel poverty
- employment and business
- physical environment
- alcohol, drugs and violence-prevention and treatment
- primary care and dental health
- smoking.

The implementation plan was reviewed in 2010 with the purpose of making further recommendations to support the implementation of the framework and facilitate local change, rather than explore the impact of the new approach on health outcomes. A detailed summary of progress on the Equally Well recommendations is available through the Scottish government website.<sup>8</sup>

*Achieving our Potential Framework*<sup>9</sup>: In 2008, the Scottish Government outlined a specific framework to reduce poverty and income inequality (The Scottish Government, 2008a). This linked with the overall purpose target of creating a wealthier and fairer Scotland. The framework targets not only people

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<sup>7</sup> A full outline of outcomes incorporated in the framework can be found on pp. 15-16 of the implementation plan, many of which specifically relate to child poverty.

<sup>8</sup> <http://www.scotland.gov.uk/Resource/Doc/924/0100345.pdf>

<sup>9</sup> This pre-dates the child poverty strategy and covers the Scottish population as a whole, focusing largely on economic participation rather than well-being factors associated with economic inequality.

living in poverty currently, but also those living on the edges of poverty. Therefore, it aims to increase incomes for the poorest 30 per cent of people in Scotland. The framework outlines five key areas of action:

- tackling income inequality (i.e. making working pay and maximising the potential for people to work)
- introducing long-term measures to tackle poverty (focusing on children and young people, health inequalities, discrimination and disadvantage)
- supporting those in poverty (local taxation, fuel hardship and financial inclusion)
- making benefits work better for Scotland
- partnership working.

*Scottish Government Economic Strategy:* The 2007 Government Economic Strategy (The Scottish Government, 2007) highlighted that growth in Scotland's GDP has lagged behind that of the UK as a whole and the other small European countries.<sup>10</sup> It sets out several targets in relation to economic growth, but also outlines how, with greater devolution or independence, Scotland would be able to take more substantial actions to improve growth, such as through the ability to adapt the tax system and employment policy, and increase the representation of Scotland within Europe.

The Economic Strategy was updated in 2011 (The Scottish Government, 2011b), acknowledging the turbulent financial environment sparked by the financial crisis in 2008, but reaffirming commitment to the existing six key strategic priorities, which include: (1) a supportive business environment; (2) a low carbon economy; (3) learning, skills and well-being; (4) infrastructure development and place; (5) effective government; and (6) equality.

*Scottish youth unemployment strategy:* A draft youth unemployment strategy was published by the Scottish Government in January 2012 (copy unavailable<sup>11</sup>). An accompanying briefing by the Scottish Parliament outlined a youth unemployment rate in 2011 of 24.3 per cent (compared with the overall unemployment rate of 8.6 per cent) and that the number of young people not in education, employment or training (NEET) in 2010 stood at 36,000 (Scottish Parliament Information Centre, 2012). Further details of interventions to support young people are outlined below.

*Scottish drug and alcohol strategies:* The Scottish Government launched a specific 'framework for action' in 2009 to tackle alcohol misuse in Scotland. This recognised the costs to individuals, families and communities from alcohol misuse (e.g. ill health and unemployment) (The Scottish Government, 2009). The framework aims to reduce consumption, support families and communities, change attitudes and behaviour, and improve treatment. In relation to child poverty, this strategy aims to improve parenting and parents' work readiness, as well as prevent children and young people misusing alcohol.

Similarly, the 2009 drugs strategy *The Road to recovery: A new approach to tackling Scotland's drug problem* also highlights steps to prevent and treat drug

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<sup>10</sup> That is, Austria, Denmark, Finland, Ireland, Luxembourg, Portugal and Sweden.

<sup>11</sup> <http://www.scotland.gov.uk/News/Releases/2012/01/Employment>

use (The Scottish Government, 2008d). The strategy includes a specific chapter around children in substance misusing families, highlighting their vulnerability and the need for early intervention and support.

*Getting it Right for Every Child (GIRFEC)*: The GIRFEC guidance (first published in 2008 and updated in 2012) outlined a new way of working for the children and young people's workforce in Scotland (The Scottish Government, 2012b). It recognised that a child-centred approach was key to achieving positive outcomes for children and young people and described itself as the "bedrock" for children's services. The guidance incorporated 10 'core principles' focusing on developing high quality, co-ordinated and streamlined services that were developed in a participative way and that allowed children and families choice. Overall, the guidance outlined a set of integrated outcomes for children:

**Figure 2 GIRFEC outcomes for children and young people**

|             |   |
|-------------|---|
| Safe        | protected from abuse, neglect or harm   |
| Healthy     | experiencing the highest standards of physical and mental health, and supported to make healthy, safe choices   |
| Achieving   | receiving support and guidance in their learning – boosting their skills, confidence and self-esteem  |
| Nurtured    | having a nurturing and stimulating place to live and grow   |
| Active      | having opportunities to take part in a wide range of activities – helping them to build a fulfilling and happy future   |
| Respected   | to be given a voice and involved in the decisions that affect their wellbeing   |
| Responsible | taking an active role within their schools and communities  |
| Included    | getting help and guidance to overcome social, educational, physical and economic inequalities; accepted as full members of the communities in which they live and learn |

The guidance explicitly links to a range of other policies for children, including the Early Years Framework mentioned earlier and United Nations Convention on the Rights of the Child (UNCRC).

*UK Welfare Reform Act 2012*: This UK-wide act was given royal assent in March 2012 (HM Government, 2012). It sets out some fundamental changes to the organisation and delivery of social welfare that will impact on provision to prevent and ameliorate child poverty, including streamlining a broad range of benefits into one 'universal' benefit and limitations on the level of housing benefit payable.

Finally, though not yet implemented, Scotland's proposed *Children and Young People's Bill* is in its consultation phase at the time this research is being conducted (The Scottish Government, 2012c). Planted firmly at its centre is a commitment to ensuring children's rights are upheld in line with the UNCRC, and a focus on well-being. The Bill also seeks to improve childcare, make service delivery more child-centred and improve the care system.

## 5.2 Relevant government departments and roles

At UK level, the child poverty strategy is presented by both DWP and the Department for Education (DfE).

Within the Scottish Cabinet (which consists of eight Cabinet Secretaries and 11 Ministers), the most relevant departments are:

- Finance, Employment and Sustainable Growth (encompassing Energy, Enterprise and Tourism and Local Government and Planning)
- Education and Lifelong Learning (encompassing Children and Young People, Youth Employment, and Learning, Science and Scotland's Languages).

## 5.3 Policies, programmes and initiatives

This section outlines a number of policies, programmes and initiatives implemented by both the UK and Scottish governments aimed at reducing child poverty directly or indirectly, bearing in mind the reserved and devolved responsibilities of each administration. For clarity, (UK) or (S) is included in each subheading to indicate where each item originates.

### 5.3.1 Policies to increase families' financial resources

A combination of UK and Scottish policies and programmes focus on increasing families' financial resources, reflecting the reserved responsibility for taxation and social security and devolved responsibilities for trade and economic development.

#### ***Social security (UK)***

The UK operates a comprehensive system of social security, administered through DWP to provide income for those who are disabled, have been made redundant, suffer ill health, are retired or are unemployed for other reasons. A key function of DWP is also to provide practical support to help people transfer from unemployment in to the labour market. The Welfare Reform Act (2012) saw the introduction of two new key packages of financial assistance.

First, a *new Universal credit* is a means-tested benefit that provides financial support for those both in and out of work. It will replace (by April 2013) a complex range of currently existing benefits, including Job Seekers Allowance, Income Support, Working Tax Credits, Child Tax Credits and Housing Benefit. Instead of families receiving multiple payments for different elements of entitlement on a weekly or bi-weekly basis, one monthly payment will be made. Financial assistance is also available for those who enter work in order to assist with the transition from benefits and to assist those on low incomes.

The UK has operated a system of 'in work' benefits to supplement low incomes for nearly 30 years. Family Credit (FC; 1986-1999) was replaced by Working Families Tax Credit (WFTC; 1999-2003), which was in turn replaced by the current *Working Tax Credit* (WTC).

An evaluation of WFTC carried out by the Institute for Fiscal Studies (IFS) estimated that it had increased the number of lone mothers in employment by 5.1 per cent but had reduced the number of women in couples in the labour market by 0.6 per cent (Brewer, Duncan, Shephard, & Suarez, 2005). Further, the number of fathers in couples in the labour market had increased by 0.8 per cent. Overall, this equated to a reduction in the number of workless households by 99,000 and an increase of 81,000 individuals participating in the labour market. The level of take up of WTC has been queried over time. One study reported that only 58 per cent of eligible families were claiming WTC. The research found that the main reason was a perception amongst families that they were not eligible for support (Breese, Maplethorpe, & Toomse, 2011).

A *Personal Independence Payment* will also be introduced from April 2013. This will replace the current non-means-tested Disability Living Allowance that facilitates independent living (e.g. costs associated with accessible transport) for disabled people between 16-64 years.

Overall, the Scottish Parliament supports the simplification of the current benefits system, but is explicit in its desire to have greater devolved powers in setting and organising the tax and benefits system so that it is better suited to Scotland and better linked to other devolved policies and programmes, including reducing child poverty.

*Child Benefit (UK)* has been a universal UK non-means-tested benefit since the 1940's (formerly Family Allowance). The current rate provides a family with £20.30 per week for the first child and further £13.40 for each subsequent child. From 2013, however, higher-rate tax payers will not be eligible for the benefit.

### ***Job creation and a living wage***

A number of policies and programmes have been introduced by the Scottish Government aimed at generating employment and ensuring that employment pays a wage comparable with living costs in Scotland.

*Community Jobs Scotland (S)* is a job creation programme, whereby the Government provides up to £6,175 to third sector organisations to employ young people in roles paying minimum wage for at least 25 hours per week for a minimum of six months. Training and support for young people is provided.

An evaluation of the programme found it provided 1,861 jobs with 448 employers (McTier, Clelland, & McGregor, 2012). Of the young people who participated in the programme, 40 per cent entered employment, 4 per cent moved in to education or training and 7 per cent took up a voluntary position; 43 per cent returned to unemployment after the programme ended, however. For the third sector organisations involved, it enabled them to enhance their services through increased capacity and raised awareness amongst young people of the third sector as a viable employment option. However, the employment opportunity was time-limited and it was not clear who was responsible for transition in to further education, employment or training following the placement.

Going forward the programme will focus on supporting 16-19-year-olds in 2012-2013.

*Scottish Living Wage (S)*: The Scottish Living Wage Campaign<sup>12</sup> was established in 2007, aimed at increasing the income of low paid workers and making 'work pay'. It is a multi-agency campaign led by a steering group comprising of key trade union and anti-poverty membership organisations (including, for example, Unison and the Child Poverty Action Group). The campaign has had some impact, as a 'living wage' rather than a 'minimum wage' was adopted by the public sector in 2011. The minimum wage is currently defined as £7.20 per hour (compared to the current UK minimum wage of £6.08 for those over 21, £4.98 for those aged 18-20 years and £3.68 for those aged 16-17). Information about the campaign can be found here <http://www.povertyalliance.org.uk/slw-home.asp>.

Analysis predicting the outcome of implementing the living wage across the public sector was carried out by the Scottish Government. They reported that increases in income would be felt in households *across* the income distribution, not just within the lowest 30 per cent targeted by the Scottish anti-poverty policies (The Scottish Government, 2010b). It was also suggested that any increases in income for the lowest paid would be offset by reduced entitlement to in-work tax credits.

*Regeneration (S)*: The Scottish regeneration strategy *Achieving a Sustainable Future* sets out a range of regeneration initiatives to boost economic growth. For example, Urban Regeneration Companies (private and public partnerships) have undertaken area specific regeneration projects leading to housing and leisure developments, job creation and civic spaces. Case studies can be found here: <http://www.scotland.gov.uk/Topics/Built-Environment/regeneration/17735>

### ***Employability and transition to labour market***

Increasing the 'employability' of the population and removing barriers that prevent the transition from education, unemployment or parenthood to the labour market have also been addressed by both the UK and Scottish administrations:

*Job Centre Plus (UK)*: Delivered by DWP, the remit of Job Centre Plus is to directly support job seekers and increase their flow in to the labour market. Whilst supporting the efficient application and receipt of benefits amongst its client group, it also provides one-to-one and group support to help individuals become work-ready, find employment and remain in employment. Its most recent annual report (Department for Work and Pensions, 2011) outlines progress in meeting specific targets including supporting lone parents in to work.

*New Deal Plus for Lone Parents (UK)*: The exact nature of this programme has changed overtime as conditions associated with social security eligibility have evolved and as the programme has passed through different pilot and extension

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<sup>12</sup> The minimum wage was introduced for the UK by the Labour government in 1997.

phases. Overall, it offers a programme of support for lone parents, aimed at removing barriers to employment and incentivising work through, for example, work focussed interviews (one-to-one and group support) and in-work credit (financial support).

A qualitative evaluation from summarised interim findings from the expansion of the New Deal Plus for Lone Parents programme (2008-2010) across several pilot areas (Griffiths, 2011). The expansion included an increase in the amount of in-work credit payable and advance payments to support childcare registration costs, as well as the delivery of support to couple parents. The evaluation found a low level of awareness of the range of incentives and little evidence that the programme had supported couples into work in the same way as it had done for lone parents. The programme was found to work best when specialist Lone Parent Advisors engaged with parents.

The programme was also evaluated in following its initial pilot in 2005-06 (Hosain & Dr Breen, 2007). At this stage, the programme involved a number of pre- and post-employment support mechanisms including work focussed interviews and support in accessing in-work tax credits. This evaluation found that the in-work credit was the most effective lever to engaging parents. However, the training provided often assumed that lone parents were more 'job ready' than they actually were. Effective partnerships between lone parents and agencies best placed to advise on suitable childcare arrangements was key to removing this barrier.

*Scottish Working for Families Fund (2004-2008) (S)*: A £50 million government fund in Scotland supports initiatives in 20 local authorities aimed at supporting disadvantaged families to move in to work by removing barriers (e.g. employability skills and childcare). An evaluation found the programme recruited 25,508 voluntary 'clients' and supported them before, during and after securing employment through individually tailored packages of support, including activities such as establishing goals, personal development, careers advice and so on (McQuaid, Bond, & Fuertes, 2009). Support was also provided in relation to finding and meeting initial costs for childcare.

### ***Young people and education, employment and training***

Supporting young people to stay in education post-16 is described as a necessary condition to ensuring the long-term employment prospect of Scotland's young people, and links to the overall purpose target of reducing inequality in economic participation. An overall national indicator for Scotland is to increase the proportion of young people in learning, training or work. A number of policies have been developed to specifically target young people, in addition to the employability strands outlined above.

*More Choices More Chances (MCMC) (S)*: This overall NEET strategy for Scotland was published in 2006 (The Scottish Executive, 2006). It set out plans to develop flexible and varied learning opportunities, and information and support for young people via Job Centre Plus. Young people in and leaving care, and young offenders were specifically referenced.

*16+ Choices (S)*: This programme formed part of part of MCMC above and was rolled out across Scotland in 2010, following an initial implementation phase in 2008 (The Scottish Government, 2010a). The policy indicated that every young person should have a 16+ learning offer made to them and required local partners to work together to develop appropriate learning provision, effective advice and guidance, and the financial support in place to remove barriers to continuing education.

*Activity agreements (S)*: This targeted programme, specifically set up to engage young people at risk of becoming NEET, was piloted 2009-2011. It engaged young people in learning or other activities that would help them get ready for formal learning or employment. As part of the programme, young people voluntarily entered in to an 'activity agreement' where they went through a needs assessment and package of tailored support, and were able to access Educational Maintenance Allowance (EMA) payments of £30 per week.

The evaluation found that over the pilot period around 70 per cent of young people offered an activity agreement took it up (1,450 of 2,035 offered) (Stevenson, Watt, Clark, Simpson, & Stuart, 2011). Younger school leavers (aged 16-17) were most likely to engage. There were differences in take-up amongst 'vulnerable groups': looked after children and young offenders were more prominent than young parents and those with BME backgrounds. Forty-one per cent of young people who took up an activity agreement had a place in education, employment or training at the end of the programme.

## 5.3.2 Policies to reduce families' expenses

### **Childcare**

*Funded childcare places (S)*: Currently, local authorities are required to provide funded childcare places for three- and four-year-olds of 12 hours per week (2.5 hours per day during school time, a maximum of 475 hours year). The Children and Young People's Bill currently in development proposes that this be extended to disadvantaged two-year-olds.

*Childcare Vouchers (UK & S)*: Some employers provide childcare vouchers (in return for tax and national insurance exemptions). The Scottish Government had promoted their use across all employment sectors.

*Tax credits [childcare element] (UK)*: Lone parents and couples with children who are working are eligible to apply for support with childcare costs. To qualify applicants must be working 16 hours or more and the child be attending a registered childcare provider. A maximum of 70 per cent of childcare costs will be awarded, up to a maximum of £122.50 for one child and £210 per week for two or more children.<sup>13</sup>

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<sup>13</sup> <http://www.hmrc.gov.uk/taxcredits/start/who-qualifies/children/childcare-costs.htm>

### **Reducing household expenditure**

*Free school meals (S):* Free school meals are now available to school children in Scotland of any age whose family meets certain income criteria (i.e. they are in receipt of income support, Job Seekers Allowance and maximum child and working tax credits). Further, free school meals are now available to all children aged 5-7 years (P1-P3; Key Stage 1 in England), following a pilot during the academic year 2007-2008. Though the evaluation of the pilot could not detect any health impact during the short period of time, uptake of free school meals had increased and children were being exposed to a greater range of foods, and some parents were reported to be taking more interest in food or diet (MacLardie, Martin, Murray, & Sewel, 2008).

*Free higher education (S):* In February 2008, the Graduate Endowment Abolition Bill (Scotland) was passed in the Scottish Parliament, removing all tuition fees for Scottish students studying in Scottish universities (prior to this partial payment of fees was deferred until a graduate's income hit a certain threshold). Figures published by UCAS (cited by the Scottish National Party<sup>14</sup>) suggest a greater drop amongst English students than Scottish students since the introduction of tuition fees.

*Free prescriptions (S):* In April 2011, Scotland introduced new regulations that removed the £7.40 fee for Scottish prescriptions (Welsh and Northern Irish prescriptions are also exempt under a reciprocal agreement). The fee is payable in England or for English prescriptions.

*Energy assistance package (fuel poverty) (S):* Data from the Scottish House Condition survey indicates that the rate of fuel poverty in Scotland has been growing since 2002.<sup>15,16</sup> The Energy Assistance Package provides graduated support so households can afford to meet fuel bills and heat their home. The scheme, set up by the Scottish Government and delivered by the Energy Saving Trust in Scotland, provides a free energy check for anyone who requests it. Further, the scheme can provide eligible parties (generally those in receipt of particular benefits) with free or subsidised home insulation or heating systems to minimise fuel bills and ensure maximum household fuel efficiency.

### **5.3.3 Policies that promote child well-being and early intervention and prevention**

A range of programmes and policies have been implemented by the Scottish Government over a period of time aimed at supporting families, early intervention, and reducing social exclusion and inequality of outcomes.

*Sure Start (S):* Sure Start was introduced in Scotland in 1999 with four key objectives:

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<sup>14</sup> <http://www.snp.org/media-centre/news/2012/jul/impact-university-tuition-fees-laid-bare>, accessed 21/09/12

<sup>15</sup> <http://www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/TrendFuelPoverty>, accessed 21/09/12

<sup>16</sup> Fuel poverty occurs when costs equate to 10 per cent or more of household income.

- improve children's social and emotional development
- improve children's health
- improve children's ability to learn
- strengthen families and communities.

An extensive National Evaluation of Sure Start, conducted at Birkbeck University, explored implementation and cost effectiveness, as well as impact across families with children of differing ages. Overall, findings were mixed or showed little or no positive impact. For example, one study (National Evaluation of Sure Start, 2005) found improved child behaviour and family functioning amongst some groups, but also poorer verbal development and more negative perceptions of local services amongst other groups. Overall, the evaluation found that Sure Start was of more benefit to the less disadvantaged users.

A mapping exercise of Sure Start in Scotland was published in 2005 describing its implementation here (Cunningham-Burley, Carty, Martin, & Birch, 2005). Findings showed that although uptake of services was good, and there was a perceived positive impact across a range of child, family and community measures. However there has been little formal evaluation to capture impact. More recently, the Scottish Government has stated it will focus more on the Early Years Framework placing greater emphasis on effective early intervention, strong universal services and parenting (a strategy for the latter is currently in development).

*Family Nurse Partnership (S)*: Implementing the Family Nurse Partnership (FNP) parenting programme was earmarked as an immediate action in the Early Years Framework to target vulnerable first time mothers and break the cycle of poverty and poor outcomes in the early years. It is currently being piloted in two Scottish NHS health boroughs. The programme provides intensive, consistent support via a family nurse to mothers from early in pregnancy until the child reaches two years. Overall, it aims to develop parental capacity in order to improve the health of the mother and child, improve child development and encourage self-sufficiency.

FNP has been rigorously tested in the US, demonstrating favourable impacts such as increased maternal employment, fewer childhood injuries, improved health through pregnancy and improved child development in preparation for schooling. The results of an England based RCT are due in 2013.

A Scotland- based evaluation is also currently being conducted currently, with the final report due in 2013. However two interim evaluation reports from the NHS Lothian evaluation are currently available.

The first report focused on setting up the programme and engaging mothers during the early pregnancy stage (Martin, Marryat, Miller, Ormston, & Gordon, 2011). Overall, staffing the programme in the necessary manner was largely achieved. For example, family nurses had the requisite qualifications, had the necessary case loads and worked exclusively on the FNP. The target to enrol all identified clients by the 28<sup>th</sup> week of pregnancy was achieved, though enrolling 60 per cent or those by week 16 was not.

The second report focused more specifically on the effectiveness of the programme during the late pregnancy/ post-partum phases (Ormston, Susan., & Gordon, 2012). The level of take-up and the duration for which mothers remained engaged with the programme were found to meet the targets set. Less than seven per cent of enrolled families became 'inactive' (below the 10 per cent target) and 52 per cent of clients participated in 80 per cent of programme visits. Success was attributed to family nurses developing strong relationships with parents during pregnancy, nurses being flexible to fit in with parents' schedules and clients' levels of motivation. There were also some indications of a positive impact on parenting confidence and healthy behaviours.

Since 2010, NHS Scotland has developed the '*Psychology of Parenting Project*' (PoPP).<sup>17</sup> This project aims to improve access to evidence-based parenting initiatives for families whose children display behavioural difficulties. This has primarily involved collecting evidence regarding the effectiveness of parenting programmes being delivered across Scotland, two of which were considered to be 'gold standard'. However, this research also found a number of barriers that prevented the translation of theory in to practice.

There is some other limited evidence regarding the effectiveness of parenting support in Scotland, but this review cannot clarify the extent to which these programmes have (if at all) been commissioned at a local level (Moran, Ghate, & Van Der Merwe, 2004). An international review of parenting conducted by the Policy Research Bureau highlighted an evaluation of *HomeStart Scotland*, which reported increased confidence and self-esteem of parents, and a reduction in familial physical and mental health problems and children's behavioural problems. This review also highlighted the *Parents Altogether Lending Support* (PALS) programme and reported that parents found the intervention useful (though an in depth evaluation of outcomes was not conducted).

## 5.4 Measurement

At the time this research took place, the higher level 'purpose' child poverty indicators (outlined previously) were rated on the 'Scotland Performs' website as summarised (including data sources) in Table 1 below.

**Table 1 Scottish National Indicators incorporated in the Child Poverty Strategy**

|  |                                     |
|--|-------------------------------------|
|  | Distance of travel since 2010- 2011 |
| NI 12: Increase the proportion of young people in learning, training or work (data from the School Leavers Destination Survey; baseline 2007-2008) | Performance improving               |
| NI 16: Increase the proportion of babies with a healthy birth weight (data from the Scottish Morbidity Record; baseline not                        | Performance maintained              |

<sup>17</sup> <http://www.nes.scot.nhs.uk/education-and-training/by-discipline/psychology/multiprofessional-psychology/psychology-of-parenting-project.aspx>

|   |                        |
|---|------------------------|
| clarified)  |                        |
| NI 35: Reduce the proportion of individuals living in poverty (data from the Family Resources Survey; baseline 1999-2010) | Performance improving  |
| NI 36: Reduce children's deprivation (data from the Family Resources Survey; baseline 2004-2005)                          | Performance maintained |

The more specific measures and actions included in the Scottish child poverty strategy were:

- reduce levels of child poverty and minimise the impact of socio-economic disadvantage on children
- increase the numbers of parents in good quality employment
- increase household incomes
- reduce pressure on household budgets
- ensure more children have positive outcomes in the early years, and that more children grow up in nurturing, stable households, with good parenting and home learning environments
- reduce health inequalities among children and families
- ensure children and young people receive the opportunities they need to succeed regardless of their socio-economic background
- ensure that more young people are in positive and sustained destinations
- ensure families receive the support they need, when they need it- especially the most vulnerable
- to reduce levels of child poverty and minimise the impact of socio-economic disadvantage on children through communities and place
- drive change through working with local partners.

The Scottish Government reports on the child poverty strategy annually, with the first progress report being published in March 2012 (The Scottish Government, 2012a). The report describes a number of initiatives implemented at Scotland and local level in relation to each of the measures outlined above, and in some cases presents output data (e.g. number of apprenticeships available).

## 6. Overall lessons for Northern Ireland

Several aspects of Scottish policy and practice emerged that may be useful for Northern Ireland to consider in developing their own strategy.

- Policies relating to child poverty and children's services appeared to be developing a stronger 'rights' and 'equalities' based approach over time (e.g. the current Act being consulted upon, the GIRFEC approach and economic equality strategies).
- Strategies and policies acknowledge the interlinked nature of factors that 'surround' child poverty, related both to individual and household income as well as broader well-being and social indicators.
- Linked to this, policies focus on removing barriers to achieving equality and well-being (through early intervention and breaking the cyclical nature of poverty), rather than on simply increasing income.
- Scotland, since devolution, has developed a large range of policies and strategy documents that are interlinked, promote joint accountability and

that fundamentally focus on equality of opportunity. However, there is a danger that accountability becomes diluted and policies are duplicated or become overly complex.

- There appears to be systematic mechanisms for measuring progress through the overall 'Scotland Performs' website and annual child poverty strategy reports. The Scotland Performs website provides independent, transparent and up-to-date data regarding the overall targets for Scotland.
- In developing the child poverty strategy (and others) for Scotland, it was necessary to have a clear understanding of roles and responsibilities held by both the UK and Scottish administrations. The Scottish strategies identify where:
  - The UK government ultimately has control
  - The Scottish government can supplement or complement UK policy
  - UK-wide policy limits the ability of the Scottish government to implement change
  - The Scottish government will work to secure greater influence in order to develop more effective and integrated local policies.
- A broader tension within the child poverty strategy (and others) relates to how governments can balance requirements to provide a 'safety net' for non-working individuals and families at the same time as incentivising and rewarding work.

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