# Child Poverty Practice Accelerator Fund (CPAF) Equality Impact Assessment



## Screening

The public sector equality duty requires the Scottish Government to pay "due regard" to the need to meet its obligations under the Equality Act 2010¹. The Scottish Government has undertaken an EQIA as part of the process of establishing a Child Poverty Practice Accelerator Fund (referred to as 'the Fund' throughout this paper). The purpose of the Fund is to support and strengthen local action to tackle child poverty. This is in line with the Scottish Government's Tackling Child Poverty Delivery Plan, Best Start, Bright Futures 2022-26² (referred to in this document as 'the delivery plan') and the Scottish Government's Equality Mission³ to tackle poverty and protect people from harm.

The EQIA aims to summarise relevant evidence and set out the strategic equality issues that were considered in developing the Fund, highlighting where there may be specific areas of opportunities for advancement, barriers to equality, or discrimination related to protected characteristics.

The EQIA indicates that the programme and associated actions are likely to have a positive impact on people and communities with protected characteristics. There is evidence that higher levels of child poverty align with some protected characteristics, including age, disability, pregnancy and maternity, race and sex. It is therefore expected that action towards tackling child poverty is likely to have a greater impact on these groups.

These protected characteristics overlap with the six priority family groups at highest risk of child poverty, including lone parent families, minority ethnic families, families with a disabled member, families with a baby under one, and families with a mother under 25. The sixth priority group – families with 3 or more children – intersects with the other five. The priority family groups are the focus of the delivery plan. This impact assessment follows and builds on those supporting the delivery plan. The delivery plan is also supported by evidence on what works for the priority family groups which informs this EQIA.

This EQIA covers the development and initial delivery phase of the Fund. Officials will look to review the EQIA at regular intervals as delivery of the Fund progresses to ensure inclusion of equalities considerations that may emerge.

#### Policy Aim

As set out in the delivery plan we are committed to delivering place-based projects, testing different approaches to how we provide person centred solutions particularly for priority families.

That is why we are seeking to work in partnership with a small number of areas to deliver accelerator projects, trialling and evaluating new ways of working to overcome known challenges in tackling child poverty and sharing the learning from these projects to inform national policy and practice.

<sup>&</sup>lt;sup>1</sup> Equality Act 2010 (legislation.gov.uk)

<sup>&</sup>lt;sup>2</sup> Best Start, Bright Futures: Tackling Child Poverty Delivery Plan 2022-2026 (www.gov.scot)

<sup>&</sup>lt;sup>3</sup> Equality, opportunity, community: New leadership - A fresh start (www.gov.scot)

The Fund aims to enhance a geographical area's approach to tackling child poverty and ultimately, drive progress towards the statutory child poverty targets<sup>4</sup>. It will support small scale projects to generate evidence on a known problem, adapt a promising approach from elsewhere to work in an area, or re-design a service or services to deliver greater impact on child poverty.

The Fund aims to deliver on the priorities set out below:

- Tackling one or more of the three key drivers of child poverty
- Prioritisation of one or more of the six priority family groups at greatest risk of child poverty
- Engagement with people with lived experience of poverty in project design and implementation
- Potential scalability/sustainability of the project, if successful
- Enhancing local partnership working
- Generating evidence through rigorous evaluation, building the local and national evidence base
- Innovation to accelerate practice to tackle child poverty

Applications to the Fund will be assessed on these priorities.

Successful bids to the Fund are required to monitor and evaluate their project and will be supported by a national monitoring and evaluation coordinator. This is to ensure rigorous evaluation of projects, to capture and share learning across Scotland to inform local and national policy and practice.

Who will it affect?

The direct beneficiaries of the Fund and its associated actions are intended to be those families experiencing child poverty.

The Fund is likely to affect the six priority family types at greatest risk of experiencing child poverty:

- lone parent families
- minority ethnic families
- families with a disabled adult or child
- families with a younger mother (under 25)
- families with a child under one
- larger families (three or more children)

Also likely to be affected by the Fund are local authorities, health boards and third sector delivery partners. The Fund can be used to support service (re)design to support more whole systems, person centred ways of working so may result in organisational change.

What might prevent the desired outcomes being achieved?

The desired outcomes are dependent on the number and quality of bids received for the Fund. Timeliness in issuing grants will also be key. Insufficient monitoring and evaluation processes at local and/or national level would also pose risks to achieving the outcomes of

<sup>&</sup>lt;sup>4</sup> Child Poverty (Scotland) Act 2017 (legislation.gov.uk)

building the knowledge base and sharing learning. Funding for 2024/25 is subject to evidence of projects' progress and to confirmation of Scottish Government budgets therefore, either of these factors might stall the desired outcomes of the Fund.

#### Framing

The Fund was designed in close consultation with external stakeholders including the Peer Support Network of child poverty leads from local authorities and health boards and the Local Child Poverty Co-ordination Group, consisting of national partners supporting local action on child poverty. Internal stakeholders were also consulted, including policy and analytical colleagues.

Stakeholders have welcomed the initiative as a means to accelerate progress on challenges that are shared across areas, but which require additional expertise or coordination to overcome, and in particular have welcomed a focus on testing and evaluating approaches to improve our collective evidence base.

Consultation indicated a need for support to identify and evaluate practice focused on overcoming the barriers faced by priority families, and on routes to earlier interventions with families not currently well served by mainstream provision. There was also eagerness to test approaches to data sharing to better identify and target families, and to explore options to greater evidence the impact of other sectors on the drivers of child poverty.

As tackling child poverty is a critical mission of the Scottish Government, cross-government work and stakeholder engagement is ongoing and the government's approach is informed by a wealth of evidence and statistics on child poverty.

An <u>evidence review on what works in tackling child poverty</u> highlights the need for a person-centred, holistic approach, within a framework of understanding structural barriers, in order to maximise the effectiveness of policies and avoid perpetuating stereotyping and stigma. Also, clear targeting strategies that identify and support priority families is crucial.

Data show that children in priority families are more likely to be in poverty. The Scottish Government has compiled <u>evidence on each of the priority family groups</u> which details the unique structural barriers they are likely to face and emphasises the need for services which address these barriers.

The evidence underpinning the delivery plan includes insights from wide ranging consultation with people with lived experience of poverty and stakeholders who work closely with them. As such, the priorities behind the Fund are informed by what these families have told us about barriers they face and what works to support them.

# 1.1 Extent/Level of EQIA required

The data and evidence show that some groups are at increased risk of child poverty and that efforts to tackle child poverty – including work supported by the Fund – are therefore likely to be of particular benefit to some groups (aligned to the protected characteristics of age, disability, race, sex, pregnancy and maternity). As such, an EQIA will be undertaken.

The Fund is part of the delivery plan which underwent a thorough <u>EQIA</u> and is supported by a wealth of evidence, including data on the priority groups. The uses of the Fund, and therefore its outcomes, will be predominantly driven by the local authorities and health boards who successfully bid for it. Therefore, this EQIA will be light-touch, assessing the possible impacts of the Fund and complementing the existing impact assessments and evidence on tackling child poverty.

# 2. Protected Characteristics - Data and evidence gathering, involvement and consultation

# 2.1 Age – data availability is strong

In Scotland, in 2019-22, 36% of people in households with household heads aged 16-24 were in relative poverty after housing costs (160,000 people each year). In comparison, the age groups 25-34, 35-44, 45-54 and 55-64 all had similar (and lower) poverty rates between 17% and 22%<sup>5</sup>.

Young people in Scotland are more likely to earn less than the living wage. In 2021, 40.2% of 18-24 year olds in Scotland earned less than the living wage compared to 9.4% of 35-49 year olds<sup>6</sup>.

In Scotland, 55% of children in families with a younger mother (<25) are in relative poverty<sup>7</sup>.

#### 2.2 Disability – data availability is strong

Data from Trussell trust published in 2023 shows that 69% of people referred to food banks in the Trussell Trust's UK network are disabled compared to 26% across the general population. Of people referred to Trussell Trust's foodbanks, three quarters (75%) report that they, or a member of their household is disabled, significantly higher than the level seen in the general population (34%)<sup>8</sup>.

In Scotland, poverty rates remain higher for households in which somebody is disabled compared to those where no-one is disabled. The gap between the two groups has remained fairly steady over the last few years. However, the latest estimate shows an increase for people with disabled household members. It is yet unclear whether this is the beginning of a new trend, or if it is a volatile data point.

In Scotland, in 2019-22, the poverty rate after housing costs for people in households with a disabled person was 24% (560,000 people each year). This compares with 18% (550,000 people) in a household without disabled household members.

In Scotland, in 2019-22, as in previous years, the poverty rate was higher for individuals in households with a disabled person, when disability-related benefits are not included in the household income. After housing costs, the poverty rate was 29% (660,000 people each year) for people living with a disabled household member, and 16% (490,000 people) for those without<sup>910</sup>.

In Scotland, 28% of children in families with a disabled person are in relative poverty.

A Scottish Government review of data and evidence on families with a disabled person found that:

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<sup>&</sup>lt;sup>5</sup> Poverty and Income Inequality in Scotland 2019-22 (data.gov.scot)

<sup>&</sup>lt;sup>6</sup> Annual Survey of Hours and Earnings 2020

<sup>&</sup>lt;sup>7</sup> Family Resources Survey: financial year 2021 to 2022 - GOV.UK (www.gov.uk)

<sup>&</sup>lt;sup>8</sup> 2023-The-Trussell-Trust-Hunger-in-the-UK-report-web-updated-10Aug23.pdf (trusselltrust.org)

<sup>&</sup>lt;sup>9</sup> Family Resources Survey: financial year 2021 to 2022 – GOV.UK (www.gov.uk)

<sup>&</sup>lt;sup>10</sup> Poverty and Income Inequality in Scotland 2019-22 (data.gov.scot)

- Families with a disabled person make up a third of all families in Scotland. Around a fifth (18%) of parents are disabled.
- Of children in this group in relative poverty, 30% are also in lone parent households, and 28% in homes with 3+ children.
- Disabled parents are less likely to be in paid work and, if in paid work, are more likely to be underemployed.
- Disabled families face higher living costs than non-disabled. Impacts of the current cost
  of living crisis particularly acute.
- For those with disabled children, specific barriers around finding the right childcare to support children's needs.
- Disabled people experience a range of difficulties with benefits currently delivered by the UK social security system, including a lack of advice and support, lack of trust in the system, and a complex, inflexible or unsuitable application process.
- Disproportionately impacted by cuts, freezes and or changes to eligibility criteria, partly because of a higher reliance on benefits<sup>11</sup>.

# 2.3 Sex – data availability is strong

Women earn less than men and are more likely to be in insecure, low-paid work and are overrepresented in sectors that have historically low pay, low progress and are often undervalued.

Women are twice as dependent on social security as men and have less access to resources, assets and occupational pensions. This is due to a number of factors including women being more likely to give up work to care and earning less than men, and challenges in accessing childcare<sup>12</sup>.

Among single working age adults in Scotland, the poverty rate was highest for single mothers (36%, number not available) and single childless men (36%, 90,000). The poverty rate for single childless women was 30% (70,000). Estimates for single fathers are not available due to small sample sizes<sup>1314</sup>.

The Gender Pay Gap for full-time employees in Scotland decreased from 7.2% in 2019 to 3.0% in 2020. 16.4% of women in Scotland earn less than living wage compared to 13.8% of men<sup>15</sup>.

#### 2.4 Pregnancy and Maternity – data availability is limited

A Scottish Government review of data and evidence on families with a baby under one found that 16:

- Evidence shows that for some families, a baby can be a trigger point for falling into, or deeper into, poverty.
- Welcoming a baby into the family can incur added costs.

<sup>16</sup> Tackling child poverty priority families overview - gov.scot (www.gov.scot)

<sup>&</sup>lt;sup>11</sup> Tackling child poverty priority families overview – gov.scot (www.gov.scot)

<sup>&</sup>lt;sup>12</sup> Chapter 7 Social Security - A fairer Scotland for women: gender pay gap action plan - gov.scot (www.gov.scot)

<sup>&</sup>lt;sup>13</sup> Family Resources Survey: financial year 2021 to 2022 - GOV.UK (www.gov.uk)

<sup>&</sup>lt;sup>14</sup> Poverty and Income Inequality in Scotland 2019-22 (data.gov.scot)

<sup>&</sup>lt;sup>15</sup> Annual Survey of Hours and Earnings 2020

- Most households with a baby see a reduction in their income from employment due to reduced income from parental leave or readjustment of working patterns.
- There is a difference in public funding for childcare by age, with less support for children younger than 2, which may be a barrier to work for new parents.
- Although Statutory Maternity Leave is available for 52 weeks, statutory Maternity Pay is only payable for 39 weeks.

#### 2.5 Gender Reassignment – no data available

There is some evidence that people with the protected characteristic of gender reassignment may be particularly likely to experience socio-economic disadvantage but there is a lack of high quality research<sup>17</sup>.

## 2.6 Sexual Orientation – data availability is reasonable

In the UK, more than a quarter (27%) of people who are LGBTQ+ experience food insecurity, compared to 13% of people who are heterosexual<sup>18</sup>.

In Scotland, official statistics indicate that the poverty rate has been consistently higher for LGB+ adults compared to straight / heterosexual adults. In 2019-22, 27% of LGB+ adults were in poverty, compared to 20% of straight adults and 17% of adults whose sexual orientation was unknown<sup>19</sup>.

#### 2.7 Race – data availability is good

Data published by Trussell Trust in 2023 finds that one in four (25%) people from an ethnic minority group experience food insecurity, almost twice the rate (13%) for white people<sup>20</sup>.

In Scotland, someone from a Black and Minority Ethnic (BME) background is nearly twice as likely to experience poverty<sup>21</sup>.

In Scotland, official statistics covering 2017-22, indicate that people from non-white minority ethnic groups were more likely to be in relative poverty after housing costs compared to those from the 'White - British' and 'White - Other' groups<sup>22</sup>.

The poverty rate was 49% for the 'Asian or Asian British' ethnic groups and 48% for 'Mixed, Black or Black British and Other' ethnic groups (no population estimates available due to the small sample).

The poverty rate amongst the 'White - Other' group was 23% (80,000 people) and that of the 'White - British' group was 18% (860,000 people)<sup>2324</sup>.

In Scotland, 39% of children in minority ethnic families are in relative poverty<sup>25</sup>.

<sup>&</sup>lt;sup>17</sup> Inequality among LGB&T groups in the UK: a review of evidence - GOV.UK (www.gov.uk)

<sup>&</sup>lt;sup>18</sup> 2023-The-Trussell-Trust-Hunger-in-the-UK-report-web-updated-10Aug23.pdf (trusselltrust.org)

<sup>&</sup>lt;sup>19</sup> Poverty and Income Inequality in Scotland 2019-22 (data.gov.scot)

<sup>&</sup>lt;sup>20</sup> <u>2023-The-Trussell-Trust-Hunger-in-the-UK-report-web-updated-10Aug23.pdf (trusselltrust.org)</u>

<sup>&</sup>lt;sup>21</sup> CRER Ethnicity and Poverty in Scotland 2020 (squarespace.com)

<sup>&</sup>lt;sup>22</sup> Poverty and Income Inequality in Scotland 2019-22 (data.gov.scot)

<sup>&</sup>lt;sup>23</sup> Family Resources Survey: financial year 2021 to 2022 - GOV.UK (www.gov.uk)

<sup>&</sup>lt;sup>24</sup> Poverty and Income Inequality in Scotland 2019-22 (data.gov.scot)

<sup>&</sup>lt;sup>25</sup> Tackling child poverty priority families overview - gov.scot (www.gov.scot)

A Scottish Government review of data and evidence on minority ethnic families found that:

- The average age of ethnic minorities (excluding white minorities) is younger than the average age of the white population (27 and 42 years old respectively).
- Families from some minority ethnic groups are more likely to have three or more children.
- 13% of minority ethnic households with children in the UK are in unmanageable debt, compared to 9% for all households with children.
- Minority ethnic people are more likely to work irregular hours, be paid less per hour and be underemployed.
- Minority ethnic households with children are overrepresented in the private rented sector and spend a higher proportion of their income on housing costs than other families
- 13% of minority ethnic households with children in the UK are in unmanageable debt, compared to 9% for all households with children.

#### 2.8 Religion or belief – data availability is reasonable

In Scotland, between 2017 and 2022, Muslim adults were more likely to be in relative poverty (63%, 40,000 each year) than adults overall (19%), after housing costs were taken into account<sup>26</sup>.

Of adults belonging to the Church of Scotland, 16% were in relative poverty after housing costs (170,000 adults each year), compared to 19% of Roman Catholic adults (110,000 adults) and adults of other Christian denominations (19%; 60,000 adults).

3. Assessing the impacts and identifying opportunities to promote equality

For all protected characteristics no differential impacts have been identified in promoting good relations for any of the protected characteristics. However, the Fund's focus on engaging with lived experience means a positive impact is possible. There is not yet enough evidence to state a likely positive impact but it will be kept under review and opportunities will be sought to maximise potential impact.

#### Do you think that the policy impacts on people because of their age?

- Eliminating unlawful discrimination, harassment and victimisation. Positive. Families with a mother under 25 are a priority group at increased risk of child poverty.
   Therefore, in supporting local areas to accelerate their practice in tackling child poverty, the Fund may have a positive impact on this group. The goal of the Fund is to drive progress towards the child poverty targets, therefore children are also set to benefit from actions supported by the Fund.
- Advancing equality of opportunity. Positive justification as above.

#### Do you think that the policy impacts disabled people?

Eliminating unlawful discrimination, harassment and victimisation. Positive. Families
with a disabled person are a priority group at increased risk of child poverty.
Therefore, in supporting local areas to accelerate their practice in tackling child
poverty, the Fund may have a positive impact on people with disabilities. For
example, the Fund may support action to tackle structural barriers and stigma,

<sup>&</sup>lt;sup>26</sup> Poverty and Income Inequality in Scotland 2019-22 (data.gov.scot)

- promote uptake of support among priority groups, enhance data use to improve targeting, redesign services with the priority groups in mind.
- Advancing equality of opportunity. Positive justification as above.

#### Do you think that the policy impacts on men and women in different ways?

- Eliminating unlawful discrimination, harassment and victimisation. Positive. Evidence shows that child poverty and women's poverty are inextricably connected. Therefore in supporting local areas to accelerate their practice in tackling child poverty, the Fund may have a positive impact on women. For example, the Fund may support action to tackle structural barriers and stigma and redesign services to be more holistic (e.g. enhancing join-up of childcare with transport and employability to support parents into work).
- Advancing equality of opportunity. Positive justification as above.

# Do you think that the policy impacts on women because of pregnancy and maternity?

- Eliminating unlawful discrimination, harassment and victimisation. Families with a
  baby under 1 are a priority group at increased risk of child poverty. Therefore, in
  supporting local areas to accelerate their practice in tackling child poverty, the Fund
  may have a positive impact on pregnant women and new mothers. For example,
  the Fund may support join-up of healthcare settings and advice services, or
  enhancing data use to better target this priority group of mothers with babies.
- Advancing equality of opportunity. Positive justification as above.

Do you think your policy impacts on people proposing to undergo, undergoing, or who have undergone a process for the purpose of reassigning their sex? (NB: the Equality Act 2010 uses the term 'transsexual people' but 'trans people' is more commonly used)

- Eliminating unlawful discrimination, harassment and victimisation. No differential impacts have been identified.
- Advancing equality of opportunity. No differential impacts have been identified.

# Do you think that the policy impacts on people because of their sexual orientation?

- Eliminating unlawful discrimination, harassment and victimisation. No differential impacts have been identified.
- Advancing equality of opportunity. No differential impacts have been identified.

#### Do you think the policy impacts on people on the grounds of their race?

- Eliminating unlawful discrimination, harassment and victimisation. Positive. Minority ethnic families are a priority group at increased risk of child poverty. Therefore, in supporting local areas to accelerate their practice in tackling child poverty, the Fund may have a positive impact on people on the grounds of their race. For example, the Fund may support action to tackle structural barriers and stigma, promote uptake of support among priority groups, enhance data use to improve targeting, redesign services with the priority groups in mind.
- Advancing equality of opportunity. Positive. Justification as above.

## Do you think the policy impacts on people because of their religion or belief?

- Eliminating unlawful discrimination, harassment and victimisation. No differential impacts have been identified.
- Advancing equality of opportunity. No differential impacts have been identified.

# Do you think the policy impacts on people because of their marriage or civil partnership?

- Eliminating unlawful discrimination, harassment and victimisation. Not assessed as the policy does not relate to this characteristic.
- Advancing equality of opportunity. Not assessed as the policy does not relate to this characteristic.
- 4. Decision making and monitoring
- 4.1 Describing how Equality Impact analysis has shaped the policy making process

The assessment has identified no negative impacts for any of the equality groups. For some groups, potential positive impact has been identified.

The assessment has reinforced the priorities of the Fund, including recognising the groups at increased risk of experiencing child poverty and supporting work to tackle structural barriers they face. The EQIA has reinforced the decision to include prioritisation of the priority families and partnership with people with lived experience of poverty as criteria for Fund applications. Specific guidance on the priority family groups is included in the guidance for Fund applicants.

The assessment has strengthened the equalities focus of the Fund which ultimately aims to drive reduction in child poverty, improving outcomes for children and their families.

#### 4.2 Monitoring and Review

The national monitoring and evaluation coordinator for the Fund will publish a report on the first year of the Fund (including reflecting on lived experience engagement and impact on priority families). In addition, funded projects will be required to provide progress updates and an end-of-project report detailing their monitoring and evaluation. These reports will help to assess the impact on priority families and to identify scalable interventions that move us closer towards our ambitious child poverty targets.

The Scottish Government will continue to engage with those with lived experience and the stakeholders who represent them. Working in partnership with people with lived experience of poverty is an assessment criterion for fund applications and will be reflected in project reports.

The Fund aligns with the wider strategy to tackle child poverty in Scotland (as set out in the delivery plan and the <u>Child Poverty (Scotland) Act 2017</u>) which also includes a statutory requirement to publish Local Child Poverty Action Reports (LCPARs). The Fund guidance highlights that Funded projects should align with annual LCPARs. The statutory requirements for LCPARs include reporting on anti-poverty measures planned/taken in relation to children living in households whose income is adversely affected, or whose expenditure is increased, because a member of the household has one or more protected

characteristics. LCPARs form a key part of monitoring equalities impacts in local action to tackle child poverty.

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# **Declaration**

I am satisfied with the equality impact assessment that has been undertaken for the Child Poverty Accelerator Fund and give my authorisation for the results of this assessment to be published on the Scottish Government's website.

Name: Julie Humphreys

Position: Deputy Director, Tackling Child Poverty and Financial Wellbeing

Authorisation date: 27 October 2023



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