

## **Shelter Scotland written evidence on the general principles of the Child Poverty (Scotland) Bill (March 2017)**

Shelter Scotland helps over half a million people every year struggling with bad housing or homelessness through our advice, support and legal services. And we campaign to make sure that, one day, no one will have to turn to us for help.

Shelter Scotland believes that too many children across Scotland are living in poverty and we support the inclusion of clear statutory targets to significantly reduce child poverty by 2030. In 2015/16, 190,000 children in Scotland lived in relative poverty before housing costs. An additional 70,000 children were living in poverty after housing costs – therefore one in four children in Scotland lived in relative poverty in 2015/16.

### **Whether you agree that statutory child poverty targets should be re-introduced for Scotland?**

1. Yes. As explained in our response to the Child Poverty (Scotland) Bill Consultation, Shelter Scotland believes that statutory child poverty targets send out a strong message to the families and children who are struggling with the daily realities of poverty, and to local and national policymakers that more needs to be done to tackle the causes of child poverty.
2. Shelter Scotland hopes that this will signal the key role that governments play in tackling child poverty and thereby help to fight the stigmatisation of people who experience poverty. The increasing rate of child poverty in our country should be understood as a failure of local and national governments and society to provide adequate help and support to help prevent and reduce poverty, especially child poverty, in Scotland.
3. Having statutory targets is essential to effectively implement, monitor and evaluate policies and their impact on child poverty in Scotland. However, these targets need to be supported by clear local and national policies. In this regard, Shelter Scotland recognises that several economic levers to fully eradicate child poverty do not lie with the Scottish Government.

### **The appropriateness and scope of the 4 proposed targets**

4. Although the 4 proposed income-based targets are very important, income-based measures are merely one of a wide range of possible indicators of child poverty. While Shelter Scotland recognises that most models will inevitably have difficulties to adequately capture the complexity of child poverty, we would like to stress that any acceptable model needs to consider the resources beyond income that are or are not available to households with children.
5. Shelter Scotland welcomes that the targets measure child poverty after housing costs are considered and targets are equivalised. This more adequately captures those

households that pay disproportionately high costs for their housing due to the type or location of their place of residence. However, as expressed in our consultation response, we are concerned that the true cost of housing for most families is not adequately represented. Housing costs, for example, only include the interest element of a mortgage and not the capital element. This further increases the importance of using a wide range of indicators, including indicators that adequately capture the importance of housing.

6. Shelter Scotland supports the target of reducing persistent child poverty. However, it suggests that this target could be even more ambitious, as evidence shows that persistent poverty has the greatest impact on the long-term well-being and achievement of children in poor households.<sup>1</sup>
7. Shelter Scotland was particularly pleased to see the inclusion of the persistent poverty target based on a combination of material deprivation and low household income. However, **Shelter Scotland suggests that the Scottish Government changes the underlying definition of persistent poverty to a household living in relative poverty for at least two years out of a four-year period.** Given the importance of a child's development and education, we strongly believe that a two-year period more adequately reflects the devastating and long-term effects that poverty has on children than a three-year period. This will also help focus attention on individuals and communities that are struggling with the effects of persistent poverty.
8. The appropriateness of the proposed targets needs to be assessed partly by examining the methods used to measure them. In its consultation response, Shelter Scotland expressed specific concerns regarding the questions that people with lived experience of child poverty are asked in relation to material deprivation. These questions can easily appear insensitive and also don't necessarily capture the realities of child poverty. A study of the experiences of our Foundations First support workers, for example, noticed that most of their clients' families would buy Christmas and birthday presents for their children, but quite often got themselves into high cost debts to do this.
9. Shelter Scotland would like to stress the importance of other measurement mechanisms. The Minimum Income Standard (MIS), which was developed by the Joseph Rowntree Foundation in 2008, provides a benchmark of minimum needs based on goods and services that the public think are necessary for an adequate standard of living in the UK.<sup>2</sup> This is updated annually and includes food, clothes, housing, and social and cultural participation. JRF uses 75 per cent of the MIS as a poverty indicator. An additional measure, which would be important to consider, is one that examines changes to income inequality over time, as tackling poverty will inevitably require a better redistribution of wealth. The 20:20 ratio or the Gini coefficient are examples of such measures.

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<sup>1</sup> Dickerson, A. and Popli, G. (2012) [Persistent poverty and children's cognitive development: Evidence from the UK Millennium Cohort Study](#), CLS Cohort Studies Working Paper 2012/2.

<sup>2</sup> Davis, et al., (2016), [A Minimum Income Standard for the UK in 2016](#), Joseph Rowntree Foundation.

### **Whether interim targets are needed**

10. Shelter Scotland believes that interim targets would help to ensure that the Scottish Government can adequately monitor and assess the progress towards achieving the 4 proposed targets. However, for this to be effective, adequate mechanism and regulations need to be put into place that strengthen the proposed targets and adequately capture the complexity of child poverty in Scotland – something which interim targets that are based on the already proposed targets will not achieve by themselves.
11. Any interim targets and reports on achieving these targets should be integrated into the reporting progress linked to the 4 proposed targets. Shelter Scotland shares the concern of the Scottish Government regarding multiple reporting, especially in regard to limited resources.

### **The proposed arrangements for reporting progress towards meeting the targets and how best to hold the Scottish Government to account**

12. Shelter Scotland supports the proposed reporting progress with the Scottish Ministers preparing delivery plans for the three specified time periods and annual progress reports. It is essential that rigorous and regular monitoring of targets is put in place.
13. As mentioned further below, Shelter Scotland supports the establishment of a national Poverty and Inequality Commission, as detailed in the Fairer Scotland Action Plan. One of the main tasks of this commission should be to hold the Scottish Government to account and facilitate the monitoring of the child poverty targets. When indicators are not being met, this needs to be addressed as a matter of urgency and the corresponding result should involve an independent review of the poverty and inequality commission and targeted action from national and local governments.

### **The responsibility placed on local councils and health boards to make local progress reports**

14. Shelter Scotland supports the responsibility placed on local councils and health boards to make annual local progress reports.
15. From Shelter Scotland's experience, there is a need to establish a more effective working relationship between the local authority housing departments, children's services and health boards building on the integration of health and social care. It is our hope that local progress reports can be used as an opportunity to increase the sharing of best practice across the field, both within individual local authorities and between different local authorities. In 2012, Save the Children found that merely 16 per cent of local authorities in Scotland had developed a local action plan to tackle child poverty and only 5 per cent had undertaken a child poverty impact assessment or established a development group on child poverty.<sup>3</sup> Moreover, better ways of using existing data need to be identified to reduce the multiple reporting, which has to involve improving multi-agency work.

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<sup>3</sup> McKendrick, J. H., Sinclair, S. (2012), [Local action to tackle child poverty in Scotland](#), Save the Children.

16. Shelter Scotland further suggests that each local authority area starts a Poverty Taskforce to identify issues and solutions in their communities, similar to the Poverty Commission in Renfrewshire and Fairness Commission in Dundee. These local taskforces should involve a wide range of individuals and community groups. This could be similar to the social inclusion partnership model and should make use of a range of participatory methods aimed at increasing meaningful and mutually beneficial participation from people with lived experience of (child) poverty.

### **The existing Child Poverty Measurement Framework and its 37 indicators**

17. Shelter Scotland supports the Child Poverty Measurement Framework and believes that it is an important addition to the proposed income-based targets, as it more adequately represents the complexity of child poverty. However, Shelter Scotland strongly suggests that additional indicators should be added that help to address some of the key aspects children growing up in poverty face.
18. Shelter Scotland would like to make the following suggestions of additional Pockets indicators:
  - a. Number of parents who have had their income sanctioned.
  - b. Number of families using a food bank to make ends meet.
  - c. Number of families affected by the benefit cap.
  - d. Number of families accessing support from the Scottish Welfare Fund.
  - e. Number of families in rent arrears and at risk of losing their home.
19. Additional poverty indicators under Places:
  - a. Number of families living in fuel poverty.
  - b. Number of children living in bad housing and poor housing conditions, including housing that is sub-standard or overcrowded.
  - c. Number of homelessness applications made by households containing children.
  - d. Number of children living in a household assessed as homeless.
20. Shelter Scotland is concerned that some indicators do not adequately reflect the situation most families facing poverty experience. As mentioned above in relation to the estimates for housing costs, the indicator assessing the average percentage of income spent on housing, for example, is not equalised – meaning that it does not consider the household composition and size – and does not adequately reflect the costs most families face.

### **What should the national poverty and inequality commission's status and powers be in relation to this Bill?**

21. Shelter Scotland believes that the national poverty and inequality commission should be a statutory independent body, which aims to create a holistic approach to tackling poverty. The commission's independence from the Scottish Government would ensure that it has the power to hold the Scottish Government and local governments to account.
22. As the Scottish Government has recognised in the Fairer Scotland Action Plan, it is vital that this body includes people with lived experience of poverty. This could be achieved by, for example, working together with the above-mentioned local Poverty Taskforces.

23. In addition, Shelter Scotland supports the introduction of a socio-economic duty on public bodies, which will ensure that such bodies take account of poverty and inequality when making key decisions. Shelter Scotland proposes that the commission's is given the power to develop an assessment that rates all relevant legislation – not just the Child Poverty Bill - against their expected impact on child poverty levels. This could ensure that the interconnectedness of poverty to other issues, including housing, is better addressed and thereby increase the likelihood of the proposed targets being met. This assessment would also help to embed the need for a more crosscutting approach and to place tackling child poverty at the forefront of all local and national policymakers. When targets are not being met, the poverty and inequality commission should conduct an independent review that makes clear recommendations.

### **Any other issues you think are relevant to this Bill**

24. Shelter Scotland would like to stress that there are several factors that influence child poverty and its potential impact that are more difficult to measure. Our experience of working with families living in poverty tells us that social networks and community amenities, for example, make a real difference to how well children cope with living in poverty. The support of family members and friends that families experiencing relative poverty can rely on can make a significant difference to the impact poverty has on the affected children and subsequently on their future achievements.
25. Through our advice services and, in particular, our Foundations First work, we know that the lack of availability of affordable childcare has a significant impact on families experiencing poverty – often this is one of the key factors that contributed to their impoverishment and further prevents them from escaping poverty. This further demonstrates how important housing policies are in relation to child poverty. The current tenure insecurity that families living in private rented accommodation face, for example, can mean that children move around a lot and do not have access to such support in their local community.
26. The experience of homelessness is also extremely damaging for families with children, especially the impact of temporary accommodation. Shelter Scotland is campaigning for a national homelessness strategy to ensure a strategic national focus on homelessness. The interconnected issues of poverty, homelessness, high housing costs and welfare changes must be addressed together if we are to meaningfully tackle them. A comprehensive approach to child poverty, which takes these issues and wider policy areas into consideration, is therefore needed.

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