

Child poverty in Scotland: taking the next steps

Viewpoint
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This *Viewpoint* discusses progress made in Scotland to end child poverty. Child poverty has fallen in Scotland, but evidence from the Joseph Rowntree Foundation suggests that the current rate of progress will not achieve the 2020 target to eradicate child poverty. The authors outline what the Scottish Government needs to do to reach this target.

Key points

- In 2006/07 there were 210,000 children living in low-income poverty (before housing costs) in Scotland – approximately 21 per cent of all children.
- Over the last decade, child poverty has reduced further in Scotland than in other UK regions, but progress has stalled since 2004/05.
- The Scottish Government's anti-poverty strategy targets the poorest 30 per cent – giving relatively less priority to children in workless households than would be the case if the bottom 10 or 20 per cent were the focus of policy.
- The Scottish Government has avoided the 'povertyism' of some UK Government statements on poverty and employment, and this should be encouraged to build public support for reforms.
- Some policy measures required to reduce child poverty (such as benefit increases) are not devolved powers, but the Scottish Government could do more to remove barriers to employment, sustain people in work and tackle low pay.
- The Scottish Government should:
 - Encourage employers to create more flexible jobs which allow parents to combine work and care responsibilities.
 - Increase access to affordable, flexible childcare.
 - Provide in-work support and advice to help parents remain in employment.
 - Define a Scottish living wage, and commit to paying this to public sector employees.
- The Scottish and UK governments could work more closely together to improve anti-poverty interventions:
 - Reduce the benefits trap by allowing greater overlap between employment and benefit entitlement.
 - Explore opportunities to adapt UK Government welfare reforms to local labour market conditions.

Authors

Stephen Sinclair and John H. McKendrick, Scottish Poverty Information Unit, Glasgow Caledonian University

Introduction

In the Queen's Speech on 3 December 2008, the UK Government announced its intention to introduce a Child Poverty Bill that would enshrine in legislation its commitment to end child poverty by 2020. This was symbolically significant: while the Bill cannot in itself guarantee that child poverty will be eradicated, it binds future governments to this goal¹, and makes a return to the 1980s and early 1990s – when the existence of poverty in the UK was officially denied – much less likely.

This commitment to end child poverty is shared in Scotland. Indeed, as far back as 1999, at the launch of the *Social Justice Strategy*, Scotland's First Minister, Donald Dewar, stated that the Scottish Executive (as it was then known) would 'make child poverty a thing of the past within a generation' (Scottish Executive, 1999). Subsequent Scottish governments have reiterated this commitment to eliminate child poverty in Scotland by 2020.

Slightly better progress in reducing child poverty has been achieved in Scotland than in the UK as a whole over the last decade, but the overall situation and issues faced are similar. Most importantly, in Scotland, as in the UK as a whole, there has been a recent slowing down of progress in tackling child poverty at a time when economic conditions have become much more challenging.

Commitment must be underpinned by effective policy interventions if the goal of eradicating child poverty by 2020 is to be realised. Responsibility for the main anti-poverty policy levers of taxation and welfare rests with the UK Government. However, tackling child poverty requires a broader range of interventions than tax and welfare alone. Devolution potentially complicates matters, as many of the other measures the UK Government would adopt to tackle child poverty are the specific responsibility of the Scottish Government (SG) in Scotland. Thus, the UK Government cannot tackle child poverty in Scotland without the co-operation of the SG. Until May 2007, this was neither a political nor administrative problem, as Labour administrations were in office both in Westminster and Holyrood (albeit in coalition in the latter case). Between 1999 and 2007, broadly similar policies were pursued by the UK Government and Scottish Executive in relation to child poverty and, unsurprisingly, the outcomes were broadly similar. However, with the Scottish National Party now in minority administration in Scotland, the possibility of a different approach to reducing child poverty has increased.

Not only is this a significant juncture in terms of the changing political landscape in Scotland; the early progress achieved in reducing child poverty has halted (Scottish Government, 2008a,c). Evidence and commentary from recent Joseph Rowntree Foundation (JRF) research suggest strongly that incremental reform will not be sufficient to meet the child poverty targets, but it is not clear that governments in the UK are re-formulating policy to rise to this challenge (Hirsch, 2008a). There is no longer a consensus over what actions are required to achieve the end goal of eradicating child poverty by 2020 (Kenway, 2008). Complicating matters further are the global economic slowdown and the efficacy of policies formulated before the recession.

Related research

In 2008, seven JRF reports and a summary *Round-up* reviewed what is needed to end child poverty in 2020.

Round-up:

What is needed to end child poverty in 2020?

Donald Hirsch

Reports:

Can work eradicate child poverty? Dave Simmonds and Paul Bivand

Childcare and child poverty Jane Waldfogel and Alison Garnham

Ending severe child poverty Jason Strelitz

Addressing in-work poverty Peter Kenway

Tackling child poverty when parents cannot work Martin Evans and Lewis Williams

The effects of discrimination on families in the fight to end child poverty Matt Davies

Parental qualifications and child poverty in 2020 Andy Dickerson and Jo Lindley

It is apparent that no single policy measure can resolve the problems faced. Action on a number of fronts is required, including:

- tackling low pay, insecure employment and low skill levels (particularly among those not in full-time employment);
- removing barriers to employment (including inadequate childcare provision and restrictive benefit entitlements); and
- increasing the value and take-up of benefits.

Child poverty

It is necessary to make two points about child poverty at the outset. First, while low income in households with children is a major concern, it is important not to equate income with well-being, or to assume that income deprivation can be equated with all other forms of material and immaterial deprivations. A pre-occupation with income in anti-poverty debates is always a possibility when income deprivation is the primary way in which poverty is measured (as it is currently by the UK and Scottish governments). Income is a means to an end, albeit an undeniably important one; more fundamental than income is capability – the outcomes and realisable opportunities available to children (Sen, 1999; Strelitz, 2008). Such capabilities can be accomplished by means other than increasing income. This relates to the second point: neither the well-being nor poverty of children can be separated from the circumstances of their parents or carers. Tackling child poverty requires wide-ranging reforms and a narrow focus on reducing income poverty could even be detrimental to child well-being if, for example, encouraging parents to maximise their opportunities for paid employment compromises their ability to deliver on their child-rearing responsibilities (Burchardt, 2008).

Trends in child poverty

In international terms, the UK and Scotland started from a challenging position from which to eradicate child poverty. In 1999, Britain had the worst child poverty record in the EU, but by 2006 (in a larger EU) it had improved markedly, although it was still 5 per cent below the EU average (CPAG, 2008)². Progress has been made: between 1995 and 2005, the UK was one of only five OECD countries in which child poverty declined (European Communities, 2008). Nevertheless, in terms of wider well-being, the UK still lags behind: the most recent UNICEF report on child well-being ranked the UK last out of 21 nations (Barnardo's Scotland, 2007). Child poverty is lowest among Nordic countries (such as Finland and Denmark) where the child poverty rate is about 10 per cent – under half that of the UK (22 per cent). Several large EU countries also perform better than the UK on child poverty: the rate in Germany in 2006 was 12 per cent, and 13 per cent in France. Indeed, as it has been suggested that a level of 10 per cent could constitute the eradication of child poverty, it could even be argued that child poverty is persisting in the UK when it has been eradicated in other parts of Europe (Brewer *et al.*, 2009).

The UK Government's initial target was to reduce child poverty by one quarter between 1999 and 2005. This target was missed in the UK as a whole, but was met in Scotland. Indeed, since the baseline year of 1998/99, child poverty has fallen further in Scotland than in any other UK region (Department for Work and Pensions, 2008). However, by 2006/07 there were still 210,000 children living in relative low-income poverty before housing costs in Scotland. This was approximately 21 per cent of all children in Scotland, and although this was unchanged from the previous two years, it was still a better performance than the UK as a whole, where child poverty rose for the second year in succession (Scottish Government, 2008a).

The most recent figures (from 2006/07) do not take account of measures taken in 2007, 2008 and 2009 UK Government Budgets to reduce child poverty. These included:

- increasing the child element of Child Tax Credit;
- raising the income threshold for the withdrawal of benefits;
- introducing the new pregnancy grant of £190; and
- removing Child Benefit from calculations of entitlement to both Housing Benefit and Council Tax Benefit.

The most recent Budget of April 2009 also brought forward a proposed increase to Child Benefit, to £20 per week for the first child and £13.20 per week for subsequent children. It is estimated that these measures will remove a further 600,000 children from poverty in the UK; but the UK Government will still be 600,000 short of its 2010/11 target to halve child poverty from the 1998/99 baseline (Hirsch, 2009). The Treasury estimates that 310,000 families in Scotland will benefit from the improved tax credit system following the April 2009 Budget.

Child poverty in Scotland is now among the lowest in the UK – Scotland is 10th out of 13 Government Office Regions (GORs) on the contemporary relative low income measure, 10th on the measure in which household income is held constant in real terms, and joint 9th on the combined material deprivation and contemporary relative low income measure (Department for Work and Pensions, 2008). Rates of child poverty are only consistently lower in three English regions (East England, South West and South East). Even so, the rate at which child poverty has fallen in Scotland exceeds that of all GORs over the last decade, including these three regions with lower rates of child poverty. For example, using running three-year averages, the rate of contemporary relative low-income child poverty in Scotland fell from 29 per cent (1997/98 to 1999/2000) to 21 per cent (2004/05 to 2006/07), compared to a fall from 19 per cent to 15 per cent in the East of England. However, there is no room for complacency – Scotland's performance is broadly similar to most UK regions, and even in Scotland the initial success in reducing poverty has slowed, and perhaps halted. It is evident that further progress towards the 2020 target to end child poverty requires additional interventions, a view shared by the Child Poverty Unit (CPU, 2009).

UK Government policy on child poverty

The main fiscal policy levers to tackle child poverty are responsibilities reserved to UK Government Departments: the Treasury for tax credits and taxation³ and the Department for Work and Pensions (DWP) for social security benefits. The scope of independent and distinctive action to tackle child poverty in Scotland is limited by this. Although some reserved powers involve negotiation between the Scottish Government and the administering bodies of the UK Government (for example, Sector Skills Agreements are brokered by Sector Skills Councils on behalf of the Department for Innovation, Universities and Skills with the Scottish Government and others), this also limits the capacity for the Scottish Government to determine the approach taken – in this instance, towards employment services.

So far, the UK Government's child poverty strategy has focused, correctly, on some of the most important issues:

- promoting employment (e.g. welfare to work);
- making work pay (e.g. national minimum wage, tax credits);
- early intervention and education reform (e.g. Sure Start, National Childcare Strategy); and
- improving public services (e.g. local government modernisation).

Some of these are areas of devolved SG responsibility (such as social and educational services), and are delivered by local authorities and other public agencies, which makes relationships between the SG and local partners particularly important.

The UK Government's strategy to tackle poverty was followed by the first two Scottish Executives (1999–2007). The over-riding emphasis of this approach was to increase employment and enhance employability in households with adults of working age who are vulnerable to poverty. Such 'active labour market' policies can take various forms: a 'human capital development' approach common in EU countries prioritises helping people to stay in employment and improving their pay and conditions over time (Wright, 2008). More 'workfarist' models emphasise labour force attachment as an end in itself, and apply sanctions for non-compliance (Crisp and Fletcher, 2008). While neither the UK nor Scottish governments have introduced workfare in the sense that claimants must work to receive benefits, nevertheless the development of the UK Government's employment activation policies since 1997 has involved a shift towards a 'work-first' approach with an increasing emphasis on exhortation and sanctions (Daguerre, 2007). As the recent Gregg

review of *Personalised Conditionality And Support* noted, 'conditionality is now a central component in the delivery of a range of policy objectives, including tackling child poverty' (Gregg, 2008).

In addition to employability measures, the UK Government has also increased the value of certain social security benefits. For example, benefits for children in unemployed families have more than doubled in real terms since 1997, and Child Benefit has been increased above the rate of inflation (at least for the first child). The UK Government's more recent proposals – outlined in *Ending Child Poverty: Everybody's Business* (2008) – include improving access to childcare⁴, employment skills training for parents, and rights to flexible working and parental leave. However, labour activation policies have recently come to the fore of the child poverty strategy.

Recent welfare reforms and objections

The UK Government's focus on increasing employment to reduce poverty among UK households is largely justified: the risk of child poverty is far greater in households without working parents, and it is far lower in households in which both parents work (European Communities, 2008; Strelitz, 2008). Recent measures and proposals from the UK Government have further emphasised the work-first approach. The 2008 Green Paper – *No One Written Off: Reforming Welfare To Reward Responsibility* – proposed increasing the conditionality of benefit entitlement, abolishing the 'passive' Income Support system, and replacing Incapacity Benefit with the Employment and Support Allowance. Since 24 October 2008, lone parents (except those with a disability or health condition) with a youngest child of 12 or over have been placed on Jobseeker's Allowance; and this change in entitlement will apply to parents with children aged 10 in October 2009, and children aged seven in October 2010. Providing an adequate support structure to help this transition to employment will be necessary; this may prove to be more of an obstacle in Scotland than in England, where the duty upon local authorities to make childcare available has been more strongly articulated.

While the strategy of increasing employment and selective benefit increases deserves credit for its initial success, it is now evident that these measures alone will be insufficient to eradicate child poverty by 2020. Partly in recognition of this, the Welfare Reform Bill and the Flexible New Deal, scheduled to commence in autumn 2009, have adopted the recommendations of the Freud Report (2007). Furthermore, the UK Government's 2007 Comprehensive Spending Review had the following aims:

- an 80 per cent employment rate;
- reducing the number of Incapacity Benefit claimants by 1 million;
- increasing the number of over-50s in employment by 1 million by 2016; and
- achieving a 70 per cent employment rate among lone parents by 2010.

However, these targets were set during more favourable economic circumstances, when it seemed reasonable to suppose that the labour market would be able to provide jobs for most of those able to work. This assumption no longer holds; the strategy has been overtaken by events, and unemployed claimants who have the desire to work, but who are less attractive to prospective employers, may inadvertently and unjustly suffer as the ranks of the unemployed are swollen with more highly skilled and experienced workers. These targets now appear unrealistic aspirations: the aggregate rate of employment has stayed within the 74–75 per cent range since the start of the decade, despite favourable economic conditions (Kenway, 2008). National employment rates are now on a downward trend (Bivand, 2008).

Despite the current unfavourable economic conditions, the UK Government has continued to enthusiastically embrace the idea of 'personalised conditionality' expressed in the Gregg review of employment and entitlement (Gregg, 2008). Central to the recent reforms is the proposal to use private and voluntary sector contractors to provide training and employment support services to unemployed claimants. According to the DWP, competition for these contracts will improve standards: providers will be paid 'by results, so as to give incentives to providers to focus on getting people in to work' (DWP, 2008). However, international evidence of similar approaches suggests that there is a risk of 'parking', whereby harder-to-help participants are only given the minimum services (Finn, 2008). For example, the proposal to use 'Invest to Save' payments – where private and voluntary providers producing more re-employment are paid from resulting benefit savings – entails an incentive for providers to shift clients off benefits and shoehorn them into jobs. More generally,

the system re-orientation redefines the client/service provider relationship and may not be best suited to meeting the needs of those clients who are not job-ready (Karagiannaki, 2009).

The proposed personalised service and support which unemployed claimants are supposed to receive will inevitably come under strain through the pressure of increasing client numbers, unless there are more significant increases in funding than currently envisaged (Hayman, 2008). At the same time, a tougher job market means that fewer vacancies will be available to place clients.

These recent reforms imply that the Government suspects that a significant barrier to employment is claimants' unwillingness to work – research suggests that this is both false and damaging (Wright, 2008). Both the Government's own evidence and the Social Security Advisory Committee challenge the need or justification for toughening compliance measures (Crisp and Fletcher, 2008; Goodwin 2008; Helm, 2008). In particular, where demand for labour is shrinking, there is little to be gained from using coercive measures to force people into unsuitable jobs. There is no compelling evidence that a lack of motivation or inappropriate behaviour on the part of claimants are significant factors in contributing to unemployment levels or child poverty; the emphasis on conditionality and sanctions does not reflect the evidence base.

Although there is some scope for local action in Scotland – as one of the City Pathfinders pilots, the DWP has charged Glasgow Works with responsibility for shaping the delivery and provision of training opportunities and employment programmes, giving local control over plans to tackle worklessness – these are largely UK issues, with a UK agenda. The SG has articulated principles which it believes should guide benefits and tax credit policies. These principles – in contrast to the DWP – emphasise the need for the system to be supportive and sympathetic to those for whom work is not possible (Scottish Government, 2008d). However, the only action that is implied is encouraging DWP officials in Scotland to adopt 'best practice'.

What has been tried in Scotland?

Previous Scottish Executive policy

Given the significance of reserved powers in child poverty policy, and because the first two devolved Scottish administrations (1999–2003; 2003–2007) shared the UK Government's approach to tackling poverty, it is unsurprising that the overall impact of policy has been similar in Scotland to the rest of UK (Palmer *et al.*, 2006).

The key features of Scottish social inclusion policy until the May 2007 election were a focus on employability, area regeneration, early intervention through childcare and educational provision, and a financial inclusion strategy. This approach achieved some success. For example, the previous Scottish Executive's social inclusion strategy, Closing the Opportunity Gap (CtOG), involved policy measures to achieve six general Objectives and ten more specific Targets. Significant progress was made on four of these Targets:

- A (employability);
- C (NHS employment);
- D (health inequalities); and
- K (financial inclusion).

Less success was recorded in the other six Targets, and it was too early to assess progress in relation to most of the six Objectives before this strategy was replaced by the current SG's 'solidarity' policy (McKendrick *et al.*, 2008a).

Current Scottish Government policy

The SG elected in May 2007 has repeatedly expressed its commitment to tackle poverty. For example, the Deputy First Minister, Nicola Sturgeon, stated that: 'As I speak, almost one in every five Scots (880,000) is living in poverty. This is quite simply unacceptable – a tragedy which we will not tolerate and that is why making poverty history in Scotland will be central to everything we do'⁵. The SG moved quickly to re-brand anti-poverty policy and distinguish it from its predecessor's approach – replacing terms favoured by the Scottish Executive, such as 'social justice' and 'CtOG' with 'solidarity' and 'cohesion'.

The Scottish Government has defined its overarching 'central purpose' as 'to focus government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth'. This central purpose is at the apex of a five-tier National Performance Framework, which, in turn, comprises 9 high-level Purpose Targets, 5 Strategic Objectives, 15 National Outcomes and 45 National Indicators. All Scottish Government activity – including its anti-poverty strategy – is positioned within this framework, which

was first articulated as a general *Economic Strategy*, launched in November 2007⁶.

Although the National Performance Framework emphasises the primary importance of economic growth, the need to tackle poverty is recognised at each level. For example:

- Acknowledging the need to provide ‘opportunities for all’ implies tackling poverty to facilitate opportunity (Central Purpose).
- The Solidarity Target – ‘to increase overall income and the proportion of income earned by the three lowest income deciles as a group by 2017’ – is an explicit target for tackling income inequality (Purpose Targets).
- ‘Wealthier and Fairer’ Scotland – ‘enable businesses and people to increase their wealth and more people to share fairly in that wealth’ – is an explicit objective for a more equitable distribution of wealth (Strategic Objective).
- National Outcome 7 explicitly challenges Scotland to tackle inequalities – ‘We have tackled the significant inequalities in Scottish society’. Several of the other National Outcomes also strike at the root causes and consequences of poverty, such as realising potential and employment (NO-2), education and skills (NO-3, 4 and 5), health (NO-6), people at risk (NO-8), community life (NO-11) and public services (NO-15) (National Outcomes).
- An explicit poverty target is listed among the National Indicators – ‘to decrease the proportion of individuals living in low-income poverty before housing costs’ (NI-14). As with the National Outcomes, several other National Indicators target basic causes and consequences of poverty, such as increasing the proportion of school leavers from Scottish publicly funded schools in positive and sustained destinations (FE, HE, employment or training) (NI-10) and increasing healthy life expectancy at birth in the most deprived areas (NI-21) (National Indicators).

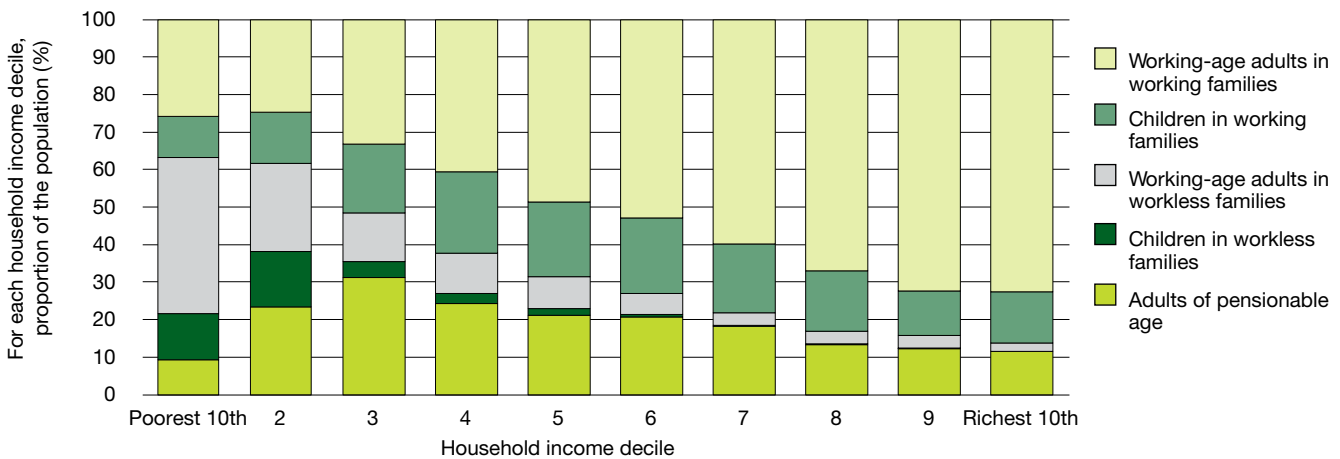
While several commentators welcomed the close connection between tackling poverty and the SG’s wider *Economic Strategy* (Matthews and Bailey, 2008), there is a potential downside to this if the Scottish Government assumes that reducing poverty is dependent upon economic growth. This is not an economic determinant but a matter of political choice. Nevertheless, the political challenges involved in tackling poverty in a period of economic decline must be acknowledged: ‘The decade from 1997 was favourable to an egalitarian agenda in several ways ... This period may have been “as good as it gets” for egalitarian aims, for some time to come’ (Hills *et al.*, 2009).

The SG published *Taking Forward The Government Economic Strategy: A Discussion Paper on Tackling Poverty, Inequality and Deprivation in Scotland* in February 2008 (Scottish Government, 2008b). This was a consultation paper on the aspirations for tackling poverty articulated in the *Economic Strategy*. The 138 responses to the consultation were summarised (Matthews and Bailey, 2008), in advance of the publication of *Achieving Our Potential: A Framework To Tackle Poverty And Income Inequality In Scotland* in November 2008. This strategy states boldly that the SG ‘is determined to address the root causes of poverty once and for all’ (Scottish Government, 2008e). The measures outlined by the SG reflect many of the proposals in the responses to the consultation.

Although *Achieving Our Potential* is presented as the SG’s approach to tackling poverty, there are two points of principle to note. First, it would be more accurate to describe the framework as jointly owned by the SG and the Convention of Scottish Local Authorities (COSLA), as it sits within the Concordat between the SG and each of the 32 local authorities in Scotland. Through this Concordat, each local authority is charged with responsibility for improving national outcomes (underpinned by national indicators) in a way that reflects local circumstances and priorities. This raises the question of whether the sum will be reached by these parts: whether the 32 individual plans to tackle local poverty will be sufficient to achieve the national poverty targets set by the Scottish Government. It also raises the question of what can, should and will be done by the Scottish Government to address any shortfall in delivery, given that the spirit of the Concordat is based on partnership and locally defined priorities. The extent to which child poverty is acknowledged in Single Outcome Agreements (SOAs) varies widely. For example, Glasgow makes many references to child poverty throughout its SOA and identifies ‘reducing the proportion of children living in poverty’ as one of its 24 local outcomes, whereas Dumfries and Galloway’s SOA merely identifies poverty as one of nine factors which impair the life chances of young people at risk (alongside others such as transport, housing and education).

Second, *Achieving Our Potential* is not the only framework that is being deployed to tackle disadvantage in Scotland. There is also *Equally Well*, an action plan based on the report by the Ministerial Task Force on Health Inequalities (published in June 2008) and the *Early Years Framework* (launched in December 2008), which aims to ‘give every child in Scotland the best start in life’ to prevent inequalities in health, education and employment being passed from one generation to the next. Together, these three frameworks comprise the Scottish approach to tackling

Figure 1: Household income deciles and family work status in Scotland



Source: Kenway et al. (2008) *Monitoring Poverty And Social Exclusion in Scotland 2008*. Also available at NPI's *The Poverty Site*: www.poverty.org.uk/s09/index.shtml
 Note: *Households Below Average Income Statistics* data has been averaged over three years to improve reliability.

disadvantage, although no document has yet been produced to explain how they work together to reduce child poverty.

Although the approach to tackling child poverty is far from streamlined, the SG's main anti-poverty aim is clearly expressed in the Solidarity 'golden rule' in its *Economic Strategy*, which commits it to 'increasing overall income and the proportion of income earned by the three lowest income deciles as a group by 2017'. The SG's reasoning behind targeting the lowest income 30 per cent is that attention should not be directed to those currently below the poverty line at the expense of those on the margins of poverty (Scottish Government, 2008d). Widening the scope of attention in this way has important policy implications. Figure 1 shows the composition of Scottish income deciles by five household types produced for *Monitoring Poverty and Social Exclusion in Scotland 2008* (Kenway et al., 2008). This shows that the composition of the third lowest income decile (21–30 per cent) contrasts with that of the bottom 20 per cent; specifically, there are more people over retirement age and relatively fewer workless households in the bottom three deciles as a whole compared to the bottom quintile. There is also a shift in the proportion of children: compared to the bottom 20 per cent, the third lowest income decile (21–30 per cent) comprises fewer children in workless households, although, as noted above, slightly more children in working households.

Extending the focus of anti-poverty action to protect those on the margins of poverty is welcome. However, there is a risk that without sufficient extra resources this will involve a dilution of the resource focused on those experiencing the most severe poverty – in particular, there is a risk that the focus of anti-poverty activity will shift away from children in workless households (Strelitz, 2008).

The general approach of the SG's anti-poverty strategy is summarised as 'encouraging work by removing barriers to employment; supporting those who cannot work for example through income maximisation; and making work pay' (Scottish Government, 2008e). Although presenting the strategy as a fresh approach, the SG has repeatedly stated that reducing income inequality would involve increasing the incomes of the poorest without lowering those of higher earners. Therefore a focus on employability and a rejection of overt redistribution are central features of SG policy, both principles it shares with the UK Government. More generally, *Achieving Our Potential* identifies four areas for action:

- reducing income inequalities;
- introducing longer term measures to tackle poverty and the drivers of low income;
- supporting those experiencing poverty or at risk of falling into poverty; and
- making the tax credit and benefits systems work better for Scotland.

The SG's specific proposals include:

- encouraging 'more flexible and accessible working environments' which allow a better balance between caring responsibilities and employment (Scottish Government, 2008d);
- pressing for reforms to tax credits and benefits to reduce employment disincentives, including the 'case for a single, progressive and accessible system for supporting parents with childcare costs' (Scottish Government, 2008e);
- intermediate labour market initiatives involving partnerships with third sector organizations, and creating transitional placements to help people into employment and training;
- improving in-work training, including extending Individual Learning Accounts for low-income households;
- increasing awareness and enforcement of statutory employment rights; and
- introducing a weekly allowance for kinship carers of looked-after children, subject to DWP agreement that this will not negatively impact on carers' existing benefits.

The SG links poverty to inequality throughout its strategy. Another positive feature is that the SG avoids the critical language which marks many of the UK Government's policy statements in this area. In relation to employability policy, the SG emphasises providing assistance to help people into jobs rather than using compulsion, and it seems to have adopted a more human capital development rather than a work-first approach to employment (Scottish Government, 2008e).

However, while the language and sentiments of the SG's strategy may be applauded, and while it identifies the key issues requiring action, it is not clear how the proposed policies will deliver the desired results. Focusing primarily on employment and forgoing any direct redistribution of resources, the strategy focuses more on the intermediate rather than the root causes of poverty, although this may merely reflect that longer term actions are contained within the *Early Years Framework*. Furthermore, detail is lacking on some of the proposed measures: several of the examples of local authority initiatives which are commended describe targets or general activities rather than specific interventions (Scottish Government, 2008e).

Achieving Our Potential is described as a strategy for removing the 'structural barriers' of inequality (2008e). However, without tackling the mechanisms which transmit relative privilege and disadvantage, it cannot address the social supports of inequality (Scott, 1993). These barriers include the concentration of personal wealth and its use to preserve cultural capital and educational advantages, and denial of opportunities for advancement to others. They also include residential segregation, weak regional labour markets and poor quality public services for those unable to access private provision. While the SG does not have authority to act in all of these areas, it could be overtly redistributive in several; for example, it is responsible for numerous non-monetary benefits, many of which directly impact upon the well-being of the most disadvantaged (Mooney *et al.*, 2008). Embedded within the *Early Years Framework*, the presentation, and perhaps focus, of these structural interventions as anti-poverty activities is less apparent.

Many of the anti-poverty interventions in Single Outcome Agreements have been resourced through the Fairer Scotland Fund (FSF), a ring-fenced fund of £145 million per year from 2008/09 to 2010/11 that Community Planning Partnerships (CPPs) will use to tackle local issues relating to poverty and disadvantage. The FSF replaces seven existing funds, but is time-limited and should be viewed as a transitional safeguard implemented by the Scottish Government to ensure that tackling poverty is given prominence in the first round of SOAs. The critical moment will be how local authorities and CPPs in Scotland choose to tackle local poverty when the ring-fencing is removed in March 2010.

Beyond *Achieving Our Potential*, other current SG policies relevant to child poverty include:

- providing free school meals for the first three years of primary school;
- increasing nursery provision for children aged three to four by 50 per cent;
- reducing class sizes; and
- abolishing prescription charges.

These measures deal with more than income deprivation, correctly reflecting the multifaceted nature of child poverty and deprivation. The free school meals policy has been passed by the Scottish Parliament but does not come into effect until August 2010. There have subsequently been tensions between the SG and some local authorities over funding this policy, which relate in part to the SG's commitment to freeze Council Tax levels. This has put some strain on the Concordat agreed between the SG and Scottish local authorities.

Barriers to progress

Limitations of employment as a route out of poverty

The UK and Scottish governments are right to recognise the significance of worklessness as a cause of poverty among households with children. However, although entering employment is the best single route out of poverty, it is not a guaranteed one (Kemp, 2005; Palmer *et al.*, 2008; Simmonds and Bivand, 2008). The UK has among the highest rates of employment and child poverty in Europe (CPAG, 2008). Of the 210,000 children in relative poverty in Scotland 2006/07, 90,000 (42 per cent) lived in households where at least one adult was in paid employment (Scottish Government, 2008c). As Kenway points out, 'After falling in the early years of the Labour Government's anti-poverty strategy, the number of children in in-work poverty has now returned to the level it was at when Labour came to office. The net overall effect of policy on in-work poverty is zero' (Kenway, 2008).

The limitations of employment as an escape route from poverty have been recognised by both the UK and the Scottish governments (HM Treasury, 2008; Scottish Government, 2008d). However, the UK Government in particular seems reluctant to fully acknowledge the fundamental challenge which poverty in employment poses to their strategy, or take the steps necessary to deal with this. The UK Government's work-first approach has led 'to an attitude that any job is better than no job at all' at the DWP (Simmonds, 2007). However, moving from a no-earner to one-earner household is not enough to escape poverty, unless earnings are significantly higher than many entry-level jobs offer, given the current level of the National Minimum Wage. Most of the reduction in child poverty achieved in Scotland since 1999 was attributable to increases in tax credits and out-of-work benefits rather than parents entering employment⁷. This is an important clue as to what is required of future policy.

Both the UK and Scottish governments have recently given more attention to increasing job retention and progression rather than merely job entry (Scottish Government, 2008d; Gregg, 2008). Nevertheless, further reforms are necessary to remove the barriers to employment for several groups. Current employability policies have not enabled disadvantaged groups to enter secure, rewarding employment. Those with caring responsibilities, a disability, or whose education and skills do not match vacancies have not received the support required to help them into regular employment (Save the Children, 2007).

Lone parents and their children are at particular risk of poverty due to reduced earnings from working shorter hours compared to couples with children, as a result of the additional difficulties lone parents face in combining employment and family responsibilities. Bell *et al.* (2007) identify the significance of 'mini-jobs' among women in couples with children in reducing unemployment rates. While such jobs might not pay enough to remove such households from poverty, evidence from the *Families and Children Study* suggests that they are part of a long-term pattern of behaviour which may be used to supplement income up to the level permitted by income disregard (Hales *et al.*, 2007). Further thought might be given to the disincentive to participate in mini-jobs that prevails, and to how mini-jobs might be used more effectively as a stepping stone to full employment. Furthermore, there is a need to facilitate lone parents' labour market participation, as this is markedly lower than that of mothers in couples (Hales *et al.*, 2007).

Transitions to employment

Research among those experiencing poverty has also highlighted the hazards of returning to employment which erode work incentives: 'costs such as childcare, travel and buying work clothes and the fear of a gap between benefit withdrawal and the first pay cheque' (Green, 2007). People on low incomes learn to be risk-averse and cannot afford any disruption to their income arising from moving between benefits and employment (Hirsch, 2008a).

Current employment and benefits policy does not acknowledge sufficiently that the employment opportunities available to many people on benefits are low-paid, insecure and not always full-time. 'Policy-makers tend to view low-paid employment too much as a one-way escalator and insufficiently appreciate both the rollercoaster and the preponderance of short ride in low-paid jobs' (Evans and Williams, 2008). This is particularly the case for those with health or disability issues.

It is therefore important that the complex rules and regulations determining benefit and tax credit entitlements are sufficiently flexible to ensure greater continuity of income (Strelitz, 2008). Rigid and highly conditional welfare support deters people from taking risks and contributes to unemployment and poverty.

The SG recognises that ‘the threat of sudden benefits withdrawal can act as a real disincentive for many people who are looking to move from benefits into work’. It proposes to ‘make the case for a benefits and tax credits system which provides security of income, supports transition to employment and allows those who cannot work to live with dignity’ (Scottish Government, 2008e). Without further detail, this may be no more than a well-intentioned sentiment.

Childcare

Of all the barriers to employment, childcare emerges from research as the most significant. Again, this is a particularly acute problem for lone parents. Although they enter employment at about the same rate as others with children, their exit rates are double those of other parents (Sinfield, 2007; Wright, 2008). This is due to their precarious childcare arrangements, as well as the financially unrewarding and poor quality jobs available to many of them. It is no surprise that there is a spike in lone-parent returns to Jobseeker’s Allowance (JSA) at the start of the summer holidays (Simmonds and Bivand, 2008). Lower income families are more likely to use informal childcare arrangements, which are not eligible for Childcare Tax Credit. One in five lone parents referred to the cost of childcare as a barrier to employment, and 15 per cent mentioned the lack of available care in the *Families And Children Study* (Willitts *et al.*, 2003). Although both the UK and Scottish governments have childcare strategies, current provision does not meet parents’ requirements (Gregg, 2008).

In particular, policy has underestimated the importance of parents’ assessments of the quality and flexibility of affordable childcare in influencing their employment decisions. Parents will not place their children in what they judge to be unacceptable care, and the Government must convince them that quality is assured (Waldfogel and Garnham, 2008). Both the UK and Scottish governments have recently reiterated their commitment to provide high quality, reliable and extended childcare (Simmonds and Bivand, 2008; Scottish Government, 2008d). However, again there is a lack of concrete action in the Scottish case.

Taking next steps

There are a number of reforms to existing policies which would benefit children and families in poverty. The following ten recommendations are listed with the most far-reaching reforms first, followed by more immediate, short-term measures.

Devolution

It is not possible to discuss tackling child poverty policy in Scotland without considering the devolution settlement and division of powers between the UK and Scottish governments. Some of the reforms necessary to significantly reduce child poverty go beyond the current powers of the SG and have not been accepted by the UK Government; but the scale of the action required means they should be considered.

Since 1999, when the Scottish Parliament was reconvened, experience has shown that devolution itself does not lead to distinctive social welfare policies unless different political choices are made. Countries which have been most successful in reducing child poverty have done so through a combination of strategies aimed at enabling access to employment (such as through affordable childcare) and sustaining income for those not able to work, either temporarily or over the long term (European Communities, 2008). For example, Nordic countries have achieved low rates of child poverty despite having high numbers of lone-parent households. This has required maintaining high employment rates among parents and significant social transfers to low-income households.

Raising benefit levels

Such measures are not cheap. Countries with the lowest levels of child poverty invest heavily in welfare and redistribute resources between groups. JRF-funded research estimates that the UK Government must spend £4.2 billion in addition to that already provided from the 2007 and 2008 Budgets to meet its 2010 target of halving child poverty (Hirsch, 2009). The CPAG argues that this will require direct financial transfers to low-income households with children, as improvements to employment or services will take too long to make the necessary impact (CPAG, 2008).

Radical large-scale reforms were required to reduce unemployment and poverty from the 1999 levels (such as a windfall tax to fund New Deal initiatives). Measures of a similar scale are required if progress is to continue or accelerate to meet the 2020 child poverty target. An immediate need, which goes beyond the devolved powers of the SG, is to recognise that out-of-work benefit levels are too low to meet everyday needs, let alone occasional additional expenses (Save the Children, 2007). The SG has stated that 'Benefits must provide a standard of living which supports dignity, freedom and social unity' (Scottish Government, 2008e). The Joseph Rowntree Foundation reports conclude that basic benefits are insufficient to lift families out of poverty (Hirsch, 2008a). In fact, benefit levels in the UK are beneath the level that the Government itself defines as poverty (Sinfield, 2007; CPAG, 2008). Low benefit rates mean that 'child poverty is assured for low-paid families who have periods between jobs' (Evans and Williams, 2008). Supporting the incomes of those outside work is critical. The benefit safety net should be just that: an adequate safeguard protecting households from hardship and enabling them to avoid debt (Strelitz, 2008; Wright, 2008).

Larger families are particularly at risk of poverty. Benefits specifically targeted at children have the greatest impact on child poverty (European Communities, 2008). In this respect it is an anomaly that Child Benefit is weighted towards smaller families and that the difference between the Child Benefit payment for the first child and second and subsequent children has been increased by the current UK Government (Lister, 2003).

Both the UK and Scottish governments refer in recent anti-poverty strategies to international best practice in tackling poverty and the need to learn from this. For example, the DWP's *Raising Expectations And Increasing Support* White Paper claims to draw upon 'international experience, particularly from Scandinavia and the Netherlands, where they have welfare systems that have generous support' and combine high levels of employment with low rates of child poverty (DWP, 2008). No mention is made of benefit rates in this White Paper; it appears that the UK Government is only interested in international lessons regarding increasing employment (Scottish Campaign on Welfare Reform, 2008). However, this selective copying fails to understand the principles which underpin the success of these welfare systems. Such systems combine social insurance benefits paid at a high earnings-replacement rate, underpinned by human capital development programmes to reduce the risk of long-term unemployment. Job-seeking conditions are applied to claimants, but social security provision ensures that worklessness does not necessarily entail poverty, as it does in the UK.

This is clearly an area of policy reserved for the UK Government. Nevertheless, while the SG cannot change welfare benefits itself, it has the opportunity to supplement some welfare payments; for example Child Benefit could be 'topped-up' for larger households (Mooney *et al.*, 2008).

Encouraging new types of employment

The UK Government's current employment and anti-poverty policy may require parents to choose between working or looking after their children (Hirsch, 2008a). In place of this trade-off, it should create conditions where caring responsibilities and an adequate income from employment are mutually compatible. A recurring theme from the JRF reports is the need to change the nature of jobs, particularly those available to low-income families with children. Governments must go beyond existing employment policy, which concentrates on training provision and developing human capital. For example, there is an unsatisfied demand among parents for part-time work; further government action is required to encourage employers to create more jobs with varied working hours compatible with parents' caring responsibilities. In the longer term, a right to work flexible hours may be necessary (Burchardt, 2008). Governments may be reluctant in the current economic climate to impose what could be perceived as additional or restrictive duties on employers. However, the SG has considerable powers of patronage and procurement which could be used to influence employers' behaviour. The SG itself could become an exemplar of best employment practice in this respect.

Bringing child poverty into the mainstream

The SG possesses powers in some of the areas where further action is necessary:

- increasing opportunities for and progression in employment;
- tackling low pay; and
- reducing household expenditure.

Tackling child poverty effectively will require action in each of these areas, in addition to new policies required at the UK level. However, despite repeated claims, the SG does not prioritise tackling child poverty to the same extent as other UK administrations. The Welsh Assembly Government (WAG), for example, has put 'eradicating poverty and improving the life chances of our children and young people' as its top priority (Welsh Assembly Government, 2008). In contrast, the SG focuses on sustainable economic growth as its first priority. In addition, the WAG has developed a more coherent and transparent approach to child poverty than exists in Scotland, where the SG diffuses core work to tackle child poverty across three frameworks.

Reducing child poverty is also a statutory duty for the WAG, and proposed as a binding commitment for other public agencies in Wales. Public organisations in Wales are encouraged by the Assembly Government to ensure that their policies prioritise outcomes for children living in poverty, and local authorities have a duty to reduce inequalities among children and young people. This approach to tackling child poverty involves more demands upon local authorities than that adopted by the SG. There is, of course, nothing to stop individual local authorities in Scotland adopting similar commitments in their Single Outcome Agreements. However, to date, not all local authorities and Community Planning Partnerships have made this commitment.

Reducing barriers to employment

There is a perception among many low-income households that work does not pay, and often this judgement is realistic (McKendrick *et al.*, 2003). As noted before, the costs and risks faced by parents with dependent children in taking up employment must be reduced. The Harker report (2006) argued that more support and financial incentives for parents were required for an effective employability strategy. Therefore, the UK Government's announcement that, from 2010–11, parents on benefits can retain more maintenance while working, is welcome (Simmonds, 2007).

The previous Scottish Executive's Working for Families (WfF) programme had some success in assisting employment take-up, through additional resources and focused support (McQuaid *et al.*, 2007). Between 2004 and 2008, WfF allocated £50 million to the ten local authorities in Scotland with the highest concentrations of children in workless households. These resources were used to support affordable childcare and enable parents to access education, training or employment⁸. However, from 1 April 2008, WfF was absorbed into the Fairer Scotland Fund⁹. As noted previously, this reflects the SG's commitment to reduce the volume of ring-fenced funding, as part of its Concordat with local authorities. The SG's solidarity strategy suggests that the lessons from WfF will be absorbed and followed up. However, it is uncertain whether the activities funded by the WfF Fund will continue under the new conditions of local authority discretion and budgetary restrictions.

Employment progression and support

Both the Scottish and the UK governments have poor records in moving people from lower to higher quality employment. Both governments have recognised the importance of retention and progression in employment: the Leitch and Freud reviews emphasised the importance of improving skills and access to training in order to address precarious employment and in-work poverty¹⁰. The Queen's Speech included a welcome commitment to the Children, Skills And Learning Bill which will grant employees the right to request time for training.

A more proactive approach could also be beneficial: generic in-work support services (rather than job- or employer-specific training) could help employees retain jobs in otherwise difficult circumstances, such as temporary loss of childcare arrangements (Evans and Williams, 2008). Publicly provided support and counselling might help people retain their foothold in the labour market and reduce the circumstances which lead lone parents to have high job exit rates. The UK Government's Ending Child Poverty strategy includes proposals for in-work advisory support for lone parents, which is a welcome development, as is the support announced by the Department for Innovation, Universities and Skills (2008) to help people who have lost or are at risk of losing their jobs to access careers advice and employment training.

Improving access to childcare

The JRF reports establish that accessible and affordable quality childcare is crucial to improving employment prospects and reducing child poverty (Kenway, 2008; Simmonds and Bivand, 2008). In Finland every child below primary school age (seven) has a right to publicly funded day care, regardless of their parents' income or employment status (European Communities, 2008). Other EU countries provide or subsidise flexible on-demand childcare to meet the atypical working hours which many entry level jobs entail.

The UK Government already provides free childcare for three- and four-year-olds, and has pledged to extend entitlement to 20 hours per week and provide a Sure Start children's centre in every community by 2010 (Waldfoegel and Garnham, 2008; Gregg, 2008). Unfortunately, this provision has not included Scotland, as this is a devolved issue.

To address the evidence that parents in low-income households are deterred by the risks and additional costs involved in the transition to employment, a secure platform of income and/or childcare provision is required (Evans and Williams, 2008). Greater overlaps should be allowed between access to subsidised childcare, benefit entitlement and employment: transitions between these conditions are made frequently by low-income parents with access to only precarious employment. Sharp withdrawals of childcare or benefit entitlements undermine their incentives to work, and there is a strong case for extending entitlement to Child Tax Credit, Housing Benefit and Council Tax Benefit where job turnover is high – an increasing possibility in a contracting labour market (Waldfoegel and Garnham, 2008). Additional childcare provision outside school hours and during holidays is also required to assist parents who work atypical hours (Waldfoegel and Garnham, 2008). Such measures would help move towards a more enabling system of employment and benefits ‘flexicurity’.

There is also evidence that high quality pre-school childcare can reduce educational disadvantages among children from lower socio-economic groups (Esping Andersen, 2002; Simmonds and Bivand, 2008; Waldfoegel and Garnham, 2008)¹¹. However, this entails a potential risk: Waldfoegel and Garnham (2008) caution that the low quality of much of the existing childcare in the UK may have less favourable outcomes for child development.

Local employment policy

Unsurprisingly, the SG’s solidarity strategy expresses an interest in acquiring additional powers over key areas of child poverty policy, in accordance with its National Conversation on devolution and independence, and commitment to hold a referendum on this issue in 2010.

Childcare, education and training are already devolved issues, but their scope and impact could be extended further if the SG assumed more responsibility for adapting the proposed benefit and employment training reforms set out in the UK Government’s In Work, Better Off Green Paper. DWP policy is already moving towards a policy of ‘devolution and local empowerment’ in which ‘all regions and countries of the United Kingdom, cities and localities can play an important role in identifying strategic priorities and delivering solutions’ (DWP, 2007). This gives the SG the opportunity to adapt policy to local circumstances.

For example, one of the relatively neglected proposals in the Gregg report which merits further consideration is the development of intermediate labour market (ILM) initiatives. This involves providing work placements and accompanying support and training to help particularly disadvantaged individuals progress into mainstream employment. This corresponds to the SG’s proposal to develop transitional placement opportunities with third sector employers (Scottish Government, 2008e). However, the SG must ensure that the skills gained through such work experiences are certified and transferable to private sector jobs. Other possible local variations in implementation include giving greater recognition to voluntary work as a step to employment and social contribution, or funding training and support providers on the basis of the ‘distance travelled’ by clients towards employment rather than job outcomes alone (Wright, 2008)¹².

Such experiments in devolved implementation are made more difficult if private and third sector contractors are driven by the bottom line of getting clients into jobs. The DWP have extended the measure of success to mean sustained employment for six months (rather than three months); but avoiding a narrow focus would require the SG to be more assertive in influencing the negotiation and award of contracts to training providers under the new proposals.

Tackling low pay

Employment will not be an effective route out of poverty unless low-paid work is addressed (Green, 2007). Even so, it must be recognised that tackling low pay – in part through raising the National Minimum Wage above poverty pay and setting adequate levels for tax credits – will not alone eradicate poverty. During their lives, families may find themselves without sufficient paid work to earn enough to escape poverty, particularly if they have complex needs.

The SG proposes stronger enforcement of employees’ statutory rights to address these issues, but it could go further and be more direct. Between one-fifth and one-quarter of low-paid workers in Scotland are employed in the public sector. The *Framework To Tackle Poverty And Income Inequality* states that the ‘Scottish Government will publish in 2009 an analysis of the scope for further action on income inequality in Scotland through pay across the public sector, taking into account the interaction with the tax and benefits system’ (Scottish Government, 2008e). Kenway (2008) interprets this to mean particular consideration will be given to the lowest-paid staff in future public-sector pay settlements, although it is unclear whether this is the SG’s intention.

What is more apparent is that the current UK minimum wage does not constitute an adequate income. The SG's *Tackling Poverty* consultation document intimated that it may explore the possibility of developing a 'living wage' measure (Scottish Government, 2008b), as recommended by the House of Commons Scottish Affairs Committee (2007). This does not appear to have been included in the final version of *Achieving Our Potential*. Nevertheless, the SG's interest in exploring a Scottish living wage should be encouraged. The Poverty Alliance, Scottish Trades Union Congress and Scottish Interfaith Council are jointly conducting research into what a living wage in Scotland would be¹³. The 2008 *Monitoring Poverty And Social Exclusion In Scotland* report used £7 per hour as a measure of low pay. However, a more systematic calculation could carry additional authority and mean that the SG would find it hard to justify paying its employees less than this.

Reducing expenses and improving services

The SG recognises that 'Benefits in kind, such as free school meals, public transport and free prescriptions, have the potential to alleviate poverty' (Scottish Government, 2008d). For those in the bottom quintile of the income distribution, the value of public services is equivalent to 49 per cent of their real income, compared with 20 per cent for average households, and 8 per cent for those in the top quintile (Matthews and Bailey, 2008). Social and public services are therefore a potentially important means of enhancing the effective income of lower income households.

One problem is that many lower income services users have negative experiences of public services, which they find to be unresponsive or practically inaccessible (Finn *et al.*, 2008). This problem is recognised by the SG (Scottish Government, 2008e), although how they propose dealing with this is not specified.

The SG could act to decrease the expenditure of low-income households by improving access to and the quality of public services. For example, the SG and local authorities could improve participation in leisure and sporting activities by reducing the direct, indirect and hidden costs of access to these services (McKendrick *et al.*, 2003). Improved access to cultural and leisure services are valued by lower income service users, not least because of the development opportunities they offer to children and young people in deprived communities (Green, 2007).

In terms of reducing household expenditure, the SG could offer incentives to private sector service providers to reduce the 'poverty premium' which lower income households face (Klein *et al.*, 2004). For example, pre-payment meters for domestic utilities are currently on high tariff rates. *Achieving Our Potential* proposes pressing 'energy companies and UK Ministers to take action to minimise the impact of high fuel prices, particularly on our most vulnerable people' (Scottish Government, 2008e). The Conservative Party announced in November 2008 that they would make it illegal for power companies to charge 'unfair' premiums for pre-payment meters, be required to offer social tariffs to low-income households, and highlight the different tariff rates on bills¹⁴. It is unclear whether the SG proposals extend this far, in part perhaps because of the issue of reserved UK Government powers in this area. Nevertheless, the SG could encourage local authorities and housing associations to be more active in striking bulk-purchase deals with energy providers and other service suppliers to reduce household expenditure on essential goods and services.

Conclusion: persuading the public

The next phase of policy cannot be undertaken by stealth; the measures necessary to significantly reduce child poverty require the UK and Scottish governments to increase public awareness of the issues involved and support for the reforms required to tackle it. In his 1999 speech committing the UK Government to ending child poverty, Tony Blair expressed his intention to make the British welfare state popular again (Bennett, 2008). This is a worthy aim, but not one the UK Government has pursued consistently. As one observer commented, “the Blairite approach [is] that you do ... redistribution by stealth; you don’t advertise the fact that you’ve actually put an awful lot more resources into helping the least well-off in society” (BBC, 2008). Indeed, far from campaigning to build public support for what they claim they want to achieve, some of the statements and rhetoric used by Ministers have served to confirm prejudices against those outside the labour market¹⁵.

The overall tone of the SG’s *Achieving Our Potential* strategy is neutral; but at least it is not condemnatory and there is no emphasis on obligations or sanctions. The SG also proposes ‘Activities to raise public awareness and challenge the stereotypes and attitudes which limit the opportunities for particular groups,’ although, again, these remain unspecified (Scottish Government, 2008e).

There are both progressive and regressive strands in British public attitudes towards welfare and people in poverty, so that messages given out by governments must be carefully nuanced (McKendrick *et al.*, 2008b). Building popular support for reform must appeal to a combination of moral principles and enlightened self-interest (Bamfield, 2005). In the short term, there is little to be gained by attempting to prove that public opinion is ‘wrong’ about the conditions of poverty or the characteristics of those who experience it, nor in seeking to change prejudices directly. Rather, a strategy of persuasion should appeal to those aspects of public opinion which are favorable to progressive reform. For example, welfare provision for lower income groups should be portrayed as investments which contribute to collective well-being, not subsidies for perceived ‘idleness’. The Trades Union Congress recently proposed that campaigns against child poverty should emphasise the social and economic costs of this problem and highlight society’s collective interest in tackling it¹⁶. Several recently published reports have taken this approach (Hirsch, 2008b; Hirsch, 2008c; Bramley and Watkins, 2008).

Reciprocity and the principle of contributing to earn entitlement underpinned much of the historic support for the welfare state. Portraying public welfare as a form of collective security – a pooling of and provision against risks which anyone might face – may tap into public support for the NHS and state education. Encouraging the public to recognise and value the contribution of carers, learners and volunteers, rather than merely those in paid employment, could bolster support for measures to reduce poverty among those outside the labour market.

Persuading the public is only likely if those experiencing poverty are not ‘othered’: portrayed as different from ‘normal’ society (Lister, 2004). Davies criticises the negative language used to refer to people living in poverty, which perpetuates ‘povertyism’ and makes ‘it more difficult for anti-poverty organisations, and government, to gain public support for anti-poverty policies and campaigns’ (Davies, 2008). Therefore, rather than referring to ‘poor people’, the difficult circumstances which some people encounter, and the conditions and transitions (such as unemployment or relationship breakdown) which create problems for ordinary people should be highlighted. Fatalistic acceptance of the inevitability of poverty should be challenged by highlighting successful interventions which have increased opportunities for lower income groups or improved conditions in deprived neighbourhoods.

Finally, it is an abiding and potent myth within the country that people in Scotland are significantly distinctive from the rest of Britain in their ideas about poverty and welfare provision, although there is little evidence for this (Disanto, 2007). This belief could be useful to the SG in building support for anti-poverty measures – by portraying provision for groups in need as a distinctive characteristic of which Scotland can be proud. Samuel Johnson may not always have been complimentary about the Scots, but that should not prevent Scotland adopting his maxim that ‘A decent provision for the poor is the true test of civilization’¹⁷. The political opportunities to eradicate child poverty are potentially greater in Scotland than in many other parts of the UK; this makes the responsibility to take these opportunities all the greater.

About this paper

This *Viewpoint* is informed by evidence from a series of reports by JRF on different aspects of child poverty in the UK, and by independent analyses of evidence, new policy and proposed policy from the UK and Scottish governments. It summarises and comments on the respective UK and Scottish governments' strategies to tackle child poverty in Scotland, and the progress that has been made to date, and proposes measures to improve progress.

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Endnotes

1 The main UK parties have agreed to the 2020 target, although the Conservatives describe it as an 'aspiration'.

2 These UK data on child well-being cannot be disaggregated for Scotland.

3 The Scottish Parliament has the power to vary the basic rate of income tax by three pence in the pound and is also responsible for Council Tax and Business rates.

4 This particular proposal does not apply to Scotland, as childcare is a devolved responsibility.

5 <http://www.scotland.gov.uk/News/Releases/2008/01/31112502>

6 <http://www.scotland.gov.uk/News/Releases/2007/11/13122603>

7 <http://www.poverty.org.uk/17/index.shtml?2>

8 <http://www.scotland.gov.uk/Topics/People/Social-Inclusion/poverty/17414-1/WFF/Intro>

9 <http://www.scotland.gov.uk/Topics/Built-Environment/regeneration/fairer-scotland-fund>

10 <http://www.hm-treasury.gov.uk/leitch>
http://www.dwp.gov.uk/welfarereform/freud_report.asp

11 See also http://www.ciimu.org/webs/wellchi/conference_3/esping-andersen.pdf

12 This proposal is being developed by Stephen Maxwell at the Scottish Council for Voluntary Organisations. Similar measures were also included in responses to the SG's consultation on Tackling Poverty; see Matthews and Bailey (2008), para 59.

13 <http://www.stuc.siteiscentral.com/news/545/stuc-calls-on-government-to-keep-promises-to-end-child-poverty-tackling-low-pay-has-a-vital-role>

14 <http://www.money.co.uk/article/1001976-tories-promise-action-on-energy-bill-inequality.htm>

15 For example, ' "Work Or Lose Home" Says Minister' (BBC 5 February 2008): <http://news.bbc.co.uk/1/hi/uk/7227667.stm>

16 'TUC Exposes The Costs Of In-Work Poverty'. Labour Research, January 2008. pp. 20-21.

17 Not least as this statement was recorded for posterity by a Scot.