

How does the Scottish Government assess the impact of its budget on tackling Child Poverty?

The Scottish Parliament has adopted [statutory targets](#) to substantially reduce rates of child poverty over the period to 2030. But to what extent will the policies set out in the government's budget for 2019/20 contribute to the achievement of these targets?

The Scottish Government publishes complementary analysis alongside its budget each year that shows how it has taken due regard of its statutory duties to reduce differences in outcomes by protected characteristics and socio-economic disadvantage. The information provided in this [Equality Budget Statement \(EBS\)](#) provides the Scottish Government's own assessment of how Budget spending will impact on equality and socio-economic outcomes in Scotland.

In this blog, the Joseph Rowntree Foundation and the Fraser of Allander Institute reflect on the insight that the Scottish Government analysis provides with regards to tackling child poverty.

The EBS includes a [dedicated chapter on child poverty](#) containing a useful run through of policies that have some link to the drivers of child poverty: income (or lack of) from earnings and social security, and housing costs.

One issue with the EBS analysis is that it makes no attempt to quantify the extent to which the policies listed will make to the poverty targets. In many cases it will clearly be difficult to quantify this link, but for those policies which affect household income directly (e.g. Council Tax Reduction) the quantification should be relatively straightforward.

Counter to the assertion made at the start of the chapter, this arguably means that the analysis fails to address the recommendation made by the Poverty and Inequality Commission that the Government should provide analysis of the "likely impact of annual budget decisions on the child poverty targets".

This is especially the case given that the EBS analysis includes both policies which are likely to have a clear and direct effect on the child poverty targets, and those which will have a much more partial impact, given that they are provided on a universal basis - such as concessionary travel or the expansion in free childcare.

A second issue is that the EBS analysis provides no information on the funding associated with each policy mentioned. This makes the scale of intervention difficult to gauge.

The lack of spending totals can be partly resolved by cross referencing with the main budget document yet finding the correct spending line is unachievable in many cases as allocations

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are not broken down to the level of detail specified in the policy descriptions. In terms of scale of impact, there are few instances where supplementary evidence is provided, and this means there is no differentiation made between policies even when tackling poverty is not a core aim of the spend. Universal policies, such as childcare expansion are included with scant explanation, even though those in poverty will only be a proportion of those who will benefit.

However, there are policies specified in this chapter that will have a real impact on child poverty and where cross-referencing with the other draft budget documents allows us piece together the scale of spending committed to this cause.

Below we present a categorised summary of the policies in the Child Poverty chapter along with associated spending totals if they can be found among the published budget documents. We are only using figures that are published on the Scottish Government website along with the budget^[1] - otherwise we cannot be sure over whether the figures are up-to-date spending allocations. The analysis is shown in the tables below.

Given the information we have pieced together, it is still impractical to understand how effective the 19/20 Scottish Government budget will be in making progress towards the child poverty targets. However, it is clear from the government's own analysis that proportionally little resource has been targeted specifically at tackling child poverty. Moreover, it is also notable that there is little new spending in this year's budget on the issue.

Whilst it is not possible from the EBS analysis to get a precise feel for how much difference the budget policies will make to addressing child poverty, it seems unlikely that the scale of interventions outlined in the EBS will be sufficient to make meaningful progress towards the very ambitious child poverty targets. Overall, it appears that this draft budget has not been geared towards tackling child poverty as a priority despite the existence of statutory targets for 2030.

The Government needs a more robust and consistent means of presenting the impact of spend. Given the challenging nature of the targets, it is expected that significantly more spending will need to be loaded in the years ahead on social security, boosting income from earnings and reducing housing costs to make meeting the targets a reality.

Policies included in the Child Poverty chapter and associated spending totals for

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19/20 (where available)

- 1. Policies where there is a figure referenced in budget documents.** Because the spending listed in chapter includes both revenue and capital, the total Scottish Budget figure used is the total including both revenue and capital spend (£42.5 billion).

a - Targeted at low income families with children (£m)

Best Start Grant	12
School Clothing Grant	6
Best start foods voucher	4
Financial Health Check	3
Tackling Food Insecurity (in school holidays)	2
<i>Proportion of total Scottish Budget</i>	<i>0.1%</i>

b - Targeted at low income households - not necessarily with children (£m)

Discretionary Housing Payments	63
Scottish Welfare Fund	33
Fair Start Scotland	27
Empowering Communities Fund	20
Fair Food Fund (not including spend in table 1a)	2
<i>Proportion of total Scottish Budget</i>	<i>0.3%</i>

c - Not targeted, but likely to help efforts to tackle poverty in low income households (£m)

Affordable Homes	826
Childcare ^[2]	477
UK Carers Allowance ^[3]	283
Concessionary Fares	211

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Bus Services Grant	57
HEEPS (Home Energy Efficiency Programmes)	49
Carers Allowance Supplement	37
Baby Box	8
Free Sanitary Products	2.8
<i>Proportion of total Scottish Budget</i>	<i>5%</i>

2. Policies that are listed, but no 19/20 spending allocation is provided in budget documents at the level described

a - targeted at low income families with children

Free School Meals	
Intensive Parental Employability Support	£12m by 2022
Hunter Innovation Fund	£5m by 2022
Young Carer Grant	

b - targeted at low income households (not necessarily with children)

Funding for the Poverty Alliance to build a Living Wage nation	
Council Tax Reduction	
Aspiring Communities Fund	£36m over 3 years
Social Economy Growth Fund	
Social Innovation Fund	
Scotrail franchise - free travel for job-seekers element	

c - not targeted, but likely to benefit low income households

Support to not-for-profit lenders

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Endnotes

[1] <https://www.gov.scot/budget/>. This includes some information provided by the Scottish Parliament Information Centre

[2] Different amounts are referenced throughout the document on childcare. This figure takes the total of revenue and capital grants to Local Authorities for current provision and expansion (£437m) and the spend within the Education and Skills portfolio (£40.5m).

[3] Executive Competence transferred on 3 September 2018 and Carers Allowance is contained in budget spending totals.