



Every child, every chance

**Tackling Child Poverty Delivery Plan
Second year progress report 2019-20**
**Annex B – Child poverty and its
drivers in Scotland and the UK**

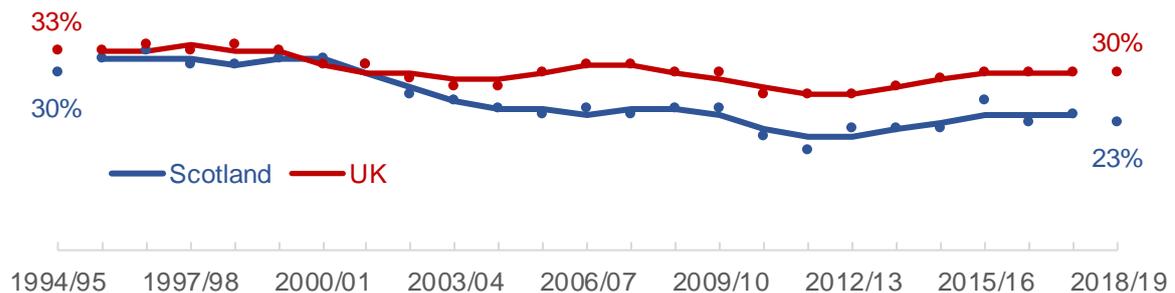


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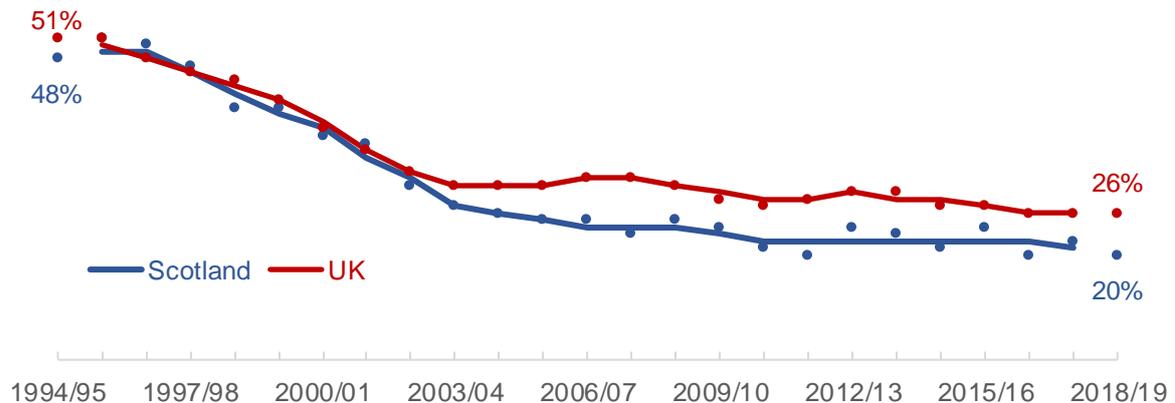
Child poverty trends

Scotland has, for the last 20 years, had lower proportions of children in relative and absolute poverty after housing costs than the UK as a whole. The proportions in persistent poverty, and in combined low income and material deprivation, have also tended to be lower in Scotland.

Proportion of children in relative poverty after housing costs, Scotland and UK¹
Dots show single-year estimates, lines show 3-year averages (trends)



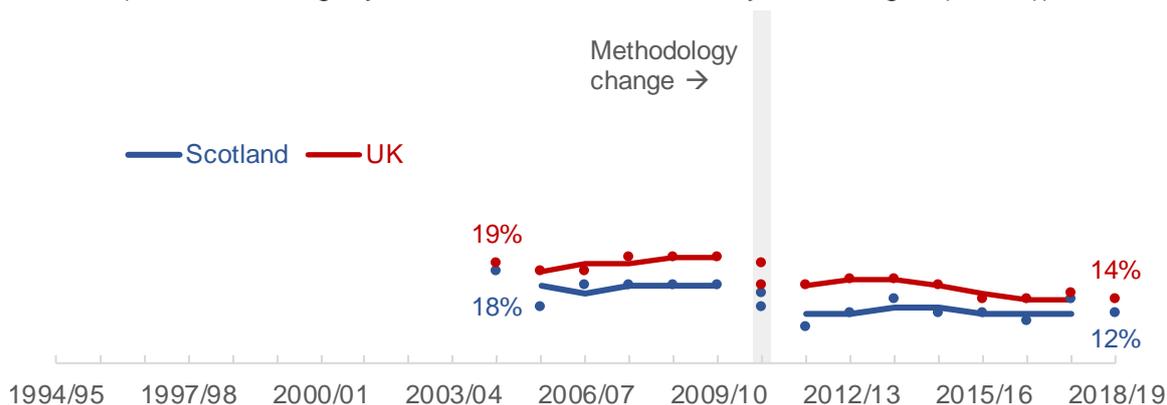
Proportion of children in absolute poverty after housing costs, Scotland and UK²
Dots show single-year estimates, lines show 3-year averages (trends)



¹ Family Resources Survey. All figures are for the United Kingdom from 2002/03-2004/05 onwards. Earlier years are for Great Britain only.

² Family Resources Survey. All figures are for the United Kingdom from 2002/03-2004/05 onwards. Earlier years are for Great Britain only.

Proportion of children in combined low income and material deprivation, Scotland and UK³
 (Dots show single-year estimates, lines show 3-year averages (trends))



Proportion of children in persistent poverty after housing costs, Scotland and UK⁴



The table below shows how relative child poverty after housing costs in Scotland compares to Northern Ireland, Wales and the regions of England.

**Percentage of children in relative poverty after housing costs
 2016/17-2018/19 (3-year average)**

UK	30%
Scotland	24%
Northern Ireland	25%
Wales	28%
England	31%
South East	25%
South West	25%
East	27%
East Midlands	26%
Yorkshire and the Humber	32%
North West	32%
West Midlands	34%
North East	35%
London	39%

³ Family Resources Survey. In 2010/11 there was a change in methodology, which provided two separate figures.

⁴ Understanding Society survey

Income from employment

The average hourly earnings of low income households with children in Scotland is £8.17 per hour, compared to £8.14 per hour in the UK as a whole. The equivalent figures for all households with children are £12.65 in Scotland and £12.24 in the UK.⁵

The percentage of children living in households where no adult is in paid employment is 11.1% in Scotland. This is slightly higher than the 9.8% of children living in households where no adult is in paid employment in the UK as a whole⁶.

The average number of hours of paid employment per working-age adult, in low income households (bottom three income deciles) with children in Scotland is 23 hours per week, compared to 22 hours in the UK as a whole. The equivalent figures for all households with children are 32 hours in Scotland and 31 hours in the UK⁷.

The percentage of parents who are in work but would prefer to work more hours for the same rate of pay in Scotland is 5.5%. This is approximately the same as the percentage for parents in the UK as a whole (6.2%)⁸.

The percentage of employed working age (16-64) parents with degrees who are in low or medium skilled occupations in Scotland is 16.8%. This is slightly lower than the equivalent figure of 17.8% for the UK as a whole⁹.

The percentage of parents with no or low qualifications in Scotland is 8.7%, slightly lower than the rate for all parents in the UK (9.4%)¹⁰.

Cost of living

Housing costs

The percentage of income spent on housing by low income households (bottom three income deciles) with children in Scotland is 21%, compared to 26% for the UK as a whole. The figures for all households with children are 10% for Scotland and 14% for the UK¹¹.

Although child poverty **after housing costs** is lower in Scotland than in the UK as a whole, levels of poverty **before housing costs** have been taken into account are very similar between Scotland and the UK. Analysis by the Joseph Rowntree Foundation provides some insight into why this is the case. They concluded that lower housing costs in Scotland, particularly in the social rented sector, are a key cause of the divergence. In addition, compared to the rest of the UK, a higher proportion of people in Scotland live in the social rented sector, and a lower proportion in the private rented sector, and a slightly higher proportion own their property outright¹².

⁵ [Family Resources Survey, 2016-19 data](#). Average hourly earnings, in 2018/19 prices, of households where at least one adult is in employment.

⁶ Annual Population Survey, Jan-Dec 2019 household dataset, ONS

⁷ [Family Resources Survey, 2016-19 data](#)

⁸ Annual Population Survey Jan-Dec 2019 household dataset, ONS

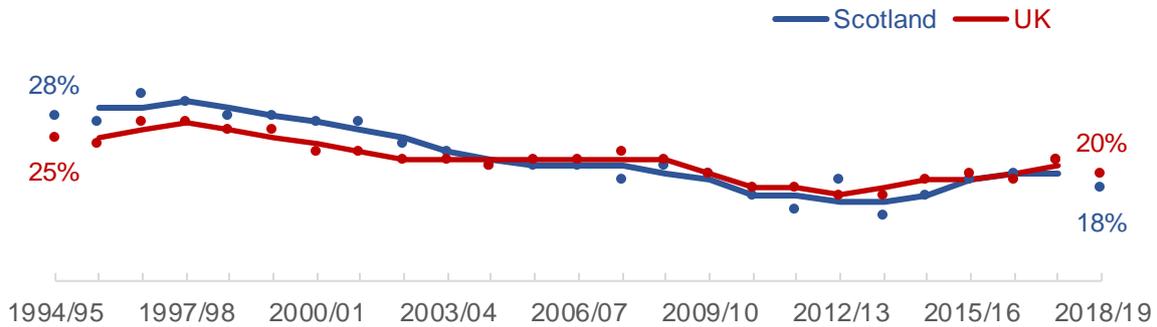
⁹ Annual Population Survey, Jan-Dec 2019 household dataset, ONS

¹⁰ Annual Population Survey, Jan-Dec 2019 household dataset, ONS

¹¹ [Family Resources Survey, 2016-19 data](#)

¹² <https://www.jrf.org.uk/report/poverty-scotland-2019>

Proportion of children in relative poverty before housing costs, Scotland and UK
(Dots show single-year estimates, lines show 3-year averages (trends))



Other living costs

The costs required to heat a home adequately, as a percentage of net household income after housing costs, are higher for low income households with children in Scotland (15%)¹³ than in England (11.4%)¹⁴.

The percentage of income spent on food and non-alcoholic drinks by low income households with children in Scotland is 16.7%, compared to 15.3% for the UK as a whole. The equivalent figures for all households with children are 10.3% for Scotland and 10.4% for the UK.

The percentage of households with children that are in unmanageable debt in Scotland (4.5%) is lower than the UK-wide figure (7.6%)¹⁵.

Income from social security and benefits in kind

Most of the benefits with the potential to have the largest impact on child poverty are reserved to the UK government. However, a package of benefits has been devolved to the Scottish Government, eight of which have been introduced to date. These are more generous than the UK benefits they have replaced, or are new, with no direct equivalent in the UK Government social security system.

¹³ Fuel running costs are modelled using a theoretical model (BREDEM) which estimates energy requirements from the characteristics of the dwelling, the heating system, fuel type, and external temperatures. Space heating requirements are based on 2 types of heating regimes - standard and enhanced. Households that include a person aged 75 or over or suffering a long term illness of disability are considered vulnerable and their running costs are based on an enhanced heating regime (23C in living rooms and 20C in other rooms for 16 hours each day). All other households are assessed based on the standard regime (living rooms heated to 21C and bedrooms to 18C for 9 hours on week days and 16 hours per day at weekends). No information about actual fuel running costs have been used. This is consistent with the new definition of fuel poverty in Scotland, following amendments agreed at Stage 2 of the Fuel Poverty (Targets, Definition and Strategy) Bill.

¹⁴ Drawn from English Housing Survey-based figures compared against ONS figures for households and family makeup. The definition of households with children in England is different to Scotland as they include 16-18 year olds in full-time education.

¹⁵ Wealth and Assets Survey, 2016-18



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