

Poverty and Inequality Commission response to the Social Justice and Social Security Committee Post Legislative Scrutiny of the Child Poverty (Scotland) Act 2017

September 2024

The Poverty and Inequality Commission provided a response to selected questions in a Call for Views run by the Scottish Parliament's [Social Justice and Social Security Committee as part of its Post Legislative Scrutiny](#) of the Child Poverty (Scotland) Act 2017.

Question One: The Act introduced a statutory framework for reducing child poverty. What difference has that framework made to the way the Scottish Government has approached reducing child poverty?

There are a number of ways that the introduction of a statutory framework for reducing child poverty has made a difference to how the Scottish Government has approached reducing child poverty. These can be summarised as:

1. Ensuring sustained focus on reducing child poverty
2. Driving increased investment and action at scale
3. Increasing focus on evidence and analysis
4. Driving development of a cross-government approach to reducing child poverty
5. Providing a focus for stakeholder engagement with the Scottish Government

The Committee will be aware that, as part of our statutory function to provide advice and scrutiny to Scottish Ministers, the Commission has been critical of the Scottish Government's progress in many of the above areas, and we have consistently said that the Scottish Government has not gone as far as required. Nevertheless, the Commission considers that the statutory framework underpinning the child poverty targets, delivery plans and progress reports have driven progress.

1. Sustained focus

The introduction of a statutory framework for reducing child poverty has led to a sustained focus at both a policy and political level by Scottish Government. This focus has been maintained across more than six years and three First Ministers, despite challenging external circumstances, including a global pandemic the implementation of Brexit, and the cost-of-living crisis. Over six years since the legislation was passed, the current First Minister has described eradicating child poverty as the number one priority for his government. By establishing the Poverty and Inequality Commission as independent from government, the Act has embedded independent, impartial scrutiny, which has worked to sustain this focus.

2. Investment and action at scale

In order to reach the child poverty targets the Scottish Government has had to think at a different scale about its approach to tackling poverty. The level of reductions in poverty required to reach the targets made it clear that more of the same kinds of actions as had been taken prior to the Act's implementation would not be enough. While the Commission has observed that there are still too many pilots and investment of relatively small amounts of money,¹ the scale of challenge provided by the Act led to the Scottish Government developing and implementing the Scottish Child Payment, a major policy intervention delivered at scale and supporting children across Scotland.

3. Focus on evidence and analysis

The statutory framework has led to a greater focus on and investment in evidence and analysis on reducing child poverty by the Scottish Government. The need to understand what actions can make a difference, and to measure the impact of actions, has resulted in the development of a stronger evidence base. It has also stimulated local authorities and health boards to significantly improve their data on and understanding of child poverty in their localities. Without the focus provided by the Act the Commission believes it is less likely that the Scottish Government would have invested the resource necessary to develop and maintain a measurement framework,² conduct evidence reviews on 'what works' to reduce poverty for particular groups and priority families at greatest risk of poverty,³ and to model and publish the expected impact of its policies.⁴

¹ See section 6 in the Commission's 2023-24 scrutiny of Child Poverty Delivery Plan progress: https://povertyinequality.scot/wp-content/uploads/2024/06/Child_Poverty_Delivery_Plan_progress_2023-2024_Scrutiny_by_the_Poverty_and_Inequality_Commission.pdf

² <https://www.gov.scot/publications/tackling-child-poverty-progress-report-2023-2024-annex-measurement-framework/>

³ e.g. those that have been published alongside the Scottish Government's annual Progress Reports in recent years <https://www.gov.scot/collections/child-poverty-statistics/#childpovertystrategy>

⁴ <https://www.gov.scot/publications/child-poverty-cumulative-impact-assessment-update/>

4. Development of a cross-governmental approach

The Commission believes that there is still a significant amount to be done in maximising the contribution of policy areas across Scottish Government to reducing child poverty. Nevertheless the statutory framework has resulted in more cross-government working, with the Scottish Government now taking a programme approach to delivering the actions in *Best Start, Bright Futures*, involving directorates across Scottish Government.

5. Stakeholder engagement

The statutory framework has also consolidated and provided a focus for stakeholders' engagement with the Scottish Government. This engagement has then influenced the Scottish Government's approach.

Question 3: What difference has having the targets, delivery plans and reporting requirements built into the Act made at a national level?

Having targets built into the Act has meant that greater attention has been paid to what impact actions are having, rather than just describing inputs (funding and projects). As set out in response to question one, there has been a focus on monitoring and evaluation to try to understand the impact of actions. The targets have also created a focus on the scale of change that is needed.

There will always be debates about whether targets are measuring the right things, and it is important to be aware of the risks that creating statutory targets could lead to attempts to achieve the targets by focusing on those closest to the poverty line, who can be most easily lifted out of poverty, while losing sight of what is needed to support those in deepest poverty. This could increase inequality, particularly for those who experience multiple, intersecting, inequalities. The Commission does not consider that to have happened, but highlights it as a risk that must continue to be monitored by the Scottish Government, and those who have a responsibility for scrutiny, such as the Commission and the Parliament.

Producing a Delivery Plan every four years has required the Scottish Government to be more explicit about the actions it intends to take and how it expects that they will, collectively, contribute to meeting the targets. There is still a tendency to include some existing Scottish Government actions which are only loosely-linked to tackling child poverty,⁵ but efforts have been made in *Best Start, Bright Futures* to set out how key

⁵ For example, as has been set out in a recent Scottish Parliament Information Centre article which highlights that some of the large scaler policies being delivered by the Scottish Government that are included in its child poverty reporting, are not especially well-targeted on child poverty <https://spice-spotlight.scot/2024/08/27/progress-on-the-plan-to-reduce-child-poverty/>

actions are expected to impact on child poverty. This increases transparency and accountability.

The requirement to publish an annual progress report has required the Scottish Government to be more accountable for the actions it is taking and the impact that these are having. The progress reports keep a focus on what progress is being made, and have required the Scottish Government to treat its Delivery Plans as living documents, rather than as an end in themselves. There are risks that the production of strategies and plans become the outcome, rather than a driver of action, and the requirement to report regularly on progress has reduced this risk.

In addition to the targets, delivery plans, and reporting requirements set out in the Act, the need to meet the requirements has led to the creation by Scottish Government of other mechanisms to monitor progress, such as the Scottish Government's Tackling Child Poverty Programme Board.

The Delivery Plan and reporting requirements introduced by the Act have resulted in a more comprehensive and useful set of outputs than the Commission believes would otherwise have been the case, though as noted above, there remains room for improvement. Most importantly, the targets, plans and reporting in themselves are not sufficient to drive change alone, and also require effective scrutiny by Parliament and civil society.

Question Four: The Act set up several scrutiny measures. How effective have these been?

The requirement for the Scottish Government to lay an annual progress report before the Scottish Parliament and to make a statement to the Parliament in relation to the report gives Parliament the opportunity to scrutinise the progress that is being made towards the targets. While this enables Parliament to hold the Scottish Government to account, the timescales (with the report and statement coming on the same day) may not allow for a more considered scrutiny of progress and reflection on what further action is needed. This meets the need for accountability, but will not necessarily drive progress.

Part of the role of the Poverty and Inequality Commission is to scrutinise progress towards meeting the child poverty targets. It is for others to comment on how effective the Commission is in that role, but the Commission offers some reflections here on the how it goes about this role and its perspective about the impact of its scrutiny.

In preparing a progress report, the Scottish Government must consult the Commission on:

- The progress made during the reporting year towards meeting the child poverty targets

- Whether it appears to the Commission that such progress is sufficient to meet the child poverty targets
- What further progress the Commission considers is required to meet the child poverty targets

The timescales for this work are challenging, as the reporting year ends at the end of March, and, in order to allow the Scottish Government to publish its report within three months of the end of the reporting year, the Commission must provide its comments on these matters to the Scottish Government by early May. This leaves a period of around six weeks for the Commission to provide its views. In order for the Commission to provide informed views, during this period it also needs to receive updates from the Scottish Government about the progress that has been made over the previous year on key actions.

To try to manage these challenges, in practice, the Commission begins its scrutiny work earlier than the end of the reporting year, with the information that it has at that point, although it must wait until the end of the reporting year for final progress updates. The Commission has undertaken different approaches to its scrutiny in each of the years, depending on what it thinks will be most useful in supporting progress. In recent years this has included working with members of its Experts by Experience Panel (people who have current or recent experience of poverty) to meet officials in key policy areas to discuss progress, and exploring how the Scottish Government is using its priority family types concept to support action to reduce child poverty. The Commission has also worked with other organisations to gather views from parents and children and young people about the Scottish Government's actions to reduce child poverty.

The Commission's view is that there is value in the scrutiny process itself as well as the outputs of the process. The Scottish Government has worked constructively with the Commission to support the scrutiny process and officials have engaged with the Commission and members of its Experts by Experience Panel in discussions and through providing written material. This engagement creates opportunities to question, challenge, and inform, and encourage policy areas to think differently about their work.

Following this engagement the Commission prepares a written scrutiny report which it shares with the Scottish Government to inform the Scottish Government's progress report. The Scottish Government's progress report must include any comments or recommendations made by the Commission on the matters set out in the legislation. In practice, this tends to take the form of a table included at the end of the progress report where the Scottish Government responds to the comments and recommendations the Commission has made. It generally is not clear in the report itself whether the Commission's scrutiny has made a substantive difference to the Scottish Government's analysis of progress or what more needs to be done.

The Commission's scrutiny report is published after the Scottish Government's progress report is published. This timing is because the Commission's report may contain information

that has been shared with the Commission by Scottish Government but that the Scottish Government has not yet put in the public domain. A disadvantage of this is that it is not available to inform scrutiny in Parliament when Scottish Ministers make their statement in Parliament in relation to their own progress report.

Question Six: What does the implementation of the Act tell us about the effectiveness or otherwise of statutory targets as a way of driving policy?

Statutory targets in themselves are not enough to drive policy and change, but can be a useful tool in keeping political focus on an issue where there is a large degree of consensus on the aim, if not always on how to achieve that. The child poverty targets are particularly useful in keeping that focus over time on something that can only be achieved by sustained commitment over a number of parliamentary terms.

The Commission is not yet seeing the progress it would have hoped to see towards the interim child poverty targets for 2023-24, but hopes to see some progress in next year's child poverty statistics due to the impact of the full roll-out of the Scottish Child Payment. While it looks unlikely that the interim targets will be met, that does not mean that they have not had value. The statutory targets, and the analysis of the action that would be needed to make progress towards them, were key in driving the development and delivery of the Scottish Child Payment. This is an example of how targets can galvanise action and align budgets to make meaningful change happen.

Budgets and capacity need to be aligned to support the delivery of targets if progress is to be made and, beyond the Scottish Child Payment, the Commission has not seen enough of that. Given the extremely difficult financial outlook for the Scottish Government, the Commission continues to have serious concerns about the prospects for future progress. This underlines the point previously made that the statutory targets have been helpful in several ways, but are not sufficient on their own to achieve the desired outcomes of substantially reduced child poverty levels in Scotland.