The Big Lottery Fund in Scotland

1. The Big Lottery invests £650m a year across the UK in projects that support local people and communities to make a positive difference in areas that matter to them - improving health, education and employment opportunities, enhancing local environments and building social capital. We are a Living Wage employer and Living Wage Friendly Funder.

A strategic interest in reducing child poverty

2. The Big Lottery Fund in Scotland is a significant funder of work tackling poverty and disadvantage in our local communities, through a mix of open (demand led) and targeted funding. Since 2010, we have invested over £160m in projects across Scotland supporting vulnerable children, young people and families to tackle disadvantage (including £26m of third party funding).

3. In addition to our current programme, Improving Lives, supporting people facing challenging times, we would be happy to share what we have learned from recent investments in specific anti-poverty work, including:

- Supporting C21st Life (2010-15) c.£80m - our principal funding available to support children and families experiencing significant disadvantages (including relationship breakdown, illness, disability and poverty)

- Support and Connect, (2012-15) - c. £19m investment to improve the availability, quality and integration of local responses to hardship (joining up acute financial and debt advice, advocacy, casework, foodbanks and practical help, with longer term support)

- Making it Work, (current) a £7m investment in 5 local area partnerships (Glasgow, Edinburgh, North Lanarkshire, South Lanarkshire, Fife) supporting lone parents with young children move towards and into employment (addressing personal development, income and benefit planning, childcare, and in-work support needs)

4. We are due to launch our £16m Delivering Financial Inclusion programme shortly bringing £10m National Lottery funding together with £6m+ matching funds from the European Social Fund (ESF). This funding will invest in services to tackle poverty, improve financial capability and promote social inclusion across five local authority areas (Glasgow, Argyle & Bute, Dundee, Inverclyde and North Ayrshire).

General comments

5. We broadly support the Bill and the approach to monitoring child poverty. Similar legislation (UK 2010 Act) was a valuable pre-requisite for an effective response to tackling child poverty, signalling a strong commitment, and providing a framework from which to build and implement clear delivery plans.

6. We recognise that the current call for evidence, and the Bill, is not concerned with what specific action or policies will reduce child poverty most effectively. Consideration of those issues may come later (the Delivery Plan stages) and we would welcome sharing what we have learned about effective responses to poverty, from those we fund, in due course. There are one or two brief points, however, it may be helpful to touch on here.
7 Work we have funded to reduce child poverty has supported families to maximise and manage their incomes, help them control costs and improved access to other effective, early support that enables them to make real progress towards a more positive future.

To impact positively on child poverty, strong leadership and concerted action will be required across welfare systems, local economic development, education, employment and skills, housing, health, children’s and adult services - and across all sectors, including independent funders and the private sector.¹

8 Engagement at every level with people with current and lived experience of poverty will be critical in ensuring effective progress, including the design, delivery, and evaluation of action plans to achieve these targets. This will be especially important against a shifting landscape (e.g changes to UK welfare reform and devolved Social Security).

9 We do not under-estimate the challenge of achieving the targets set out in the Bill by 2030 or the challenge of re-configuring services within current financial constraints - and we have valuable learning from recent investments to share here. Alongside the existing engagement plans, it may be valuable also to consider how to frame the dialogue² with the public (and media), whose support for different policy and fiscal priorities may be necessary.

10 We share Lloyds TSB Foundation for Scotland’s view that independent funders could play a valuable role in sharing their collective experience with local and national structures, e.g. the proposed Poverty and Inequality Commission. Collectively we have access to a bank not only of good practice examples, but also wider lessons about how to create effective partnerships and stimulate strategic funding models.

**A strategic approach to addressing child poverty**

11 Feedback from our grant holders suggest that the landscape in which they are operating is highly complex and that there may be room to bring a greater sense of coherence across the sheer breadth of strategies and priority areas impacting children, young people and families at local level, to ensure a manageable number of priority areas succeed.

12 A key role for the Scottish Government will be to help foster a good understanding of the relationships between related strategies and plans; including the full range of resources available, and enable all partners to identify their shared priorities to aid action planning (across e.g. GIRFEC, Improvement Collaboratives, Attainment and Education, health, Care Review, Early Learning and Childcare, and alongside broader policy drivers such as inclusion, or the shift to more prevention and early action).

13 We have learned that while some of what we wish to influence sits within complex systems, some incredibly powerful results have been achieved because people ‘took the

¹ We recognise this is referenced in the Fairer Scotland Plan and in the policy memorandum attached to the Bill, but would wish to emphasise it here.

² The Big Lottery Fund is currently working with the FrameWorks Institute to deliver effective ‘framing’ for key messages around child development. The Institute specialises in understanding what underpins public understanding, so that future communication can be more effective. [http://www.frameworksinstitute.org/](http://www.frameworksinstitute.org/)
lead’ to map and join up services or processes more effectively, or to protect groups whom they knew to be particularly vulnerable.

14 Through Support and Connect, we funded Falkirk Council’s Moneywise Project to improve their support vulnerable care leavers, aged 19-21 years, who were in their own tenancies and potentially facing financial difficulties. The project employed key worker staff to support care experienced young people to navigate the welfare benefits system, manage their personal finances and engage with universal and other support services. The impact of this work was a commitment that no care leaver should be subject to ‘sanctions’ in Falkirk.

Should statutory child poverty targets be re-introduced for Scotland?

15 Yes. The consultation responses to date point to a clear consensus from partners in Scotland to continue to use established, tested income measures which are widely understood and which can offer continuity of data, over time.

16 The targets will also be helpful in framing a common, shared ambition and accountability across organisational boundaries (public, private and third sectors) and help frame a wider dialogue with the public, whose support for specific policy and fiscal approaches may be required.

The appropriateness and scope of the four proposed targets

17 We agree that the income based measures are a critical part of monitoring and addressing child poverty, on a year by year basis and trends over the longer term. The Institute of Fiscal Studies report is a helpful analysis of the measures, and the distinction between income and wider determinants of wellbeing (which we be valuable more generally).

18 We also would value a focus on ‘depth’ of poverty as many of the projects we fund (particularly those who undertake home visiting) tell us they are uncovering significant poverty in homes and having to deploy project funds to help meet basic needs of the clients they support (heating, clothes, utilities, phones). The research is clear about the impact of long term hardship on children.

19 We know there are some groups who are particularly susceptible to further entrenchment of existing disadvantage and whose experience we would wish to understand fully - women, lone parents, families where there is ill-health or disability, families from BME and migrant communities and some local areas where persistent disadvantage is particularly difficult to shift.

Interim targets

20 Yes, there is value in setting appropriate interim targets as part of early work to engage all stakeholders (particularly those with current and lived experience of poverty), in creating achievable plans, within a logical framework which addresses the alignment of the national poverty strategy with other relevant priorities.

3 See our current Strategic Framework https://www.biglotteryfund.org.uk/about-big/strategic-framework
The proposed arrangements for reporting progress towards meeting the targets and how best to hold the Scottish Government to account. / The responsibility placed on local councils and health boards to make local progress reports (overleaf)

Subject to the comments above (particularly paras 11-12), clear, published plans at reasonable intervals and effective involvement of all stakeholders - particularly children, young people, families and local communities - in the accountability structures are critical. This should include plans to include children, young people, families (and the organisations that support them) who are least often heard, and will require a long-term commitment.

Existing child poverty measurement framework

As a funder, our experience is that measuring a smaller number of critical measures works well, so we can see the merit in consultee’s views about streamlining the indicators to remove non income related measures (and using a broader range of data to interpret overall progress, including lived experience).

We recognise that addressing child poverty and reducing inequality will require sensitive balancing of competing priorities and high quality learning will be critical. We would also reflect that we can learn as much from what doesn’t work, as from what does. It is a significant challenge to create an environment where individuals and organisations feel safe enough to share learning from failures (or challenges) - and that can be made more complex within multi agency collaboration.

National Poverty and Inequality Commission

We have supported other poverty/truth commissions and continue to be a strong advocate for their approach. We can see a powerful case for a National Poverty and Inequality commission, which brings together a clear focus on income and other inequalities across the full range of stakeholders, and stands outside the delivery function. The Ministerial Advisory Group appears to have strong support and could offer support in mapping progress, identifying priorities and supporting effective delivery.

Accountability and scrutiny can be more challenging to maintain across participative, collaborative partnerships and organisational boundaries. It will be important to ensure roles and responsibilities for a) delivery, b) insight and advice and c) scrutiny of progress overall are kept clear and distinct as the final structures are agreed.

We would be happy to provide further detail on any or all of these points, and/or support a number of grant holders to furnish evidence, if Committee members would find that valuable.

In work poverty

Business in the Community Scotland: Employers’ Action on In Work poverty (£250,000)

Through Support and Connect, Scottish Business in the Community (now Business in the Community Scotland) aimed to raise awareness among private sector employers of the possible impact of welfare reform on their employees and to support low paid workers faced with a transition from existing benefits. The project, in partnership with the Child Poverty Action Group, provided welfare advice to employers and employees, enabled applications for benefits through supported access to technology, encouraged employees to improve their money management and encouraged employers to consider alternative
ways to support their staff (vouchers, training, progression, flexible working, skills development, access to help with debt and related issues).

The project engaged with 200 employers, and nearly 13,000 employees. Learning from the project suggests that there is more we could do to ‘unlock’ businesses’ role in reducing and mitigating poverty.

Deborah Hay, Policy & Learning adviser, 23 March 2017