# Briefing: Debate on the Scottish Government's Programme for Government and the eradication of child poverty



September 2024

### **About us**

The Poverty Alliance is Scotland's anti-poverty network. Together with our members, we influence policy and practice, support communities to challenge poverty, provide evidence through research and build public support for the solutions to tackle poverty. Our members include grassroots community groups, academics, large national NGOs, voluntary organisations, statutory organisations, trade unions, and faith groups.

#### Introduction

It is unjust that one in four children in Scotland are growing up in poverty. Whilst action to raise incomes through policy interventions like the Scottish Child Payment is making progress - showcasing what can be achieved with commitment to, and funding for, bold policy action - the necessary pace and scale of interventions are not yet in place to shift the dial on child poverty.

With the eradication of child poverty the single most important policy objective of the current Scottish Government, it's feature as the central ambition of the 2024/25 Programme for Government is to be welcomed. We also welcome the acknowledgement that tackling child poverty relies on holistic family support, which in turn would make progress on all poverty in Scotland. However, the Poverty and Inequality Commission's latest scrutiny report on the progress of the Tackling Child Poverty Delivery Plan states that "meeting the [Scottish Government's] 2030 targets [on child poverty] will require transformational change in relation to all the drivers of poverty." While it is encouraging that the Programme for Government seeks to prioritise action to tackle poverty, we do not believe that the policy prospectus presented in 'Serving Scotland' goes far enough to represent transformational change.

We appreciate the extremely challenging financial context that the Government currently faces and the impact that this has on commitments made. We also recognise the need for political leaders to take responsibility and show leadership to address these financial challenges. Better tax builds better budgets, which builds a better future for all of us. It is necessary that the Scottish Government utilises their powers over taxation to build a fairer Scotland by investing this revenue in public services. We look forward to learning more about the Scottish Government's proposals to raise the revenue for our national priorities through the publication of the forthcoming Tax Strategy.

Stretching poverty targets require bold action, and the time for action is now. The Government's ambitious commitment must be matched with a range of bold, immediate

<sup>&</sup>lt;sup>1</sup> Scottish Government (2024) *Poverty and Income Inequality in Scotland 2020-23*. Available at: <u>Poverty and Income Inequality in Scotland 2020-23</u> (data gov scot)

Income Inequality in Scotland 2020-23 (data.gov.scot)

<sup>2</sup> Poverty and Inequality Commission (2024) *Child Poverty Delivery Plan progress 2023-24.* Available at:

Child Poverty Delivery Plan progress 2023-2024 Scrutiny by the Poverty and Inequality Commission.pdf (povertyinequality.scot)

actions that work together and are transformative in scale. The Poverty and Inequality Commission make clear that the Scottish Child Payment – which is undoubtedly a bold policy intervention - has been amongst the key drivers of progress against Scotland's interim child poverty targets,3 offering a vital lifeline as families continue to struggle to make ends meet. They state that, if interim child poverty targets have been met, this would be largely due to the Scottish Child Payment. The payment's demonstrably positive impact on families highlights the need for the accelerated investment in all 'Best Start, Bright Futures' commitments is vital to close the policy implementation gap that is currently rendering our child poverty targets out of reach. The Programme for Government has welcome commitments to preventative interventions, including continued investment in affordable childcare and employability support for parents. However, the Poverty and Inequality Commission scrutiny report was clear that these existing interventions are not "at the scale necessary to deliver the transformation required" and commitments around childcare and employability "have been put at risk by a lack of funding needed to deliver them, and in some cases funding reductions".4

We believe that the policy asks developed ahead of Challenge Poverty Week 2024 offer a strong platform for tackling the injustice of child poverty. We urge the Scottish Government, through its commitments in its 2024/25 Programme for Government, to:

- Ensure that everyone has access to a safe, secure and sustainable home that meets their needs:
- Improve the affordability, accessibility and reliability of public transport;
- Ensure that everyone has access to an adequate income by delivering a Minimum Income Guarantee;
- Ensure people have dignified access to good quality, healthy and sustainable food; and
- Introduce fair and sustainable funding of three years or more for the third sector.

## **Delays to the Human Rights Bill**

Poverty is a breach of our human rights. The Poverty Alliance and our membership are therefore extremely concerned about the delay to the Human Rights Bill. In a letter to the First Minister ahead of the Programme for Government, more than 100 of our members called upon the Scottish Government to take forward the high-profile commitment to the Human Rights Bill to ensure that duty-bearers work proactively to realise our individual and collective rights. At a recent Poverty Alliance event on the next steps for human rights in Scotland, our members again reiterated their support for the Human Rights Bill. The delay to this vital bill will have negative implications for the Scottish Government's ability to deliver on the core mission of eradicating child poverty. Progress towards the realisation of our human rights cannot wait.

### Safe, secure and sustainable homes

<sup>&</sup>lt;sup>3</sup> Poverty and Inequality Commission (2024) Child Poverty Delivery Plan progress 2023-24. Available at: Child Poverty Delivery Plan progress 2023-2024 Scrutiny by the Poverty and Inequality Commission.pdf (povertyinequality.scot)

<sup>&</sup>lt;sup>4</sup> Ibid.

<sup>&</sup>lt;sup>5</sup> Poverty Alliance (2024) What's Next for Human Rights in Scotland: Policy and Practice available at Briefing: What next for human rights in Scotland? - The Poverty Alliance

Having a safe home is one of our most basic needs. However, with the Scottish Government having declared a housing emergency, it is clear that our current housing systems are not working. This burden is felt most heavily by people living on low incomes, and housing continues to act as a principal barrier to tackling poverty in Scotland. In 2022/23, 16,263 children were assessed as being homeless or threatened with homelessness. This is a 10% increase from 2021/22 and the equivalent of 45 children being made homeless every day.<sup>6</sup>

We welcome the introduction of the Housing (Scotland) Bill - and the provisions announced today to boost tenants' rights and introduce long-term rent controls - as a mechanism to help deliver this change. However, there is a desperate need for the Bill to be accompanied by the full delivery of the Scottish Government's commitments on social housing, which is a key lever for poverty reduction. The Scottish Government have committed to build 110,000 affordable homes by 2032, with at least 70% for social rent. Despite these welcome commitments, research suggests these goals will be missed, with the net increase in social housing homes between 2010 and 2020 being 10,000. There was insufficient attention applied to the building of new affordable homes in the Programme for Government.

## Affordable, accessible and reliable public transport

Reform to our public transport systems is an integral part of tackling child poverty. Transport systems that adequately meet community need are levers to easing the financial pressures on low-income households by unlocking employment, education and healthcare. This would ultimately raise household income and protect people – including children - from being swept into poverty or pulled in deeper. But too often, people living in poverty are locked out of accessing public transport due to rising cost and poor transport links, resulting in many being unable to access vital services. These issues are amplified for those living in rural Scotland, where transport is the most significant additional cost to daily life compared to those who live in urban areas, amounting to an additional £50 per week.<sup>9</sup>

We were commissioned by Scottish Government to recruit and facilitate a Citizen's Panel - made up of people living in both rural and urban environments with experience of poverty - to share their views on change needed in our public transport systems. <sup>10</sup> Panellists highlighted cost as their key concern, with recommendations for the Scottish Government including:

- Expand concessionary travel to under 25s, people in receipt of low-income and disability benefits, and unpaid carers;
- Integrate our transport systems and expand concessionary travel to include all modes of transport including rail, ferry and tram; and
- Ensure that local authority funding enables the design of public transport services and routes which meet the needs of local people.

<sup>&</sup>lt;sup>6</sup> Scottish Government (2023) *Homelessness in Scotland: 2022-23.* Available at: <u>The extent of homelessness in Scotland - Homelessness in Scotland: 2022-23 - gov.scot (www.gov.scot)</u>

<sup>&</sup>lt;sup>7</sup> Scottish Government (2021) *Housing to 2040*. Available at: <a href="https://www.gov.scot/publications/housing-2040-2/documents">https://www.gov.scot/publications/housing-2040-2/documents</a>

<sup>&</sup>lt;sup>8</sup> IPPR Scotland, Save the Children and Joseph Rowntree Foundation (2023) *Tipping the Scales: the social and economic harm of poverty in Scotland*. Available at: <a href="https://www.ippr.org/articles/tipping-the-scales">https://www.ippr.org/articles/tipping-the-scales</a>

<sup>&</sup>lt;sup>9</sup> Scottish Government (2021) *Poverty in rural Scotland: evidence review.* Available at: <u>2. Rural poverty in Scotland - Poverty in rural Scotland: evidence review - gov.scot (www.gov.scot)</u>

<sup>&</sup>lt;sup>10</sup> Poverty Alliance (2023) Fair Fares Review Supporting Paper 3: Poverty Alliance Report. Available at: Fair Fares Review (transport.gov.scot)

Ultimately, the recommendations and actions presented in the Fair Fares review fall short of unlocking the true potential of public transport for those on low incomes. The Programme for Government also does not promote the actions needed to give everyone access to affordable and accessible public transport. Decisions to scrap plans to deliver concessionary bus travel for asylum seekers and restoration of peak rail fares, will ultimately make it harder for people on low-incomes to access employment and services.

## **Adequate incomes**

The effectiveness of the Scottish Child Payment is a clear demonstration of the necessity of effective and sustainable income support for challenging poverty. However, modelling points to the need to increase the Scottish Child Payment to £40 in order to make progress against Scotland's child poverty targets.

Increase to social security payment like the Scottish Child Payment would represent progress on achieving a Minimum Income Guarantee (MIG). This is a policy idea centred on setting a solid income floor below which nobody would be allowed to fall, through action on public services, social security and the labour market. The Poverty Alliance have welcomed the Scottish Government's commitment to this policy. It was positive that this commitment to the MIG was visible in both the 2021 and 2023 Programme for Governments.

Throughout 2024, the Poverty Alliance has been engaging with our members and wider civil society to build awareness and support for the implementation of a MIG in Scotland, focusing on the immediate next steps for delivery over the next three years. Through this, we have seen great enthusiasm for the potential of the MIG in alleviating poverty. We are disappointed that the development and delivery of a MIG for Scotland was not included in this Programme for Government, and we seek clarity from the Government on how this bold commitment will be met through the actions set out in their policy prospectus.

## Access to good quality and sustainable food

Food is one of our most basic needs and a human right. The realisation of the right to food is also fundamental to meeting our wider human rights. However, many people in Scotland are continuing to face food insecurity and hunger. Scotland's Good Food Nation Act enshrines in law the Scottish Government's commitment to ensuring all people take pride and pleasure in - and benefit from - the food they produce, buy, cook, serve, and eat each day. But, at present, we are failing on that ambition.

One in six people in Scotland face hunger due to a lack of money, and the risk of hunger is particularly high for groups like families with young children and care experienced people.<sup>11</sup> This situation is being exacerbated by the rising cost of living with more people cutting back on food; skipping meals; and seeking assistance from food banks. In some cases, people have been forced to go without food completely.

Nobody should be facing hunger in a wealthy country like Scotland. In a just and compassionate society, everyone should have dignified access to good quality, affordable, healthy and sustainable food. This is acknowledged in 'Best Start, Bright Futures' which highlights food as critical to alleviating the impact of poverty. The plan includes commitments around free school meals. Plans for the expansion of free school meals to those in P6 and 7

<sup>&</sup>lt;sup>11</sup> The Trussell Trust (2023) *Hunger in Scotland*. Available at: <a href="https://www.trusselltrust.org/wp-content/uploads/sites/2/2023/06/2023-Hunger-in-Scotland-report-AW-web.pdf">https://www.trusselltrust.org/wp-content/uploads/sites/2/2023/06/2023-Hunger-in-Scotland-report-AW-web.pdf</a>

who are in receipt of Scottish Child Payment are welcome, but do not go far enough. We are disappointed that the previous policy commitment for universal free school meals has been subject to numerous delays, and appears to be dropped in the Programme for Government. Ahead of Challenge Poverty Week 2024, where we are urging the Scottish Government to deliver free school breakfast and lunch provision to all pupils in Scotland.

## Fair and sustainable funding for the third sector

Scotland's third sector is essential for realising the Scottish Government's core mission of eradicating child poverty. The impacts of the pandemic and the on-going cost of living crisis have seen demand for support provided by the third sector soar. Whilst voluntary organisations are often at the forefront of providing vital support to people who are held back from being able to live in decency and dignity, many are in financial struggle.

Fair funding is therefore necessary to adequately value the crucial work that our voluntary and community organisations deliver for us all, but particularly for people pushed towards financial crisis by our unjust economy and weakened social security system.

A fair funding approach is essential for a sustainable third sector which can offer fair work, support volunteers, and deliver high-quality outcomes for people and communities. Valuing volunteers and community organisations cannot simply be noted with rhetoric and praise. We must match this with fair, secure, and adequate funding to allow these organisations to continue to deliver lifeline support for Scotland.

For almost a decade, the Scottish Government has committed to longer-term funding for the third sector across multiple government strategies. Yet, this increasingly urgent commitment has not been met by action. Whilst the Programme for Government's commitment to continue investing in the third sector is positive, we are disappointed that there appears to be no new actions announced that speaks to the urgency of this problem. Business as usual will not deliver the change that third sector organisations desperately need. Commitments must be met with action and the Poverty Alliance will continue call on the Scottish Government to deliver funding – and promote a funding culture - that is:

- Longer-term, guaranteeing income of three years or more;
- Sustainable, including awards that cover the payment of the real Living Wage, inflation-based uplifts and full costs, including core operating costs; and
- Accessible through proportionate and consistent application and reporting approaches.