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ELECTED MEMBER BRIEFING NOTE Child Poverty and COVID-19



Elected Members Briefing Series

The Improvement Service (IS) has developed an Elected Members Briefing Series to help elected members keep pace with key issues affecting local government.

Some briefing notes will be directly produced by IS staff but we will also make available material from as wide a range of public bodies, commentators and observers of public services as possible.

We will use the IS website and elected member e-bulletin to publicise and provide access to the briefing notes. All briefing notes in the series can be accessed at www. improvementservice.org.uk/products-and-services/skills-and-development/electedmembers-development/elected-member-guidance-and-briefings

About this briefing note

Research by the <u>Save the Children</u> and the Joseph Rowntree Foundation shows that 7 in 10 families surveyed in Scotland about the impact of COVID-19 have had to cut back on food and other essentials, while 51% have fallen behind on rent or other household bills. 55% of families on Universal Credit or Child Tax Credit in Scotland have been pushed to borrow money since start of crisis – with many relying on expensive forms of credit. Four in 10 people claiming Universal Credit took an advance which needs to be repaid.

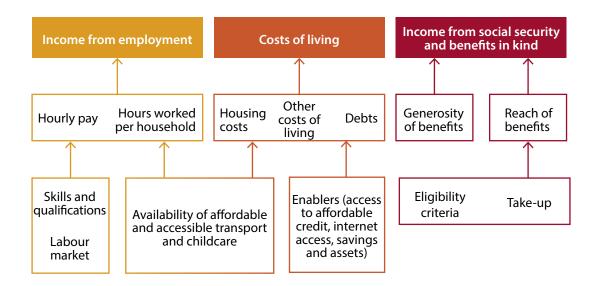
It is vital that child poverty is at the heart of local authorities' responses to recovery and renewal. Failure to ensure it is will mean that more children risk growing up in poor households, limiting their life chances and damaging their health and wellbeing.

This paper sets out the impact of COVID 19 on child poverty, highlighting the impacts across different policy areas. The paper encourages elected members to ensure that addressing child poverty remains a priority in their local area and any recovery and renewal plans address the issue of child poverty.

What is the issue and why does it matter?

There is increasing evidence that households with children, which were already at greater risk of poverty, have been particularly affected by the financial impact of COVID-19, and are being pulled deeper into poverty. <u>IPPR Scotland</u> analysis shows that since lockdown nearly half of households with dependent children in Scotland find themselves in the two most serious categories of financial stress – 'in serious financial difficulty' or 'struggling to make ends meet,' compared to 30 per cent of all households in Scotland reporting the same levels of financial stress.

The Child Poverty Scotland Act 2017 places a duty on health boards and local authorities to work to reduce child poverty and produce joint annual Local Child Poverty Action Reports. National and local policies can affect these drivers of child poverty:



The first year of local child poverty action reports demonstrated significant progress in understanding local need and development and implementation of focused actions.

It is now more important than ever that this is built on and further enhanced. COVID-19 has brought inequality into sharp focus, highlighting the impact of low paid and insecure work in particular.

Examples of the impact of COVID across these drivers listed above include:

- Significant rise in those claiming out of work benefits, with further economic uncertainty ahead as furlough and other protection schemes come to an end. In May 2020 there were 440,039 people on Universal Credit in Scotland.¹
- Increased cost of living for families including additional expenditure on food, energy and <u>resources for learning</u>.
- Food insecurity: many families relying on food parcels from local authorities, food banks and other supports. Replacement of Free School Meals has varied across Scotland from cash based approaches to lunches being delivered to homes.
- School and childcare closures severely impacting family's ability to access the labour market. Lack of books, stationery, craft materials, digital equipment and connectivity at home creates <u>real barriers</u> that need to be recognised and addressed.
- Digital exclusion as digital access (infrastructure and skills) varies significantly across tenures and can be challenging in rural areas. This impacts across a range of areas including access to information and advice services, employment and training opportunities, health and wellbeing information, educational resources and social connectivity.
- Increased levels of debt, including rent arrears, as families struggle with lower incomes. Before the pandemic, lower income households were more likely to report having no savings than those with higher incomes.² Some of the initial actions taken by families during lockdown may create more longer lasting problems, e.g. borrowing from high cost lenders to purchase essentials, selling assets or borrowing from family.

Women and children's poverty is inextricably linked. Women will also bear the brunt of the pandemic economically. A recent <u>report by Close the Gap</u> highlights that women in low-paid jobs will be particularly affected by job disruption, placing them at greater risk of poverty. Women are disproportionately affected by the need for more unpaid care, impacting their ability to do paid work. Young people are also at greater risk of poverty as they are more likely to work in worst hit sectors including tourism and hospitality. Those leaving education face uncertainty in terms of future job prospects.

As lockdown is lifted and areas move towards a new normal it is vital to ensure that all policy levers and support is in place to promote a recovery which reduces the likelihood of children growing up in poverty.

^{1 &}lt;u>http://dwp-stats.maps.arcgis.com/apps/MapSeries/index.html?appid=f90fb305d8da4eb3970812b-3199cf489</u>

² Scottish Household Survey 2017 https://www.gov.scot/publications/scotlands-people-annual-re-port-results-2017-scottish-household-survey/pages/7/

What does this mean for elected members?

Elected members have a vital role in tackling child poverty. You are likely to notice an increase in the number of families experiencing poverty in your local area and an increase in demand for vital council services. Here are some things that you can do to support work to tackle poverty:

- As you work with your local communities, you can be an important ally to those who are living in poverty. Listen to your constituents and their stories, know what local and national services and sources of support are available to those who need them, and advocate for respectful responses to reduce poverty.
- 2. Be a champion for reducing child poverty. Talk about this issue with other elected members. Lead conversations that challenge, influence and support measures that address child poverty. If you hold a particular portfolio or Cabinet role, consider how you can address child poverty within your remit.
- 3. Ensure that your surgeries and offices do not inadvertently reinforce the stigma that surrounds poverty.
- 4. Ensure that child poverty is a priority in Council and partnership plans and subsequent budget setting arrangements.
- 5. Under the Fairer Scotland Duty, local authorities must consider the socio-economic effects of their decisions and consider how they will impact upon those in poverty. Information on this may be presented to you alongside the Equality Impact Assessment. Decision making should be informed by a clear understanding of the causes and consequences of poverty (and not a conflation of the two). Ask 'how will this decision help protect and increase family incomes or reduce the costs families face?"
- 6. You may be involved in signing off your Local Child Poverty Action Report and can support how this is aligned with other key aspects of council work. Consider whether all the levers available to tackle child poverty have been considered and included, e.g. employment, procurement, transport and poverty is considered across all policy areas. Ensure that you are working with your third sector partners to support this work and plans are informed by the those with lived experience of poverty.

What could good practice look like?

Prioritising economic recovery actions which support families is vital to ensure that poverty doesn't increase nor become more entrenched. As local leaders, providers of good quality public services, and as significant local employers, the reach of local authorities to support and tackle child poverty is significant. Here are some important aspects to consider:

- Identify key policy commitments/ changes that will enable and support the recovery phase e.g. delivering on 1140 hours of early learning and childcare can help boost local economic recovery
- 2. Ensure all council policy and budget decisions are assessed for their contribution to reducing and preventing child poverty i.e. how will decisions help protect and increase family incomes or reduce the costs families face?
- 3. Integrate local economic development and child poverty strategies e.g. employment support needs to be prioritised and tailored to the needs of parents, particularly women, and to where the biggest impact on preventing and reducing child poverty can be achieved e.g. the characteristics of jobs that have provided financial resilience for families should be identified and inform economic development activity.
- 4. Take steps to support families with children returning to school after prolonged closures, e.g. ensure that families know about the benefits they are entitled to, reduce the cost of the school day, increase investment in School Clothing Grants.
- 5. Ensure local mechanisms are used to maximum possible effect to directly provide financial support to families in and at risk of poverty, e.g. Social Welfare Fund, free school meals, School Clothing Grant. Use the local government powers to provide payments to advance the wellbeing of children available under s22 of the Children (Scotland) Act (1995) and s20 of the Local Government in Scotland Act (2003)
- 6. Use community benefits powers to use procurement to impact positively on child poverty and bolster local economies.
- 7. Adapt and adopt models of advice and support services that the greatest benefit, e.g. embedding money advice and employability support within schools or early learning settings. Raise awareness of existing local and national advice services.
- 8. Ensure that issues facing low income families are addressed as part of the housing response e.g. take steps to reduce the number of families living in temporary accommodation, protect families from eviction.

- 9. Ensure that systems and processes are in place to increase food security for children and families in ways that respect their dignity. Promote cash first approaches where the cause of food insecurity is inadequate income.
- 10. Increase digital inclusion for families who are less likely to have access.
- 11. Put in place or adapt measures to ensure that you are listening to and involving people with lived experience of poverty in shaping the response to COVID19.
- 12. Engage with the community and voluntary sector in addressing child poverty and learn from their response to COVID 19 about what is important to foster and support in their future activities and roles.

Summary

Local authorities and health boards are at the centre of efforts to respond to COVID 19. These efforts will demonstrate the importance of local services and awareness and understanding of the communities that they serve. In the longer term, local authorities and health boards' response will be important to ensure that the recovery from COVID 19 and the wider impacts on the economy, do not cause longer and deeper experiences of inequality, especially for children and young people.

It is vital that recovery and renewal plans utilise the full range of policy levers available to them to address child poverty. Action to address child poverty must be prioritised to ensure that poverty does not become more engrained and more children grow up with the negative impact of poverty in their lives.

Further support and contacts

- A full briefing on Child Poverty and COVID 19 is available https://www.improvementservice.org.uk/__data/assets/pdf_file/0026/17369/COVID-19-and-children-young-people.pdf
- You can find a copy of your Local Child Poverty Action Report on your Council website or at <u>https://www.improvementservice.org.uk/products-and-services/</u> <u>consultancy-and-support/local-child-poverty-action-reports</u>
- Each local authority has an officer responsible for leading the development of the child poverty action report. They will be able to share more information about the approach to reducing poverty in your area.

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