

# Tackling Child Poverty

## Overview of the priority families

June 2023

# Introduction

- This evidence pack highlights key issues for the six priority family types identified as being at highest risk of child poverty:

Lone parent families

Minority ethnic families

Families with a disabled adult or child

Families with a mother aged under 25

Families with a child under one

Larger families (3+ children)

- These families continue to be at a higher risk of poverty and future policies should continue to focus on reaching families in poverty. There is a need for a holistic approach that addresses individual needs while recognising structural barriers, to avoid perpetuating patterns of exclusion.
- Families often belong to more than one priority group. For example, among children in relative poverty: 46% of children in lone parent families also have a disabled person at home; 44% of children in a family with a younger mother are also in a lone parent household; 42% of children in a 3+ child family are also in a family in which someone is disabled.
- The aim of this pack is to summarise key evidence available on each of the six priority family types most at risk of poverty. It is intended as a tool to support policy development.
- Findings presented here are based on the focus reports published for [lone parent families](#), [minority ethnic families](#), [families with a disabled person](#), [families with a mother aged 25 or under](#), [families with a baby](#), and for [families with three or more children](#). Emerging findings from the upcoming focus report on the cost of living crisis are also included.
- This pack covers:

Overview of child poverty targets

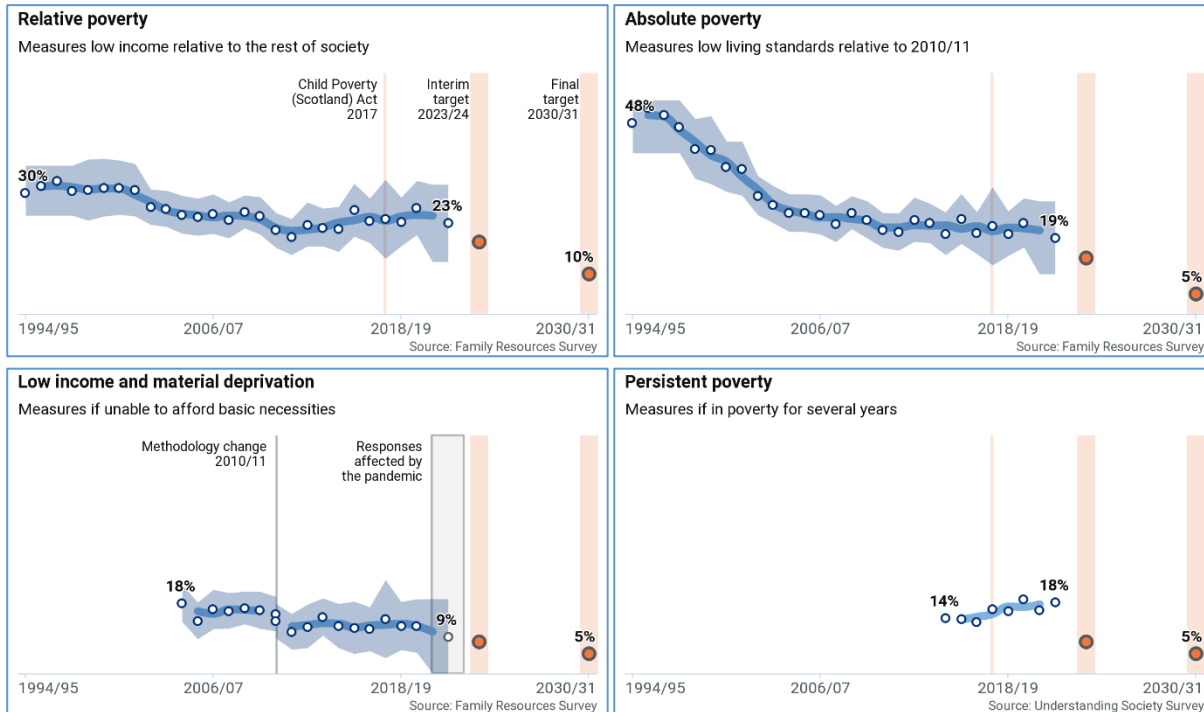
Overview of each priority group:

- Key demographics
- Specific challenges around each of the drivers of poverty (income from employment, cost of living and income from social security)

Key findings from the evidence on what works for each of the priority family types

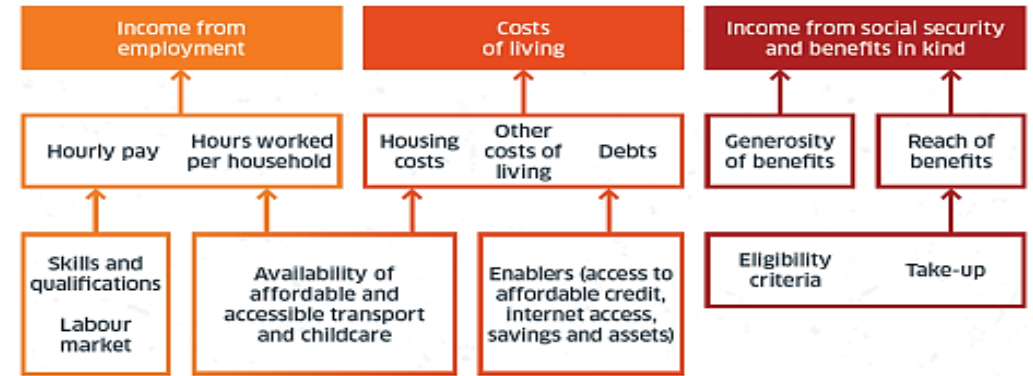
# Progress towards child poverty targets in Scotland

Child poverty levels appear stable over the medium term. Too many people are living in poverty in Scotland. Relative/absolute (single year) child poverty estimates were lower in the most recent year, but persistent poverty was higher. For the first time, the most recent figures cover the period of the pandemic which had significant economic and social impacts.



The Child Poverty Act 2017 contains four income-based targets to reduce child poverty in Scotland by 2030. The charts show the interim and final targets and the latest poverty estimates and trends. The dots and labels show single-year estimates, the shaded areas show indicative 95% confidence intervals around the single-year estimates, and the lines show the three-year averages. Single-year estimates give the latest best estimates, and three-year averages show trends more accurately.

## Drivers of child poverty



The Child Poverty (Scotland) Act 2017 sets statutory targets to reduce levels of child poverty. The [second Delivery Plan](#) outlines action Scottish Government is taking to meet the 2030 targets and covers the period 2022-26.

The latest [figures reported](#) showed the significant impact COVID-19 had on families across Scotland. Particularly, for those on low incomes. The full impact of the ongoing cost of living crisis is not yet known. However, evidence shows that:

- Low income households are feeling the ongoing cost of living crisis more acutely. They are entering this crisis with less resources and tools at their disposal.
- Increasing income through paid employment is an important tool. However, while hourly pay appears to be increasing, there remain challenges for many to increase the amount they work such as childcare availability and family commitments. Importantly, many people struggle to find work that matches their skills, which may pay better.
- For many families, the real value of benefits is sharply eroded by high inflation. This is despite most elements of Universal Credit being uprated with other benefits at 10.1% in 2023-24.

# The priority family types identified continue to be at highest risk of child poverty

Priority family group	Proportion (and number) of children in this group in <u>relative poverty</u>		Proportion (and number) of children in this group in <u>absolute poverty</u>		Proportion (and number) of children in this group with <u>low income + material deprivation combined</u>		Proportion of this group in <u>persistent poverty</u>
	%	Number	%	Number	%	Number	%
<b>All children</b>	<b>24%</b>	<b>250,000</b>	<b>21%</b>	<b>210,000</b>	<b>11%</b>	-	<b>18%</b>
Lone parent families	38%	90,000	36%	-	23%	-	^
Minority ethnic families	39%	-	34%	-	16%	-	^
Families with a disabled person	28%	100,000	24%	80,000	18%	-	28%
Families with younger mothers (<25)	55%	-	49%	-	26%	-	^
Families with child under 1	34%	-	30%	-	13%	-	22%
Families with 3+ children	34%	-	32%	-	18%	-	^
<b>In none of the priority groups</b>	<b>11%</b>		<b>8%</b>		^		-

To note figures presented are for three year averages.

Source: Relative, absolute and CMD: Family Resources Survey 2019-22 , except for young mothers figure which is based on 2015-18 and for families with a child under 1 which is based on 2017-20 (sample sizes too small to allow for accurate estimates). Persistent poverty: Understanding Society survey 2017-21. Figure on age of child refers to those aged 5 or under.

^ Sample size too small to allow estimates  
- No data available

Having paid work can be an effective way out of poverty, but having a job is not always enough. Priority groups are more likely to still be in poverty despite working (UK data)

Priority family group	Proportion of children in this group who live in a working household (UK)	Share of children in working households who are in relative poverty (UK)
<b>All children</b>	<b>88%</b>	<b>25%</b>
• Lone parent families	63%	37%
• Minority ethnic families	87%	38%
• Families with a disabled person	78%	31%
• Families with younger mothers	69%	40%
• Families with child under 1	84%	30%
• Families with 3+ children	82%	39%
<b>In none of the priority groups</b>	<b>99%</b>	<b>10%</b>

# Minority ethnic families

## Key demographics

- Minority ethnic adults make up 12% of the adult population in Scotland (7% white minority, 5% visible minority).
- 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.

## Income from employment

- While minority ethnic school leavers tend to outperform other pupils, this does not translate into better work outcomes.
- Can face discrimination when applying for a new job or promotions, and women may face additional barriers in accessing and navigating quality employment.
- More likely to work irregular hours so accessing suitable childcare can be a challenge.
- Tend to be paid less per hour, and more likely to be underemployed.

## Costs of living

- More likely to try to increase income through paid employment – seeking more hours or an additional job – to address rising living costs
- 13% of minority ethnic **households** with children in the UK are in unmanageable debt, compared to 9% for all households with children.
- Minority ethnic households with children in Scotland are overrepresented in the private rented sector and spend a higher proportion of their income on housing costs than other families.

## Income from social security

- Generally, minority ethnic families are less reliant on income through social security. Though reliance on benefit income varies widely by ethnic group.
- Asian Pakistani and Bangladeshi families have the highest reliance on benefit income of all ethnic groups.
- Asian Indian and Chinese households have a lower reliance on benefits than white households.
- Take-up of benefits may be an issue, but there is a lack of evidence.

What works

Addressing racial discrimination and harassment, including micro aggressions. All policies need to actively address discrimination, stigma, structural and cultural racism

Key actions: maximising take up of social security benefits, addressing the gender pay gap and targeted support for affordable housing

# Lone parent families

## Key demographics

- Make up 19% of all families in Scotland, vast majority (92%) led by women. Successful interventions are generally those geared positively towards gender equality.
- 9% of children are born into single parent households, and a further 11% experience parental separation in first 5 years.
- 46% of children in lone parent households in relative poverty also have a disabled person at home.

## Income from employment

- Limited options for increasing income from employment. The majority of lone parents are in paid employment already, but still in poverty.
- Lone parents tend to work fewer hours and have a lower hourly wage, reflecting the gender pay gap and also the greater weight placed on women to undertake unpaid work (incl. childcare).
- More likely to have low or no qualifications, and those with degrees more likely to work in low or medium skilled occupations.

## Costs of living

- Least wealthy household type in Scotland, probably translating into less disposable income.
- Particularly vulnerable to cost of living crisis and suffering the worst impacts.
- Many lone parents (70%) have no or low (under £250) savings and are more likely to be in debt or arrears.
- Least likely to be able to pay unexpected bills of £300.
- More likely to but back on essentials.

## Income from social security

- More likely than other priority groups to have applied for Universal Credit or crisis grant to help with the cost of living.
- High anxiety and uncertainty when looking to claim benefits.
- Disproportionately impacted by cuts, conditionality, freezes and benefits caps and limits, particularly those who also have a disabled adult or child in the household, partly because of a higher reliance on benefits.

## What works

**Addressing in-work poverty through flexible and secure contracts while driving the gender equality agenda**

**Affordable and flexible childcare that allows to juggle paid work with sole responsibility for the family**

**Supporting needs at different life stages. Childcare needs and employment aspirations for lone parents will change over time**

**Child maintenance. Increasing parents providing child maintenance supports more mothers out of poverty than draws fathers into poverty**

# Families with a disabled person

## Key demographics

- Make up a third of all families in Scotland. Around a fifth (18%) of parents are disabled.
- Disabled people are more likely than non-disabled people to experience domestic abuse (particularly women).
- Of children in this group in relative poverty, 30% are also in lone parent households, and 28% in homes with 3+ children.
- Often other family members take on a caring role, but children in families with an unpaid carer are not at higher risk of poverty.

## Income from employment

- Disabled parents are generally less likely to be in paid work, and if in paid work, more likely to be underemployed.
- Additional barriers accessing employment (including transport, application processes, discrimination).
- More likely to have low or no qualifications.
- Overrepresented in sectors most affected by lockdowns, who were stopped from working during the pandemic.

## Costs of living

- Disabled families face higher living costs than non-disabled. Impacts of the current cost of living crisis particularly acute.
- Families with long-term conditions find it harder to afford childcare.
- For those with disabled children, specific barriers around finding the right childcare to support children's needs.
- Less likely to have savings (among families with long term conditions).
- More likely to report a negative impact on their mental health as a result of the cost of living crisis

## Income from social security

- 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.

## What works

Improving transport accessibility and information

Offering home visits for services where possible

Dedicated and personalised employment support

Flexible and accommodating workplaces

Offsetting additional living costs through social security



# Families with 3+ children

## Key demographics

- Around one in ten of all families have 3 or more children.
- More likely to live in a family that is in more than one priority group. Of children in this group who are in relative poverty:
  - Around two in five (42%) also have a disabled person in the household.
  - One in five (20%) are also in a lone parent household.

## Income from employment

- Parents in larger families likely to be out of the labour market for longer periods, which can limit their future employment opportunities.
- The challenges of organising and paying for childcare increase with more children, potentially making it less financially viable to work or limiting hours worked.
- At least one adult is already in paid work in the majority of families in this group.

## Costs of living

- The dramatic increase in living costs has clear impacts on larger households who already spend a greater proportion of their income on essentials.
- Early evidence that larger families are already struggling to maintain living standards. For example, families with 3+ children are more likely to experience food insecurity than smaller families. They are also more likely to have used a food bank.

## Income from social security

- Since 2013, changes to the UK benefits system have reduced the real value of social security benefits paid to low-income larger families and restricted their access to the benefits system.
- Benefit cap puts a limit on the amount that a family can claim on social security. This disproportionately affects households with more children that are likelier to be bound by the cap.
- There is a 2 child cap on some benefits such as Child Benefit but this does not apply to the Scottish Child Payment.

## What works

Developing policies and interventions with an awareness of barriers larger families face

Addressing barriers around disproportionate impacts on benefit cuts and freezes

Supporting parents into training and employment after longer breaks

# Families with a child under 1

## Key demographics

- For some families having a baby can be a trigger point for falling into, or deeper into, poverty.
- Around a quarter of children in this group in relative poverty also live in a household with a disabled family member (26%) or live in a household with three or more children (26%).
- Mothers who stop paid work after having a child and do not return by the time the child is 5 are more likely to be younger and single mothers.

## Income from employment

- Most see a reduction in their income from employment – due to reduced income from parental leave or re-adjustment of working patterns.
- Current parental leave policies assume women need to undertake majority of childcare. For those fortunate to be eligible for maternity pay, this is still below the Living Wage.
- When ready to go to work, the labour market still needs to support sufficient well-paid, flexible options and work practices that foster gender equality and facilitate family life.

## Costs of living

- High cost of welcoming a baby into the family.
- Direct impact of cost of living crisis: increases to infant formula and nappies. Very limited, or non existent, flexibility to cut back on baby essentials.
- 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.

## Income from social security

- Insecure and unpredictable work can affect women's entitlement to Statutory Maternity Pay/ Maternity Allowance.
- Although Statutory Maternity Leave is available for 52 weeks, statutory Maternity Pay is only payable for 39 weeks.
- Many parents re-access or access social security payments following birth of child. While, in Scotland, support has positively impacted families, this is against the backdrop of damaging benefit restrictions by UK Government.

## What works

Balance between policies that boost income, progress gender equality (in and out of home), and target inequalities in children's early childhood environments. Three main pillars for policies to focus on:

**Comprehensive support for families in early parenting to foster development of strong attachment and parent-child relationships**

**Boosting income and reducing social segregation for example through housing policy**

**High quality mental health care and reducing barriers for accessing that care**

# Families with younger mothers (<25 years)

## Key demographics

- Likely to be a relatively small group.
- More likely to be in other priority groups: over two in five (44%) are in a lone parent household, live with someone who are disabled (41%), or have a baby under 1 in the household (34%).
- Younger mothers are more likely than other mothers to experience domestic abuse.

## Income from employment

- Less likely to be in paid work.
- Women and young people are at higher risk of in-work poverty and have a lower average hourly rate of pay (National Living Wage not enforced until employee is at least 23).
- Strongly affected by social isolation and the absence of childcare to allow them to work or study during the pandemic.
- Difficulties in embracing further education whilst managing motherhood. 17% mothers under 20 have a qualification at Higher Grade or above compared with 50% early twenties and 80% 25 or older.

## Costs of living

- No additional costs directly associated with age, but young mothers are less likely to access various advice and support services which means they may miss out on cost saving opportunities.
- Adults under 25 are less likely to have savings, which, combined with low paid jobs, make it harder to meet living costs.
- Pregnant young women and young mothers (under 21) make up about 1 in 25 of all applications for homeless assessments in Scotland.

## Income from social security

- Generosity of some social security benefits for under 25s is lower than for older age groups (e.g. Universal Credit and Local Housing Allowance)
- Mothers under 20 are considerably more reliant on state benefits and tax credits than are older mothers, making them disproportionately impacted by cuts or changes to eligibility criteria in benefits or support services.

## What works

Supporting further education or improved job prospects on the basis of high quality, flexible and affordable childcare

A safe home that provides a stable environment for mothers and their child(ren)

Enhanced support through social security

# The cost of living crisis and priority families...

What is helping families?

**Fast direct financial assistance** (for example, Discretionary Housing Payments or Scottish Child Payment) and **indirect support** (for example, through the rent freeze and rent cap).

What barriers prevent families from obtaining support?

Three main barriers:

- 1) **stigma** due to feelings of inadequacy, guilt, shame or perceived judgement.
- 2) support that targets those on specific **means-tested benefits** can exclude many low income families.
- 3) there is huge **variation in need and demand**. Flat rate payments do not account for nuances of household size or other characteristics.

Where do families need more support?

- **Equitable opportunities** for financial support across Scotland.
- **Accessible information**. The cost of living website has been hugely welcome. Further consideration of digital exclusion and limited digital skills is needed.
- Embedding national strategies through **flexible localised approaches**.
- **Planning ahead** and providing reassurance on the level of support that will be there.

What have we learned so far?

- The fundamental ongoing challenges are exacerbated during a period of financial crisis. There is a **heightened need to develop wider system change**. (e.g. through childcare, digital access, employment, social security).
- **Multiple policy measures**. In the short term, social security and benefits in-kind can alleviate crisis. But in the longer term a combination of policies across the three drivers of poverty are needed to achieve long lasting impact

# Sources

## Introduction, Progress towards Child Poverty Targets in Scotland, The priority family types identified continue to be at highest risk of child poverty (Slides 2-5)

- [Child poverty summary \(data.gov.scot\)](#)
- [Tackling child poverty delivery plan: fourth year progress report 2021 to 2022 - gov.scot \(www.gov.scot\)](#)
- [Tackling child poverty delivery plan 2022-2026 - annex 6: what works - evidence review - gov.scot \(www.gov.scot\)](#)
- [Additional child poverty analysis 2023 - gov.scot \(www.gov.scot\)](#)
- [Families by family type, regions of England and UK constituent countries - Office for National Statistics](#)
- [What do we know about in-work poverty in Scotland? Interim findings, SG 2019](#)
- [Scottish Surveys Core Questions 2019](#)

## Minority ethnic families (Slide 6)

- [First year Progress Report 2018-19 Annex C Child Poverty In Minority Ethnic Families](#)
- [Ethnicity and poverty in Scotland analysis and reflection on the impact of Covid-19, CRER 2020](#)
- [Which groups find it hardest to find a job following a period out of work? - Office for National Statistics \(ons.gov.uk\)](#)

## Lone parents (slide 7)

- [Tackling Child Poverty Delivery Plan Second year progress report 2019-20 Annex C – Child poverty among lone parent families](#)
- [Poverty in Scotland 2022 | JRF // Freeing low-income single parents from in-work poverty's grip, JRF 2021](#)
- [Where's the Credit? \(financialfairness.org.uk\)](#)

## Disabled person (Slides 8)

- [Tackling Child Poverty Delivery Plan Third Year Progress Report 2020-21 Annex B: Child Poverty in Families with a Disabled Adult or Child](#)
- [Disability and employment, UK - Office for National Statistics \(ons.gov.uk\)](#)
- [Cost of living: Impact of rising costs on disabled people - House of Lords Library \(parliament.uk\)](#)
- [report-on-key-findings-from-the-cost-of-living-survey-.pdf \(mariecurie.org.uk\)](#)

## Families with 3+ children (Slide 9)

- [NHS Health Scotland: Child poverty in Scotland: priority groups – larger families 2019](#)
- [Scottish Household Survey, 2019](#)
- [Tackling Child Poverty Delivery Plan 2018-22 Annex 2 – Technical Annex](#)
- [Child poverty transitions: exploring the routes into and out of poverty 2009 to 2012, Barnes, M., Lord, C. and Chanfreau, J. 2015](#)
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## Families with child under 1 (Slide 10)

- [Tackling child poverty delivery plan: fourth year progress report 2021-2022 - focus report on households with babies under one - gov.scot \(www.gov.scot\)](#)
- [Gender and Work in Scotland: Findings from Understanding Society, 2019](#)
- [Growing Up in Scotland: Patterns of Maternal Employment and Barriers to Paid Work 2017](#)
- [Cost of childcare, Pregnant Then Screwed 2020](#)
- [Joint briefing on the impact of COVID-19 on women's wellbeing, Close the Gap and Engender 2021](#)
- [Insecure Labour the realities of insecure work for pregnant women and new mothers Maternity Action 2020](#)
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- [cost+of+living+briefing+note\\_may+2022\\_forwebsite.pdf \(squarespace.com\)](#)

## Families with mothers aged under 25 (Slide 11)

- [Tackling child poverty delivery plan: fourth year progress report 2021-2022 - focus report on households with mothers aged 25 or under - gov.scot \(www.gov.scot\)](#)
- [Joint briefing on the impact of COVID-19 on women's wellbeing, Close the Gap and Engender 2021](#)
- [GUS The Experiences of Mothers Aged Under 20, 2014](#)
- [Prevalence and Social Inequality in Experiences of Domestic Abuse Among Mothers of Young Children: A Study Using National Survey Data from Scotland, Skafida, V., Morrison, F., Devaney, J., 2021](#)
- [Babies in Lockdown - Listening to parents to build back better, Home-Start 2020](#)
- [Weathering the Storm, Poverty Alliance 2021](#)
- [Coronavirus \(COVID-19\) - experiences of vulnerable children, young people, and parents, SG 2021](#)
- [Personal and economic well-being in Great Britain: January 2021](#)

## Cost of living key challenges (Slide 12)

These are emerging findings from the upcoming focus report on the cost of living crisis. The report will be published as an annex to the annual child poverty progress report (2022/23)

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