

Child Poverty Act (Scotland) 2017 and Council's Approach

Report by Dr Mary Smith, Director Education, Communities and Economy

1 Purpose

The purpose of this report which was approved by Cabinet on 16 October 2018 is to inform the Performance, Review and Scrutiny Committee of the Council's reporting obligations in the Child Poverty (Scotland) Act 2017 and provide an update on the Council's approach to reducing the impact of child poverty.

2 Background

The Child Poverty (Scotland) Act

The [Child Poverty \(Scotland\) Act 2017](#) sets out ambitious targets to reduce child poverty. In summary the Act;

- Enshrines in legislation an ambition to eradicate child poverty.
- Reinstates statutory income-based targets to reduce the number of children living in poverty.
- Places a duty on Scottish Ministers to develop a Child Poverty Delivery Plan, and to report annually on their progress towards delivering that plan.
- Places a duty on health boards and local authorities to produce annually a Child Poverty Action Report.

Reporting Requirements

Under the Act Scottish Ministers are required to produce, and report on, their child poverty delivery plan '[Every Child, Every Chance](#)'. The Act places a duty on local authorities and health boards to report annually on the activity we are taking, and will take, to reduce child poverty. In July 2018 the Child Poverty Action Report Statutory Guidance was published. The guidance requires local authorities to prepare and publish Local Action Reports that must include the following:

- Actions taken during the reporting year.
- Measures planned.
- Specific reference to support for pregnant women and families on information, advice and assistance in accessing financial support.
- Specific focus on families whose income is adversely affected because of a protected characteristic.

The guidance outlines the five steps that local authorities and health boards must jointly take to meet the requirements of the Act, these are;

1. Identify local partners.
2. Identify and assess child poverty in the local area.
3. Identify and assess existing action and existing plans that seeks to reduce or mitigate child poverty in the local area.
4. Identify new action to reduce child poverty, or expansions or modifications to existing action to increase impact.
5. Identify and share 'what is working' and 'lessons learned'.

The first report must cover the period 2018/19 and must be submitted by **June 2019**. Local reports will be scrutinised by the Scottish Government and the Scottish Poverty and Inequality Research Unit and reported to Scottish Ministers.

Midlothian's Child Poverty Approach

During 2017 a Child Poverty Plan and Measurement Framework was developed in preparation for the implementation of the Act; in this respect Midlothian is well placed to meet the new reporting requirements. The Child Poverty Plan is overseen by the Child Poverty Working Group and reported to the Improving Opportunities Midlothian Community Planning Group. The Child Poverty Measurement Framework captures the key proxy measures for child poverty reduction – see appendix 1. There are a number of positive and developing areas of practice in Midlothian that are summarised below:

- **Cost of the School Day**

Midlothian Council has been working with National Union of Students Dissertations for Good to research the cost of the school day and the additional barriers this creates for children living in poverty. In response to this research, the Council has secured £80,000 including funding from the Scottish Government to work with children, parents and 11 primary schools in our priority communities to reduce inequalities incurred because of the cost of the school day. Using a participatory budgeting approach, and expertise from the Child Poverty Action Group, to date 1,573 people have decided on how the funding should be allocated in 8 primary schools and £58,404 has been distributed to 50 projects. Examples include subsidies for theatre trips, homework clubs, healthy breakfast clubs and support for parent councils to provide free activities for children and their families. Work in three primary schools is ongoing and a resource pack will be produced to spread the learning across all of the schools in Midlothian.

- **Pupil Equity Funding (PEF)**

In 2017/18 £2,272,800 PEF funding was allocated to schools in Midlothian. This funding was to reduce the attainment gap and interrupt the educational disadvantage that children experience as a result of their families' income. A separate report on the use and impact of this funding is also discussed on Cabinet agenda today.

- **Uptake of Free School Meals, Milk and Clothing Grants**

A short life working group has been established by the Director of Education, Communities and Economy to improve the uptake of free school meals, milk and clothing grants. A number of improvements are planned including the simplification of the entitlement form, online registration, linking school enrolment form with entitlement, increasing parental awareness and using information from Revenues to move towards a model that will enable auto enrolment. There has been some positive progress in Newbattle Learning Community where working with home school practitioners and teaching staff has increased enrolment. Increasing enrolment will benefit children living in poverty and also provides an additional £1,200 of PEF per pupil.

To increase uptake Midlothian Council, in partnership with NUS Dissertations for Good, have undertaken research into free school meals. The research has focused on the perceptions of free school meals in St David's Primary School and barriers to uptake. The findings of this research will inform how we can maximise enrolment and reduce the stigma associated with living in poverty.

- **Child Poverty Innovation Fund**

As part of the Scottish Government's Child Poverty delivery plan they have developed a £1million Innovation Fund in partnership with the Hunter Foundation to support ambitious work to tackle child poverty. A partnership application from Midlothian Sure Start, Scottish Childminding Association and Midlothian Council has received £89, 758 in the first year, which can be extended for up to three years. The project will work with families who access Midlothian Sure Start services and support them into sustainable employment; with a particular focus on careers in childcare.

Next Steps and Areas for Development

In preparation for the Local Action Reports there are a number of areas for development, such as;

- Increasing uptake of clothing grants and free school meals.
- Maximising the impact of Pupil Equity Funding.
- Mainstreaming projects such as reducing the cost of the school day.
- Timely sharing of information between Council departments including revenues, education and housing.
- Introducing a rights based child poverty impact assessment.
- Aligning the Child Poverty Plan and Children's Services Plan.
- Maximising the impact and availability of welfare rights services.

In order to meet the requirements of the Local Action Plan coordinated work will need to continue with information and input from a range of Council and NHS services.

3 Resource

The Scottish Government is providing an allocation of circa. £4,000 to support the production of the Local Action Reports. This is intended to cover the materials and staff time associated with producing the plan.

4 Risk

Child poverty levels in Midlothian and across Scotland are increasing, currently 22.5% of local children live in poverty. The Institute for Fiscal Studies are projecting a 50% increase in child poverty by 2020, so clearly the most significant and likely risk is the increase in child poverty. There is a reputational risk if the Local Action Plan report is assessed as inadequate or ineffective. Support from across the council in a coordinated Local Action Plan will help mitigate the impact of increasing levels of child poverty.

5 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- ☐ Community safety
- ☐ Adult health, care and housing
- ☒ Getting it right for every Midlothian child
- ☒ Improving opportunities in Midlothian
- ☐ Sustainable growth
- ☐ Business transformation and Best Value
- ☐ None of the above

5.1 Key Priorities within the Single Midlothian Plan (SMP)

The Child Poverty Act and Local Action Plan addresses the key priorities of the SMP in relation to reducing inequalities in economic, health and learning outcomes. Child poverty is assessed by household income, so whilst a range of council services are key to mitigating the impact, child poverty reduction is also dependent on macro-economic factors.

5.2 Adopting a Preventative Approach

There is a body of evidence that shows that reducing child poverty improves children's life chances, such as the Joseph Rowntree Foundation report ["Costs of Child Poverty for Individuals and Society"](#). An effective Local Action Plan will embed a preventative approach to child poverty reduction.

5.3 Involving Communities and Other Stakeholders

The existing child poverty plan has been developed by the Council, NHS Lothian a range of voluntary sector organisations.

5.4 Ensuring Equalities

Reducing child poverty will have a positive impact on reducing inequalities. The Local Action Reports requires the council to provide evidence on the support provided to families whose income is adversely affected because of a protected characteristic.

6 Summary

The new reporting requirements of the Child Poverty Act places significant coordinating and reporting duties on the Council. Midlothian is well positioned to meet the reporting requirements of the Act, and has a number of areas of good practice such as reducing the cost of the school day, increasing uptake of free school meals and established reporting structures.

The existing Child Poverty Plan will support the development of a high quality Local Action Plan. There is an opportunity that the new requirements will speed up the sharing of information and increase collaboration across all departments and stakeholders. The new reporting requirements should be seen as an opportunity to create a renewed sense of urgency to mitigate against the impact of increasing levels of child poverty.

7 Recommendations

It is recommended that the Performance, Review and Scrutiny Committee

- i) Note the new reporting requirements of the Child Poverty (Scotland) Act. A child poverty Local Action Plan report must be submitted by June 2019.
- ii) Note the good practice that already exists in Midlothian.
- iii) Support the Child Poverty Working Group to work across the authority and with other relevant agencies to develop a new Local Action Plan.

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Appendix I: Midlothian Child Poverty Draft Plan and Measurement Framework