

Tackling Child Poverty
Delivery Plan
Second year progress report 2019-20



Contents

Ministerial Foreword	3
Executive Summary	5
Introduction	7
1. Reporting on progress 2019-20	10
A. Increasing income from employment and earnings	10
B. Costs of living	18
C. Social security	33
D. Helping families in other ways	40
E. Partnership working	51
2. Assessing progress against the targets	58
3. At a glance summaries	63
Progress against actions and impact on priority families	64
Investments through the Tackling Child Poverty Fund	68
Investment to support children in poverty	
Child Poverty (Scotland) Act 2017 requirements	

Annex A: Child Poverty Measurement Framework 2019-20

Annex B: Evidence review on child poverty in Scotland compared to the UK

Annex C: Evidence review on lone parents

Ministerial Foreword



Two years since the publication of our first Tackling Child Poverty Delivery Plan, 'Every Child, Every Chance', we have made considerable progress right across government in delivering the actions committed. Our Plan, which continues to build on strong foundations in Scotland, is helping us to increase household incomes, reduce costs and support children to reach their full potential – this multi-faceted approach is the key to unlocking children from poverty and no one single policy holds the answer.

The need to tackle the damaging impacts of child poverty is in sharper focus during the coronavirus (COVID-19) pandemic. This pandemic is primarily a public health emergency, but it is also having – and will continue to have - significant impacts on our economy, society, communities and lives.

In our response to coronavirus we were able to act quickly to develop and deliver significant new support at the scale required, in particular for low income families. We empowered the public sector, third sector and community organisations to act, with an initial £350 million Communities funding package, announced on 18 March a week ahead of lockdown. This investment scaled up our existing support, more than doubling our Scottish Welfare Fund budget, made over £120 million available to support third sector and community efforts and has supported investment of over £110 million to tackle food insecurity resulting from the impacts of the virus.

We also increased support with housing costs through a £5 million increase to Discretionary Housing Payment budgets and took action in the first emergency COVID-19 legislation to protect tenants from eviction for at least six months, which we will seek to extend. Through our devolved social security powers we have also provided an additional cash boost of £230.10 for around 83,000 unpaid carers through the coronavirus Carer's Allowance Supplement.

The wide reaching impacts of the coronavirus pandemic are yet to be fully understood and, in addition to uncertainty surrounding Brexit, alongside continuing UK Government welfare cuts, we are entering a challenging and largely unknown future. As we navigate our way through and out of the crisis it is clear that there are significant challenges ahead that will have an impact on household incomes and living standards. This will likely be most acutely felt by the most disadvantaged and we risk seeing rising levels of child poverty and inequality.

In spite of this uncertainty we remain fully committed to meeting our ambitious child poverty targets and will monitor the situation carefully to ensure we are delivering the correct interventions with the scale and speed required.

In the coming year we will deliver new support to families unparalleled across the UK, putting cash in the pockets of parents and taking steps to tackle the digital divide for children.

We will deliver our new Scottish Child Payment for households with an eligible child under 6 – called 'game-changing' when it comes to tackling child poverty and needed all the more now.

In this report we confirm our aim to open to applications in November 2020 and for the first payments to be made to eligible families from the end of February 2021. Together with the support already in place through Best Start Grant and Best Start Foods, this offers families on low incomes over £5,200 of financial support by the time their first child turns six. Importantly, we have not placed arbitrary limits on the number of children who can be supported and will make up to £4,900 available for second and subsequent children.

We will also focus on the delivery of the second phase of our ambitious Connecting Scotland programme, providing devices, internet access, training and support to low income families with children and care leavers. In conjunction with Phase 1, and backed by a further £15 million of new investment, this will bring up to 30,000 households online – helping them to keep in touch with friends and family, and study or work.

This report on the second year of our four year plan shows that 56 of 58 actions reported on last year are either in progress or being delivered. It also highlights the scale of our investment targeted at low income families with children. In 2019-20 our investment increased to over £672 million - £144 million more than the previous year – and to all low income households increased to over £1.96 billion - £554 million more.

Whilst coronavirus has shaken the country, and the world to its very foundations, working together across Scotland we rose to the challenge to support those in need. It is in this resilience, partnership and quick action that we find renewed hope for the future.

To capture the essence of this response and help us to build back better, and close the damaging inequalities which the virus has highlighted, we formed a new Social Renewal Advisory Board. With membership spanning the third sector, local government, think tanks and our Poverty and Inequality Commission, the Board will challenge us and make recommendations about how we can lock in the gains made during the pandemic and allow us to achieve our goal of a fairer, more prosperous and greener Scotland.

I am proud of what we achieved by the end of 2019-20 and whilst there are new challenges ahead we will continue to be bold, ambitious and progressive in our pursuit of a Scotland free of child poverty.

Aileen Campbell
Cabinet Secretary for Communities and Local Government

Executive Summary

We are now two years into the four year period covered by our first delivery plan period and 56 of the 58 actions reported on last year are either in progress or being delivered. The impact of these measures is already being felt by families.

This progress report captures the range of activity taken forward in 2019-20, our plans for the coming year and the progress towards meeting the ambitious child poverty targets as of 2018-19. Whilst coronavirus has had an unprecedented impact across Scotland, this report focuses on the structures built up prior to the outbreak of the pandemic and provides insights into our areas of focus for the future.

In the reporting period we have established a range of new support measures and continued to deliver progress on existing programmes of work. Key achievements include:

- The work to develop and finalise the policy, including associated legislation, and the delivery mechanisms to pay the Scottish Child Payment (SCP) which will open to applications this year;
- Delivering both the nursey and school age payments of our Best Start Grant, providing enhanced support across the early years for low income families worth an additional £1,400 for families with two children, compared to the UK Government's Sure Start Maternity Grant it replaces. Together with the Pregnancy and Baby Payment we made £21 million of awards in 2019-20;
- Launching our new Parental Employability Support Fund across all 32 local authority areas – offering holistic support for parents to progress towards and within work - and further developing proposals for specific support for disabled parents;
- Replacing Healthy Start Vouchers with the new Best Start Foods payment card from 12 August 2019, increasing the support available for low income parents to buy healthy and nutritious food through pregnancy and across their child's early years;
- Successfully delivering a further 9,286 affordable homes, including 6,952 for social rent. Meaning that 34,791 affordable homes have now been delivered between April 2016 and March 2020, including over 23,000 for social rent;
- Over 49,000 children benefitting from the expansion of Early Learning and Childcare as of September 2019, including over 3,600 eligible two year olds and consulting on our draft out of school care framework setting out a vision for out of school care and considering the changes required to get there;
- Developing proposals for the new Job Start Payment, launched on 17 August, which provides a £400 cash payment to support young parents who have been out of paid work and receiving a low income benefit for six months to transition into employment.
- Publication of the first Benefit Take-up Strategy due under the Social Security (Scotland) Act 2018, setting out existing measures to support benefit take-up and a series of new activities and initiatives aimed at increasing awareness of, and access to, Scottish benefits and supporting those who are eligible to apply.

In the next year, whilst continuing to progress the actions committed in our Delivery Plan, we will focus on recovery and renewal from coronavirus – repairing the damage done and building back in a way which reduces the inequalities in our society. Guided by our Social Renewal Advisory Board, individuals with lived experience of poverty, our partners, and recommendations from other experts such as the Advisory Group on Economic Recovery, we will take steps to ensure our programme of work delivers suitable interventions at the scale and pace required.

Particular areas of focus in 2020-21 include:

- Introducing the new Scottish Child Payment for under 6's and making the first payments worth £10 per child per week to low income families from the end of February 2021;
- Further enhancing our employability support for parents with a strong focus on both young and disabled parents who are likely to face significant challenges in entering and progressing in the labour market;
- Moving to eradicate the inequality of digital access for children and young people in Scotland through our ambitious Connecting Scotland programme which will bring up to 30,000 more households on line in this financial year.
- Providing funding for Timewise to encourage flexible hiring by employers;
- Publishing a new Infrastructure Investment Plan later this year setting out our plan for investment in affordable housing beyond 2021.

Whilst considerable progress has been made to deliver the actions committed we continue to work hard and know this is even more necessary in light of the damaging impacts of coronavirus. Working together with our partners across Scotland we will continue to make the changes needed to tackle and reduce child poverty.

Introduction

This annual progress report provides an update on progress against the ambitious child poverty targets set and in delivering the range of actions committed through the Tackling Child Poverty Delivery Plan over the period 2019-20. Due by the end of June 2020, the preparation and publication of this report was delayed to enable the Scottish Government to focus on responding to the unprecedented impacts of coronavirus. Scottish Ministers mobilised a range of support, backed by a £350 million Communities funding package announced on 18 March 2020, and officials across the Scottish Government were redeployed to support the nationwide response and reduce the impacts of the virus on those most at risk.

The virus has highlighted the damage of inequalities in our society, with the impacts being felt unevenly across the country both in experience of lockdown and rates of infection and deaths. As we look forward to recovery and renewal the impact of this pandemic has strengthened the case for action on child poverty and to tackle wider inequalities – therefore we remain resolute in our commitment to achieving the child poverty targets set and realising our ambition for a fairer, greener and more prosperous Scotland. We continue to be guided by our National Performance Framework and key legislation including the Child Poverty (Scotland) Act 2017.

Prior to the pandemic we had delivered strong progress across the range of measures set out in the Delivery Plan, including on our expansion of Early Learning and Childcare, delivery of more warm and safe affordable homes, and our game-changing Scottish Child Payment. Whilst the impacts of the virus necessitated a pause to many of our programmes, with inherent delays, we are committed to delivering the support needed as soon as is practically possible and building forward better.

In line with statutory requirements, in preparing this report Scottish Ministers invited the scrutiny of the Poverty and Inequality Commission and provided detail of the progress delivered over the reporting period. We welcome the Commission's scrutiny and have responded to their seven recommendations through this report. Detail of where we have responded is set out in the summary below.

Through our approach to tackling child poverty we have retained a strong focus on the six priority family types at higher risk of poverty identified in the Tackling Child Poverty Delivery Plan¹. Whilst some actions are specific to these groups, such as our additional investment in support for young parents, our overall focus is on ensuring that actions across government are designed and implemented in such a way that these groups are both able and encouraged to access and benefit from the support available. Through careful design, influenced by the voices of those with lived experience, we can ensure that individuals and families at greatest risk of poverty are not left behind. We will continue to focus on developing our policies, across government, through the lens of child poverty and the groups who are at greatest risk.

Families which include a disabled adult or child; Larger families; Minority ethnic families; Families with a child under one year old; Families where the mother is under 25 years of age.

¹ Priority family types include: Lone parent families, the large majority of which are headed by women;

In the weeks and months ahead as we navigate 'Scotland's Routemap through and out of the crisis'2, and begin to see the full impacts of coronavirus on our communities and economy, we will continue to assess the scale of the interventions needed to tackle and reduce child poverty. The Scottish Government will work with experts, including the Social Renewal Advisory Board, to ensure that interventions delivered meet the scale and pace required to mitigate the impacts of the crisis on children and families.

The first section of the report focuses on the progress we have made in delivering the range of actions set out in our Tackling Child Poverty Delivery Plan. As with our approach in 2018-19, we have focused on the key developments in the last year which will have the most significant impact on the child poverty targets and on the lives of children in poverty.

Within this section we respond to the Poverty and Inequality Commission's recommendations in relation to the impacts of coronavirus on the Scottish Child Payment, Early Learning and Childcare expansion and delivery of affordable homes beyond 2021. We include details of a number of policies influenced by those with lived experience and provide further detail on our support to embed this practice more widely across Scotland.

This section also details new policy commitments, including our investment to support young parents, action to prevent homelessness and phase two of our ambitious Connecting Scotland programme.

Updates are organised by the drivers of child poverty reduction³ with the final sections focussing on helping families in other ways and on our partnership actions.

In section two we set out the progress made against each of the ambitious targets set and provide the latest data available for each of the priority family types identified in the Tackling Child Poverty Delivery Plan.

This section reflects the position as of 2018-19 when we commenced delivery of the actions committed in 'Every Child, Every Chance' and does not include the full impacts of interventions launched in the course of that year; including our Best Start Grant Pregnancy and Baby Payment, Money Talk Team service, School Clothing Grant increase and Carer's Allowance Supplement.

Whilst single year data shows slightly lower child poverty levels across three of the Child Poverty Act target measures compared to the previous year and a similar level for the final measure, we are clear that considerable further action is needed to deliver the reductions required. This need is further reinforced by the economic impacts of coronavirus, which are yet to be felt in full, and forthcoming EU exit which could have a considerable negative impact on living standards.

² Coronavirus (COVID-19): Scotland's route map through and out of the crisis - Scottish Government,

³ The Tackling Child Poverty Delivery Plan outlined a focus on three drivers of child poverty reduction: increasing incomes from work and earnings; reducing household costs, and; maximising incomes from social security and benefits in kind.

In response to the Poverty and Inequality Commission's recommendations this section highlights our approach to evaluation and monitoring impact, including for the priority family types identified in the Plan and for other marginalised groups. This work is helping us to better understand the impact of our actions, the type and scale of further actions required to deliver on our ambition to eradicate child poverty and to continuously learn from and develop our approaches to tackling poverty.

In the third and final section we present the latest 'at a glance tables' which provide quick reference updates in relation to efforts to tackle child poverty.

This includes: progress for each of the actions committed and the impact both against the drivers of poverty and future prospects and which of the priority families are expected to benefit; investment from the Tackling Child Poverty Fund; estimated investment targeted at low income households and children in 2019-20, and; how we have met the requirements of the Child Poverty Act. The final summary includes responses to the comments and recommendations of the Poverty and Inequality Commission.

Alongside this report we have also published a series of accompanying annexes providing further information.

At Annex A we provide an update on the 23 measures included as part of our Child Poverty Measurement Framework that are intended to monitor these drivers of poverty. These form part of the wider monitoring and evaluation strategy⁴ published as part of our first annual progress report.

Annex B details findings from an evidence review of child poverty and its drivers in Scotland and the UK. This highlights that children are less likely to live in relative poverty after housing costs (AHC) in Scotland than the UK overall. In the period 2016-19, relative child poverty levels in Scotland AHC were 11 percentage points lower than the North East of England and a significant 15 percentage points lower than London. This annex provides comparisons to the UK across employment, housing and the value of support through social security entitlements.

Annexes A and B are discussed within the first section of this report.

Annex C, informed through engagement with One Parent Families Scotland, details an evidence review in relation to lone parent families – one of the six priority families identified in the Tackling Child Poverty Delivery Plan. This annex presents, where possible, breakdowns of Child Poverty Measurement Framework indicators by family type. It also draws on wider evidence about the drivers of poverty, and draws conclusions about the actions needed to address poverty among lone parent families. Alongside the data, we present the comments of lone parents who have shared their views and experiences to highlight the day to day reality behind the data.

By continuing to build our knowledge and understanding of poverty, in particular for our priority families, we can enhance our policy responses – helping to lift children out of poverty.

9

⁴ Child poverty evaluation strategy - Scottish Government, Jun 2019

1. Reporting on progress 2019-20

Introduction

This section sets out progress made in the second year of our Tackling Child Poverty Delivery Plan up to 31 March 2020. As such, this covers the period immediately prior to the outbreak of coronavirus and Scotland entering lockdown on 24 March 2020. The pandemic has had an unprecedented impact on both individuals and the economy, and in line with public health advice many programmes were paused from the start of lockdown.

An update is provided for all actions, including detail of new commitments put in place since the first progress report was published.

As per the approach taken in our 2018-19 report, more detail is provided for actions which are expected to have the most significant impact on child poverty rates. Where data is available we have provided an impact summary for actions which influence the three key drivers of poverty, set out in sections A-C. As some actions are not yet at a stage where data has been collected, or have not yet been delivered, estimates are provided to indicate their anticipated impact.

The actions described below are arranged under the five original chapters set out in 'Every Child, Every Chance':

- A. Increasing income from employment and earnings
- B. Costs of living
- C. Social security
- D. Helping families in other ways
- E. Partnership working

A. Increasing income from employment and earnings

As set out in the Tackling Child Poverty Delivery Plan we know that supporting parents to work and earn more has the potential to significantly influence levels of child poverty and to reduce levels of in-work poverty.

This impact is delivered through two key strands: firstly, supporting parents through employability services to enter and progress in the labour market, and; secondly, by improving the quality of employment opportunities for parents and delivering a fair work future for Scotland.

These strands are strongly linked to other actions within this plan, for example to the provision of flexible and affordable childcare and to sustainable transport options. Improving the accessibility and affordability of this key infrastructure will have a positive impact on the ability of parents to enter and progress within the labour market.

This section focuses on both employability support and promoting fair, inclusive and flexible employment.

New employment support for parents

Employability support is currently delivered through Fair Start Scotland (FSS), our national devolved employability service, and through our No One Left Behind⁵ model of delivery. This aims to work with users to develop employability services which provide flexible, person-centred employability support, designed and delivered in partnership with Local Government, private and third sector partners.

Substantial progress has been made in moving towards a more aligned approach between FSS and our local partners. However there is still significant work to be taken forward to better integrate employability services at both a local and national level.

A joint Scottish and Local Government – Employability Action Plan (Feb 2020) has been agreed, following the publication of the 'No One Left Behind: review of employability services'⁶. This sets out our joint ambition to achieve transformational change, moving away from a programme based approach to a service which is personcentred, flexible and responsive to the changing labour market, whilst tackling inequalities and growing Scotland's economy.

In response to the impacts of coronavirus, the Economy Secretary announced a £100 million package to support people looking for work or at risk of redundancy. This includes a job guarantee for young people, a new national retraining scheme, and more funding to provide immediate assistance and advice after redundancy. We will actively consider how to support parents and those most disadvantaged in the labour market with this investment.

As part of our coronavirus response Fair Start Scotland, has been extended by a further two years to March 2023. We are also making a further £2.35 million available as a boost to our Parental Employment Support Fund with a particular focus on support young and disabled parents.

Fair Start Scotland

Fair Start Scotland (FSS) continues to provide support to those who face a range of challenges in obtaining work, including people with a disability or health condition, single parents, refugees, ethnic minorities, and people who live in some of the most deprived areas in Scotland. As the service moves into its third year we are working closely with providers to enhance the data available and make clear the impact it has having on parents.

During the second year of delivery Fair Start supported a further 12,075 people, with 4,153 starting work – more than twice the number starting work in the first year of the service. Of the 6,166 people who have started work since the service launched in April 2018, 3,528 of those had sustained employment for at least three months (13 weeks), 2,216 were employed for at least 6 months (26 weeks) and 786 were employed for at least 12 months (52 weeks).

⁶ No One Left Behind: review of employability services – Scottish Government, Dec 2018

⁵ No One Left Behind: next steps for employability support - Scottish Government, Mar 2018

Our data shows that 35% of minority ethnic people who joined FSS went on to start work, higher than the percentage of white people (32%). In addition 65% of people receiving FSS support reported a long-term health condition and 49% were disabled. 28% of disabled people who joined FSS went on to start work.

In order to increase the positive impact on those most at risk of poverty we undertook a series of pilot initiatives aimed at the priority family types identified in the Delivery Plan. This included a minority ethnic pilot, commencing in 2019 and operating in both Glasgow and Edinburgh, which aims to provide FSS services to women from minority ethnic communities. We continue to monitor how participants are progressing on their employability journey.

Plans were made for FSS Service providers to capture data on parents and priority families from August 2019 onwards. Data is now being collected, however challenges remain in reporting the proportion of parents accessing the service as providers have taken time to make the required system changes and embed practice through their supply chains. In addition, the time taken for participants to move into work means that any analysis on outcomes and impacts specifically for parents is not yet available. However, evaluation data⁷ suggests that just over a fifth (21%) of respondents are parents within a priority family group.

The FSS evaluation report is due to be published in Autumn 2020 and will include further detail on parents' experiences from a participant telephone survey and local area case studies.

Investment in 2020-21 is anticipated to increase to around £20.5 million from £15.65 million in 2019-20.

Parental Employability Support Fund

Following continued development of the Parental Employability Support Fund (PESF), £2 million was allocated to local authorities in February 2020 to facilitate delivery of new holistic employability support for parents. A further £5 million has been allocated in respect of 2020-21 to allow delivery of support across the year. This new support is expected to positively impact 11,500 children by 2022.

PESF has been developed through the No One Left Behind (NOLB) model of delivery. The service will build on existing services, enhancing the support being delivered

In recognition of the linkages between parental and child outcomes, Programme for Government 2019-20 committed a boost to PESF funding to strengthen links between local employability services and the Early Learning and Childcare (ELC) expansion. We will make £1 million available as a boost to PESF in 2020-21 to enhance family incomes by improving access to work and in-work progression.

The funding methodology for PESF was jointly agreed between Scottish Government and COSLA in October 2019 for services to be delivered across all 32 local authorities. A minimum of 65% of the funding is targeted towards helping parents in low income employment to progress in work, upskilling and offering a more rewarding career. This

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⁷ Unpublished results from telephone survey of 1007 FSS participants - May 2020

approach includes parents already supported into work via Fair Start Scotland or other local employability provision to access support to upskill and progress further. Remaining funding is focussed on supporting individuals further from the labour market to engage with mainstream provision, including Fair Start Scotland, and to address barriers to employment through holistic support.

During the final quarter of 2019-20, local authorities provided their Proposition of Improved Outcomes detailing their delivery plans. These included:

- Incorporating No One Left Behind principles, including integration and alignment with wider projects within the Tackling Child Poverty Delivery Plan;
- Ensuring their PESF delivery ambitions are aligned to their Local Child Poverty Action Reports;
- Working with existing local services to ensure integration with the "wrap around" support available locally;
- Demonstrating a commitment to work in partnership, providing a specific and evidence-based approach to tackle and address both out of work and in-workpoverty (at least 65% of core PESF investment targets in-work poverty);
- Delivery of a key worker flexible, holistic approach. As part of the allocation methodology, all local authorities have ring-fenced funding to support delivery of PESF; and
- A continuous improvement model of delivery detailing anticipated impacts, and supported by robust reporting and improvement mechanisms.

Although progress has been made in line with expectations, the impact of coronavirus has required greater flexibility to support delivery and maximise the impacts of this new support. In addition to the £5 million already issued to local authorities in 2020-21 we will make a further £2.35 million available to enhance alignment with ELC, provide additional pre-employment support for disabled parents and enhanced relational support for young parents. Further detail on the development of support for disabled and young parents is set out below. We will continue to review current needs to ensure alignment with other pre-employment and in-work support recovery measures.

We anticipate that results from the first year of delivery will be reflected within the 2020-21 Progress Report.

Additional investment to support disabled parents

We remain committed to providing additional support to help disabled parents enter and progress in work. In 2019-20 we explored existing evidence to determine what additional support is required and undertook initial analysis to identify local authority areas with high levels of child poverty and low disability employment rates.

Engaging closely with Disabled People's Organisations, local authority representatives, COSLA and others we tested these findings to explore available delivery options and to agree the needs which were to be addressed through this new support. These engagements highlighted the need to allow more focussed input from disabled parents themselves and to draw on learning from the initial implementation of PESF before proposals are brought forward.

Whilst our original commitment was to co-produce a pilot fund with disabled parents and representative bodies, to look specifically at issues disabled parents face in entering the workforce and progressing through a career, in reviewing the evidence it is unclear that a pilot approach is required. Instead, a key requirement identified was more meaningful engagement with disabled people and those with lived experience throughout the design, delivery and implementation of Disabled Parents Employability Support (DPES).

In 2020-21 we make £1 million available to commence delivery of DPES support as a boost to PESF funding for local authorities, building on further engagement with disabled people's organisations and disabled parents, undertaken in June 2020. We previously estimated that DPES could positively impact 2,000 parents.

[New] Additional investment to support young parents

In recognition of the additional challenges faced by young mothers and fathers, we committed £1 million of new investment through Programme for Government 2019-20 to build on good practice evidence in Clackmannanshire on the benefits of providing key worker support to young parents.

This new investment will enable young parents to get help, address barriers and achieve both short and long-term ambitions from school to employability. It will also enable them to access more holistic support on matters such as housing, welfare and benefits, healthy relationships, peer support and improving confidence, self-esteem and wellbeing. As part of this work, we expect to see links made with local Family Nurse Partnership teams and for young parents who have been through the care system to be considered as a priority group for support.

From September 2019 to March 2020 we worked with stakeholders to determine a way in which we can deliver new support for young parents similar to the successful model demonstrated by the Clackmannanshire Young Parents project.

An initial £350,000 will be made available in 2020-21 as a boost to PESF funding to commence delivery of this new support, with £1 million committed overall. We estimate that around 950 children could positively benefit from this support.

It is clear that the coronavirus pandemic has had and will continue to have the biggest impact on those already experiencing inequalities, including young parents. The need for holistic, relational based support to enable young parents to achieve positive futures for themselves and their children is only likely to increase, making this support more important than ever.

Impacts:

- Over 4,000 people have been supported into employment through Fair Start Scotland in 2019-20
- The latest evaluation survey suggests 21% of FSS participants are parents within a priority family group
- 35% of minority ethnic people who joined FSS went on to start work, higher than the percentage of white people (32%)

- 65% of people receiving FSS support reported a long-term health condition and 49% were disabled. 28% of disabled people who joined FSS went on to start work.
- 11,500 children could positively benefit from the Parental Employment Support Fund by 2022
- Around 950 children could positively benefit from our new support for young parents by 2022.

Tackling low pay and supporting equality at work

We know that it is not enough to move parents into work. A key element of maximising household incomes is through delivering fair, flexible and inclusive employment which provides, as a minimum, remuneration adequate to enable a good standard of living and is flexible enough to fit with the other commitments parents have.

The 'Fair Work Action Plan'⁸, published in February 2019, sets out the approach are taking to embed fair work practices within workplaces across Scotland. Our commitment to workplace equality and fair pay is reflected in our flagship Fair Work First policy.

We are continuing to implement Fair Work First, building on the early experiences since 2019-20 of attaching the relevant criteria to business support grants awarded by the enterprise agencies, Scottish Government grants and public procurements. We are using the lessons learnt to inform our discussions with business and other options as we further implement Fair Work First to drive fair working practices through public investment.

Child poverty and women's poverty are closely linked and whilst the median gender pay gap for all employees in Scotland reduced from 15% in 2018 to 14.3% in 2019 there remains more to be done to ensure women, especially those in lower paid occupations, achieve workplace equality. This is reflected in our 'Gender Pay Gap Action Plan'9 which includes over 60 actions to tackle the root causes of the gender pay gap, outlining a whole system approach across public, private and third sectors.

As the full economic impacts of coronavirus become apparent, we are committed to working with business and other organisations to build back better, with greener, good quality and fairer employment opportunities for all.

Updates on the specific commitments set out in the Tackling Child Poverty Delivery Plan are given below.

Building a living wage nation

Payment of the real Living Wage continues to be a key component of our action to deliver fair work in Scotland. The hourly rate paid, which increased to £9.30 in 2019-20, is estimated by the Living Wage Foundation to increase a full time worker's earnings by more than £2,000 compared to the current UK Government National Living Wage. This

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⁸ Fair Work Action Plan - Scottish Government, Feb 2019

⁹ A fairer Scotland for women: gender pay gap action plan - Scottish Government, Mar 2019

figure increases to more than £3,000 when compared to the Minimum Wage payable to under 25's.

We take our commitment to the real Living Wage seriously and, in addition to being a Living Wage employer ourselves, we have embedded payment of the real Living Wage as one of the five criteria employers are asked to commit to through our flagship Fair Work First policy. This will be applied to grants, other funding and contracts awarded by and across the public sector, including business support grants awarded by the enterprise agencies.

Since the launch of the Delivery Plan, the number of Living Wage accredited employers in Scotland has increased by just under 730 – an increase of over 70%. This has resulted in around 4,500 people seeing an increase in their wages in 2019-20, including 390 within the hospitality sector. Since the beginning of the Delivery Plan period this gives a total of 9,194 increases overall.

In light of the coronavirus crisis, our focus will be on maintaining existing accreditations and securing new accreditations wherever possible. However we remain firmly committed to increasing the number of workers receiving the real living wage, and will continue to work to improve the pay of workers through the Living Wage campaign.

Tackling low pay in the public sector

The Public Sector Pay Policy applies directly to 49 public bodies and covers around 40,000 public sector employees in Scotland, estimated at 6% of the public sector workforce. The policy also sets a benchmark for the wider public sector, including Health, Local Government, Teachers, Further Education, Police and Fire and informs the decisions they take on pay.

The 2020-21 public sector pay policy continues to focus on targeting higher increases at the lower paid and provides a guaranteed cash underpin of £750 for all those earning £25,000 or less (equivalent to at least 3% of earnings) as well as requiring all public bodies to pay at least the real living wage.

It is concluded from the Equality Impact Assessment¹⁰ undertaken that the measures proposed in the 2020-21 pay policy positively benefit lower paid staff. From the data available there is a higher proportion of women, disabled people, individuals from a minority ethnic group, younger employees or a combination of one or more of these protected characteristics as well as part-time workers among lower paid employees. Therefore the measures proposed in the pay policy protect these employees from pay restraint and in many cases provide a positive benefit – increasing take home pay.

Flexible Workforce Development Fund

The Flexible Workforce Development Fund (FWDF) continues to provide £15,000 of college training for Scotland's Apprenticeship Levy payers to upskill or reskill their existing workforce through college provision to bring greatest benefit to their organisation.

¹⁰ Public sector pay policy 2020-2021: equalities impact assessment – Scottish Government, Feb 2020

In 2020-21 we are increasing investment in workforce through the Fund with a further £10 million per year, doubling the current level of funding. This includes a further £1.5 million for Business Gateway's Digital Boost programme – almost trebling the capacity of the initiative for the remainder and helping to enhance digital capacity and capability.

The Workplace Equality Fund

In 2019-20 the Workplace Equality Fund provided £800,000 of funding to 25 projects.

This included £19,472 to Family Friendly Working Scotland to work with private sector employers to develop a more flexible, family friendly approach to working and £21,425 to Highland Third Sector Interface to promote and support the vision of the self-management for those living with long-term health conditions.

Going forward funding allocated to the Workplace Equality Fund will be considered on how best we can support the groups disproportionately affected by the coronavirus crisis.

New support for flexible working

Access to flexible working benefits all workers, particularly those with protected characteristics, including women, older workers with care or health commitments or who experience isolation, and disabled people who may have health needs and commitments. Flexible working would assist these workers to access well paid, secure work rather than their options being limited to part time work in traditionally low paid sectors to accommodate their needs and commitments.

As employers and workers continue to adapt to the coronavirus crisis, developing and extending home working will become increasingly significant in order to protect jobs. Initial analysis indicates that women workers will be impacted disproportionately by the economic impact of the current crisis. In addition, women have a disproportionate share of caring responsibilities which may increase the need for flexible working practices to support parental employment levels.

Supported by investment of £159,000 in 2018-19, Family Friendly Working Scotland provided business support and training to organisations to introduce or further develop flexible working for employees. This included delivering events to explore and celebrate good practice in flexible working, engaging with the media on issues around flexible working and encouraging employers to advertise new roles as flexible. In 2020-21 further funding of £175,000 has been allocated to Flexibility Works to take forward this activity.

As set out in our first year progress report, we commissioned Timewise to undertake a feasibility study into a new centre for flexible work in 2019. Analysis and consultation the feasibility exercise found that the project should be less focussed on sectors and more on flexible hiring. This meant not creating a 'What Works Centre' but a 'What Works Network' with focus on building capabilities into the networks that currently exist. This approach was agreed with Scottish Government officials as the way forward and Timewise submitted their initial Feasibility report in December 2019.

The proposal, agreed in July 2020 following amendments to reflect the impacts of coronavirus, aligns with the Scottish Government ambitions for Fair Work and assists the priority child poverty family groups. Over £130,000 of funding will be provided in 2020-21 to support delivery of this important piece of work.

Impacts:

- In 2019-20 around 4,500 individuals saw increases in their wages as a result of living wage accreditation, including 390 individuals in the hospitality industry.
- Payment of the Real Living Wage increases take home pay by over £2,000 each year for full time employees.
- The 2020-21 public sector pay policy provides a boost of £750 for all those earning under £25,000. This is expected to be of particular support for women, disabled people, individuals from a minority ethnic group and young people, including young parents.
- Increases in the development and advertising of flexible job opportunities will be
 of particular benefit to those with caring responsibilities who may otherwise be
 unable to progress from part time or low paid work.

B. Costs of living

Action to reduce the costs of living play a key role in tackling child poverty by unlocking the potential of parents to increase their incomes, enabling children to live up to their potential and ensuring households have the maximum amount of disposable income available to meet their needs.

Therefore access to a warm, safe home, flexible and affordable childcare, employment which pays fairly and allows for progression, are all needed. Support to achieve that is part of our delivery plan.

The costs of day to day living, such as housing, transport, food and childcare - including at each end of the school day and holidays – are all inescapable costs which families face. Action to make living more affordable and to improve the quality of the support available has the potential to make a significant impact on family outcomes and reduce levels of poverty.

This section focuses on these inescapable costs and the enablers to unlock the potential for families to move out of poverty.

Enhanced support through Early Learning and Childcare

Funded Early Learning and Childcare (ELC) provides a cornerstone for ensuring that every child has the best start in life and that parents are able to access work, training and other opportunities to secure a better future for their children. It is also important to recognise the vital role out of school care plays in providing essential childcare services for families as well as a wide range of experiences for children, enabling work and learning to continue outside school hours and term time.

Work is ongoing to ensure that the impacts of this provision are maximised, linking with the new Parental Employability Support Fund to help parents enter and progress in the labour market, and with the new Family Learning Programme to improve outcomes for parents and children.

The impacts of coronavirus necessitated a delay to the full roll-out of the duty to provide 1,140 hours of ELC, which was set out in a joint communique from COSLA and the Minister for Children and Young People to local authorities in July 2020¹¹. Whilst it is not possible to commit to the Commission's recommendation to reinstate the expansion to 1,140 within the current academic year, we remain absolutely committed to delivering the expansion, and the return to 1,140 as soon as it is reasonable to do so. Where local authorities are already delivering expanded entitlements, we have made clear that it is critical that this is protected and maintained. Full funding for 2020-21 to support the expansion has been - and will remain - in place for local authorities and flexibility has been given to enable a focused approach to address the needs of children and parents, in recognition of the differing challenges faced locally.

Expanded Early Learning and Childcare (ELC)

Our ambitious £2 billion ELC expansion programme will give children access to almost twice as many funded hours of ELC as they were entitled at the outset of our Tackling Child Poverty Delivery Plan, giving parents and carers significantly increased flexibility.

By the end February 2020, the ELC expansion was broadly on track and proceeding as per forecasts. The latest data available shows that as of September 2019, over 49,000 two-to five-year-olds were already benefitting from more than 600 hours of funded ELC, including over 3,600 eligible two year olds¹².

Working across government and in partnership with local authorities we are seeing positive practice emerge. We will continue to support and develop these links to ensure that parents and children receive the support they need to progress – improving children's outcomes and increasing household incomes

To support the expansion we increased our investment in 2018-19 by £183 million on 2017-18 levels. This is in line with our multi-year funding agreement which will see annual revenue investment in ELC reach around £1 billion by 2021-22 and an additional £476 million in capital funding over four years.

Our evaluation strategy focuses on measuring outcomes for children, parents and carers, and families as a whole. The cornerstone of that evaluation is the new Scottish Study of Early Learning & Childcare (SSELC). The SSELC takes a "Before and After" cohort approach, that allows exploration of outcomes for children and parents receiving the existing funded entitlement (600 hours) and comparing them with those who receive the increased funded entitlement (1140 hours).

The SSELC baseline data collection on children, and their parents, who were accessing 600 hours of funded ELC was completed in December 2019. Findings from the first phase of the SSELC, which gathered baseline data on a cohort of eligible two-year-

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¹¹ Letter to Directors of Education ELC LA leads - Scottish Government, Jul 2020

¹² Early Learning and Childcare Expansion Delivery Progress Report – Dec 2019

olds, were published in August 2019¹³. Findings from the second phase, which gathered baseline data on a sample of four- and five-year-olds, will be published shortly. Analysis of the full baseline dataset is ongoing.

After school and holiday childcare

Available evidence points to the importance of out of school care for the whole family. Children can benefit from improved outcomes through opportunities for play and learning while access to childcare can support parents to work, train or study with the knowledge that their children are being well cared for. These opportunities for parents can lead to increased earnings, which in turn helps to reduce levels of child poverty.

Despite these benefits, we know of barriers that are still limiting the ability of families to access out of school care. For parents to be able to take advantage of work, training or study opportunities, childcare needs to be affordable, accessible and flexible to meet their needs. It is in this context that we committed to developing a strategic framework for after-school and holiday childcare over the course of this Parliament.

Through 2019-20 we have continued to build towards our vision for flexible and affordable out of school care and produced a draft strategic framework public consultation which launched in August 2019¹⁴. This draft framework was produced with collaboration from key stakeholders through our Out of School Care Reference Group and informed by engagement with parents, children and professionals working in the sector. These events ranged from large workshops with out of school care practitioners to focussed discussion groups with lone parents and people with lived experience of poverty.

The draft framework set out a vision for out of school care in Scotland, considered the current picture and asked 18 questions about the benefits and challenges of accessing out of school care. We want future policies on Out of School Care to be shaped by the people who would benefit from them. The consultation enabled us to better understand what children, parents and carers, professionals and experts think about the ways in which out of school care can give children opportunities to play and access lifeenhancing experiences and support parents to work, train or study.

From August to December 2020, we delivered a series of consultation events with key user groups including lone parents, parents of children with a disability and young carers. We received 1,270 responses to the consultation, giving us rich understanding of the needs and preferences of children and families in terms of school-age childcare. The responses have been independently analysed and we will publish findings in due course. The information gathered through the online consultation and events will inform future policy development as we set out a strategic framework for out of school care before the end of this Parliamentary term.

Alongside this we worked to develop our Access to Childcare Fund, worth £3 million across 2020-22, and appointed Children in Scotland as the fund managers. Development was undertaken to launch the fund in April 2020 as planned, however this was delayed to July 2020 due to the impacts of coronavirus. The fund aims to support projects which use a community-based partnership approach to delivering a range of

14 Out of school care in Scotland - draft framework: consultation - Scottish Government, Aug 2019

¹³ Scottish study of early learning and childcare: phase 1 report - Scottish Government, Aug 2019

activities, childcare, food and family support for children, including those from the six priority family types identified in the Tackling Child Poverty Delivery Plan. The evaluation of these projects will help to shape our final strategic framework.

[New] Family Learning Programme

Work has been rapidly undertaken to develop our new Family Learning Programme to provide support for families who stand to benefit most and help parents learn about childhood development and how to support their child's learning.

The programme, targeted at families living in the 20% most deprived communities and the priority family types identified in the Tackling Child Poverty Delivery Plan, will support parents by increasing their confidence in their own learning through increased engagement in education, training or work, and the development of other skills to support increased economic activity.

Following a competitive procurement, the two year contract to deliver the programme was awarded to the charity Peeple. Using their well-established and evidenced Peep Learning Together Programme, Peeple will train and support 432 early years practitioners across Scotland to offer the programme to families with whom they work.

The £500,000 scheme launched in March and will be available in, or near, early learning and childcare settings.

Impacts:

- Over 49,000 children benefitting from expanded Early Learning and Childcare provision as of September 2019 including over 3,600 eligible two year olds.
- High quality flexible and affordable out of school childcare will support parents to sustain employment and increase their earnings and improve children's outcomes
- The Family Learning Programme will help increase parents confidence and skills, supporting the transition to work, training or education

Tackling the cost of the school day

We continue to take forward a wide range of actions to develop understanding of the cost of the school day and the support needs of families outside of term-time and to tackle these issues head on. This includes support for around 260,000 children through universal and targeted Free School Meal provision. We have provided our local authority partners with additional funding to ensure that free school meal provision was continued during the recent period of lockdown, including over the summer break.

In 2019-20, in partnership with local authorities, eligible children and young people were able to benefit from a School Clothing Grants of at least £100 for every eligible child following the increase from the start of the 2018-19 academic year. A review to determine the value of the grants will be undertaken in 2020-21 to ensure they continue to maintain their value in real terms - the scope of this review is to be determined and agreed with colleagues in COSLA.

We have continued to support the Child Poverty Action Group (CPAG) in Scotland through targeted investment from the Attainment Scotland Fund. This has enabled CPAG to provide more strategic leadership and support to more schools and local authorities. Their work has helped to identify and overcome barriers that children from low income families face in costs associated with their participation and engagement at school. The project reached 1,500 professionals directly through presentations, workshops and training, and work is ongoing across 16 local authorities. A new three year partnership was developed with Moray Council and the Northern Alliance, helping CPAG reach rural and island communities.

Evaluation has shown that, as a result of increased awareness, positive changes have been made across Scotland. At a school level this has included the use of non-branded jumpers and blazers, the holding of uniform recycling days, and the sharing of bus hire to reduce costs. At local authority level this has included covering the costs of school trips and authority-wide provision of breakfasts for children and young people. In addition the impacts are being felt by pupils and parents, with less income stigma, exclusion financial pressure reported. We have committed to continue supporting CPAG to deliver this work until the end of the Delivery Plan period.

Phase 2 of the pilot project with Young Scot, targeting concessions and entitlements, commenced in April 2019 with local authorities in Dundee, Falkirk and North Lanarkshire being supported. This work is continuing throughout summer 2020 with evaluation being reported later in the year. Entitlements provided through this pilot include funded or discounted access to bus travel, leisure facilities and food with targeted work taking place with groups such as care experienced children and young people.

The next phase of this work, due to commence in the coming months, will link with our work on food insecurity and draw upon the extensive learning to date by building a learning community to support engagement. Given the impacts of the coronavirus pandemic, a current focus is on providing entitlements which can be accessed by young people at home e.g. online supermarket vouchers, mindfulness apps and TV / film subscriptions.

We also continued to support young people from low-income households to further their education with £22.82 million invested in Education Maintenance Allowance (EMA) in the 2019-20 academic year. The latest statistics from 2017-18 show that 29,135 school pupils, college students and young people on activity agreements benefitted from EMA payments in Scotland; statistics covering 2018-19 will be made available later this year.

Supporting families outside the school term

Recognising the challenges faced by families outside of the school term, we increased our budget to reduce food insecurity in the school holidays by 400% to £2 million in 2019-20. Through this we delivered support to around 42,000 children and young people across the school holidays through partners including Cash for Kids, providing nationwide support, and more localised projects such as Dundee Bairns and Achieve More Scotland – providing support in Glasgow and Lanarkshire. Our investment also facilitated the pilot of the Milton Holiday Hub, an ambitious collaboration between Highland Council, the Scottish Government and third sector partners, providing wrap around childcare, food and activities for children and young people in the village of

Milton in Glenurquhart. Evaluation of this project will be finalised in the coming months. These investments were met by a further £739,759 from our Investing in Communities Fund for projects which involved holiday provision for children, including food and activities.

Impacts:

- Around 260,000 children received Free School Meal provision in 2018-19 saving households £400 per child. We estimate that 122,000 children are eligible based on receipt of qualifying benefits.
- Around 120,000 children and young people benefitted from School Clothing Grants of £100 in 2019-20.
- 42,000 children benefitted from support through holiday activities tackling food insecurity in 2019-20 – organisations delivering support reported that families were less worried about running out of food and children had improved physical health and mental wellbeing and were more physically active.
- Increased awareness and knowledge of the cost of the school day has
 prompted changes at school and local authority levels, including: reductions in
 the cost of uniforms and clubs; promotion of entitlements and support; a
 reduction in stigma and exclusion, and; the costs of school trips being covered
 by local authority budgets.
- £22.82 million was invested to support young people from low- income households through Education Maintenance Allowance in 2019-20.

Delivering warm and affordable homes

Warm and affordable homes are much more than just bricks and mortar, they provide the foundation for family life and the much needed security families require to work, learn and thrive. Ensuring families have suitable accommodation, free from overcrowding, gives children a safe space to do their homework and have friends home from school. Affordable and secure housing removes a significant barrier for parents who can then focus on accessing employment or training opportunities. That is why through our work on Housing to 2040 we will continue to ensure a sharp focus on delivering the homes that people need.

Aligned to our vision for affordable housing we have also set in statute ambitious targets to reduce levels of fuel poverty and will bring forward the first fuel poverty strategy due under the Act in due course. The Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019 sets interim targets to be met in 2030 and 2035, and final targets to be met by 2040.

As the Joseph Rowntree Foundation highlighted in their Poverty in Scotland 2019 report, housing has a significant impact on poverty levels. Relative child poverty, after housing costs, was six percentage points lower in Scotland than the rest of the UK in 2016-19 – a difference that the Joseph Rowntree Foundation attributes to the differing UK and Scottish approaches to the delivery of affordable and social housing post-devolution. We are proud that since 2007 we have delivered more than 95,000 affordable homes, over 66,000 of which were for social rent, and remain committed to delivering affordable housing for families.

We were on track to deliver our 50,000 affordable homes target by 2021 until the impact of the coronavirus lockdown resulted in a necessary pause. We are working with partners across the housing sector to progress the programme as construction activity resumes in a new safe way.

The Poverty and Inequality Commission recommended that we extend our commitment to investing in affordable homes beyond 2021. We have already committed £300 million of interim funding certainty for 2021-22 ensuring that affordable homes continue to be delivered beyond this current parliamentary term.

In our 2019-20 Programme for Government, we reaffirmed our commitment to plan together with stakeholders for how our homes and communities should look and feel in 2040 and the options and choices to get there. We want to ensure that we have a housing system that works for all, that can adapt to future changes and challenges and is resilient in the face of them. Our consultation on a draft vision and principles for Housing to 2040 closed in February 2020 and we are now carefully assessing the outputs of the consultation alongside our COVID-19 recovery planning to help to inform the final vision for Housing to 2040 and a route map to get there.

Ensuring housing affordability

A considerable volume of work has gone into supporting delivery of our ambitious 50,000 affordable homes target, including 35,000 homes for social rent – backed by the single biggest investment in affordable housing since devolution totalling over £3.5 billion. During the financial year 2019-20 we successfully delivered 9,286 affordable homes, including 6,952 for social rent. This means that 34,791 affordable homes have now been delivered between April 2016 and March 2020, over 23,000 of which have been for social rent.

We published refreshed Local Housing Strategy guidance in September 2019 to support local authorities in developing a Local Housing Strategy. This requires local authorities to demonstrate how statutory requirements – including those relating to the Child Poverty (Scotland) Act 2017 – are being fulfilled and how local policies including local Child Poverty Action Reports support a range of Scottish Government targets.

We also published refreshed Strategic Housing Investment Plan guidance in 2019 asking local authorities to (a) draw on the findings of their Child Poverty Action Reports (b) consider what progress has been achieved (c) identify where gaps exist and (d) align with strategic housing priorities. As part of this work and for the future Affordable Housing Supply Programme, we will work with local authorities and other stakeholders to explore how we can better evidence the positive impact that our affordable housing investment is having on child poverty.

We progressed a number of actions over the year in the complex area of rent affordability. We engaged broadly with academics and housing stakeholders on what we might be able to do collectively to keep social rents affordable and will consider what actions can be taken. We have committed to review grant subsidy benchmark levels that will apply post March 2021 and maintaining rent affordability will be a key consideration in this work. We also continue to compare proposed Registered Social Landlord social rent levels for homes at the point of completion with our published

social rent benchmarks when assessing projects for Scottish Government grant funding at tender stage.

As part of evaluating the impact of the private residential tenancy, on both tenants and landlords, we are participating in a research project funded by the Nationwide Foundation under its *Transforming the Private Rented Sector* programme. The project – running over a three year period from 2019-2022 – aims to understand the impact of the changes on perceived and actual security of tenure, access to justice, affordability, landlord and tenant conduct, tenants on low incomes and tenants in housing need.

While monitoring and evaluation of the new tenancy is at an early stage, we are keen to ensure tenants are both aware of and understand their new rights enabling them to exercise them appropriately. This included adding a new easy to read front page to the Scottish Government's model tenancy agreement highlighting key rights and a social media awareness campaign to reach specific groups and increase awareness of the new tenancy and tenant rights, including low income families with children and tenants in receipt of benefits.

Homelessness

We published the first report of progress made in relation to our Ending Homelessness Together Action Plan on 14 January 2020¹⁵, showing that 39 out of 49 measures committed have been progressed in the first year of the plan, we will commence the remaining 10 this year.

Key to transformational change of the homelessness system is a transition to rapid rehousing, which supports homeless households back to a settled home much more quickly, moving away from the need for long stays in temporary accommodation. £32.5 million from the Ending Homelessness Together Fund and the Health portfolio has been invested into ending homelessness through the delivery of Rapid Rehousing Transition Plans and Housing First in partnership with local authorities.

To help prevent homelessness for low-income families we have committed £1.5 million to a the new Homelessness Prevention Fund supporting the work of social landlords to prevent crisis points and evictions. We have been working with the Scottish Federation of Housing Associations (SFHA) and the Homelessness Prevention and Strategy Group to develop proposals for this new support, which will be delivered over 2020-23.

A list of new advisory standards that are applicable to all types of temporary accommodation was published in November 2019 as part of the interim Homelessness Code of Guidance. These aim to ensure that any time spent in temporary accommodation causes minimal harm by making sure that temporary accommodation is of good quality, safe, warm, affordable and there is a consistency of standards across all local authority areas.

¹⁵ Ending homelessness action plan: annual report - Scottish Government, Jan 2020

New help with fuel poverty

Key programmes delivering energy efficiency measures to fuel poor households are ongoing, including Warmer Homes Scotland, Area Based Schemes and Home Energy Scotland for advice, including support for switching suppliers. Families living in owner occupied or privately rented homes with children under 16 and on income related benefits are eligible for energy efficiency measures through Warmer Homes Scotland if they live in an inefficient property.

To increase the number of applications to our Warmer Homes Scotland Scheme from low income families the Scottish Government commissioned marketing in summer 2019 and winter 2020 (January to March). This has included direct mail, social media advertising campaigns, and radio adverts.

In 2018-19 we also set in statute ambitious targets relating to the eradication of fuel poverty. The Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019¹⁶ was passed by Parliament with unanimous support in June 2019 and received Royal Assent on 18 July 2019. It sets statutory targets for reducing fuel poverty, introduces a new definition which aligns fuel poverty more closely with relative income poverty and requires Scottish Ministers to produce a comprehensive strategy to show how they intend to meet the targets. Work is underway to prepare the first strategy due under this new legislation.

Impacts:

- An estimated 3,100 households with children have been helped into affordable housing in the year to March 2020
- Keeping social rents lower than market rents benefits approximately 110,000 children in poverty each year
- The new Private Rented Sector Tenancy offers greater security to tenants
- In 2019-20 Home Energy Scotland offered help to almost 39,000 low income households. Almost 37,000 were referred for further support including benefit checks, supplier switching or Warmer Homes Discounts.
- Area based schemes helped over 9,000 households to improve the energy efficiency of their home and reduce their energy costs.

Supporting financial inclusion

As set out in the 2018-19 Progress Report, we are taking action so that households are enabled to take advantage of all the financial support available to them and to help them access the best deals for essential goods and services. Key to this is taking active steps to ensure that income maximisation measures link together and complement each other across local, devolved and reserved issues.

The Scottish Government has set up an Early Years Working and Cross Promotion Group and an Income Maximisation Strategic Group to ensure our work in this area is complementary and joined up. The members of these Groups also collaborate with internal and external stakeholders to raise awareness of the initiatives the Scottish

¹⁶ Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019

Government have introduced, with a specific focus on take up of the benefits and assistance available.

The updates below focus on the Money Talk Team service, our new Benefit Take-up Strategy for devolved benefits and affordable credit. Given the impact of debt on disposable household incomes we have provided details of our action to tackle problem debt.

The Money Talk Team service

The Money Talk Team income maximisation service commenced in November 2018 and is targeted at low income families and older people. It is delivered by the Citizens Advice Network in Scotland and aims to ensure that people are receiving everything they are entitled to and not paying more than they need to for basic goods and services.

In its first 18 months of delivery almost 20,000 clients have accessed the service. Of those, 9,228 clients are better off by over £17 million – averaging over £1,840 per household.

Between May 2019 and April 2020, over 16,000 clients accessed the service with financial gains of over £14.5 million recorded. Of those, 2,676 were from the six priority groups identified in the Tackling Child Poverty Delivery Plan with over £3 million of recorded financial gains.

To boost uptake, we undertook a six week national marketing campaign in August and September 2019 to raise awareness of the service. This included radio adverts, national and local press coverage, social media activity, adverts on bus kiosks, ATMs and over 700,000 bus tickets, and a nationwide roadshow. As a result of the campaign, the number of calls to the helpline increased by 100%.

To strengthen links between this service and Home Energy Scotland, a formal referral process has been established and a data sharing agreement is in the process of being approved. The Citizen's Advice Network continues to enhance over 600 partnerships developed over the duration of the project, varying from establishing referral routes and training opportunities to co-location. Partners include foodbanks, housing associations, local authorities and health and social care partnerships, ensuring strong links across Scotland.

In addition to accessing the service either face to face or over the phone, a web chat facility is available to those clients who would prefer to engage digitally with the service.

Health and income maximisation

To strengthen income maximisation referral pathways in health settings further funding totalling £250,000 was issued to health boards in 2019-20. Changes and developments as a result of this resource should be captured within annual Local Child Poverty Action Reports in line with statutory requirements.

As a result of this work and further discussions between Public Health Scotland and the Scottish Government, the Financial Inclusion Universal Pathway Quality Improvement Collaborative launched in November 2019 and is aimed at supporting locally-based

health visiting teams to apply quality improvement to support NHS Boards create and/or enhance formal income maximisation referral routes between maternity & health visiting services and local money/welfare advice services. The Collaborative involves 8 multiagency teams across the following health boards / local authority areas: Highland; Fife; Greater Glasgow and Clyde; North Lanarkshire; Argyll and Bute; Dumfries and Galloway; Lothian and East Ayrshire. The Collaborative will run for a year and the learning and good practice from it will be shared with the other areas across Scotland.

[New] Benefit Take Up Strategy for devolved entitlements

In October 2019 we published Scotland's first Benefit Take-up Strategy and have since undertaken a number of new activities and initiatives which aim to progress the ultimate goal of increasing public awareness of and supporting access to Scottish benefits. To support the implementation of the strategy and ensure a coordinated approach to initiatives across the Scottish Government we have established the Stakeholder Take-up Reference Group and Cross-Government Income Maximisation Working Group. We are working with both of these groups – drawing on existing case studies of take-up best practice – in developing resources to support third sector organisations, NHS Boards, and local authorities to implement successful approaches.

We also awarded £600,000 to 26 third sector organisations through our new Scottish Benefit Take-Up and Income Maximisation Funds to prepare staff to support hard to reach groups who will be applying for Scottish benefits and ensure people are aware of the financial assistance available to them.

We have developed communications and marketing campaigns and materials to support the promotion of benefits currently being delivered by Social Security Scotland. Campaigns have appeared in print, digital, outdoor and broadcast media – including community radio stations. Stakeholders have been very supportive in getting the message out and to aid them with this, we provide a suite of resources that can be accessed digitally or ordered in print. Social Security Scotland also supports the creation of bespoke communication and marketing products to target specific audiences. Examples to date are partnership working to create materials for the Gypsy/Traveller community and work to reach parents who have been sadly lost a child to promote Pregnancy and Baby Payment and Funeral Support Payment. Promotional materials are proactively produced in nine languages - including British Sign Language and Braille - and Easy Read. These formats were selected following stakeholder feedback.

In addition we are developing mainstreaming best practice guidance to support third sector organisations and local authorities to borrow from examples in promoting and supporting benefit take-up within and across those sectors.

We prepared proposals for the UK Government's Public Service Delivery Review Board that would enable automation of these key education benefits by local authorities, based on data they already held from DWP and HMRC. We believe agreement to this proposal will allow for increased uptake and reduce the burden of evidence on applicants who are eligible to receive this support. Due to the impacts of coronavirus our application was unable to be progressed by DWP at that point but will be as soon as possible.

New support for affordable credit

Following our investment of £1 million in the Affordable Credit Fund to support social lenders we announced, as part of the Programme for Government (PfG) 2019-20, a new £10 million Credit Unions Investment Fund with resource available over three consecutive years from Spring 2020. The Investment Fund is supported by a commitment to developing a national strategy which will improve credit union systems and increase their provision of affordable credit, reducing the cost of borrowing and offering savings opportunities in a responsible way.

However, as a result of coronavirus, the initial £2 million investment for 2020-21 was repurposed to create a Credit Union Resilience Fund (CURF). The CURF is supporting the sector by providing liquidity and to allow Credit Unions to offer payment holidays to people who find themselves facing financial insecurity as a direct result of the coronavirus pandemic. This interest free loan fund is managed by Social Investment Scotland on behalf of the Scottish Government. An additional £500,000 will be added to this fund within the financial year to enable it to continue.

Credit Unions have also been able to access the Third Sector Resilience Fund and, since its launch on 25 March, the sector has received support with a total value of almost £800,000.

[New] Tackling problem debt

In December 2019, the Scottish Government published 'A Debt Advice Routemap for Scotland'¹⁷, outlining our vision for a user-centred, collaborative and sustainable free debt advice system in Scotland. We outlined the actions we would take to achieve this aim, emphasising the importance of technological innovation, sustainability and collaboration.

We allocated debt advice levy funding of almost £4 million to support delivery of core services, as well as projects to take forward the actions in the Debt Advice Routemap in 2020-21. These include projects to assess future funding models, to share best practice from delivery pilots and to invest in digital projects to modernise delivery of debt advice in Scotland.

In response to the predicted impact of the coronavirus pandemic on incomes and the ability to repay debt, the Scottish Government is investing an additional £2 million to support innovative and inventive projects which are targeted at those most affected – including people who have never before sought debt advice.

Impacts:

- Between May 2019 and April 2020 16,000 clients have accessed the Money Talk Team service with financial gains of over £14.5 million recorded
- Of those, 2,676 were from the six priority groups identified in the Tackling Child Poverty Delivery Plan with over £3 million of recorded financial gains
- Low cost and ethical lending helps to reduce repayment costs and levels of unmanageable debt

¹⁷ Tackling problem debt advice: routemap – Scottish Government, Dec 2019

Help for basic essentials

We remain committed to ensuring that individuals have access to the basic essentials they need. Scotland continues to offer, for example, universal access to free prescriptions¹⁸ which can be a significant cost for families, particularly those with ongoing health needs, who are just above the relevant income thresholds. Through our Childsmile programme we continue to provide universal and targeted support including tooth brushing, fluoride varnish application and free dental packs, containing a toothbrush and toothpaste.

The costs of period products can be another source of stress and concern for those who lack the money to purchase the products they need.

To address this challenge, we continued to fund access to free period products in education and wider community settings – estimated to benefit around 400,000 people in education alone. In addition, we have provided funding to enable grassroots sports clubs to provide free products and help reduce the stigma and address the overarching gender equality and dignity issues that affect everyone who menstruates. This will help to ensure people feel they belong and are welcome to participate in club and community sport. Through investment of £1.5 million to FareShare since 2018, almost 80,000 people on low incomes have benefitted from access to free period products which represents around 25% of women and girls living in relative poverty.

In a survey¹⁹ of over 3,000 pupils and students in Scotland, conducted between June and September 2019, almost two thirds of respondents reported they had benefitted from access to period products in education settings. Around one in eight reported that they or their families did not have sufficient income to buy products and 84% of respondents felt the provision had a positive impact on them, with improvements in mental health and wellbeing and increased attendance at school.

In partnership with Zero Waste Scotland and Marine Scotland, we ran a campaign entitled "Trial Period" across November and December 2019 to raise awareness of the benefits of reusable period products and to give people a chance to try out some of the available range of such products. The campaign was such a success that the Scottish Government provided extra funding for further products, and almost 3,000 reusable products were distributed in total.

From January to March this year, we ran another awareness raising campaign, which focussed on tackling the stigma around talking openly about periods thereby helping to encourage and normalise these conversations and access products.

[New] Eradicating digital exclusion through Connecting Scotland

We know that internet access is an essential part of day to day life and an important enabler of poverty reduction in the short and longer term. For parents this can provide access to better deals on goods and utilities, for example through online shopping and price comparison websites, wider access to the labour market and make it easier to identify, claim and manage social security entitlements. It also carries significant

¹⁸ In England each medicine or appliance dispensed cost £9 in 2019-20, rising to £9.15 in 2020-21

¹⁹ Access to period products in your school, college or university Survey Results – Dec 2019

benefits for children, linking to educational materials and learning, and enhancing social connections with friends and family. Evidence also suggests that those who do not use the internet are likely to have poorer mental health and live less active lifestyles.

However the cost of internet access, averaging at £27.50 per month²⁰, can be prohibitive for many on low incomes and we estimate that there were 13,000 low income families either with no or limited access prior to the coronavirus pandemic – this includes in the region of 4,000 households with a child under six which had no internet access at home. This lack of access can mean that families miss out on the savings generated by being online, which are estimated to be in the region of £400 annually. Young care leavers are another group disadvantaged in getting online, as highlighted by the Inform report²¹.

To tackle this inequality and reduce the digital divide in Scotland we launched the £5 million Connecting Scotland programme on 7 May 2020. This provides digitally excluded, low income households with someone clinically at risk of coronavirus with a tablet or Chrome Book, free broadband connectivity for 12 months and training and support for six months. The programme is being delivered by the Scottish Government in partnership with the Scottish Council for Voluntary Organisations (SCVO), local authorities, Healthcare Improvement Scotland, and the digital and IT sectors led by ScotlandIS. Over 7,500 devices have been awarded across local authorities and through pilot schemes. Final awards to close Phase One of the programme will be made by end of August 2020.

Building on the success of this first phase, we have now committed £15 million of new resource to provide devices, data, skills and technical support for up to an additional 23,000 households. This second phase will focus on supporting low income families with children and young care leavers and in conjunction with phase one will bring up to 30,000 more households on line in this financial year. Through this game-changing investment we will move one step closer to eradicating the inequality of digital access for children and young people in Scotland.

We will work closely with our partners in SCVO, local authorities and the third sector and aim to complete delivery of this ambitious programme by the end of spring 2021.

Impacts:

mpacts

- Up to 23,000 households to benefit from devices, data, skills and technical support to ensure connection to the internet – combined with Phase 1, this will bring up to 30,000 households on line in 2020-21
- Savings generated by being online are estimated to be in the region of £400 annually
- Enhances parental ability to search and apply for jobs, with potential to increase income from work and earnings
- Provides access to identify, claim and manage entitlements to social security
- Improvements to children's long term outcomes through increased access to educational material and social interaction

²⁰ Cable.co.uk data, sampled December 2019 –cost of a fixed line broadband package in the UK.

²¹ Bridging the digital divide for care experienced young people in Scotland: If not now, when? - 2020

Action on transport strategy, policies and programmes

We continue to invest over £1 billion each year in public transport and other sustainable transport infrastructure.

Working in collaboration with over 60 transport partners, we delivered on our commitment to consult on developing a National Transport Strategy for Scotland in summer 2019 and have set out how this engagement informed development of the final strategy as part of the consultation report²².

Published in February 2020, our new National Transport Strategy²³ is a catalyst for change. It sets out a compelling vision of the kind of transport system we all want for Scotland over the next twenty years - one that protects our climate and improves lives, delivering a sustainable, inclusive, safe and accessible transport system and a healthier, fairer and more prosperous Scotland for communities, businesses and visitors.

We want everyone in Scotland to share in the benefits of a modern and accessible transport system and recognise that transport plays an important role in delivering the kind of society we aspire to live in. As such, inclusiveness and equality lie at the heart of our new Strategy, going beyond the scope of the 2006 Strategy, to explicitly recognise transport's contribution to reducing poverty, particularly child poverty, by improving access to jobs and services and cutting transport related costs for low income families.

During this reporting year we put the Strategy on a statutory footing for the first time through the Transport (Scotland) Act 2019 and we continue to develop our monitoring and evaluation framework to inform progress on delivering its priorities and outcomes.

We have committed in principle to introducing a National Concessionary Travel Scheme for free bus travel for people aged 18 and under, subject to the completion of necessary preparations. Although work on this scheme has now been deferred beyond January 2021 due to the impact of coronavirus, we remain, subject to funding, committed to taking this commitment forward as soon as practical. We recognise that the pandemic has had a knock-on impact on Scotland's transport providers and the £15 million provided for the in Budget 2020-21 for concessionary travel for under-19s is contributing to the support package for bus operators.

In addition we commenced a review of Concessionary Travel for young people aged 25 and under, which will examine the extent to which local and national transport expenditure affects the six priority groups identified in the Tackling Child Poverty Delivery Plan and will report the findings from this exercise next year.

Other work underway, but delayed due to coronavirus, includes preparations to extend free bus travel to companions travelling with eligible disabled children under five and recipients of the new Young Carer Grant. We estimate these planned extensions will provide the benefits of free bus travel to about 4,000 families and carers, and about 2,400 young carers per year.

²² National Transport Strategy 2 Consultation report - Transport Scotland, Feb 2020

²³ National Transport Strategy – Transport Scotland, Feb 2020

We remain committed to working with partners to publish the first National Transport Strategy Delivery Plan, and to taking forward the second Strategic Transport Projects Review, albeit to revised timescales.

C. Social security

The Scottish Government has successfully introduced eight benefits, four of which are brand new and the others more generous than the UK benefits they have replaced. This has provided over £350 million of support to the people of Scotland in 2019-20, including through the introduction of both Young Carer Grant and Funeral Support Payment.

Although promoting take-up is a duty placed upon the Scottish Government by the Social Security (Scotland) Act 2018, it is more than that. It is a moral imperative, and a fundamental priority, which feeds into our wider commitments around tackling poverty and inequalities in all forms. It is clear, however, that there remain barriers to accessing benefits and other forms of financial support, which must be mitigated and overcome. The Scottish social security system places clients at its heart, and we have long been clear that social security is an investment in the people of Scotland. To this end, we are committed to maximising the take-up of such support, and have worked to remove barriers to access.

Working closely with stakeholders – including those with experience of social security – has allowed us to identify and address many of the issues which clients face in accessing what they are due. We know that clear promotion is integral to maximising take-up, but stakeholders and people with experience of social security have consistently told us that the design and delivery of benefits are just as fundamental. As a result, we have worked to build a Scottish social security system which is accessible, fair, and humane.

In addition to the range of new devolved benefits being delivered by Social Security Scotland, £37.6 million of support was provided to people and families on low incomes in times of need in 2019-20 through the Scottish Welfare Fund – an increase of 7% on the previous year – and £64 million was allocated to support individuals through Discretionary Housing Payments. Both of these budgets have increased for 2020-21.

From the onset of the pandemic, we prioritised the safe and secure delivery of our existing benefits, including Best Start Grant and Best Start Foods, which support people on low incomes. Social Security Scotland swiftly moved the majority of its staff to home working shortly after lockdown was announced and put measures in place to make sure that the important service to clients could continue.

Initially, a call-back system was put in to replace inbound telephony, and a new web-chat facility offering clients another route to contact Social Security Scotland was also introduced. This was followed by a document upload facility, proving clients with the option to send important documents electronically from

home. More recently Social Security Scotland were able to re-instate inbound telephony and Client Advisors are now able to deal with calls while working from home. All of this has allowed the Agency to continue to help and support clients at this difficult time.

The Cabinet Secretary for Social Security and Older People made a statement to Parliament on 1 April announcing changes to the devolved benefits timetable necessary due to the impact of coronavirus. At the same time she confirmed the absolute priority for delivery would be the Scottish Child Payment. The payment announced at the time of last year's progress report is a significant new benefit which will provide £10 per week for each eligible child, providing vital support to low income families. It will be for eligible children under 16 when fully introduced, with our commitment to opening for applications by the end of 2020 in recognition of the fact that of all children in poverty, almost 60% live in a family where a child is under six years old.

Despite the massive disruption and redeployment across government coronavirus caused, we are pleased that the priority status of Scottish Child Payment means we will aim to open to applications in November 2020 and payments will start to be made from the end of February 2021, just two months after our original commitment. This payment we believe will be even more necessary due to the economic impact of coronavirus.

Scottish Child Payment

Over the course of 2019-20 we have worked to develop and finalise the policy, including associated legislation, and the delivery mechanisms to pay the Scottish Child Payment..

Alongside the announcement of the Scottish Child Payment and first Child Poverty Progress Report in June 2020, we published the Analysis of Options for the Income Supplement paper²⁴, which set out detailed analysis of different policy models in order to secure a 3 percentage point reduction in the child poverty rate, and a policy position paper²⁵, which set out the key features of the Scottish Child Payment, which is to be delivered by Social Security Scotland. Our policy position paper set out that around 170,000 children under six would be eligible for the new payment, worth £10 per child per week. Two further papers were published in October 2019²⁶ and January 2020²⁷ setting out the key features of the new benefit and the delivery approach we are taking for roll-out, given the high volumes of applications that are anticipated for this new benefit.

We are committed to ensuring that application processes for the Scottish Child Payment are as simple as possible, and as with all our benefits will take action to promote the benefit to maximise uptake. As set out in the policy position papers that we have published, we are introducing a combined application form for the Scottish Child Payment, Best Start Grant and Best Start Foods to ensure that it is as straightforward as possible for clients to access their entitlements. In keeping with Scottish Ministers'

²⁵ Scottish Child Payment: position paper - Scottish Government, Jun 2019

²⁴ Income supplement: analysis of options - Scottish Government, Jun 2019

²⁶ Scottish Child Payment: updated position paper - Scottish Government, Oct 2019

²⁷ Scottish Child Payment: updated position paper - Scottish Government, Jan 2020

commitment to minimise the burden on clients, clients will not be required to make a whole new application for any additional children they may become responsible for.

We have engaged with a range of stakeholders on the design and impact of the policy, including third sector organisations and anti-poverty charities, whose feedback has been instrumental to the development of the payment. The views of people with lived experience of applying for and receiving benefits have also been captured through a range of user research activities across Scotland. To date over 300 users have been engaged, including charity workers, welfare officers, kinship carers and groups across the protected characteristics. We have issued a survey to Experience Panel members seeking views on the design of the Scottish Child Payment and engaged with individual members to test the prototype and paper forms.

The Scottish Government submitted draft Regulations to the Scottish Commission on Social Security (SCoSS) – the advisory non-departmental public body set up to provide independent scrutiny of the Scottish social security system, including benefit regulations. The feedback from SCoSS during this scrutiny process has enabled us make adjustments to the draft Regulations in advance of the formal report that that SCoSS published in January 2020, followed by a supplementary scrutiny report in February 2020. The Scottish Government response to these reports will be published shortly.

Impact

- We estimated around 140,000 households with children aged under 6 will be eligible for the Scottish Child Payment²⁸
- This support will be worth £520 a year for families with an eligible child
- There will be no cap on the number of children able to be supported

Best Start Grant

Social Security Scotland started taking applications for the brand new Best Start Grant Early Learning Payment on 29 April 2019 providing £250 per eligible child to help with the costs of early learning and received over 11,000 applications for Best Start Grant in the week following the launch of the new payment.

Applications for the Best Start Grant School Age Payment opened for the first time on 3 June 2019, offering low income parents a further £250 around the time their child is first old enough to start primary school. Together, the Scottish Fiscal Commission forecast that these two new payments would reach an estimated 59,000 children in Scotland in 2019-20.

With the introduction of all three elements of the Best Start Grant, by 31 March 2020, more than 75,000 payments had been made to families on low incomes, funded by an investment of £21 million in 2019-20. The Best Start Grant takes provision for the first child from £500 under the UK Sure Start Maternity Grant up to a total of £1,100, over three payments. We do not put a cap on the number of children we help, so subsequent children, who receive nothing from the UK Government, receive up to a total of £800.

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²⁸ It is likely that figure may increase due to the impacts of coronavirus, an updated forecast from the Scottish Fiscal Commission is set to be published shortly

Awards made through Early Learning and School Age payments to 31 March 2020 totalled £13.2 million. These payments have been welcomed by families across Scotland, both in and out of work, adding to the family budget and helping to avoid the need for borrowing.

The number of people expected to receive Best Start Grant payments is anticipated to increase further over 2020-21. This can be attributed both to the coronavirus pandemic during which applications for Universal Credit, a qualifying benefit for Best Start Grant, have also increased and to the publication of the Scottish Government's Benefit Take-Up Strategy in October 2019, which sets out a series of initiatives aimed at promoting the new benefit to low income families and supporting them to access it.

The Best Start Grant policy and delivery mechanisms have been designed to create a simple accessible benefit, with minimal barriers to access, maximising take-up for families on low incomes. Following extensive user research, applications to Best Start Grant can be made online, by phone, or by paper form. In the vast majority of cases pregnancy is verified through an electronic check of Baby Box records. This makes the process simpler, and removes a key barrier to access around supporting information. Administrative systems have also been integrated so that parents can apply for all Best Start Grant payments and Best Start Foods in a single application form. Furthermore, Social Security Scotland has secured data from the DWP and HMRC that will enable them to write to families who may be eligible for Best Start Foods and Best Start Grant Early Learning Payment, inviting them to apply.

We will explore if and how we can provide automatic payments of Best Start Grant for Scottish Child Payment applicants, and when this may be possible, recognising that the process cannot be commenced until after full roll-out of the Scottish Child Payment.

Impact

- The eligibility criteria for Best Start Grant have the potential to reach more than 90% of lone parent households and more the 50% of families with three or more children
- Young asylum seekers with no recourse to public funds can claim the Best Start Grant Pregnancy and Baby payment without it impacting their immigration status
- Young parents under 18, and 18/19 year olds who are dependent on their parents do not need to receive a qualifying benefit to be eligible for Best Start Grant
- More than 75,000 payments made to low income families in 2019-20 backed by investment of £21 million

Enhanced support through Best Start Foods

Providing direct financial support for eligible low income families including pregnant women and children under the age of three to support healthy eating, Best Start Foods opened for applications on 12 August 2019.

The card enables pregnant mothers and parents with young children who are in receipt of low income benefits to purchase healthy foods such as milk (including first infant formula); eggs; fresh, frozen or tinned fruit; and vegetables and pulses.

Since its launch, over 22,000 families in Scotland have been provided with a payment card that is plain in design and looks and works the same way as an ordinary bank card, thereby reducing the stigma associated with a welfare benefit.

Compared to the UK Government's Welfare Foods scheme, Best Start Foods has increased the value of support families receive from £6.20 to £8.50 a week for children under one, and from £3.10 a week to £4.25 a week for pregnant mothers and for eligible 1-2 year olds.

This means that by the time a child reaches three, recipients will receive an additional £112 through Best Start Food payments (from £899 in the UK scheme to £1,011 on the Best Start Foods scheme). There is no cap on the number of children who can be supported through this policy.

The roll out of Best Start Foods is having a real impact on all the priority groups identified in the Tackling Child Poverty Delivery Plan, particularly families with a child under one, young mothers and larger families, many of whom are also Black and Minority ethnic families. This is detailed in the impact summary below.

Impact

- Qualifying families with a child under one receive a double payment of £8.50 per week in the first year of the baby being born equivalent to £442 a year per child.
- Best Start Foods payment card supports all women under 18 during their pregnancy and beyond, even if they are not entitled to a qualifying benefit.
- All mums under 18 now benefit from benefit from double payments while they are pregnant and into the first year of the child's life.
- There is no cap on the number of children who can be supported by Best Start Grant or Best Start Foods policy, and this is benefitting larger families in particular.

Increased support for carers

In 2019-20, our Carer's Allowance Supplement continued and we introduced the new Young Carer Grant to improve the lives of carers, many of whom live in poverty.

Carer's Allowance Supplement (£226.20 in 2019-20) is a payment made twice annually to those in Scotland in receipt of Carer's Allowance, in recognition of the vital role of carers and to address the fact that Carer's Allowance is otherwise the lowest of all working age benefits. It was initially set at level which would raise Carer's Allowance to the equivalent of Jobseeker's Allowance, but following uprating of the Supplement, the combined support was more than Jobseeker's Allowance in 2019-20. There is an income threshold for Carer's Allowance which means that recipients could not earn more than £123 per week through paid work (in 2019-20) so most are expected to have lower than average earnings.

Over 159,000 payments of Carer's Allowance Supplement were made in 2019-20, through an investment of £37 million, with 78,125 carers receiving the payment in December 2019. More than two thirds of Carer's Allowance recipients are women.

In 2020-21, to support carers with the additional pressures and costs they have faced due to the unprecedented circumstances of the coronavirus outbreak and resulting lockdown restrictions, we made a one-off extra payment of Carer's Allowance Supplement in June. Around 83,000 carers will benefit from this extra payment of £230.10.

Our new Young Carer Grant was introduced on 21 October 2019. This provides £300 in 2019-20 to young carers aged 16, 17 and 18 who do not receive Carer's Allowance. Over 1,000 young carers in Scotland have now received the grant. Our initial investment of £400,000 in 2019-20 is anticipated to rise to £1 million in 2020-21.

In order to assess the impact of Carer's Allowance Supplement on people's lives, the Scottish Government commissioned Ipsos MORI to carry out qualitative research with carers. This will be published as part of the wider Carer's Allowance Supplement evaluation.

Ministers have also committed to providing additional support to carers of more than one disabled child, with the timetable to be confirmed. This will support around 1,900 carers.

Impact

- Over 1000 young carers benefited from the £300 Young Carer Grant between its introduction in October 2019 and April 2020.
- In 2019-20, we invested £37 million in Carer's Allowance Supplement, which helped around 83,000 individuals with up to an extra £452.40 on top of their Carer's Allowance. 99% of these carers were working age, with over 20,000 paid as the carers of disabled children.

Employment support – new Job Start Payment

In 2019-20 we continued to develop our new Job Start Payment and on 17 August Social Security Scotland started accepting applications for this new support.

Job Start Payment is a cash payment of £250 for individuals or £400 for a young person with children. This is available to those between the age of 16 to 24 who have been out of paid work and receiving a low income benefit for six months prior to finding employment. Care leavers are not be required to have been out of paid work for six months, and will be eligible for a year longer – until their 26th birthday.

This payment could help with travel costs or could be used for clothing, lunches and other expenses that need to be met before someone receives their first salary. It will complement our wider initiatives that support people into employment, such as Fair Start Scotland and our Job Guarantee for young people.

Our consultation on our proposals for the Job Grant (now called Job Start Payment) closed on 9 April 2019 and we published an analysis report of the consultation results²⁹ in July 2019. The response to the consultation³⁰ was published in

²⁹ Job Grant: analysis of consultation responses – Scottish Government, July 2019

³⁰ Job Grant consultation: response - Scottish Government, Dec 2019

December 2019. We have used the insights stakeholders shared with us to inform the service design of Job Start Payment as well as our communication plans to support its promotion and implementation.

Our service design process and communications have also built on the lessons learned through delivery of the seven devolved benefits that have preceded Job Start Payment. For example, user research demonstrated that young people are more likely to apply for jobs and find out about Job Start Payment online. Our service design focused on the 'digital first' approach so that applicants can easily access information and advice digitally. Individuals are now able to apply for this new benefit and upload supporting evidence online, or alternatively they can still apply over the phone, or by post.

The communication strategy aims to ensure that young people understand the eligibility criteria, and know how to apply if entitled. Social Security Scotland will seek to maximise take up of Job Start Payment by delivering targeted information directly to clients via appropriate media channels; and to stakeholders who advise them with a 'stakeholder toolkit' to supplement the series of public information roadshows delivered earlier this year. Key partners such as DWP, third sector advisors, local government and individuals in the employability sector will therefore be able to use the toolkit to help signpost potential applicants to make their application.

Impact

- Around 5,000 young people on low incomes are expected to be supported by the new payment each year
- Eligible young people with a child will benefit from a one-off cash payment of £400 to support them to meet the initial costs of starting work

Widened Funeral Support Payment eligibility

The new Funeral Support Payment was introduced on 16 September 2019 and between then and 30 June 2020 we have already invested £6 million to support people on low incomes meet the costs of a funeral, easing the burden of debt many face under these difficult circumstances.

On 1 April 2020 we increased the standard flat rate element of the Funeral Support Payment for expenses such as funeral director fees, a coffin, and flowers, from £700 to £1,000. We will also continue to uprate the standard and lower flat rate elements of the benefit in line with inflation.

This increase, alongside the extended eligibility we have introduced of supporting an additional 40% more people than the UK Government benefit previously in place, means the Funeral Support Payment eases the pressures on around 5,000 people annually at a difficult time in their lives. The total average pay-out is currently around £1,593.

Impact

- Up to 5,000 expected to be supported each year
- Average awards are currently worth around £1,593

Expanded eligibility for Winter Heating Allowance

Severely disabled children, in receipt of the highest rate of the care component of Disability Living Allowance (DLA) or Child Disability Payment (CDP), spend more time at home and require care and supervision around the clock. For the most seriously disabled children, their care needs are such that they may require the home to be heated at a higher temperature.

Work has progressed well to meet the commitment to pay a Winter Heating Assistance (CWHA), a £200 payment, to around 16,000 families with a severely disabled child who are in receipt of the highest rate component of Disability Assistance for Children and Young People to assist families in meeting the costs of heating the home over the winter months. CWHA is a new benefit with no direct UK equivalent.

Draft regulations were issued to the Scottish Commission on Social Security (SCoSS) for scrutiny, and we remain on schedule to be ready to launch of CWHA later this year backed by investment expected to reach £3 million per year by winter 2020.

Impact

• Around 16,000 can benefit from this new support with payments worth £200.

D. Helping families in other ways

Alongside actions to deliver an immediate impact on our ambitious child poverty targets we are working across government to improve the lives and outcomes of the children who are currently growing up in low income households.

To end poverty, once and for all, we need to mitigate its damaging impacts and ensure that children grow up warm, safe and respected and are supported to reach their full potential. Reducing the poverty related attainment gap is one element of this approach.

As the next step on the road to fully realising children's rights in Scotland, the Scottish Government will introduce a Bill this year to incorporate the United Nations Convention on the Rights of the Child (UNCRC) into Scots Law. This follows a consultation on the best model of incorporating the UNCRC into Scots Law. It was clear from the consultation response and engagement activity that there is wide recognition that this will significantly advance the protection and realisation of children's rights in Scotland.

Incorporation of the UNCRC will ensure that there is a proactive culture of everyday accountability for children's rights across public services in Scotland. The UNCRC Bill will require public authorities to take proactive steps to ensure compliance with children's rights in their decision making and service delivery. This will mean that children, young people and their families will experience public bodies consistently acting to uphold the rights of all children in Scotland. Delivering the rights of children and young people, as enshrined in the UNCRC including the right to an adequate standard of living will improve outcomes for children and young people and help make Scotland the best place in the world to grow up.

Working to deliver the best start to life

The early years form a critical developmental stage in a child's life course, and we are taking a wide range of action to support families, including in partnership with the NHS. As we have set out earlier in this report, we have put in place enhanced financial support through the Best Start Grant, Best Start Foods and provided investment to strengthen links to income maximisation in maternity settings. All children born in Scotland continue to be eligible to receive the Baby Box, packed full of essentials for a new born child.

Within our Delivery Plan we set out a range of wider action which continue to be delivered and enhanced.

Following the launch in 2018, we implemented changes to the terms and conditions of our Neonatal Expenses Fund in April 2020, making it easier for families in need to access and benefit from the Fund. This has been welcomed by the neonatal community and we continue to work with Bliss, the charity for babies born sick or premature, to promote the fund and encourage uptake. Having a baby in neonatal care can be extremely stressful for parents and due to financial pressures can mean they are unable to be with their baby as much as they would.

Young parents are at particular risk of disadvantage, and more likely to have experienced childhood adversity themselves. That is why we have continued to invest £16 million each year in the delivery of the Family Nurse Partnership programme across Scotland, to offer the programme to every eligible young, first time parent, providing support to over 3,500 families at any one time. Part of the family nurse role is to connect these young mothers with other community supports, covering a range of health and wellbeing needs and to support them with their aspirations for training and employment to improve their life circumstances and outcomes for their child.

The Scottish Government has committed to sustaining the strengthened workforce of qualified Health Visitors following the successful recruitment of 500 more qualified Health Visitors by the end of 2018. As at 30 June 2020 there are at least an additional 737.3 health visitors in post since March 2014. This ensures that every new baby and family receives a minimum of 11 core contacts before they start school, including child developmental reviews, and key public health interventions including income maximisation.

Transitions for disabled young people

In order to provide clear, accessible information on national policies, entitlements, rights and the different options for support available to families with a disabled child, the Scottish Government launched an online information resource to support disabled children, young people and their families on 24 April 2019.

The content was developed in collaboration with a range of stakeholders, parents, carers and disabled young people across Scotland following a period of consultation and engagement. The online resource provides signposts to information and advice on

finance, housing, transitions, resources, support organisations, health and safety, online safety and education.³¹

Improving inclusion and wellbeing

We understand that fostering wellbeing is vital to how liveable communities feel for people – moving beyond a focus on the essentials to what gives people reason to value their lives and take them to a point of agency, not just survival.

To tackle ingrained inequalities we are taking wide ranging action, including through our Race Equality Action Plan³² and Disability Employment Action Plan³³. We continue to offer key support to disabled people such as free bus travel for those with a National Entitlement Card and through the Independent Living Fund Transition Fund removing financial barriers for disabled young people, aged 15-21, to take part in a new activity or learn a skill. We report annually on the progress made to deliver race equality in Scotland, with the latest progress update published in March 2020³⁴

To ensure children living in poverty reach their full potential we are committed to taking a more holistic place based and people-informed approach to improving wellbeing and promoting the inclusion and participation of young people in the social, cultural and economic life of their communities.

One of the key themes of the Scottish Government's Culture Strategy is transforming lives through culture by linking the arts to other key policy outcomes across government and opening up the potential of culture as a transformative opportunity across society.

Evidence from our Children's Neighbourhoods Scotland programme and other sources suggests that reframing the poverty agenda in this holistic way can help ensure children and young people living in poverty enjoy improved health, well-being, quality of life and resilience, and are therefore better able to cope with adversity, improving long-term outcomes so that they do not themselves become parents of children in poverty in 2030.

We know that coronavirus has had an impact on young people's education, and led to learning loss, including music education and opportunities for cultural participation. Aware of the importance of the arts in contributing to children and young people's mental, emotional, social and physical wellbeing and building their confidence and self-esteem, the Scottish Government is working with key stakeholders to ensure access to participation in the arts for children living in poverty plays an important role in education recovery as we move out of the pandemic.

Addressing Adverse Childhood Experiences

Within our 2019-20 Progress Report we outlined the four key areas of focus for our work on preventing adverse childhood experiences (ACEs) including: providing

³¹ <u>Supporting disabled children, young people and their families: guidance</u> – Scottish Government, Apr 2019

³² A fairer Scotland for all: race equality action plan 2017-2021 - Scottish Government, Dec 2017

³³ A Fairer Scotland for Disabled People: employment action plan – Scottish Government, Dec 2020

³⁴ Race equality action plan: year two progress update – Scottish Government, Mar 2020

intergenerational support to prevent ACEs; reducing the negative impacts for children already affected; developing adversity and trauma-informed workforce and services, and; raising awareness of ACEs and support action across communities.

Responding to adversity and trauma requires working in a way that "works with" rather than "doing to" people. As such the Scottish Government has adopted a principle of partnership working across a wide range of policy areas including drugs and alcohol policy, homelessness, education, social justice, transport, prisons, community safety, domestic abuse, mental health and policing. We are also engaging wider sectors and services in policy development and delivery and listening to people with lived experience of poverty to help reduce the incidence and impact of all types of childhood adversity on Scotland's people.

In 2019-20, the National Trauma Training Programme has further supported our workforce in developing and embedding a trauma informed response throughout our public services, particularly in light of the likely increase in people experiencing trauma as a result of the coronavirus pandemic and lockdown. This includes a focus on supporting staff working in maternity services and those working with looked after children.

We know that childhood adversity and trauma are likely to increase as result of the pandemic due to stressors such as increased levels of domestic abuse and poor mental health as well as the harmful effects of alcohol and drug use. Equally, the pandemic has heightened the impacts of poverty and social inequality which are sources of enormous stress for families, meaning overwhelmed parents can struggle to meet the basic emotional and psychological needs of their children, adversely affecting their physical, social and emotional development. Therefore we are making it a priority to refresh our objectives and policies to respond to and mitigate these impacts.

Action on parental imprisonment

Through its Family Strategy, the Scottish Prison Service (SPS) continues to actively support and promote meaningful family relationships and to provide visiting environments that meet the needs of children and families. Across the estate, local Family Strategy Groups seek to establish innovative approaches regarding the promotion and implementation of activities which encourage family interaction and learning ensuring families feel included and engaged.

The SPS continues to invest in specialist parenting support in order to minimise the impact of parental imprisonment on children. This includes the Parental Early Education Programme (PEEP) which encourages participants to engage in structured sessions with their children and six establishments who engage with Early Years Scotland (EYS) delivering a range of programmes.

Introduction of initiatives such as Virtual Visits and mobile phones have also provided an expanded range of ways in which families can interact and engage with one another. This supplements in-person visits and may provide a reduction in travel costs for some families without compromising regular ongoing contact. The Scottish Government continues to maintain funding of £700,000 for 12 Prison Visitor Centres in 2020-21 delivering a range of support, services and advice for families and their children affected by imprisonment. The evidence tells us that people who maintain strong family ties throughout their time in prison are up to six times less likely to re-offend when they are released.

[New] Supporting redesign of the care system

The Independent Care Review published its conclusions and final reports on 5 February³⁵, which were guided by the voices of over 5,500 people, over half of whom were children and young people with experience of care.

For Scotland to support our children and young people to grow up feeling loved, safe and respected so that they realise their full potential, the Promise outlines the need for a redesign of the care 'system', including a fundamental shift in how decisions are made about children and families. The Promise considered the impact of poverty, concluding that it can be contributory causal factor among various factors that can lead to an increase in the numbers of young people entering the care system whilst generally having a negative impact on the mental health and wellbeing of families. However, effective family support has the potential to tackle the impact of poverty, with a clear focus on early intervention and prevention, as well as preventing and overcoming trauma.

The Scottish Government and partners have developed a framework and vision for holistic family support, underpinned by the principles outlined in the Promise. Earlier this year, the Deputy First Minister announced additional funding of £4 million to establish the Promise Fund, which will move us towards the delivery of the Promise in supporting the redesign of the care system. The Promise Fund will provide 'start-up' funding to enable preventative action and early intervention approaches to be put in place and make early progress in achieving our ambitions for families across Scotland.

New action on transitions

Following a review of the evidence base for transitions into poverty conducted in 2019 the Scottish Government committed to explore providing further, targeted support for specific transitions in families lives.

In 2019-20 we explored the feasibility of a number of options for a capital endowment or matched-savings plan to benefit young people with experience of, or who are leaving, the care system.

Initial research and scoping was delayed by the pandemic, but the desirability of these options will now need to be assessed further in light of the significant and speedy policy development which has taken place during our response to coronavirus and in light of the publication of the Promise by the Independent Care Review in February 2020.

³⁵ https://www.carerevie<u>w.scot/wp-content/uploads/2020/02/The-Promise.pdf</u>

Help for children's neighbourhoods

Driven by the views and involvement of children, young people and their families with lived experience of poverty, the Children's Neighbourhoods Scotland (CNS) programme, led by the University of Glasgow and Glasgow Centre for Population and Health, aims to identify and deliver local priorities for change through a programme of participatory research in six sites across Scotland - four in urban areas, one in a small town and one in a rural community.

As of the end of March 2020, all sites were identified and work is underway across all six CNS communities. At present, two CNS sites in Bridgeton and Dalmarnock in Glasgow's east end and Clydebank in West Dunbartonshire are fully operational with two further sites in Glasgow City in early development, located in the communities of Castlemilk and Drumchapel. The rural and small-town sites are being established in the South Lanarkshire communities of Rigside and Smyllum. The focus is now on the final set-up of these four sites and restarting recruitment of local coordinators, temporarily paused due to the impacts of coronavirus restrictions.

Using place as a focus enables CNS to contribute to the evidence base around children and young people in poverty across the public policy spectrum. Key links have been made in particular with the Scottish Attainment Challenge (SAC) and how CNS can add value by looking more closely at beyond school factors affecting children and their families. Qualitative interviews conducted with frontline workers and community members have also explored how the development of CNS can best meet the particular needs of different priority family types identified in 'Every Child, Every Chance', such as lone parents, minority ethnic families (including refugees and asylum seekers) and larger families.

Building effective partnerships and relationships is crucial to the work of the programme. At the beginning of lockdown CNS quickly developed a programme of research with partners in new sites to understand the establish the impacts to children and young people's wellbeing presented by the pandemic. This is currently being expanded to include, rural, migrant and refugee/asylum seekers perspectives on the impacts of coronavirus and a series of short insight papers³⁶ on the impacts of the pandemic on CNS communities have been produced since April 2020, each with a different focus, to share the emerging findings. Work has also begun with a Community Planning Partnership (CPP) working group focused on children and young people's mental health and wellbeing.

Targeted opportunities for cultural participation

We are working to ensure that no young person's background is a barrier to taking part in the arts and open up the transformative potential of culture across Scottish society by extending opportunities for people to take part in cultural activities throughout their lives.

'A Culture Strategy for Scotland'³⁷ was published in February 2020. Among its key aims are to place culture as a central consideration across all policy areas, including education and reducing inequality. The strategy aims to increase participation and is backed by a £600,000 Creative Communities programme, in partnership with Inspiring

³⁶ <u>https://childrensneighbourhoods.scot/resources/</u>

³⁷ A Culture Strategy for Scotland - Scottish Government, Feb 2020

Scotland and with support from Creative Scotland - a new initiative to support and empower individuals and communities to further develop their own cultural activity.

Through the strategy we will work to embed the principles of Article 31 of the United Nations Convention of the Rights of the Child (UNCRC) across the full range of publicly funded cultural activity and together with partners we will continue to ensure that children and young people are heard and involved in cultural decision-making.

Facilitating access to music education

We have continued our long-standing investment of £123 million since 2007 in the Youth Music Initiative (YMI), offering school pupils in Scotland a year of free music tuition by the time they leave primary school and music-making opportunities for target groups of young people, including those living in poverty.

In response to coronavirus, local authorities have been given greater flexibility to target music-making opportunities to young people most affected by the pandemic so they can continue to develop their wider skills. We are also working with Creative Scotland to explore how YMI funding can best support education recovery and support the health and wellbeing of young people as we move out of lockdown.

Backed by £2.5 million four-year funding package (2016-20), we have also continued to support Sistema Scotland's work with young people, including those living in poverty. The music education programme provides support for 2800 marginalised young people across four areas to increase their confidence, aspirations and self-esteem, particularly in the early years and is a long term programme.

Improving inclusion in sport

We have a vision for an active, inclusive Scotland where everyone benefits from an active lifestyle. 2019-20 saw the first full year of delivery for projects supported by the £1 million Changing Lives through Sport and Physical Activity programme which aims to use sport and physical activity as a driver to achieve positive individual and community change.

Seven of the projects aim to break down barriers, including financial barriers, for young people to access sport or physical activity, targeting: families from multi-cultural communities in Edinburgh; care experienced young people in Renfrewshire; at-risk young people in Glasgow, and; families with complex needs in Aberdeen.

The programme, supported by **sport**scotland, Scottish Government, the Robertson Trust and Spirit of 2012, is also working with staff from a wide range of organisations to encourage them to embed the Changing Lives approach into Scotland's sporting systems and culture.

In April 2019, the £300,000 Women and Girls in Sport Fund made awards to fifteen projects which aim to engage women and girls with little or no access to sport and physical activity, creating opportunities to access sports such as basketball, boxing and climbing.

The coronavirus pandemic resulted in all organised sporting activity being suspended from mid-March 2020. However, during the lockdown many Active Schools teams contributed to the delivery of the local provision of childcare to vulnerable children and children of key workers, supporting them to continue to be physically active during this period. Moving forward we will monitor the impact of restrictions in order to support children and young people to participate in sport and other activities.

Increased funding for mental health

Our 2018 Programme for Government included a £250 million package of measures to support positive mental health and prevent ill health, ensuring people get the right support, at the right time, and in the right setting.

An additional £15.3 million investment in funding for mental health in the 2019-20 Scottish Budget, totalling £85.5 million, is supporting key mental health priorities to improve access to high quality clinical services and implement measures to widen and deepen our whole approach to mental health.

We will continue to provide investment focused on meeting waiting time standards and addressing long waits for treatment; and delivering the Programme for Government package of measures to support positive mental health and to respond effectively to mental ill health.

This includes responding to the mental health impacts of the coronavirus pandemic and lockdown in a way that is personal to each individual's journey and focuses on their rights. An additional investment of around £6 million in 2020-21 will be provided to support mental health and wellbeing responses to coronavirus across the public and third sectors.

Supporting better life long outcomes through education

The Scottish Attainment Challenge (SAC) launched in February 2015 with the strategic aim of 'closing the poverty-related attainment gap between children and young people from the least and most disadvantaged communities' so that children and young people can achieve the best possible outcomes, regardless of their background. This is backed by the £750 million Attainment Scotland Fund (ASF) over the course of this Parliament which prioritises improvements in the literacy, numeracy, health and wellbeing of children adversely affected by poverty in Scotland's schools so they can achieve excellence and equity in education.

Key findings from the year 3 (2017-18) evaluation report reveal a culture shift within schools, moving away from a focus on individual interventions to broader approaches to closing the poverty-related attainment gap through better evidence-based assessments of best practice and impact measurement using a broad range of data. By tailoring approaches to a local context and allocating sufficient and sustainable resources around nine out of ten (88%) headteachers are now reporting an improvement in closing the poverty-related attainment gap as a result of ASF supported approaches, an increase of 10 percentage points since 2017. Nearly all headteachers (95%) now expect to see improvement in closing the gap over the next five years.

The Care Experienced Children and Young People Fund is an additional resource provided through the Attainment Scotland Fund. Launched in 2018, it provides up to £33 million over this parliamentary term for local authorities to fund initiatives and interventions aimed at improving educational outcomes for care experienced children and young people, from birth up to the age of 26, with the overarching aim of closing the poverty related attainment gap.

The SAC is one key element of our action to improve life-long outcomes and in May, the First Minister committed £30 million to support digital inclusion for disadvantaged learners. Below we have provided details of work being undertaken to support Gypsy / Traveller children with their learning, to tackle bullying and to support students and communities through further and higher education.

Tailored learning support for Gypsy/ Traveller families with children

The Poverty and Inequality Commission, in its scrutiny of progress made towards meeting the child poverty reduction targets in 2019-20, highlighted that the Scottish Government should not lose sight of the needs of specific groups of children at high risk of poverty, including Gypsy/Traveller (G/T) children who are amongst the most disadvantaged in Scotland.

Across 2018-20 we have worked to improve education opportunities available to Gypsy/Traveller children and young people across Scotland through a programme of actions delivered in partnership with STEP, Education Scotland and local authorities and Gypsy/Traveller families.

In 2019 STEP proposed a pilot study for the supported use of digital tablet devices for families experiencing the most obvious barriers to their education as part of a tailored programme of community education for Gypsy/Traveller children. The pilot, supported by the Tackling Child Poverty Fund, commenced in November 2019 when a Development Officer was appointed and tablet devices were provided to 10 settled and semi-nomadic families across a range of rural and urban settings in six local authorities. This pilot provided an opportunity to test basic practical issues with the approach, such as around the robustness of the kit provided.

Mentoring to gain confidence in using devices was also offered to help those with low literacy levels or limited experience of using digital technologies. The pilot provided opportunities to revise the offer in consultation with the families involved, for example through the creation of a Family Digital Learning Planner app which contains a weekly family learning journey to simplify the processes of planning and evaluating learning and teaching. A Gypsy/Traveller families' education Facebook page also offers access to culturally-relevant activities that can be done at home.

Learning from this pilot will inform the design and roll out of the future community education programme in 2021-22 (supported by an investment of £200,000) to help mitigate the disproportionate impact of coronavirus on Gypsy/Traveller communities, whereby engagement with schooling and formal education, already lower for G/T children and young people, has reduced further, while the need for devices to help connect them with online learning and reduce the educational attainment gap has increased significantly.

STEP will engage with the £5 million Connecting Scotland programme and £30 million investment to support digital inclusion for 25,000 disadvantaged children and young learners across Scotland to align its programme of digital inclusion and prevent duplication. Where families benefit from these programmes STEP will provide family mentoring support through digital teachers to ensure that families can use devices to meet their educational and economic needs.

Following the pilot, the first phase of the programme has been implemented from March 2020 onwards. STEP has produced online training for local authority staff to ensure that they have the skills and experience to support families in this new way of working. A range of qualitative and quantitative data will be gathered by staff and shared with STEP who will analyse the data and report to Scottish Government and the community in March 2021.

Support to tackle bullying

Following the publication of 'Respect for All', our new uniform national approach to recording and monitoring incidents of bullying in schools was introduced for all schools from August 2019 and an interim evaluation was undertaken in Autumn 2019 to assess progress on implementation.

A formal evaluation will be carried out in 2021 by the Scottish Advisory Group on Relationships and Behaviour in Schools (SAGRABIS) to assess how successfully the new system for recording and monitoring bullying incidents in schools has been introduced across Scotland. This evaluation process will take into account the views of parents, carers, children and young people.

In addition to our ongoing investment of £300,000 in Respect*me*, Scotland's anti-bullying service, we have also continued our £115,000 investment to support Childline's helpline. This provides confidential advice and information to children and young people affected by issues including bullying.

Support for students and communities from further and higher education

Our free tuition policy continues to ensure that access to university is based on the ability to learn and not the ability to pay. This ensures that eligible Scottish students studying in Scotland do not incur additional debt of up to £27,000 (over 3 years). Student Loans Company statistics show students in Scotland continue to have the lowest debt in the UK. Average student loan debt in Scotland is £13,890. This is compared to £40,280 in England, £24,960 in Wales and £23,520 in Northern Ireland.

Our student support package provides a minimum income of £7,750, through a combination of bursaries and loans, for students from the least well off backgrounds. Students who require additional support on top of this can apply for Discretionary Funds and Discretionary Childcare Funds.

Higher Education Statistic Agency figures show a record 15.9% of Scottish full-time first degree entrants to Scottish universities were from the 20% most deprived areas in 2018-19, an increase of 2 percentage points since 2016-17. All aged acceptances to UK providers increased for the 20% most deprived areas in Scotland (SIMD), an

increase of 140 (+3%), at this stage in the process, a record high. 18 year old acceptances from the most deprived areas has increased by 60 to 1,500.

We are leading the way as the only administration in the UK to offer bursary support targeted specifically at care-experienced students. Our care-experienced bursary provides £8,100 per year and will be further expanded to students aged over 26 from academic year 2020-21. We also have the highest Nursing and Midwifery student bursary in all of the UK nations, this will rise to £10,000 per year from September 2020.

Universities receive additional funding from the Scottish Funding Council (SFC), in the form of the Disabled Students Premium, which enables them to make their institution and course provision more inclusive through reasonable adjustments for students with additional needs. A total of £2.8 million funding was allocated to universities in academic year 2019-20.

Colleges have access to a £50.5 million Access and Inclusion Fund to help them achieve parity of outcomes for all students. The 2019-20 further education (FE) student support budget of over £122 million in bursaries, childcare and discretionary funds represents a real-terms increase of 44% since 2006-07. In 2019-20 a non-repayable, means tested bursary of up to £104.65 per week was available to college students - the best level anywhere in the UK.

Supported by investment from our Tackling Child Poverty Fund, Dundee & Angus College project set up two programmes with an integrated, collaborative partner-based approach. This focused on enabling disengaged young people to make positive life changes and encouraging participants to improve their health and wellbeing, increase their self-confidence, boost and sustain levels of resilience and gain new skills and qualifications.

All participating students benefited from individual action plans outlining short/long term goals and how to achieve them as well as post-course mentoring while 36 young people with a range of more complex support needs including care experienced, homeless, or problems with mental illness received specialist, continued support since April 2019, with the following support needs:

Dundee & Angus College's work also opened new avenues in targeting and attracting priority family groups, in particular single mothers. Collaborating with Homestart, Stay and Play, community learning and development (CLD) Mums' Groups and secondary school Young Mum's Groups, the project is breaking down attitudinal and physical barriers. The fund has afforded flexibility to provide free childcare and travel to the mums, which has been a huge contributing factor to re-engagement in learning.

Outreach provision has taken Dundee and Angus college into the community where it has been able to provide a range of services and advice relating to everyday needs and concerns, including a summer programme that helped to improve confidence levels, encourage aspirations and inspire those ready, to enter formal college provision and keep them on track which has continued despite the pandemic.

Whilst funding was provided to Fife college for innovative work with the Scottish Prison Service (SPS), due to challenges faced including the suspension of non-essential activities within the SPS estate due to coronavirus, the project was unable to be delivered in full.

Working in partnership with the Scottish Funding Council we have invited bids for further innovative projects to be support in 2020-21 with £300,000 being made available through our Tackling Child Poverty Fund.

E. Partnership working

By working collaboratively with our partners in local authorities, health boards, the private sector, third sector and community organisations, we are able to develop and implement the policies needed to support those most in need and tackle child poverty more effectively. We are also able to make more of the resources available to us and achieve more by challenging our thinking and considering innovative new approaches.

We have supported five Poverty Truth Community-style organisations to help identify and shape solutions and have provided funding to the Poverty Alliance to lead their ambitious Get Heard Scotland campaign. Through the statutory Poverty and Inequality Commission, established from 1 July 2019, we will continue to receive independent advice and scrutiny on poverty and inequality

Partnership working was fundamental to the success of our coronavirus response, underpinned by the public sector, third sector and community organisations working together to support those most in need. This was backed by the initial £350 million Communities funding package announced by the Cabinet Secretary for Communities and Local Government on 18 March, to which further investment was made to extend the provision of Free School Meals over the summer 2020 period and continue to support people at risk to access essentials like food and prescriptions. We have also worked closely with partners, already in receipt of funding, to re-focus delivery on meeting immediate needs.

The Scottish Leaders Forum, relaunched in June 2019, embodies this focus on working together to deliver the ambitions set out in our National Performance Framework – challenging the normal ways of doing things in order to achieve the positive changes needed to reduce poverty and inequality and to build a fairer, greener and more prosperous Scotland.

This section focuses on our investment in innovation, developing successful economic policy, strengthening our partnerships with local areas, raising the volume of voices of lived experience and working with critical friends to challenge our thinking.

Investing in innovative action to tackle child poverty

We are working collaboratively with third sector organisations and communities to support innovation and respond to the needs identified by individuals and those communities. This section focuses on our partnership with The Hunter Foundation and STV Appeal and on empowering communities themselves to take action with our new Investing in Communities Fund.

Innovation Fund

The £7.5 million Innovation Fund (TIF) forms part of our wider partnership with The Hunter Foundation, called the Social Innovation Partnership (SIP), which was set up in 2016 with a view to tackling poverty and influencing wider system reform.

During 2019-20 TIF supported ten projects working across three broad themes focussed on: childcare, including testing innovative flexible childcare models; support targeted at schools, including befriending, and; supporting and empowering adults and families, including through advocacy.

Within their comments the Poverty and Inequality Commission invited clarity on how projects were selected. Those receiving funding joined TIF either as a result of the competitive application process when the fund was launched or were otherwise identified through the SIP as delivering highly impactful work to tackle child poverty. In line with the SIP strategy, projects had to demonstrate leadership, willingness to collaborate and an ethos of putting families' dignity at the heart of any support.

We have developed a strategy for our Social Innovation Partnership (SIP), which outlines both our learning to date and forward plan for supporting our ambitions to influence systems and tackle poverty. We commissioned a Learning Partner – I-SPHERE at Heriot Watt University – to help us better understand how whole-person responses rooted in a wellbeing and capability approach can have broader application in policy and public service design and delivery, and therefore impact positively upon people's lives. We have also begun developing a Programme for Leaders which will seek to support our partners as business/organisational leaders as well as system influencers.

Some TIF projects are already scaling up their work and we expect this to continue, in particular Flexible Childcare Services Scotland, who are supporting around 1,000 children across 20 sites. Their Flexibility Pathway is also supporting around 250 Early Learning and Childcare providers to offer flexible childcare within their own services. MCR Pathways has continued to expand its mentoring programme and is reaching a further 800 young people across 11 local authorities. Others are moving to the early stages of scaling their work, for example MsMissMrs who have supported 45 women through empowerment and financial inclusion work, and will reach a further 200 by the end of 2020/21.

During the next year we will continue to support our partners' work, drawing on our learning and leadership programmes and place greater emphasis on collaboration between our partners, with a view to creating more holistic responses for families in poverty.

Investment in the STV children's appeal

In the calendar year 2019, the Appeal invested approximately £2.2 million – more than doubling the Scottish Government's investment of £1 million. The Appeal invested in eight 'large' projects, which supported more than 2,000 adults and almost 3,500 children and young people, with a further 4,000 people supporting through volunteering who dedicated a total 47,600 hours of their time. The Appeal supported a further 208 smaller projects, which reached more than 30,000 children and young people and their families across all of Scotland's 32 local authorities.

Through projects, which are shaped by the voices of lived experienced, supported during 2019 the Appeal has enabled £363,298 of income maximisation and debt write off and leveraged over £2.2 million of additional funding.

Through its larger projects, the STV Appeal develops and tests models of working which best mitigate the impact of poverty on children and families. By demonstrating the effectiveness of these models, projects seek to influence and inform the development of policy and practice targeted at vulnerable families, children and young people. Alongside this, smaller projects play an effective role in relieving the daily challenges people in poverty experience and excel at making life better for children and young people, with the type of immediacy families in crisis require. As such smaller projects, play a hugely important role in protecting the welfare and wellbeing of families across Scotland, demonstrating outstanding cost-benefit for the Appeal.

Investing in Communities Fund

We opened the new Investing in Communities Fund to applications in May 2019 encouraging community-led development, design and delivery of sustainable local solutions addressing local issues, circumstances and aspirations – such as supporting out-of-school provision, providing activities and workshops, creating a community café and improving job opportunities.

In responding to the views of people in many different communities we made this a flexible, multi-year fund, enabling community groups to make sustainable and impactful changes by providing them with the resources they need, when they need them.

Following a decision panel, held in October 2019, we made awards to 279 projects across Scotland with an in-principle funding total of £29.2 million between 2019-22. Of these 30 projects contain a specific child poverty focus with total funding of £4.2 million across 2019-22.

Building stronger links between economic development partnerships and tackling child poverty

The Scottish Government's ambition for a strong and sustainable economy arises from the desire to ensure that all of Scotland's communities and people benefit from growth and prosperity. Within that, the Scottish Government is focused on tackling child poverty. There are two principal means by which a strong and fair wellbeing economy can help tackle child poverty. The first is ensuring that Scotland can generate tax revenues able to ensure provision of first class public services helping children and their families. The second relates to the protection and creation of high quality jobs, enabling family incomes to be sustainable and secure.

Economic development partnerships at local and regional level are focused on enabling inclusive and sustainable economic growth, and assisting businesses to develop and expand while embracing fair work practices.

The Scottish Government has enabled a network of local authority led Regional Economic Partnerships (REPs) to grow across Scotland. These partnerships have developed out of governance arrangements for the city region and growth deals. Every part of Scotland will benefit from committed Scottish Government investment of over £1.9 billion in the Deals programme over the next decade. This investment programme is supporting development in key sectors such as energy, transport, digital and innovation with the aim of accelerating inclusive and sustainable growth.

In 2019-20, the Glasgow City Region Partnership matured and embarked on a full scale review of its regional economic strategy. At its heart is a commitment to inclusive growth and pursuit of greater equality for communities across the region. Fundamental to realisation of this goal is a reduction in child poverty.

The Scottish Government agreed to co-produce a new refreshed strategy during this period with work gaining pace until the national lockdown on 24 March 2020. This will resume in 2020 with pursuit of positive child poverty outcomes forming a central part of the strategy's long term ambition. The work of this partnership, and all of Scotland's Regional Economic Partnerships, will be guided by the recommendations of the Advisory Group on Economic Recovery, in light of the economic impact of the pandemic.

Using the city region and growth deals as a catalyst, the work of collaborative regional partnerships has the potential to make a significant impact on child poverty by seeking to protect and create good quality jobs for people living in every community.

It will take time for the Glasgow City Region Partnership, and the others developing across Scotland, to measure the impact of their work on child poverty. However, the combination of an inclusive partnership investing significant sums together and seeking to dismantle the silos between organisations will assist in forging a powerful, concerted effort to reduce child poverty more quickly and effectively than in the past.

Community wealth and localism

Community wealth building is another important element of this approach and has the potential to protect jobs in Scotland's communities by shortening supply chains and enabling increased procurement from businesses in Scotland's regions and local places.

Community Wealth Building (CWB) continued its early stage of development as a concept and a practical reality in Scotland in 2019-20, with co-production work ongoing to develop and refine the business case for the £3 million CWB project within the Ayrshire Growth Deal. This is expected to commence in 2021-22.

In parallel, early work continued to scope out other local areas in which to test a CWB approach and collect and publish, through the Scottish Centre for Regional Inclusive Growth (SCRIG), case studies of where work aligned to community wealth building was already happening.

[New] Town Centre Fund and Business Improvement Districts

Collaborative local partnership working through the £50 million Town Centre Fund and the £1.7 million Towns and Business Improvement Districts (BIDS) Resilience and Recovery funding enables local businesses and their local partners to decide and direct local improvements, contribute to the local economy and support town centres to meet the needs of their communities.

More inclusive and energetic partnership models which increase the impact of Town Centre Funds and BIDs and better align with inclusive growth and regeneration ambitions, will contribute to the vibrancy, vitality and viability of town centres, neighbourhoods, regions and partnerships for the benefit of all and particularly those experiencing poverty.

A strong partnership with local areas

Our local partners are a key element of our overall approach to tackling child poverty and reducing inequalities more generally.

Through the Child Poverty (Scotland) Act 2017 and the Fairer Scotland Duty, alongside other key legislation, we have strengthened the focus on tackling and reducing inequalities as a result of low income and are encouraging local action that actively reduces levels of child poverty.

From June 2019 onwards, local authorities and relevant health boards published the first annual Local Child Poverty Action Reports documenting the range and scale of action taking place across the country in 2018-19. These reports were scrutinised by the Poverty and Inequality Commission which provided a series of recommendations to support future action³⁸.

To support these efforts and help to identify key learning, the Scottish Government continued to resource a national child poverty coordinator, hosted at the Improvement Service, and the Scottish Poverty and Inequality Research Unit (SPIRU), hosted at Glasgow Caledonian University, who facilitate and encourage learning across local areas. Supported by this resource, advice and guidance was provided to local area leads by national partners³⁹, including tailored feedback on published Action Reports.

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³⁸ Review of the Local Child Poverty Action Reports – Poverty and Inequality Commission, 2019

³⁹ National partners include representatives of the Scottish Government, Public Health Scotland, COSLA, Child Poverty Action Group, the Poverty Alliance, SPIRU and the Improvement Service.

SPIRU also undertook a systematic analysis of the transport measures referred to in the local child poverty action reports, these analyses inform an evidence and policy briefing on transport poverty which will be published in summer 2020.

In November 2019 the first national 'Local Child Poverty' conference was held at Glasgow Caledonian University – a joint effort led by the Improvement Service and SPIRU. The event was attended by representatives from most local authority areas and was warmly welcomed as an opportunity to share practice and learn from others.

A public health needs assessment approach to child poverty has also been tested with Inverclyde Council Poverty Action Group led by Public Health Scotland. The process brought together different local services and national partners to discuss how existing services support low-income families with children, identify relevant data, promote connections and partnerships and identify further action required to reduce child poverty in Inverclyde.

Drawing on the information generated, including data sources and gaps in data and intelligence, key areas of action were identified that partners might consider focusing on. It helped local services understand how they fit into the 'jigsaw' of support to low-income families, promoted a sense of shared responsibility to reduce child poverty, and helped ensure better use of shared intelligence and data to support the 'Inverclyde Child Poverty Action Plan'.

We will continue to invest across this range of support in 2020-21 and have increased the funding available for SPIRU to identify key learning from the local response to coronavirus. In the coming year we will also refresh guidance for the Fairer Scotland Duty rooting it in the experience and good practice that is already in place.

Working with our partners and people with lived experience

We are committed to continuing to develop our approach to involving people with lived experience of poverty in developing solutions, actions and shaping delivery and are taking steps to encourage this practice across Scotland. Alongside this we continue to work closely with partners, representing individuals on low incomes, to challenge and improve our ability to tackle poverty head on.

Supported by Scottish Government funding there are currently five Poverty Truth Community style groups operating across Scotland, in Glasgow, Edinburgh, North Ayrshire, Shetland and Dundee. Over the past year we have encouraged learning between the groups and facilitators.

As part of their funding for 2019-20, the Glasgow Poverty Truth Community produced a report⁴⁰ containing recommendations for local, national government and other organisations. The report drew on learning from all five groups across Scotland and representatives from each met together to discuss the themes and bring together the final report. The report has been shared with officials across the Scottish Government,

⁴⁰ A Fairer Scotland? 2020

where the recommendations related to their policy area, and will strengthen our understanding of the problems faced by those experiencing poverty. Members of each of the groups met with the Cabinet Secretary for Communities and Local Government in November 2019 to discuss the findings of the report and the process they had undertaken to share their experiences.

This work is further complemented by the Poverty Alliance through the Get Heard Scotland programme which convened a total of 37 discussions across Scotland, including 11 in the Highlands. Between August and December 2019 more than 200 people took part to consider what is currently working well, what isn't working well and what needs to change in Scotland to support those on low incomes. These valuable discussions are summarised in an annual report⁴¹. In the coming year the Poverty Alliance are focused on working closely with a small number of local authority areas to embed lived experience engagement more consistently within policy development.

Working with key partners to challenge our action on child poverty

Over the course of 2018-19 representatives from the Children's Sector Strategic and Policy Forum met with Scottish Government Directors, in key policy areas, to discuss the actions and progress being made to tackle child poverty. We will continue to work closely with the group moving forward to challenge our thinking and build on their valuable insights.

We also relaunched the Scottish Leaders Forum (SLF) in June 2019 with a renewed emphasis on the long-term strategic delivery of the National Performance Framework. The Forum is committed to developing a bold and ambitious, action-focused, value-based programme of activity that inspires and challenges senior leaders to drive public service transformation, at scale and pace, over the long term. The work of the Forum was paused during the coronavirus pandemic and will reconvene to support our recovery and renewal efforts, with a keen focus on tackling child poverty.

The Action Group on Child Poverty, formed by a broad ranging membership including academics and third sector and public organisation representatives, is focused on empowering action across Scotland and informing our long-term action to tackle child poverty.

In July 2019, the Poverty and Inequality Commission was moved to a statutory footing and welcomed new members⁴² appointed through a robust Public Appointments process. We continue to work closely with the Commission, and will do so over the coming years, to challenge our thinking and deliver strong progress against our ambitious child poverty targets.

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⁴¹ Our Lives Our Solutions: the annual report of the Get Heard Scotland Project 2019-20

⁴² https://povertyinequality.scot/about/who-we-are/

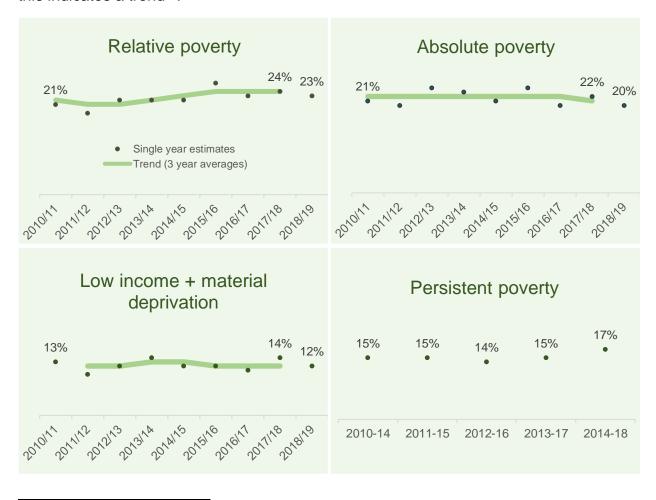
2. Assessing progress against the targets

Child poverty levels

The most recent child poverty statistics, published in March 2020, relate to the period from April 2018 to March 2019. They are the first statistics that cover the period after the Delivery Plan was published in June 2018. Persistent poverty statistics that cover the period after the Delivery Plan was published are not yet available.

	Latest	2023	2030
	statistics	target	target
% of children in relative poverty	23% (2018-19)	18%	10%
% of children in absolute poverty	20% (2018-19)	14%	5%
% of children in low income + material deprivation	12% (2018-19)	8%	5%
% of children in persistent poverty	17% (2014-18)	8%	5%

The charts below show change over time. While single-year estimates can be used to understand the situation at a certain point in time, three-year averages show trends more accurately. Relative child poverty had been gradually rising for several years, but has not risen in recent years. Absolute child poverty, and the proportion of children who are in combined low income and material deprivation, have remained relatively stable. Persistent child poverty appears to have risen slightly, but it is too early to say whether this indicates a trend⁴³.



⁴³ The persistent poverty measure is subject to revisions as the data get improved, and so trends need to be assessed considering a longer timeframe than for the other three child poverty measures.

Child poverty is lower in Scotland than it is in the UK as a whole. This is important, because child poverty levels in Scotland are influenced by many different factors, only some of which can be influenced by public policy in Scotland. Looking at the UK data helps us to account for the impact of UK-wide factors, such as the elements of the social security system that are reserved to the UK Government.

	Scotland	UK
% of children in relative poverty 2018-19	23%	30%
% of children in absolute poverty 2018-19	20%	28%
% of children in low income + material deprivation 2018-19	12%	14%
% of children in persistent poverty 2014-18	17%	20%

The 2018-19 child poverty levels in Scotland are also lower than independent forecasts, published in 2018 and 2019⁴⁴, had predicted they would be.

The drivers of child poverty

To help understand what is driving child poverty trends over time, it is important to examine progress in relation to the things that we know influence child poverty levels, including employment, costs of living and social security. Clearly, if child poverty levels are to improve, there will need to be a change in these areas. As mentioned above, not all of the levers for change have been devolved to the Scottish Government. A set of benefits related to disability and carers, and some payments for low-income households, are in the process of being transferred⁴⁵. But responsibility for the main means-tested benefits (including Universal Credit, with some flexibility over payment options known as 'Scottish Choices') remains reserved to the UK Parliament⁴⁶. Employment law, including powers over minimum wage levels, is also reserved, although the Scottish Government recognises that it has an important leadership role in promoting fair work⁴⁷.

Trend data for the drivers of child poverty are presented in Annex A, and Annex B explores how Scotland compares to the rest of the UK in relation to these drivers. The evidence presented in these annexes is summarised below. It should be noted that this evidence pre-dates the COVID pandemic, which is adversely impacting household incomes as many workers have been made redundant, furloughed or have had their working hours or wages cut.

Key employment indicators of participation, underemployment and hourly pay are all moving in the right direction, and hours worked have remained stable. The figures for Scotland are very similar to those for the UK as a whole. The percentage of parents with no or low qualifications, and the percentage of employed working age parents with degrees who are in low or medium skilled occupations, have been relatively stable, and are slightly lower than the equivalent UK figures.

59

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⁴⁴ <u>Tackling child poverty delivery plan: forecasting child poverty in Scotland</u> – Scottish Government, Mar 2018 - and <u>Wrong direction - Can Scotland hit its child poverty targets?</u> - Resolution Foundation, Mar 2019

⁴⁵ https://www.gov.scot/news/update-on-devolved-benefits/

⁴⁶ Responsibility for benefits: overview – Scottish Government, Feb 2017

⁴⁷ https://economicactionplan.mygov.scot/fair-work/purpose/

Availability of flexible childcare during the school holidays has stayed the same, but has continued to improve slowly outside of school hours. Over a quarter of households paying for childcare for a pre-school child aged 2+ say they find it difficult or very difficult to afford childcare.

While the percentage of income spent on housing by all households with children in Scotland has been slowly decreasing, the percentage spent by low income households with children has been relatively stable. The figures do, however, compare favourably with those in the UK as a whole. This aligns with the fact that, whereas Scotland has lower levels of child poverty than the UK after housing costs have been taken into account, the before housing costs figures are very similar.

It is less affordable for low income households in Scotland than those in England to heat their homes adequately, although affordability in Scotland is gradually improving. The percentage of families in unmanageable debt has stayed roughly the same as the last reporting period, and is lower in Scotland than in the UK as a whole.

The downward trend in the real terms value of UK-wide social security payment continues.

Evaluating our policies

Updates on individual policy evaluations are provided in section 1 of this progress report. As set out in the evaluation strategy⁴⁸, our evaluation efforts have been focused on those actions likely to have the biggest impact on the child poverty targets.

The Scottish Government's 'Tackling Child Poverty Delivery Plan 2018-2022' also made a commitment to investigate methods to produce a quantitative, cumulative impact assessment of the policies on child poverty:

"Over the next few years, we will scope out and develop tools to help us analyse the full range of policies [in Delivery Plan], with the intention of being able to produce quantitative estimates of the impact of future interventions on the poverty targets...Our ambition is to build a modelling tool that [enables us] to understand the likely quantitative impact of poverty reduction policies in the future."

The Delivery Plan recognised the importance of this kind of modelling for assessing the impact of existing policies, monitoring progress towards the child poverty targets, and informing the design of future policies.

There are three stages to our work to develop a modelling tool and use it to produce analysis on child poverty:

1. Scoping and initiation: selecting the most appropriate model, developing our skills in how to use it, and adapting the model to suit our needs.

Following a detailed assessment of the options, we have selected UKMOD, a taxand-benefit micro-simulation model held by the Institute of Social and Economic

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⁴⁸ Child poverty evaluation strategy - Scottish Government, Jun 2019

⁴⁹ Every Child, Every Chance, p. 9 - Scottish Government, Mar 2018

Research (ISER) at the University of Essex. ISER has provided us with advanced training on how to use the model. And we have adapted the model to suit our needs, including projecting the model forward from 2020/21 (the latest year in the model) to 2023/24 (the year of the interim child poverty targets) and adjusting the definition of disability to match our official statistics.

2. Preliminary analysis: using the model to produce an analysis of a limited package of policies, within the existing capabilities of the model.

Unfortunately, coronavirus has had a significant impact on this stage of the work. We had completed the preliminary analysis, modelling the impact of a package of seven cash-transfer policies⁵⁰ on the child poverty targets. However, the data on which it is based do not take into account the economic effects of the pandemic, meaning the results are no longer reliable. Therefore, we do not intend to publish them at this stage.

3. Further analysis: developing methods and gathering data to apply the model to a wider range of policies and scenarios.

It will be necessary for us to get a picture of the post-coronavirus world before we can produce any further meaningful analysis using UKMOD. As part of the process of estimating poverty rates, UKMOD applies a number of macroeconomic forecasts. At present, there is significant uncertainty around these forecasts, and therefore on any projection of the impact of COVID-19 on household incomes and poverty rates. As more robust forecasts become available, we plan to prioritise building these into the model.

Child poverty priority groups

The priority groups identified in the Delivery Plan remain at a higher than average risk of poverty⁵¹.

Percentage of children in poverty after housing costs 2016-19 (Source: Family Resources Survey)

	Relative poverty	Absolute poverty	Low income + material deprivation
Disabled person in household	30%	27%	20%
3+ children in household	31%	28%	18%
Baby aged under 1 in household	32%	30%	13%
Minority ethnic household	44%	41%	23%
Lone parent household	39%	34%	27%
All children	24%	21%	12%

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⁵⁰ Scottish Child Payment; Best Start Grant; minimum level of School Clothing Grant; 2018-19 public sector pay policy; Young Carers Grant; Carers Allowance Supplement; and additional payment for carers of more than one disabled child.

⁵¹ We do not have estimates of poverty levels among all of the priority groups for all four of the child poverty measures. This is because the number of families surveyed in some of the groups is too small to provide a robust estimate of the percentage who are in poverty in this group in the wider population.

Percentage of children in persistent poverty after housing costs 2014-18 (Source: Understanding Society)

Disabled adult in benefit unit	18%
3+ children in benefit unit	38%
All children	17%

Last year's progress report took a more in-depth look at child poverty and its drivers among minority ethnic families⁵². Annex C of this year's report focuses on another of the priority groups: lone parent families.

It is important to make sure that our policies are reaching and meeting the needs of the priority groups. Where possible, the individual policy evaluations are exploring the extent to which this is the case. The cumulative impact modelling we have been developing, discussed above, will also allow us to explore whether impacts vary between families with different characteristics.

⁵² Child poverty in minority ethnic families - Scottish Government, Jun 2019

3. At a glance summaries

Introduction

The following section provides a series of 'at a glance' tables providing a summary overview of activity in 2019-20.

The first table provides overall progress on each of the actions committed; whether we are delivering, in progress, or at early stages of development. It also sets out which of the priority families are anticipated to benefit and the expected outcome.

Table two sets out what has been spent from the Tackling Child Poverty Fund across 2018-20 and what is committed in 2020-21.

Table three sets out an estimate of Scottish Government investment directed at low income households with children and investment targeted at low income households more generally – where children are also expected to benefit.

The final table outlines the requirements of the Child Poverty Act, and how we have addressed each within this report. As the Act requires us to respond to the comments and recommendations of the Poverty and Inequality Commission, this is also noted here.

Progress against actions and impact on priority families

The following table provides an at a glance update on the status of all actions in 'Every Child, Every Chance' as of 31 March 2020. The table also summarises which priority group(s) is expected to benefit from the action and how it will help us to tackle child poverty.

We continue to deliver strong progress against the actions committed, with 56 of the 58 actions reported on last year either in progress or being delivered.

Key:

▲ means early stages of development, ○ means in progress and ✓ means currently being delivered.

Priority families:

LP ΥM Mothers Aged <25 Lone Parents ME Minority Ethnic Youngest Child Aged <1 3+ 3+ Children Disabled Adult or Child DAC <1

Yellow highlight suggests that a priority family type is particularly expected to benefit

Expected outcome:

EMP Increasing income from employment – relevant to all four targets

Reducing housing costs – relevant to all four targets HC

OC Reducing other costs of living – relevant to the low income and material deprivation target

SS Increasing income from social security and benefits in kind – relevant to all four targets

Improving children's life chances in ways that are not about increasing current income or reducing costs of living – potentially relevant to future child LC poverty levels, when these children become parents themselves

Action	Priority groups expected to benefit	Expected outcome	Status
Fair Start Scotland	ALL – but especially LP, DAC, ME	EMP	✓
Parental Employability Support Fund	ALL – but especially LP, DAC	EMP	✓
Additional investment to support disabled parents	DAC	EMP	
Additional investment to support young parents*	YM	EMP	
Building a Living Wage Nation	ALL – but especially LP, YM	EMP	✓

Tackling low pay in the public sector	ALL – but especially LP, ME, YM, DAC	EMP	✓
New action on the gender pay gap	ALL – but especially LP, ME, <1, YM	EMP	✓
Flexible Workforce Development Fund	ALL – but especially LP,DAC, ME, YM	EMP	✓
The Workplace Equality Fund	ALL – but especially DAC, ME	EMP	✓
New support for flexible working	ALL – but especially LP, DAC	EMP	
Expanded Early Learning and Childcare	ALL – but especially LP, 3+	EMP, OC	
After School and Holiday Childcare	ALL – but especially LP, 3+	EMP, OC	
A new Family Learning Programme*	ALL	EMP	✓
An increased School Clothing Grant	ALL – but especially 3+	SS	✓
Reducing food insecurity in the school holidays	ALL – but especially 3+	OC, SS	✓
Further support on costs of the school day	ALL – but especially 3+	OC, SS	✓
New support, incentives and rewards with the Young Scot Card	ALL	OC	1
Making sure young people receive EMA payments	ALL – but especially YM	SS	✓
Work with the social housing sector to agree the best ways to keep rents affordable	ALL	HC	0
Ensure that future affordable housing supply decisions support our objective to achieve a real and sustained impact on child poverty	ALL	HC	
Evaluate the impact of the private residential tenancy on families with children	ALL	HC	•
Scottish Housing Regulator	ALL	HC	✓
New action on homelessness*	ALL	HC, LC	
Increase uptake of our Warmer Homes Scotland programme amongst low income families	ALL	OC	√
Target fuel poverty and energy efficiency measures on those most in need, including low income families	ALL	OC	√
Money Talk Team Service	ALL	SS, OC	✓
Health and Income Maximisation	ALL	SS	✓
Benefit Take Up Strategy for devolved benefits*	ALL	SS	✓

New support for affordable credit	ALL	OC	✓
Tackling problem debt*	ALL	OC	✓
Access to period products	ALL – but especially 3+	OC	✓
Connecting Scotland*	ALL	EMP, HC, OC, SS, LC	
Action on transport strategy, policies and programmes	ALL	EMP, OC	√
Scottish Child Payment	ALL	SS	
Best Start Grant	ALL – but especially 3+, <1, YM	SS	✓
Enhanced support through Best Start Foods	ALL – but especially 3+, <1, YM	SS	✓
Increased support for carers	ALL	SS	✓
New Job Start Payment	ALL	SS, EMP	
Widened Funeral Support Payment eligibility	ALL	SS	✓
Expanded eligibility for Winter Heating Allowance	ALL	SS	
Extra help for families with children's health in the early years	ALL	LC	✓
A new resource for disabled children, young people and their families	ALL	SS, LC	✓
Addressing Adverse Childhood Experiences	ALL	LC	✓
Action on parental imprisonment	ALL	LC	✓
Supporting redesign of the care system*	ALL	LC	
New action on transitions	ALL	LC	
Help for children's neighbourhoods	ALL	LC, EMP	\checkmark
Targeted opportunities for cultural participation	ALL	LC	✓
Facilitating access to music education	ALL	LC	✓
Improving inclusion in sport	ALL	LC	✓
Increased funding for mental health	ALL	LC	✓
Tailored learning support for Gypsy/ Traveller families with children	ME	LC	✓
Support to tackle bullying	ALL	LC	\checkmark
Support for students and communities from further and higher education	ALL – but especially YM	LC, EMP	√

Innovation Fund with the Hunter Foundation	ALL	LC, EMP, SS, OC	\checkmark
Investment in the STV children's appeal	ALL	EMP, HC, OC, SS, LC	✓
Investing in Communities Fund	ALL	EMP, HC, OC, SS, LC	✓
Partnership between the Scottish Government and Glasgow City Region on inclusive growth and child poverty	ALL	EMP	
Community Wealth and Localism	ALL	EMP	
Town Centre Fund and Business Improvement Districts*	ALL	EMP	
A National Child Poverty Co-ordinator	ALL	EMP, HC, OC, SS, LC	✓
A new analytical partnership on local child poverty	ALL	EMP, HC, OC, SS, LC	✓
A new Fairer Scotland duty	ALL	EMP, HC, OC, SS, LC	✓
Bringing the voices of people with experience of poverty into local decision-making	ALL	EMP, HC, OC, SS, LC	✓
New support from the Poverty Alliance	ALL	EMP, HC, OC, SS, LC	✓
A role for the Children's Sector Strategic Forum in monitoring implementation	ALL	EMP, HC, OC, SS, LC	√

^{*} action not previously included in 'Tackling Child Poverty Delivery Plan first year progress report - 2018-19'

Investments through the Tackling Child Poverty Fund

Investment made across the first two years of the £50 million Tackling Child Poverty Fund is set out below alongside projected spend for 2020-21. The Tackling Child Poverty Fund is intended to support innovation and as such this is additional to core portfolio budgets, wider spend targeted at low income households with children is highlighted in the next section.

Over the period 2019-20 we have identified a number of new programmes which will benefit from investment from the Fund, including new support for young parents, the Family Learning Scotland Programme and action to prevent homelessness. To support action we also brought forward investment for the Innovation Fund into 2019-20.

In line with the Poverty and Inequality Commission's recommendations we are committed to reviewing the scale and type of interventions being taken forward, including those from the Tackling Child Poverty Fund. To this end spend projections are not included beyond 2020-21 and future resources will be subject to consideration through the Scottish Budget process.

The table below outlines recorded and provisional levels, all totals expressed are £0.000m:

Programme	Year			Total
	2018-19	2019-20	2020-21	(2018-21)
Parent Employability Support Fund (PESF)	£0.050	£2.000	£5.100	£7.150
Support for disabled parents	-	-	£1.000**	£1.000
PESF ELC alignment	-	£0.100	£1.000**	£1.100
Support for Young Parents	-	-	£0.350**	£0.350
Timewise	-	£0.026	£0.133	£0.159
Homelessness prevention	-	-	£0.250	£0.250
Family Learning Scotland	-	£0.050	£0.225	£0.275
Access to Childcare Fund	-	£0.016	£1.500	£1.516
Food Insecurity	£0.100	£0.500	-	£0.600
Healthier Wealthier Children	£0.250	£0.250	-	£0.500
Affordable credit marketing	£0.080	-	£0.080	£0.160
Money Talk Team Marketing	-	£0. 220	-	£0.220
Children's Neighbourhoods Scotland	£0.250	£0.374	£0.373	£0.997
Preventative work for low income young people at college	£0.242	£0.208	£0.300	£0.748
Gypsy / traveller	-	£0.030	£0.035	£0.065
New Innovation Fund with The Hunter Foundation	£1.100	£2.534	-	£3.634
National Child Poverty Coordinator	£0.069	£0.070	£0.092	£0.231
Local analytical partnership	£0.020	£0.020	£0.038**	£0.078
Local support - first year reporting	£0.190	-	-	£0.190
TOTAL INVESTMENT	£2.35m	£6.40m	£10.48m	£19.22m*

^{*}totals may not sum due to rounding

^{**} anticipated investment

Investment to support children in poverty

We have made considerable progress in the two years since the publication of our first Tackling Child Poverty Delivery Plan but we recognise that, in order to meet the targets, significant and sustained investment is essential. The drivers of child poverty are complex and, in order to effectively tackle them, this investment must be extensive and diverse.

In the 2019-20 financial year, over £672 million has been invested across a range of programmes directed specifically at low income households with children. These households will also benefit from the wide range of action focussed on low income households in general. In 2019-20 £1,966 million has been invested on programmes directed at low income households. These figures, as well as the breakdowns of estimated spend in individual programmes, can be seen in the table below. These figures come from a variety of sources in addition to the draft 2020-21 budget documents. For policies targeted at all people on a low income, we have used the proportion of people in poverty who are children to derive an estimated spend on children in poverty (23%).

These estimates do not include the proportion of spend from universal services, including those focused specifically on children such as funded Early Learning and Childcare and Free School Meal provision for primaries 1-3, or wider support including free prescriptions, healthcare or free tuition. Wider investments such as these are key to our overall strategy to reducing child poverty.

The multi-billion pound package of investment that underpins our ground-breaking statutory targets to reduce child poverty levels by 2030 aims to support households increase their earnings from employment, reduce household costs and enhance social security support, thereby mitigating the negative impacts of poverty and improving lifelong outcomes for children and families.

The estimates above represent an increase of £144 million of spend on low income households with children based on those reported in 2018-19. Estimated investment targeted at low income households similarly increased by £554 million.

Tackling child poverty remains a complicated, multi-faceted task however we continue to be confident that the approach we are taking will have the long term impacts that we require.

Policy	Estimated 2019-20 total spend (£m)	Estimated spend on children in poverty (£m)
Targeted at low income households with children		
Attainment Scotland Fund	62.00	62.00
Pupil Equity Funding	120.00	120.00
Free School Meals - P4+53	74.69	74.69
Education Maintenance Allowance	22.82	22.82
Best Start Foods / Healthy Start Vouchers	4.17	4.17
School Clothing Grant	6.00	6.00
Inspiring 14:19 Fund	6.89	6.89
Money Talk Team	1.50	1.50
Best Start Grant	21.00	21.00
STV Children's Appeal	1.00	1.00
Healthier Wealthier Children	0.25	0.25
Parental Employability Support Fund	2.00	2.00
Total	322.32	322.32
Targeted at low income households - not necessar	arily with childre	n
Affordable Homes ⁵⁴	685.60	157.69
Council Tax Reduction - funding for revenue		
forgone	351.00	50.76
Fuel Poverty / Energy Efficiency	119.61	27.51
Discretionary Housing Payments	63.20	14.54
Scottish Welfare Fund	33.00	7.59
Regeneration strategy ⁵⁵	42.57	9.79
Fair Start Scotland	15.65	3.60
Advice Services (Income max/financial advice)	1.60	0.37
Fair Food Fund ⁵⁶	3.50	2.34
Innovation Fund	2.53	0.58
Social Innovation Partnership	0.82	0.19
UC Scottish Choices	0.22	0.05
Digital skills training for low income	1.00	0.23
Funeral Support Payment	4.1	0.94
Carer's Allowance	283.00	65.09
Carer's Allowance Supplement	37.00	8.51
Total	1644.40	349.78
TOTAL	1966.72	672.10

Funding provided to local authorities
 Includes funding from local government settlement for Transfer of Management of Development Funding (TMDF)
 Includes the Empowering Communities Programme, Regeneration Capital Grant Fund, Business Improvement Districts, town centre regeneration and funding for Clyde Gateway.
 £2 million of the Food Fund was specifically focused on supporting children during school holidays

Child Poverty (Scotland) Act 2017 requirements

Section 10 of the Child Poverty Act sets out a range of requirements around progress reports. This table explains how we have met those requirements, with directions to the relevant sections or specific pages within the Plan.

The Scottish Ministers must, before the end of the period of 3 months beginning with the last day of each reporting year, prepare a report (a "progress report") on the progress made during the year— • towards meeting the child poverty targets, and • in implementing the relevant delivery plan.	This is the first progress report due under the Child Poverty Act. Section 2 outlines our approach to assessing progress toward meeting the targets. It presents the most recent data for the four targets. The most recent child poverty statistics available describe the situation in 2018-19, which covers the first year of the Tackling Child Poverty Delivery Plan. Progress in implementing the delivery plan (2018-22) is set out in section 1.
A progress report must be porticular describe	
A progress report must in particular describe	-
The measures taken by the Scottish Ministers in accordance with that delivery plan.	Section 1 contains an update on each action committed.
The effect of those measures on progress towards meeting the child poverty targets.	Section 2 sets out plans for evaluation in the longer term. Section 1 provides impact summaries, where appropriate, for actions aligned to the drivers of child poverty reduction.
The effect of those measures on reducing the number of children living in single-parent households against each of the four targets.	Section 2 presents the most recent child poverty statistics for the six priority families identified in 'Every Child, Every Chance' – including children living in single parent households. Section 3 sets out which of the actions in the Delivery Plan are intended to benefit these children.
The effect of those measures on children living in households whose income is	Section 2 presents the most recent child poverty statistics for the six

adversely affected, or whose expenditure is increased, because a member of the household has one or more protected characteristics.

priority families identified in 'Every Child, Every Chance' – including children living in families that include a disabled adult or child, minority ethnic families, families with a child under one year old, and families where the mother is under 25 years of age.

Section 3 sets out which of the actions in the Delivery Plan are intended to benefit these children.

If, in preparing a progress report -

Scottish 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 the Scottish Ministers propose to ensure sufficient progress is delivered in the future.

The single-year statistics published in March 2020 cover the period 2018-19 and show that poverty levels across three of the four measures have reduced. This date range reflects the first year of the delivery plan and therefore will not capture the impact of actions delivered in that period.

As the Poverty and Inequality Commission note in their concluding remarks 'It is still too early... to comment on evidence of progress towards meeting the targets'. In 2019-20 a number of important new supports have been put in place and, once embedded, we would expect these to start to shift the curve on child poverty.

In preparing a progress report, the Scottish Ministers must —

Consult the Commission on;

- the progress made during the reporting year towards meeting the child poverty targets,
- whether it appears to the Commission that such progress is sufficient to meet the child poverty targets,
- what further progress the Commission considers is required to meet the child poverty targets.

In March 2020 the Cabinet Secretary for Communities and Local Government wrote to the Chair of the Poverty and Inequality Commission to invite scrutiny of progress made in relation to the child poverty targets.

The Commission were invited to meet with officials to discuss their selected areas of focus, with meetings set to conclude by 19 And, include any comments or recommendations made by the Commission on the matters mentioned above.

March 2020, and final written updates provided by 27 March.

Due to the nationwide lockdown, preparation of this material was delayed alongside the progress report. Five of the Seven meetings were conducted prior to lockdown and Scottish Ministers shared written updates with the Commission on 21 May 2020.

The advice received will be published by the Commission on 20 August.

We have set out throughout the document where and how we have taken account of the Commission's recommendations and comments.

Further detail is provided below.

Responding to the advice and comments of the Poverty and Inequality Commission:

In relation to the progress made during the reporting year towards meeting the child poverty targets:

The report of the Commission notes:

"It is still too early for the Commission to comment on evidence of progress towards meeting the targets. The Commission notes that this year's statistics for the targets are all slightly lower than the previous year's figures, except for the percentage of children in persistent poverty, but it is too early to know if this is an actual reduction or just fluctuation due to the relatively small sample size. Nevertheless it is positive to see those lower figures, particularly in the light of projections for child poverty to increase if no action was taken."

Section 2 sets out the latest data available on child poverty levels which show reductions against three of the target measures.

In relation to whether it appears to the Commission that such progress is sufficient to meet the child poverty targets:

The report of the Commission notes:

"It remains difficult for the Commission to judge whether the progress being made is Section 1 highlights key strategic links between policies including employability support, fair work,

sufficient to meet the child poverty targets because, in most cases, there is still not enough evidence of how the actions in the Child Poverty Delivery Plan are expected to impact on the targets.

Overall, our view is that there is not enough focus on the outcomes of actions and, for most of the actions, there still is not enough evidence that they will help deliver against the targets. There is still a lack of clarity about how the policies are expected to interact to make the Child Poverty Delivery Plan more than just the sum of its parts.

While actions such as the Scottish Child Payment will contribute towards the targets, there is nothing in the progress updates which gives us reassurance that the actions being taken would have had sufficient impact for Scotland to reach the child poverty targets, even before the potential impacts of coronavirus. Meeting the targets is only likely to get harder in the context of the coronavirus crisis."

Early Learning and Childcare and transport – with investment being targeted to enhance and develop a holistic person-centred support allowing parents to enter work and increase their earnings.

Aligning to the drivers of poverty reduction these actions are enabled and complemented by wider activity on housing and transport.

The introduction confirms the Scottish Government's intention to work with experts, including the Social Renewal Advisory Board, to ensure that interventions delivered meet the scale and pace required to mitigate the impacts of the crisis on children and families.

In relation to what further progress the Commission considers is required to meet the child poverty targets:

The Commission recognises progress is being made on modelling work for some actions, but reiterates the previous Commission's recommendation that the Scottish Government needs to develop a greater understanding of the likely impact of the actions on the targets and use this to identify what further action is needed. Learning across the Delivery Plan needs to be used to make decisions about what to invest more in, what to change and what to stop.

Section 2 outlines the Scottish Government's commitment to investigate methods to produce a quantitative, cumulative impact assessment of the policies on child poverty and the importance of this kind of modelling for assessing the impact of existing policies, monitoring progress towards the child poverty targets, and informing the design of future policies.

The Commission provided seven recommendations in relation to further progress required to meet the child poverty targets:

1. The Scottish Government must ensure that actions are more clearly linked to targets and that it is clear what the impact of the action is expected to be. There should be a culture of continuous learning and improvement where policy makers (not just analysts) consistently demonstrate how

Section 1 provides impact summaries for actions relevant to the drivers of child poverty reduction and highlights evaluation and user feedback, for example in relation to Best Start Grant. evaluation and learning are integral to their on-going decision-making and delivery.

2. The Scottish Government should continue to develop its approach to involving people with lived experience of poverty in developing solutions and actions and shaping delivery. There have been some examples where this has been done well, e.g. the work of Social Security Scotland in incorporating people's lived experience into the delivery of social security, but this type of approach needs to be applied consistently across policy areas.

Section 1 highlights a range of actions influenced by lived experience and restates the Scottish Government's commitment to continuing to develop our approach to involving people with lived experience of poverty in developing solutions, actions and shaping delivery and are taking steps to encourage this practice across Scotland.

3. There should be a greater focus on the priority families in developing and delivering the actions in the Child Poverty Delivery Plan, with better data and evidence gathering to ensure that we know how different policies and interventions are impacting on priority families. The Scottish Government should also ensure that, while focusing on delivering the child poverty targets, it does not lose sight of the needs of others groups of children who are high risk of poverty, such as asylum seekers, refugees and Gypsy/Travellers.

Section 2 outlines the Scottish Government's commitment to investigate methods to produce a quantitative, cumulative impact assessment of the policies on child poverty and the importance of this kind of modelling for assessing the impact of existing policies, monitoring progress towards the child poverty targets, and informing the design of future policies. The six priority families ensure a sharp focus on groups at higher risk of poverty to ensure that both specific and inclusive policies are designed.

4. In the coming months the Scottish Government should review the actions in the Delivery Plan to ensure they meet the scale and types of needs that are emerging because of the coronavirus crisis and look at what additional action is needed. The introduction confirms the Scottish Government's intention to work with experts, including the Social Renewal Advisory Board, to ensure that interventions delivered meet the scale and pace required to mitigate the impacts of the crisis on children and families.

5. The Scottish Government and Social Security Scotland should reinstate their delivery timetable for the Scottish Child Payment and aim to make payments to children under the age of six by Christmas 2020. A mechanism should be found to make interim payments until the Scottish Child Payment is implemented, if the delivery timetable cannot be reinstated.

Section 1 provides an update on progress to deliver the Scottish Child Payment (SCP) and the revised timetable for delivery. As noted identification and development of an alternative solution would not be a quick or easy process and could risk further delays to the roll out of the Scottish Child Payment and delivery of the existing low income benefits.

6. The Scottish Government must revisit and prioritise the delivery timetable for the 1140 hours funding for early learning and childcare. Should public health advice allow childcare to return to full capacity, the 1140 hours commitment should be reinstated during this academic year to enable parents to work and manage their childcare costs.

Section 1 provides an update on progress to deliver the Early Learning and Childcare (ELC) expansion. Scottish Ministers remain committed to delivering the expansion, and the return to 1,140 as soon as it is reasonable to do so.

7. The Scottish Government should extend its commitment to investing in affordable housing beyond 2021 and go further in investing more in social rented homes. It should ensure that addressing child poverty is factored into its analysis of housing need.

Section 1 sets out that we have already provided a commitment of £300 million interim funding certainty for 2021-22 ahead of the spending review later this year, ensuring that affordable homes continue to be delivered beyond this current parliamentary term. Housing is a key component of Scotland's infrastructure, and our aim is to publish a new Infrastructure Investment Plan later this year.



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