

Aberlour Briefing for MSPs – Scottish Government Debate: Tackling Poverty

8th June 2020

Key Messages

The pandemic has exacerbated child poverty and without further urgent and bold actions the number of children living in poverty will continue to rise

Doubling the Scottish Child Payment must happen in the first year of this parliament to help meet statutory child poverty targets and ensure the full benefit of the increase is felt by low income families

Strengthening other forms of financial support is also crucial, such as increasing the value of Best Start Grant and School Clothing Grant, as well as the extension of eligibility of free school meals

Supporting families to recover must be central to Scotland's recovery by delivering holistic family support, including practical, emotional and financial support, for all families who need extra help and to tackle the impact of poverty on children and families

Build on cross party support for a basic income and explore targeted pilot schemes for groups at greatest risk of experiencing poverty, such as care leavers

Support families with No Recourse to Public Funds using local authority powers to target financial and practical support

Overview

Aberlour works with vulnerable children, young people and families throughout Scotland, providing services and support in communities around the country. We help to overcome significant challenges, like growing up in and leaving care, poor mental health, the impact of drugs and alcohol on family life, living with a disability, or the impact of poverty and disadvantage. We aim to provide help and support at the earliest opportunity to prevent problems becoming intractable or spiralling out of control.

Working in all 32 local authorities and delivering more than 50 dedicated services around the country, every day we see the impact of poverty and disadvantage on children, young people, families and communities across Scotland. Through our work we are committed to tackling child poverty and to making sure that all families who need extra help get the support they need.

Aberlour is a member of the [End Child Poverty](#) coalition.

Introduction

Even before covid-19, more than 1 in 4 children in Scotland were living in poverty¹. The pandemic has created the perfect storm for families living on low incomes, pulling them into hardship and plunging many into even deeper poverty. Increasingly, evidence suggests that the number of children living in poverty will rise further, with even more strain on families who were already struggling to stay afloat.

Children and families are suffering extreme hardship every day and often they lack basic necessities, like warm clothes and bedding. For so many of the children and families we work with the problems they face are the result of, or made worse by, poverty. Through our work we know that this crisis has made things even worse for many more families.

Without support many parents tell us they feel they cannot keep their heads above water. Families need help to ride the wave of financial insecurity and stress that Covid-19 has brought. Parents tell us they feel ashamed that they are not able to provide for their children and have to rely on charities and foodbanks.

Aberlour Urgent Assistance Fund

Aberlour's [Urgent Assistance Fund](#) provides financial support via small grants to families and young people aged 21 and under living anywhere in Scotland and experiencing extreme financial hardship. Since the start of the pandemic applications to the fund by families needing emergency financial support have risen by 1400%. For most this has been due to the financial impact of Covid-19.

The cash grants help and assist with a range of basic needs, such as food, prepay power cards, clothing, bedding or other essentials. Over the course of the pandemic we have distributed in excess of £1.5m supporting more than 4000 families with emergency financial assistance. This equates to nearly 10000 children. The fund has supported families from all over Scotland across 31 local authorities.

Single parents account for more than 70% of those families who receive support. In addition, families living with a disability or illness, families affected by domestic abuse, families affected by parental mental health issues, as well as asylum seeking families and families with No Recourse to Public Funds, are those most commonly receiving assistance. A growing number of families are seeking help for the first time due to financial hardship directly as a result of the impact of coronavirus on their individual or family circumstances, seeking financial support through the fund.

From applications received through the fund we are also seeing an increasingly worrying picture of families trapped in toxic cycles of debt to public bodies, such as local authorities and housing associations – and even schools. We anticipate the issue of public debt will only worsen and urge that there must be better support for families locked in persistent problem debt to public bodies.

Research by Professor Morag Treanor on the use of the fund during the pandemic highlighted that for many families accessing the fund their circumstances are ***“indicative of levels of poverty we would consider more absolute than relative”***².

¹ <https://www.gov.scot/collections/child-poverty-statistics/#childpovertystrategy>

² <https://www.aberlour.org.uk/evaluation-of-aberlour-urgent-assistance-fund/>

Scottish Child Payment

The measures the Scottish Government has introduced to provide emergency financial support to low income families in response to the pandemic have helped to mitigate the worst effects of the financial impact for many families. Putting money directly in families' pockets is the first and most direct way of lifting families out of poverty. The political consensus on doubling the Scottish Child Payment to £20 per child per week has been hugely welcome. Aberlour and our End Child Poverty partners campaigned for this commitment³. In order for the increase to the Scottish Child Payment to have maximum effect, to help meet statutory child poverty targets and ensure the full benefit of the increase is felt by low income families, it must happen in the first year of this Parliament.

Additional Financial Support

However, child poverty targets will not be met by increasing the Scottish Child Payment alone. Strengthening existing financial support further is also crucial, such as increasing the value of Best Start Grant and School Clothing Grant. The extension of eligibility of free school meals and ensuring a cash first approach to holiday provision is also vital to mitigate the food insecurity experienced by so many families both in and out of term time. The Scottish Welfare Fund must also be able to respond to the needs of families when they experience financial crisis. The pandemic has exposed challenges with the operation and delivery of the fund and it is vital that a full review takes place to ensure the fund is fit for purpose, as Aberlour and others have called for⁴.

Holistic Family Support

Supporting Scotland's families must be central to Scotland's recovery from the pandemic. Families across Scotland are struggling – practically, financially and emotionally. Families who were in crisis before Covid-19 struck are in even greater difficulty now. Many families who were just about managing beforehand have found they can't cope. And even families who had never needed help before, have found themselves looking for support. Delivering holistic family support, including, practical, emotional and financial support for all families who need extra help, is vital to tackle the impact of poverty on families, to help improve educational attainment and to support children and young people's mental health and wellbeing.

Basic Income

Support for a universal basic income has increased in response to the pandemic, including increasing cross-party political support for such a policy. Basic Income Scotland's feasibility report into the potential for a Scottish Citizens' Income pilot scheme concluded that care leavers could be a potential target group for any future pilot⁵. It is evidenced that care leavers are at increased risk of experiencing financial hardship and homelessness. The Welsh Government has already committed to piloting a basic income scheme targeting care leavers as a trial group⁶. The Scottish Government

³ <https://cpag.org.uk/news-blogs/news-listings/campaigners-welcome-growing-support-doubling-scottish-child-payment>

⁴ https://yourviews.parliament.scot/ssc/role-of-social-security-in-covid19-recovery/consultation/view_respondent?uuld=816940400

⁵ https://basicincome.scot/wp-content/uploads/sites/75/2020/06/Draft-Final-CBI-Feasibility_Main-Report-June-2020.pdf

⁶ https://www.walesonline.co.uk/news/wales-news/how-universal-basic-income-trial-20616512?utm_source=twitter.com&utm_medium=social&utm_campaign=sharebar

should look to build on the cross-party support for universal basic income in Scotland and explore targeted pilot schemes for groups at greatest risk of experiencing poverty, such as care leavers.

No Recourse to Public Funds

Families who have No Recourse to Public Funds currently are not entitled to social security support. However, these families are some of those at greatest risk of living in destitution and experiencing extreme financial hardship⁷. A cash first approach should apply to any measures intended to provide financial assistance and support to **all** children and families experiencing financial hardship or living in poverty. Local authority powers which allow for the discretionary use of cash assistance should be used to target financial and practical support, at least equivalent to the value of the Scottish Child Payment, for families with No Recourse to Public Funds, to promote children's wellbeing and to prevent these families from falling into poverty and destitution.

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⁷ <https://www.childrensociety.org.uk/sites/default/files/2020-10/a-lifeline-for-all-summary.pdf>