

**Taking Forward the Government Economic Strategy:
A discussion paper on tackling poverty,
inequality and deprivation in Scotland**

Introduction

Barnardo's Scotland is a national voluntary organisation providing over 60 services throughout Scotland, working in partnership with almost all local authorities. We provide a wide range of services to 10,000 children, young people and families. All of our services experience the impact of poverty, particularly child poverty. It is mainly from the perspective of alleviating child poverty that we have responded.

General Comments

Barnardo's Scotland warmly welcomes the Scottish Government commitment to the 2020 target to eliminate child poverty in the UK.

Barnardo's Scotland acknowledges the contribution made through Scottish Government to reducing the child poverty figures in Scotland between 1999 and 2005. However, the reduction has stalled and for the past two years the number of children living in relative poverty in Scotland has remained stable at 210,000 (21%), although the number in absolute poverty dropped by 10,000 (12%)¹. Elsewhere in the UK there has been a rise of 200,000 for the number of children living in relative poverty and 100,000 for those living in absolute poverty². In this respect Scotland appears to be performing marginally better than other areas in the UK.

However, it is nationally recognised that it is a scandalous situation to have so many of our children living in poverty. It was described by Stewart Maxwell, Scottish Communities Minister as "morally unacceptable that almost a quarter of our children are still being born into or condemned to a life of hardship"³. Barnardo's Scotland strongly agrees.

¹ National Statistics, (2008) *Scottish Households Below Average Income 2006-07*

² National Statistics (2008) *Households Below Average Income 2006-07*

³ Scottish Government (2008) <http://www.scotland.gov.uk/News/Releases/2008/06/10103349> accessed 18/06/08

1. Where can the Scottish Government contribute most to tackling poverty?

The Scottish Government can have most impact on reducing poverty in the following areas:

- Promoting the alleviation of inequality and poverty as the top priority for Scottish Government and a joint responsibility for public, voluntary and private sectors
- Increasing public awareness of the prevalence of poverty and promote an understanding that it is in everyone's interest to reduce inequality
- Ensuring that Scotland maximises opportunities for all children through policy initiatives in early years, education, health and social care, housing and skills
- Reducing barriers to accessing employment, for example, access to affordable, flexible childcare
- Providing personalised support to those who have additional needs to access and sustain a place in the labour market
- Providing financial advice and services to families most in need and at risk of household debt
- Reducing outgoings in poor families in education, for example, extend eligibility and maximise uptake of free school meals and school clothing grants to all children living in poverty
- Reducing outgoings in poor families for fuel, for example, access to fuel efficiency schemes and central heating programmes.

2. To what extent are current policies and programmes fit for purpose?

In terms of current initiatives, Barnardo's Scotland offers the following comments:

- Childcare – there has been substantial funding allocated to this aspect of policy, however, there is patchy coverage in all neighbourhoods and this is an initiative that suffers from insufficient investment
- Lone parents into education – this is a useful example of targeting a group particularly vulnerable to children living in poverty
- Surestart – it is difficult to evaluate this initiative as the implementation at local level has been varied. As a result there may be examples of excellent work

undertaken but it is not possible to make comment on a national basis because the information is not available

- Working for Families – this has been complementary to the resources allocated to childcare initiatives and is a useful example of targeting in areas where there are concentrations of poverty
- Free School Meals – the uptake of free school meals could be improved. Barnardo's Scotland looks forward the implementation of proposals to increase free school meals to cover all children living in poverty.

Overall, the policy initiatives are focussed on appropriate areas of activity although each of them has insufficient resources allocated, however all initiatives require evaluation of impact, especially Surestart.

3. How should the Scottish Government maximise the impact of these policies and programmes?

It is tempting to call for more of the same, although this will only achieve improved impact if effective interventions are sufficiently resourced. Barnardo's Scotland is aware that these programmes have been incorporated into the new funding arrangements and this will now be a matter for local Community Planning Partnerships, as part of the new Concordat arrangements between central and local government. It is within Community Planning Partnerships that the difficult decisions will now need to be made with regard to approaches to tackle child poverty in local areas.

4. Do you consider there are gaps in these policies and programmes that need filling? If so, how should they be filled?

Scottish Government policies and programmes can mainly have an impact on reducing outgoings for families or removing the barriers to take up employment. However, low pay impacts on levels of child poverty. For instance, 52% of our families in poverty live in households with at least one earner⁴ and 30% of low paid jobs are in the public sector⁵. Scottish Government could usefully seek to positively impact on wage levels for the poorest paid employees in the public sector in Scotland as a part of the Economic Strategy contribution to alleviating child poverty.

⁴ Scottish Government (2007 *Households Below Average Income 2005-06*, Edinburgh)

⁵ CPAG (2007), *Poverty in Scotland 2007*, Child Poverty Action Group, London

5. How best can the Scottish Government achieve both economic growth and reduced poverty and income equality?

Barnardo's Scotland believes this is the most challenging aspect of the Scottish Government aspirations.

It is worth noting that child poverty has many dimensions other than low income, for instance, the impact on health and well-being. For this reason it is important that the Scottish Government link between economic growth and inequality also links to initiatives addressing inequalities in health.

The Performance Framework specifically links the National Outcome to tackle significant inequalities in Scottish society, with the National Indicator to decrease the proportion of individuals living in poverty. Barnardo's welcomes the specific mention of poverty, and the emphasis placed on this. The Economic Strategy rightly highlights that economic growth needn't impact on income inequality and Barnardo's Scotland welcomes the intention to look at international comparative work.

We are aware of evidence that indicates a reduction in inequality can produce the desired improvements in inequalities in the health and well-being for the nation and that a key determinant on this is income distribution.⁶ It is the level of inequality that determines the health outcomes for the nation (including children's health) and this is based on the re-distribution of wealth, rather than simply a reduction of the prevalence of poverty. Some further evidence on the impact of inequality on children's health and well-being can be found in the UNICEF report⁷ where children in the UK were in the bottom third of the rankings for five of the six dimensions reviewed and had the lowest average score out of the 21 countries in the study. A recent comparative study found that in Scotland, the rate of mortality is high and improving more slowly than other less prosperous areas of Europe, to the extent that some poorer nations now have better mortality outcomes⁸. The authors speculated on the link with levels of inequality, but were unable to draw conclusions because of the need for more regionally based data.

The significance of the evidence above is that the main levers of power for addressing income inequalities through wealth re-distribution rest with the UK government and there has been little evidence of any significant changes in levels of inequality in the UK, despite reductions in child poverty. As a consequence, the challenge of combining economic growth with a reduction in inequalities will require Scottish Government to work closely with the UK government to not only tackle child poverty, but to seek a more equitable UK society, if the aspirations for a reduction in health inequalities are to be realised.

⁶ Wilkinson, G. and Pickett, K. (2007) *The problems of relative deprivation: Why some societies do better than others* Social Science & Medicine, Vol. 65, Issue 9

⁷ UNICEF (2007) *An overview of child well-being in rich countries*, UNICEF Innocenti Research Centre, Florence

⁸ Walsh, D. Taulbut, M. Hanlon, P. (2008) *The Aftershock of Deindustrialisation, trends in mortality in Scotland and other parts of post industrial Europe*, Glasgow Centre for Population Health

6. How should the Scottish Government and its partners balance their efforts between the three areas for action outlined at paragraph 43 of the discussion paper?

Barnardo's Scotland is in agreement with the overall strategy to: prevent poverty and tackle the root causes; help lift people out of poverty; and to alleviate the impact of poverty on people's lives.

Barnardo's Scotland believes that all three are inextricably linked with the optimum long term outcomes being realised through preventative measures. We are supportive of the preventative measures noted, particularly early year's developments and the removal of barriers for parents to access and sustain employment opportunities. We are cautiously supportive of the proposal to target disadvantaged communities as we are aware of a long legacy in Scotland of previously failed attempts to achieve this objective. We would urge that the lessons of these initiatives have been learnt, with the implementation of approaches that are multi-dimensional rather than narrow focussed approaches.

Barnardo's Scotland suggests that in tackling child poverty, there is also a need to target specific groups. These include: children in black and minority ethnic families; those in families struggling on low wages; lone parent families; families affected by disability; children in large families; children in asylum seeking families; children in poor housing and young people living independently⁹.

The Concordat arrangements place the greater responsibility for policy delivery in the hands of local Community Planning Partnerships. In all three activities it will be these bodies that will have to decide on local priorities. This has the advantage of ensuring that responses will be appropriate to local needs and priorities. It has the risk of leading to different priorities in different parts of Scotland with a lack of coherence to the approach to inequality and poverty. A great deal will depend on the new relationship between Scottish Government and CoSLA, and at present it is not clear how a national strategy gets consistently implemented at local level. However, it is clear that Scottish Government and CoSLA have a shared responsibility to ensure policy objectives are realised, linking local activity to national outcomes.

7. With respect to the set of key principles detailed at paragraph 33 of the discussion paper what are your views on the following:

- **Are they the right principles?**

Yes.

Barnardo's Scotland welcomes the inclusion of a gendered approach to poverty.

⁹ Barnardo's (2007) *It doesn't happen here, the reality of child poverty in the UK*

We know that single parents are most often female and they are disproportionately represented in poverty figures. There are increased barriers to taking up employment, and even when employment is accessed; it is most often into part-time, low paid employment, with children remaining in poverty.

- **Are there others that the Scottish Government should be adopting?**

No.

- **Is there potential for some to compete with others?**

A key challenge for Scottish Government and Community Planning Partnerships will be how to strike the balance between universal and targeted interventions. Barnardo's Scotland recognises that both approaches are required to achieve desired outcomes.

The temptation is to respond to the present crisis rather than take a long-term perspective. For this reason, the long-term gains need to be clearly articulated and agreed at all levels of government.

- **How should the Scottish Government ensure that they are in turn adopted by key delivery bodies and agencies?**

Within the context of the Concordat this is a major issue for all policy implementation.

One of the key principles is to develop more active public engagement around poverty and Barnardo's Scotland welcomes this proposal. We entitled our most recent report on poverty, 'It doesn't happen here'¹⁰, because MORI polls show that in the UK, there is a lack of awareness of the levels or severity of child poverty. Scottish Government could make a real impact if there was a strategic approach to the public profiling of approaches to tackle poverty and this should seek to engage all sectors including the general public, as well as interest groups in private, public and third sectors.

The objective of this activity is to develop a shared understanding of the benefits for all members of society in having a more equal, fairer Scotland.

- **With regard to the finite resources available, what would you consider as feasible expectations in tackling poverty, inequality and deprivation, and should some key principles be prioritised over others?**

A key challenge is how to allocate resources to preventative measures (which are long-term) while maintaining resources to alleviate those in severest poverty

¹⁰ Barnardo's (2007) *It doesn't happen here, the reality of child poverty in the UK*

(which are immediate). Both approaches are needed although over time we should seek to allocate more to preventative measures.

A key challenge is how to allocate resources to universal interventions while maintaining targeted provision. Both approaches are needed although over time we should seek to allocate more to universal interventions.

A key challenge will be how to work within the current administrative structures and Scottish Government and UK Government need to act in tandem if the overall aspirations for the eradication of child poverty are to be realised by 2020.