



**Save the
Children**

SCOTTISH GOVERNMENT DEBATE: SUPPORTING SCOTLAND WITH THE COST OF LIVING AND REDUCING CHILD POVERTY

MSP BRIEFING

Key points

- For 1 in 4 children in Scotland, the shattering impact of living in poverty is putting their health, development and wellbeing at risk and robbing them of their right to an equal and fair childhood. Bold and ambitious action must urgently be taken to protect Scotland's children and sustainably drive down child poverty rates.
- We welcome the ambition and cross-party support for the 2030 child poverty targets and the progress that has been made towards reducing child poverty – most notably the introduction and increases to the Scottish Child Payment. However, the scale of the challenge families and children living in poverty are facing right now means that more must be done to tackle both the causes and consequences of poverty.
- Families with children who were already struggling before the onset of the cost-of-living crisis have told us that the spiraling cost of essentials has caused even more desperate financial circumstances and deepened experiences of poverty. The daily effects of this are acute; when before the crisis many families had to choose between eating or heating their home, many are now unable to afford to do either. The stress and worry caused is taking an enormous toll on parents' mental health which, in turn, is impacting on children and young people.
- We believe families require greater targeted support, especially through the social security system, to manage the cost-of-living crisis now. However, many families were made especially vulnerable to the impacts of rising costs because their income was already insufficient. So, it is essential that the Scottish Government remains steadfast in their efforts to sustainably reduce child poverty rates by tackling the root causes of child poverty and building resilience into family budgets.

- Save the Children is calling on the Scottish Government to:
 1. Increase the Scottish Child Payment to at least £40 per week as soon as possible to ensure the interim child poverty targets are met;
 2. Promise to deliver a minimum income guarantee for families with babies as a matter of urgency;
 3. Tackle the root causes of child poverty, including getting wages rising for parents – especially mothers – in low paid work;
 4. Refocus efforts from bringing parents closer to the labour market, to bringing the labour market closer to parents by working with employers to encourage flexibility;
 5. Ensure the Childcare system works for families in poverty and on lower incomes as a priority and maximise the role of childcare in tackling child poverty;
 6. Focus action on the early years to Tackle the poverty-related attainment gap and to ensure a sustained reduction in child poverty rates

Child poverty in Scotland

"I don't mind doing without, but I hate my kids having to do without stuff they want or need."

Child poverty, and the immediate and long-term adverse consequences it has on a children's health, happiness, and opportunities to thrive, is ubiquitous across Scotland. Despite sustained focus and significant investment, **child poverty remains stubbornly high with nearly 1 in 4 children (or 240,000 children, 24%¹) living in poverty.** For some families, child poverty rates are even higher, with 39% of minority ethnic families, and 38% of single parent families living in poverty.² We recognise that this data does not account for the full impact of the increased Scottish Child Payment, which is expected to make a significant contribution to a reduction in child poverty rates.³ However, child poverty in Scotland right now is still unconscionably high. Worryingly, beyond the official statistics, we know that many more families have precarious incomes, regularly cycling in and out of poverty, and so the statistics may underestimate the scale of the challenge.

The families we work with have told us that insufficient social security payments, low-paid, insecure and inflexible employment, and the high cost of childcare are the main reasons their family experience poverty, and why they often find it impossible to move out of poverty. It is vital that the actions taken to address child poverty reflect the lived experience of families.

"What's the point of applying [for a job] as soon as she turned one, because all of my money would be towards childcare. There would be nothing."

We are especially concerned about the impacts of poverty in families with a baby under one, since over 1 in 3 families with babies are living in poverty and evidence is clear that **experiences of poverty in a baby's first twelve months (and throughout early childhood) can have a profoundly disadvantageous effect** on their early learning and development. Without targeted support, this can contribute towards poor outcomes throughout their life.⁴ We know

that parents will do all they can for their children, but poverty creates barriers that can make this more difficult. We welcome Scottish Government action and investment to support families with young children through policies like the Best Start Grant. However, it is clear that **sustainably reducing child poverty in Scotland will require significant investment in policies that can have an impact on poverty in the early years.**

Impacts of the cost-of-living crisis on low-income families

When the cost-of-living crisis hit, many family budgets were already stretched to breaking point, meaning it was impossible to withstand the fresh tidal wave of financial hardship the crisis is causing.

"My daughter heard me talking to her big sister about gas, elec and food prices...she found 5p in the street and told me to put it towards my bills. Kids are so innocent and sweet it breaks my heart when they do stuff like that."

Families who were already living in poverty or who, pre-crisis, were just about getting by have and continue to feel the impacts most severely. The spiraling cost of essentials like food, energy, transport and childcare mean children from low-income families all across Scotland are being pulled into deeper poverty, or even destitution. And we know that for children and young people, experiencing poverty can be extremely traumatic and have immediate and long-term impacts on outcomes.

"My child has stopped asking for things."

Our [briefing](#) on the impacts of the cost-of-living crisis on low-income families showed that families are experiencing a sharp drop in living standards. Save the Children has been speaking to parents throughout the crisis and it is clear from these conversations that, while Government interventions have helped, families are still facing unbearable financial strains leading to toxic stress for parents. Families cannot afford to turn the heating on, which can cause damp and mold in homes; children go to school hungry, which impacts their concentration and learning, and too many children are unable to simply enjoy their childhood in the way every child deserves.

"I've actually caught myself going [to my child], I don't know if I can give you a bath because I don't know how much money I've got left in the meter."

What needs to be done

For many families their experiences of poverty were exacerbated by the cost-of-living crisis, not caused by the crisis. So, while families need further support now, we must also ensure that we build resilience into family budgets to guard against future crises – whether economic or personal – and keep our sights firmly on sustainably meeting the 2030 targets.

Our report with the Joseph Rowntree Foundation, [Delivering for Families?](#), provided an in-depth analysis with families of the current strategy to tackle child poverty, *Best Start, Bright Futures*. It found that it sets a strong diagnosis of the struggle that many families face, and in

many areas, the right understanding of where additional action is needed. However, it also concluded that an even stronger prescription is needed to meet the diagnosis. We set out 50 recommendations on key policy areas like childcare, better jobs, and family support to ensure action does not fall short of ambition.

To boost support for families living on lower incomes, tackle the high cost of living and meet the child poverty targets, Save the Children is calling on the Scottish Government to prioritise action in the following areas:

Recommit to meeting the interim and 2030 targets

- Commit to any action required to ensure the interim child poverty reduction targets are met next year;
- Recommit to ensuring Scotland remains on course to meet the 2030 targets. Given the scale of child poverty in Scotland, meeting the 2030 targets will be a challenge but it is one we can, and must, meet.

Tackle the structural drivers of child poverty

Tackling the structural drivers of poverty is critical to not only ensure families are lifted out of poverty, but that they stay out of poverty. Save the Children supports a cash-first approach as we know that getting cash into families' pockets, through income from employment or social security, is the most effective form of support.

- The most impactful action that can be taken right now is to **increase the Scottish Child Payment to £40** as soon as possible to ensure the interim targets are met. Research published by Save the Children, the Trussell Trust and the IPPR has shown that this could lift a further 30,000 children out of poverty;⁵
- The Scottish Government must **consider changes to Scotland's tax system** and use all powers possible to alleviate poverty;
- **Get wages rising** and increase support for parents⁶ – especially mothers – to find and maintain decent, flexible employment;
- Refocus efforts from bringing parents closer to the labour market, to **bringing the labour market closer to parents** by working with employers to encourage flexibility;
- **Ensure the Childcare system works for families in poverty/on lower incomes as a priority and maximise the role of childcare in tackling child poverty.** This should include:
 - Expanding the funded early learning and childcare offer to the youngest children (twos and under);
 - Studying the impact of the early learning and childcare expansion on child poverty – both through increasing parents', and in particular mothers', access to work but also through children having access to high-quality childcare;
 - Further increase the (consistency in) flexibility of early learning and childcare – more parents should be able to flex how they receive their funded hours whether in or out of term-time or in full or half-day blocks, while retaining the quality of early learning and childcare for children;

- Families too often find the early learning and childcare system in Scotland to be too expensive, inflexible and without sufficient availability, preventing parents from entering and sustaining work, and from increasing their income. This must change.;

Focus action on the early years

Of all forms of intervention to tackle and prevent child poverty, intervening in the earliest stages can have the biggest impact on improving outcomes. Making sure every child has the best start in their earliest years can have a positive effect on life-long health, educational attainment and earning potential throughout their life. The earlier families are supported and helped to move out of poverty, the better. That's why the Scottish Government must:

- Promise to **deliver a minimum income guarantee for families with babies** as a matter of urgency;
- **Tackle the poverty-related attainment gap through tackling poverty in the early years.** It is critical to recognise that Scotland's attainment gap between lower-income and higher-income pupils in both primary and secondary school stems from poverty and inequalities in the early years, including infancy.

Save the Children in Scotland works to tackle the causes and impacts of poverty on children and families. We work to help secure the national ambition that by 2030, fewer than 1 in 10 children across Scotland will be experiencing poverty. Our work focuses particularly on the early years (0-5) because we know that the impact of poverty is more pronounced and has longer term consequences for the youngest children. We also know that interventions made in the early years make the biggest and most sustained difference. We **generate evidence and insight** about issues affecting families and what matters to them, **amplifying families' voices** and experiences, creating opportunities for them to influence change, providing **practical support** and **developing practice** that supports professionals working with children.

For more information, please contact:

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