Scottish Parliament Finance and Constitution Committee Call for Evidence on Child Poverty (Scotland) Bill

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Finance and Constitution Committee
Child Poverty (Scotland) Bill Financial Memoranda

A submission by:-
Aberdeen City Council

Date:- March 2017
Further information about Aberdeen City Council can be obtained at www.aberdeencity.gov.uk

The Aberdeen City Context

Aberdeen is a unique place in Scotland. Though the City has benefited from the prosperity brought by the oil and gas industry, now that the rest of the UK economy is recovering from recession, Aberdeen is experiencing a decline due to the drop in the price of oil. This is compounded by pressures on infrastructure, connectivity, housing and skills. The effects of this include job losses, falling property prices and loss of custom.

Despite this decline, Aberdeen City continues to make a significant exchequer contribution to Scotland and the UK and this is expected to continue into the future.

Through our Regional Economic Strategy the City / Region is continuing to support the oil & gas industry, but also taking a more sustainable, diversified approach by attracting non-oil business. The City Council is also leading the largest regeneration programme ever seen in Aberdeen to support vastly improved transport, connectivity and investment in the city centre.

The Council is committed to working in partnership, both with other organisations as well as directly with communities themselves, to support the people of Aberdeen to prosper, no matter their social circumstances, and to break a cycle of deprivation that is repeated generation after generation. We want Aberdeen to be a city where there is equality of outcomes and opportunities for all our children, irrespective of their circumstances. Investment in children is one of the best and most valuable long-term investments we can make. Investing shared resources to target prevention and early intervention for children and young people is central to tackling inequality and improving life chances.
Child Poverty (Scotland) Bill Financial Memoranda

Consultation

1. Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

Answer – A submission was made by Aberdeen City Council and comments were made on the financial assumptions.

2. If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

Answer – Yes we are satisfied that the FM fairly reflects the cost of producing a report.

3. Did you have sufficient time to contribute to the consultation exercise?

Answer – Yes there was sufficient time to contribute to the consultation exercise.

Costs

4. If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

Answer – The financial implications for ACC are accurately reflected in the FM.

5. Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

Answer – The estimated costs set out in the FM are reasonable and accurate.

6. If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

Answer – In recognition of meeting the additional burden of reporting annually on activity to contribute to reducing child poverty the Local Government Finance Settlement should be increased to reflect this.

7. Does the FM accurately reflect the margins of uncertainty associated with the Bill's estimated costs and with the timescales over which they would be expected to arise?

Answer – Yes the FM reflects the uncertainty associated with the Bill’s estimated costs.

Wider Issues

8. Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?
Answer – As is acknowledged in the FM, the Bill does not capture any direct costs of the strategies which may be involved in reducing child poverty. The implications of such policies and strategies for Local Authorities will also need to be taken into account and funded appropriately.

9. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?

Answer – As is acknowledged in the FM, it is impossible to quantify the costs without knowing what the policy direction would be and its implications for local authorities.
Finance and Constitution Committee Questionnaire
Dumfries and Galloway Council

This questionnaire is being sent to those organisations that have an interest in, or which may be affected by, the Child Poverty (Scotland) Bill Financial Memoranda (FM).

In addition to the questions below, please add any other comments you may have which would assist the Committee’s scrutiny of the FM.

Consultation

1. Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

Yes we did and highlighted the difficulties faced by the Local Authority and third sector partners where continued in budget reduction has a negative impact on their ability to provide support to vulnerable children and their families.

2. If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

Not fully.

3. Did you have sufficient time to contribute to the consultation exercise?

Yes.

Costs

4. If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

Without completing a full cycle of collating, analysing and reporting the required performance activity and the methodology to be used it is difficult to assess the extent of the resources required to fulfil this role.

5. Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

See number 4 above.

6. If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?
Without these being fully quantified difficult to confirm. Beneficial for the actual costs to be assessed after a full reporting cycle and allocated to local authorities accordingly.

7. Does the FM accurately reflect the margins of uncertainty associated with the Bill’s estimated costs and with the timescales over which they would be expected to arise?

There is certainly uncertainty associated with the full costs regarding this.

**Wider Issues**

8. Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?

As submitted during the consultation process there was a recognition that children’s services at a local level were finding it increasingly difficult to identify resources to invest in new approaches to tackle poverty despite recognising that this could produce longer term savings, there has been no recognition of these cost within the FM and will continue to present a challenge for Local partnership.

9. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?

Yes. Not possible to accurately quantify these costs at this stage.
Finance and Constitution Committee Questionnaire
East Ayrshire Council

This questionnaire is being sent to those organisations that have an interest in, or which may be affected by, the **Child Poverty (Scotland) Bill Financial Memoranda** (FM).

In addition to the questions below, please add any other comments you may have which would assist the Committee’s scrutiny of the FM.

**Consultation**

1. **Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?**

Yes, consultation on the original proposal for a Child Poverty (Scotland) Bill. East Ayrshire Community Planning Partnership responded positively to the initial consultation regarding the Child Poverty (Scotland) Bill and, while welcoming the ambition to address child poverty, also suggested that this could be strengthened as a commitment to eradicate child poverty. The reintroduction of statutory child poverty targets is to be welcomed. Tackling poverty and inequality is a priority in East Ayrshire. Child poverty is a particular concern in East Ayrshire. Overall child poverty is almost 28 per cent across the CPP area. This is the third highest level of child poverty in Scotland. The level of child poverty varies between communities and in Kilmarnock South and Doon Valley child poverty is at 38 per cent. It is important that child poverty plans and measures are aligned with Community Planning Partnership local outcome improvement plans and with broader strategies which are inextricably linked to child poverty, e.g., economic development, welfare reform, education reform, housing and community empowerment. This would recognise the multi-factorial nature of child poverty and the need for cross-sector action to address it.

Financial assumptions were not part of this consultation.

2. **If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?**

N/a.

3. **Did you have sufficient time to contribute to the consultation exercise?**

Yes. The consultation ran from 8th August to 30th September 2016.

**Costs**

4. **If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.**
Tackling child poverty requires cross-sector activity. The FM focuses solely on the costs of planning and reporting arrangements. These have been costed in the FM. There are wider opportunities that could be considered in delivering on the Bill’s proposals through the coordination of Community Planning Partners’ activity.

5. Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

The costs are reasonable in terms of the scope of the FM in that this focuses solely on the costs of planning and reporting arrangements. As above, there are wider opportunities that could be considered in delivering on the Bill’s proposals through the coordination of Community Planning Partners’ activity.

6. If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

The costs of planning and reporting can be met on the basis of the FM. The Bill presents an opportunity for focused cross-sector work on tackling child poverty associated with the legislative targets.

7. Does the FM accurately reflect the margins of uncertainty associated with the Bill’s estimated costs and with the timescales over which they would be expected to arise?

The wider social and economic costs of child poverty are estimated within the FM at £2.39 billion. The costs arising from the Bill detailed in the FM across Scottish Government, local authorities and health boards is £227,044.

Wider Issues

8. Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?

Meeting the ambitions of the Bill would require cross-sector, partnership working. The FM details costs to the Scottish Government, local authorities and health boards but not other Community Planning Partners. It would be expected that there would be dialogue between SG and representative bodies on these requirements.

9. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?

There may be future costs associated with subordinate guidance on the production of reports. It would be expected that there would be dialogue between SG and representative bodies on these requirements.
Finance and Constitution Committee Questionnaire  
Falkirk Council

This questionnaire is being sent to those organisations that have an interest in, or which may be affected by, the Child Poverty (Scotland) Bill Financial Memoranda (FM).

In addition to the questions below, please add any other comments you may have which would assist the Committee’s scrutiny of the FM.

Consultation

1. Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

We provided a response to the Consultation on the Child Poverty Bill in September 2016 however this didn’t ask for any feedback on the financial assumptions. We first saw the Financial Memorandum in advance of the COSLA Leaders Meeting in February 2017 and provided feedback to our Council leader on the financial assumptions at this stage.

2. If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

Not applicable

3. Did you have sufficient time to contribute to the consultation exercise?

Yes the timescales for the Child Poverty Bill Consultation were reasonable.

Costs

4. If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

The financial memorandum includes resources for local authorities to cover the cost of reporting on these actions but doesn’t include any resources to cover additional work on addressing child poverty practically within Local Authorities or Community Planning Partnerships. The report states that COSLA officers are working on a proposal with Scottish Government to address this. We welcome this as there is a risk that the current focus of resources is around collation of reports and not actions to address child poverty.

5. Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

The Bill sets out responsibilities for preparing delivery plans and subsequent progress/final reports on the progress made on reducing child poverty. The financial memorandum does not anticipate the requirement of producing plans/monitoring
progress to be a significant additional burden and this is reflected in both the time and estimated costs for all relevant parties - i.e. Scottish Government/Local Government/Health.

6. If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

The Financial Memorandum details that funding will be provided to cover the cost of reporting. The main costs would be on the actions required to meet the objectives of reducing poverty - which aligns with one of the Council priorities. We are currently undertaking activity to mitigate the impact of poverty on children and would welcome resources to further increase this work.

7. Does the FM accurately reflect the margins of uncertainty associated with the Bill's estimated costs and with the timescales over which they would be expected to arise?

The estimated cost to each council is £4,750, an estimate of a months work. Ultimately time will be required and there is maybe an initial tendency to underestimate, but even if the work took 2-3 months, the cost would be c£15k. However, although small, this is another burden placed on local government when actual resources available are reducing.

Wider Issues

8. Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?

As above, the FM doesn’t include any additional resources to undertake activity to address child poverty. Whilst resources are provided to meet the demands of the bill in terms of reporting the activities that will make a difference to child poverty levels are not covered. Whilst we are working on these anyway, a greater impact would be achieved if the Scottish Government were able to provide specific resources to implement additional activity in this area.

9. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?
Finance and Constitution Committee Questionnaire

This questionnaire is being sent to those organisations that have an interest in, or which may be affected by, the Child Poverty (Scotland) Bill Financial Memoranda (FM).

In addition to the questions below, please add any other comments you may have which would assist the Committee’s scrutiny of the FM.

Consultation

1. Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

Answer: Yes, NHS Ayrshire and Arran did take part in the official consultation preceding the Bill. However, we only commented on the financial calculations proposed for outcome measures and not specifically on the cost of implementing the Bill.

2. If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

Answer: Yes, our response is reflected in the four statutory, income-based targets to be achieved by 2030.

3. Did you have sufficient time to contribute to the consultation exercise?

Answer: Yes

Costs

4. If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

Answer: The financial implications for NHS Ayrshire and Arran are minimal at approximately £2641.00 per year. This amount would cover a month’s work of a Band 6 or 7 to collate the necessary annual information. Regardless of this the staffing cost estimates appear very conservative and there could be higher cost implications incurred to backfill the post of a member of staff to complete this task. In addition, we would like some clarity around the role of the Health and Social Care Partnerships within this process; they have devolved NHS provision but, the overarching responsibility for the outcomes remain the responsibility of the NHS Board Chief Executive.
5. Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

Answer: The finance estimations within the FM appear very conservative particularly given the timescales involved. The increased responsibilities afforded to Local Authorities and NHS Boards would suggest there could be a further financial commitment required to implement the necessary changes to reduce child poverty nevertheless, these indeterminate costs are not reflected within the FM.

6. If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

Answer: NHS Ayrshire and Arran would be able to commit to the financial costs.

7. Does the FM accurately reflect the margins of uncertainty associated with the Bill's estimated costs and with the timescales over which they would be expected to arise?

Answer: Is there an additional financial contingency planned for the life of the Bill?

Wider Issues

8. Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?

Answer: The FM captures the specific costs of implementing the Bill at a very operational level at Local Authority, NHS Board and Scottish Government levels. The issue would be the long term duration of the process towards 2030 and beyond which undoubtedly increases associated financial uncertainties.

9. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?

Answer: Any additional legislation could impact on the future costs associated with the Bill e.g. changes to the Local Authority or NHS Board areas.

Quantification of these unknown variables is difficult as would, for example the threat of any future legal challenges to the Bill, etc.
Finance and Constitution Committee Questionnaire  
NHS Western Isles

This questionnaire is being sent to those organisations that have an interest in, or which may be affected by, the Child Poverty (Scotland) Bill Financial Memoranda (FM).

In addition to the questions below, please add any other comments you may have which would assist the Committee’s scrutiny of the FM.

Consultation

1. Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

2. If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

3. Did you have sufficient time to contribute to the consultation exercise?

Costs

4. If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

We cannot see that we would be requiring a greater resource than that included within the memorandum i.e. one month’s salary of Band 7, to fulfil the duty placed on health boards to report annually on activity to contribute to reducing child poverty.

5. Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

There are significant and currently un-measurable costs associated with the commitments set out to reduce the proportion of children living in a range of different definitions of poverty, which may impact on the Board if we are required to commit targeted resources to addressing health inequalities consequent upon income inequality and poverty over and above what we already do to address inequalities.

6. If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

7. Does the FM accurately reflect the margins of uncertainty associated with the Bill’s estimated costs and with the timescales over which they would be expected to arise?

Wider Issues
8. Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?

9. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?
North Ayrshire Council Response to the Finance and Constitution Committee Questionnaire on the Child Poverty (Scotland) Bill

Consultation

1. Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

A response was submitted by the North Ayrshire Health and Social Care Partnership (H&SCP)

2. If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

The North Ayrshire H&SCP submission did not comment on financial assumptions

3. Did you have sufficient time to contribute to the consultation exercise?

Yes

Costs

4. If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

The Bill only addresses the financial implications of the Local Authority producing an annual progress report. However, for Scotland to reach the ambitious targets set out in the Bill, Local Authorities will play a key role in tackling child poverty. In North Ayrshire 30.4 percent of our children are living in poverty (the second highest level in Scotland). In an area with a fragile economy, tackling the root causes of this poverty will require a significant and focussed effort. This will require resources above what the Council is able to invest. However, the Bill does not address the funding that will be required to make an impact locally.

5. Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

The indicative costs of producing an annual report by the Council are narrowly focussed and simplistic. Furthermore, the failure to address the funding required at a local level to tackle child poverty is a serious omission in the Bill.

6. If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

The Council is already investing significantly in co-ordinated initiatives to reduce Child Poverty locally. Our 2017/18 budget settlement also identified further funding in support of our Fair for All strategy to tackle the root causes of Child Poverty. However, for areas such as North Ayrshire where child
poverty is high, additional resources will be required to support and accelerate progress. The Scottish Government will be required to provide support to areas with particularly high levels of poverty. In many areas of Scotland high levels of child poverty are often linked to areas of long term economic decline. Councils in these areas are already dealing with a multitude of complex economic and social issues, making multiple demands on already stretched budgets.

7. *Does the FM accurately reflect the margins of uncertainty associated with the Bill’s estimated costs and with the timescales over which they would be expected to arise*

The Bill only addresses the costs associated with the production of an annual report. As discussed above, the omission of funding to tackle the root causes of child poverty is a major omission.

*Wider Issues*

8. *Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?*

No. Please refer to the responses above

9. *Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?*

Please see response to the questions above. The costs of tackling child poverty are hard to quantify as it is such a complex issue. The costs will also vary across geographic regions depending on the current socio-economic conditions of the area. There will be a requirement for additional support to be provided to some local authority areas to address their high levels of child poverty.
Finance and Constitution Committee Questionnaire  
Orkney Islands Council

This questionnaire is being sent to those organisations that have an interest in, or which may be affected by, the Child Poverty (Scotland) Bill Financial Memoranda (FM).

In addition to the questions below, please add any other comments you may have which would assist the Committee’s scrutiny of the FM.

Consultation

1. Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made? We commented on the proposals, but not on the financial assumptions.

2. If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM? N/A

3. Did you have sufficient time to contribute to the consultation exercise? N/A

Costs

4. If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details. Yes

5. Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate? Costs only referred to in the FM. Yes.

6. If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met? If provided with the £4,750 identified officer cost for the preparation of an Annual Report on activity to reduce Child Poverty

7. Does the FM accurately reflect the margins of uncertainty associated with the Bill's estimated costs and with the timescales over which they would be expected to arise? Yes

Wider Issues

8. Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom? Yes

9. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs? Not known.
Social Work Scotland

Evidence to the Finance and Constitution Committee

Social Work Scotland welcomes the opportunity to provide our views regarding:

Finance and Constitution Committee Call for evidence on Child Poverty (Scotland) Bill’s FM

1. Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

Yes – with regards to statutory income targets, we noted the following:

However, we note that the benefits cap is due to be reduced in November 2016 (with the exception of those in receipt of carer’s allowance) and the intention of the UK government is to restrict tax credits to two children per family. This feasibly will increase the number of children experiencing poverty and without a detailed plan and additional funding, make it more difficult for targets to be achieved.

Whilst the target threshold appears to be adjusted based on the composition of the household, it may be necessary to investigate whether other adjustments are necessary (and possible) for those households where additional and increased costs of living routinely exist such as families experiencing homelessness or disability.

2. If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

The FM covers administrative costs rather than the costs of delivering the intended outcomes which our submission was concerned with.

3. Did you have sufficient time to contribute to the consultation exercise?

Yes.

Costs

4. If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

We note that the FM estimates a cost of £152,016 annually to local authorities, based on one manager in each local authority spending a month per annum in producing a report. Although this is a significantly lower sum when spread across the 32 local authorities, this is an additional cost in the face of challenging budgetary conditions, at a time when social work services are already struggling to meet demands. In our original submission we noted:
The reporting structure for the strategy needs to be linked to the local Single Outcomes Agreements and the activity of Community Planning Partnerships and Integration Joint Boards (regarding their specific delegated responsibilities for health and wellbeing). There must be clear links made to Children’s Services Plans to ensure that action to address poverty cuts across wider action to support and protect children’s wellbeing.

...the reporting of progress on child poverty should not be confined to the target indicators alone. Poverty is a multidimensional issue and reporting should be from a number of data sources linked to the local outcomes in education, health improvement, child protection, housing and income maximisation etc.

.....there would be a clear role for the Ministerial Advisory Group in facilitating the sharing of best practice and innovation. Community Planning Partnerships (CPPs) should lead locally on action to address child poverty, but they need to be provided with opportunities to learn from each other about what works. The Scottish Government, through the Ministerial Advisory Group, are best placed to coordinate and support local CPPs and to provide an overarching strategic support.

Bramely and Watkins 2013 review for the Scottish Government of the potential scope for a ‘poverty toolkit’ for CPPs highlighted that there is an information gap on local incidences of poverty measured in a way consistent with Scottish Government goals. Against a background of reducing budgets, many local authorities cannot afford to collate the data required on local incidences of poverty. The Scottish Government should take the lead on this and collate local information and analysis of poverty throughout Scotland.

We note that co-ordination is not only required with respect to local areas, but also across the related national strategic areas which impact on children. Work undertaken as part of the Early Years Collaborative for example encompasses child poverty. A co-ordinated approach would more effectively maximise resources at both a national and local level.

On this basis we would query whether the costs detailed in the FM would produce as comprehensive system as detailed above. It is likely that costs would be higher and additional funding is required.

5. Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

Please see previous response to question 5.

6. If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

Local authority social work services are already facing significant pressures. Without additional monies, costs would require to be met from existing budgets which continue to be challenged by the current funding position.

7. Does the FM accurately reflect the margins of uncertainty associated with the Bill’s estimated costs and with the timescales over which they would be expected to arise?

As detailed in our response to question 4, costs would need to be higher in order to provide a robust meaningful response to the challenges set out in the Strategy. A
more dynamic approach to data collection and analysis, including the development
of local targets would better support local efforts to tackle child poverty. We also note
that there is significant economic uncertainty which may need to be taken account of
including the increasingly challenging welfare provision position, the UK exit from the
European Union and the potential for a Scottish independence referendum.

Wider Issues

8. Do you believe that the FM reasonably captures any costs associated
with the Bill? If not, which other costs might be incurred and by whom?

As noted in previous responses to questions, whilst supportive of the Scottish
Government action on child poverty, the current costs are likely to produce a basic
plan and data rather than supporting a dynamic local response to addressing
poverty. We also note that without significant funding to address the roots of poverty
and support to children and families, targets may be more likely to remain
aspirational than achievable.

9. Do you believe that there may be future costs associated with the Bill,
for example through subordinate legislation? If so, is it possible to quantify
these costs?

We note that funding to address the roots of poverty and support to children and
families need to be considered.
Finance and Constitution Committee Child Poverty Bill Questionnaire

South Lanarkshire Council Response, 22/03/2017.

Consultation

1. Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

   Yes, we provided a full response to the Scottish Government Consultation on the proposed Child Poverty Bill in September 2016. No figures were outlined at this stage in relation to financial assumptions linked to the proposed reporting requirements on Local Authorities.

2. If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

   As above n/a

3. Did you have sufficient time to contribute to the consultation exercise?

   Yes

Costs

4. If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

   Tackling Child Poverty is already a key priority for our Council and Community Planning Partnership. We have a number of high level outcomes linked to tackling the causes and effects of poverty for children and families and a range of associated Council and partner actions/services, many of a partnership /collaborative and indeed preventative nature.

   Other than reference to the estimated cost of Child Poverty in Scotland of £2.39 billion per year, the FM refers only to costs associated with reporting on this activity which is clearly a fraction of the costs associated with the facilities and services on the ground. The Committee should note that it is becoming increasingly difficult for our Council and partners to maintain the level of very good work in place that is already making a significant difference to struggling and vulnerable families, let alone build and grow this work further. Additional resources are required to enable local authorities and community planning partnerships to provide an adequate level of coordination and support as the demand is projected to increase significantly as a result of welfare reform including the full roll out of Universal Credit.

5. Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

   As far as reporting requirements are concerned (based on the production of an annual report) they seem reasonable.

6. If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

   Our Council is having to make significant savings year on year and much that we have as far as possible tried to meet these through efficiency measures, it is not
possible to protect all services on an ongoing basis. Although the only specific requirement on local authorities and Health Boards in the Bill is to report annually on Child Poverty activity, there is an assumption that we are taking the necessary local action to both reduce the numbers of children living in poverty at the same time minimise the negative impacts of poverty on families. All of this at a time that we know the levels of child poverty are set to increase significantly. Much of this work is not of a statutory nature and is therefore vulnerable to cuts. Even as a key priority we will be limited in resources available going forward albeit that we know what is required to achieve the targets in the Bill is additional mainstream resources for services, facilities and activities that will make a real difference to childrens’ life choices and chances.

7. Does the FM accurately reflect the margins of uncertainty associated with the Bill's estimated costs and with the timescales over which they would be expected to arise?
As above, in relation to the costs associated with the duty to report, the margins of uncertainty are minimal.

Wider Issues

8. Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?
Please see point 4 and 6 above.

9. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?

As referred to above, whilst the FM focuses on the costs of reporting, the far bigger costs relate to the delivery of relevant national and local policies and services. With rising levels of child poverty forecast, alongside ongoing financial challenges and savings requirements, we are working hard to make the best use of the resources we have through effective partnership and early intervention approaches. There is a strong concern however that without additional funding, the level of resource available will not be adequate to enable us to fully meet the needs of children and families struggling to make ends meet.
West Dunbartonshire Council welcomes the opportunity to provide evidence to the Finance and Constitution Committee in relation to the Child Poverty Bill.

A local response was submitted to the consultation on the proposed Bill in 2016, responding to all questions asked. While we are broadly in support of income targets we have some concerns around the ability of Scottish or Local Government to influence the range of factors involved in delivering against these.

The inclusion of an after housing costs calculation in the Bill is welcome and reflects the view submitted by West Dunbartonshire to the consultation. The income based measures proposed are consistent and have reliable trend information available to inform action planning. However it is important that the data be available to a local level to allow for locality planning in line with the Community Empowerment Act. We know that areas of multiple deprivation experience poverty in complex ways and require robust data to inform planning of services to target this.

It may be useful to develop some measures which highlight the poverty of experience with a focus on actual experience as poverty is not just about household income.

As noted during the consultation period, the financial burden of the Bill is two-fold. Additional activities will be required by services and partners to address the underlying causes of child poverty. This will require investment in services or a reprioritisation of budgets. Secondly local authorities will be required, through partnerships, to report on activity through an annual report. While this may not seem like a significant additional burden it must be considered in the context of the financial pressures being faced by local public bodies. The recognition in the financial memorandum of the costs of preparing annual reports is welcome and we are keen to understand ow this additional burden will be resourced directly to Local Authorities.

While attempts have been made through the Bill and supporting financial memorandum to estimate costs associated with delivery there is a need to recognise that there may be further costs implications which have not yet been anticipated.

Finally it is worth reiterating that investment in services will be required to eradicate child poverty in line with the ambition of the legislation. While the financial memorandum covers costs of planning and reporting there is a need to scope potential areas of investment and identify future funding sources to support this activity. As stated in our consultation response It is difficult to form a view on the child poverty targets without understanding the baseline, at a national and local level, and any investment likely to support delivery of this challenging ambition.
Finance and Constitution Committee Questionnaire

This questionnaire is being sent to those organisations that have an interest in, or which may be affected by, the Child Poverty (Scotland) Bill Financial Memoranda (FM).

In addition to the questions below, please add any other comments you may have which would assist the Committee’s scrutiny of the FM.

Consultation

1. Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

   West Lothian Council responded to the consultation exercise but did not comment on the financial assumptions made.

2. If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

   Not applicable.

3. Did you have sufficient time to contribute to the consultation exercise?

   Given the wide ranging nature of the questions, the consultation required input from a range of internal and external partners. It would have been beneficial to have had more time and for Scottish Government to have given more support to agencies to come together to discuss the issues.

Costs

4. If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

   The Bill makes clear that councils and NHS Boards will have a responsibility to report annually on activities undertaken to reduce child poverty. However, it also states that ‘the Scottish Government will work with local authorities and health boards to produce guidance on how the reporting should operate, and would expect Community Planning Partnerships to be a useful vehicle by which to co-ordinate this work’. It is difficult to predict costs until the implications of the guidance are understood.

5. Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

   The estimated costs for producing the delivery plan and annual reporting appear to be proportionate and reasonable for the Scottish Government,
however, it is more difficult to estimate costs for councils and NHS until guidance is issued.

6. If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

Local Government budgets are severely constrained and it is probable that future funding will continue to exert pressures on services. According to the Financial Memoranda, ‘an indicative cost’ to meet targets contained in the Bill is not available. If targets are to be met, this will require funding from the Scottish government.

7. Does the FM accurately reflect the margins of uncertainty associated with the Bill’s estimated costs and with the timescales over which they would be expected to arise?

The only costs contained in the FM is the cost of producing a delivery plan and an annual report. There is no indication of costs associated with meeting targets nor any analysis of wider issues which may impact on delivery over the timescale.

Wider Issues

8. Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?

No, the FM does not capture all the costs. The FM states that there is no ‘indicative overall cost’ for meeting the targets contained in the bill. Continuing restraint on public spending, potential consequences of Brexit and continuing economic challenges have not been analysed to consider the potential impact on meeting the targets. Local government has faced, and is likely to continue to face, constrained financial settlements. There is no indication about the allocation of resources to help meet the targets.

9. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?

Yes, there may well be associated costs which at this stage are difficult to predict and quantify.