



Citizens Advice Scotland written evidence

Child Poverty (Scotland) Bill

Scottish Parliament Social Security Committee

March 2017

Introduction and context of response

1. Citizens Advice Scotland (CAS), our 61 member Citizen Advice Bureaux (CAB), the Citizen Advice consumer helpline, and the Extra Help Unit, form Scotland's largest independent advice network. Advice provided by our service is free, independent, confidential, impartial and available to everyone. Our self-help website Advice for Scotland provides information on rights and helps people solve their problems.
2. In 2015/16 the Citizens Advice network in Scotland helped over 310,000 clients in Scotland alone and dealt with over one million advice issues. With support from the network clients had financial gains of over £120 million and our Scottish self-help website Advice for Scotland received over 4 million unique page views.
3. Citizens Advice Scotland welcomes the opportunity to submit evidence to inform the Committee's consideration of the Bill. Scotland's CAB Service sees the effects of child poverty on a daily basis, and the majority of advice provided by citizens advice bureaux in Scotland relates to issues related to maximising low incomes, particularly access to social security benefits and dealing with problem debt.
4. Analysis of CAB client profile data for a typical month (November 2015) indicates that 30.1% of clients have dependent childrenⁱ. Of these 46% were small familiesⁱⁱ, with 14% from large families. A relatively large proportion (39%), were single parents, a group which typically experiences a higher rate of poverty than other families.ⁱⁱⁱ
5. Compared with clients without dependent children, CAB clients with caring responsibilities for a child were more likely to be female (67% of clients with children), younger, and living in private rented housing. They were more likely to be employed than other clients, particularly in part-time work (21% of clients with children, compared with 9% of those without).
6. In common with other CAB clients, those with dependent children were most likely to receive advice on a benefits issue. They were significantly more likely to receive advice on debt (24%, compared with 19%) or relationship issues (9%, compared with 4% of those without dependent children). Clients with caring responsibilities for children are marginally more likely to come to CAB with multiple issues.
7. In general, Citizens Advice Scotland welcomes steps to reduce poverty and inequality in Scotland, as Scotland's CAB network does through its work every day.

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

8. **Citizens Advice Scotland agrees that the Scottish Government should include in statute an ambition to eradicate child poverty. It is equally important however that this ambition is backed up by clear strategies with specific, measurable and deliverable actions that are directly linked to reducing the levels of child poverty in Scotland.**
9. Additionally, whilst tackling child poverty is an important ambition for Scotland, other forms of poverty and inequality continue to cause negative experiences for individuals and are extremely costly in terms of causing knock-on costs for public services.
10. For instance, whilst 1 in 3 CAB clients who needed advice on foodbanks had dependent children – a very sobering reminder that Scotland has a long way to go to eradicate child poverty - 60% of clients advised on foodbanks lived alone.^{iv} Scottish Government statistics indicated that 26% of single working age women and 25% of single working age men were in relative poverty after housing costs.^v
11. **Citizens Advice Scotland would recommend the Scottish Government also consider poverty and inequality affecting all groups as part of its ambition and strategy.**

The appropriateness and scope of the 4 proposed targets

12. The targets proposed in the Bill are identical to those in the Child Poverty Act 2010, with the exception of a more ambitious target for persistent poverty, and that the timescales has been extended from 2020 to 2030. Citizens Advice Scotland is content with these proposals, given that the original 2020 target is extremely unlikely to be met.
13. **Citizens Advice Scotland agrees that the proposed measures – proportion of children in relative poverty; in absolute poverty; in persistent poverty; and a combined low income and material deprivation metric – are acceptable measures for the targets.**
14. **In addition, Citizens Advice Scotland recommends the Scottish Government consider including the proportion of children in severe poverty (those living with equivalised household income below 50% of UK median income) to ensure that the depth of poverty is reflected in the targets.**
15. According to the most recent figures, the majority of people in poverty were also in severe poverty, particularly after housing costs, with 13% of children in severe poverty after housing costs (AHC).

16. Ongoing analysis of CAB case evidence over the last four years has shown that more and more citizens advice bureaux clients are experiencing periods of no income, and are unable to afford essentials, including food, gas and electricity to heat their homes, as well as priority payments such as rent. During 2014/15, advice related to food banks was provided on 7,400 occasions by citizens advice bureaux in Scotland in Scotland, an increase of 47% on the previous year. During 2014/15, at least 1 in 42 enquiries featured advice regarding food banks.¹ CAS would consider it important to eradicate more extreme child poverty, and including a severe poverty measurement may be a way to capture that.

Whether interim targets are needed

17. **Citizens Advice Scotland would recommend that the Scottish Government undertake analysis and research on the feasibility of eradicating child poverty by particular dates, and what steps would require to be taken to achieve it, and consider introducing interim targets based on these.**
18. Whilst it is important that challenging ambitions to eradicate child poverty are set, it is important that they are realistic. The Child Poverty Act 2010 aimed to achieve the targets in the ten years to 2020, which looks extremely unlikely to be achieved.

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

19. **Citizens Advice Scotland would recommend that Delivery Plans are set every three years, as is currently required, rather than every five years. CAS agrees that Scottish Government should report on the Delivery Plan annually.**
20. Revising plans every three years will allow for more focussed objectives covering the medium term, and ensure the issue is never far from Ministers' minds. It would also help mitigate problems being caused by unexpected or developing events rendering parts of a plan out of date before its expiry.
21. Whilst we understand the desire to match the length of the Scottish Parliamentary term, producing Delivery Plans on a more frequent basis would ensure that each Scottish Government would be responsible for the development, delivery and implementation of the plan, without being able to leave difficult aspects to its successors. If overlap between Parliamentary

¹ Living at the Sharp End: CAB Clients in Crisis – Citizens Advice Scotland, July 2016.
<http://www.cas.org.uk/publications/living-sharp-end>

terms is a concern, then requiring plans to be produced every two-and-a-half years (half the length of the term) might be an alternative.

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

22. **Citizens Advice Scotland agrees that local authorities should report on measures taken to reduce child poverty. CAS would also recommend local authorities produce child poverty (or poverty and inequality) strategies, making the most of independent expertise and the best evidence in their development.**
23. In the last two years a number of local authorities, such as Renfrewshire^{vi}, Shetland^{vii} and Fife^{viii} have established independent Commissions to consider evidence and develop recommendations for addressing poverty and inequality in the area. These models have been well-received and have resulted in local authorities adopting strategic plans for addressing child poverty (or poverty and inequality more widely), with bold and challenging targets. Actions by local government, as well as central government will be required to meet a goal of eradicating child poverty by 2030.

The existing Child Poverty Measurement Framework and its 37 indicators

24. **Citizens Advice Scotland welcomes the general approach to measuring drivers and impacts of poverty. However, there are a number of important indicators of child poverty that are missing, in the main relating to families' incomes.**
25. Wages, tax and benefits are critical to increasing family incomes and lifting them out of poverty. There are also a number of other important areas affecting living costs that are not included. This is due to them being reserved matters, which were not permitted to be included in Scottish Government strategies under the Child Poverty Act 2010.
26. Given the removal of Scotland from the scope of the Act (now renamed the Life Chances Act), this barrier no longer exists. Whilst the Scottish Parliament does not necessarily have control over all of the policy levers in these areas, Citizens Advice Scotland would recommend the Scottish Government consider the following for inclusion in a revised measurement framework:
 - The adequacy of social security benefits, compared to the level of income needed to lift families out of poverty.
 - Unemployment rate of parents (in addition to employment and underemployment rates)
 - The take-up rates of social security benefits associated with increasing parents' incomes.

- The proportion of income spent on housing costs amongst the lowest income households.
- The proportion of income spent on essential goods and services amongst the lowest income households.
- The availability of childcare, as well as the cost.
- The rate of in-work poverty
- The level of food insecurity^{ix}
- The extent of the ‘poverty premium’ in essential goods and services^x

27. Citizens Advice Scotland would also recommend reviewing the measurement framework to ensure clarity of purpose, and how the indicators relate to the ultimate aspiration of eradicating child poverty, as measured by the four proposed indicators in the Bill. The four indicators in the Bill are primarily focussed on income, whereas the majority of indicators in the framework relate to improved life chances and sustainable places, which whilst important do not have the same direct connection to maximising income and lifting children out of poverty.

Although not in this Bill, the Scottish Government has committed to establishing a national poverty and inequality commission. What should this commission’s status and powers be in relation to this Bill?

28. Citizens Advice Scotland would recommend that an independent body is included in statute as part of the Bill to ensure that it has a clear and ongoing function in tackling child poverty.
29. This may be the Poverty and Inequality Commission depending on its detailed remit which is yet to be published. There could also be a statutory role for the independent Poverty Adviser or the Ministerial Advisory Group as appropriate.
30. Independent experts – including those with lived experience of poverty - have an important function, both in shaping the legislation, but also advising the Scottish Government on the delivery of strategies to eradicate child poverty. Developing this would allow the Scottish Government to draw on the wealth of expertise on the causes, consequences and possible solutions to poverty that exists outside of government. Involvement of independent organisations and individuals will help ensure that the ambitious targets for eradicating child poverty are met.
31. It is important that if multiple independent groups are established their role in tackling child poverty, as well as other strategies to reduce poverty and inequality is clear to avoid confusion over priorities or functions. The Scottish Government appears to have recognised the need for comprehensive action on poverty, including the proposed establishment of the bodies mentioned above, as well as the publication of a Fairer Scotland Action Plan^{xi}. However, it needs to be clear how these actions, along with others, relate to the specific targets related to child poverty proposed to be set out in statute.

32. Citizens Advice Scotland would recommend the Scottish Government ensure that plans to tackle poverty and inequality more widely are consistent and complementary with the targets set out in the Bill, and collectively represent a focussed set of actions towards the eradication of poverty and inequality from Scotland.

Any other issues you think are relevant to this Bill

33. In its strategic plans following the Bill, Citizens Advice Scotland would recommend that the Scottish Government sets out how it intends to work with the UK Government to ensure that all necessary actions are taken to meet the targets.

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

The Scottish Association of Citizens Advice Bureaux - Citizens Advice Scotland (Scottish charity SC016637)

ⁱ Compared with 27.1% from families without dependent children, 30.3% single adults and 8.4% single pensioners.

ⁱⁱ Small families defined as 2 adults, 1 or 2 dependent children; large families as 2 adults and 3 or more dependent children, or 3 or more adults with 1 or more dependent children.

ⁱⁱⁱ In 2014/15, 37% of lone parents were in poverty after housing costs. Equality characteristics of people in poverty in Scotland 2014/15 – Scottish Government Communities Analysis, August 2016 <http://www.gov.scot/Topics/Statistics/Browse/Social-Welfare/IncomePoverty/CoreAnalysis/povertyanalysis>

^{iv} Living at the Sharp End: CAB Clients in Crisis – Citizens Advice Scotland, July 2016. <http://www.cas.org.uk/publications/living-sharp-end>

^v Equality characteristics of people in poverty in Scotland, 2014/15 – Scottish Government Communities Analysis, August 2016 <http://www.gov.scot/Topics/Statistics/Browse/Social-Welfare/IncomePoverty/CoreAnalysis/povertyanalysis>

^{vi} Tackling Poverty Strategy 2015-2017 – Renfrewshire Council, October 2015 <http://www.renfrewshire.gov.uk/media/1040/Tackling-Poverty-Strategy-2015-2017/pdf/TacklingPovertyStrategy.pdf>

^{vii} On Da Level: Achieving a Fairer Shetland – Shetland’s Commission on Tackling Inequalities, March 2016 http://www.shetland.gov.uk/equal-shetland/documents/OnDaLevel_Full_Version_13_April_16.pdf

^{viii} Fairness Matters – Fairer Fife Commission, November 2015 <http://www.fifedirect.org.uk/minisites/index.cfm?fuseaction=page.display&pageid=6EE8041B-E387-D685-6DBE9BE4D5C06929&siteID=6EE6DD98-ED66-5C2C-CFE1A79C6D975A5D>

^{ix} Report to the UN Committee on Economic, Social and Cultural Rights – Nourish Scotland, August 2015 <http://www.nourishscotland.org/wp-content/uploads/2015/10/ICESCR-Nourish-Scotland-2015.pdf>

^x Paying more to be poor: The poverty premium in energy, telecommunications and finance in Scotland – Citizens Advice Scotland, August 2016 <http://www.cas.org.uk/publications/paying-more-be-poor>

^{xi} Fairer Scotland Action Plan – Scottish Government, October 2016
<http://www.gov.scot/Publications/2016/10/9964>