

# **Social Justice and Social Security Committee**

Douglas Ross MSP Convener Education, Children and Young People Committee

#### 2 December 2024

Dear Douglas,

# Addressing child poverty through parental employment report – Follow up

The Social Justice and Social Security Committee is seeking your assistance to ensure that progress is made in addressing child poverty, one of the Scottish Government's key priorities and a shared priority across political parties with the passing of the <a href="Child Poverty">Child Poverty</a> (Scotland) Act 2017 (the 2017 Act).

The 2017 Act sets interim targets to be met by 2023/24 and final targets to be met by 2030. The next update on progress will be available in March 2025 with the Scottish Government required to make a statement about them next summer.

The latest Scottish Government <u>modelling</u> however estimates that "policies will keep 100,000 children out of relative poverty and 70,000 children out of absolute poverty in 2024-25, with the respective child poverty rates 10 percentage points and 7 percentage points lower than they would have been without these policies."

In the current delivery plan which runs to 2026, <u>Best Start, Bright Futures</u>, the Scottish Government clearly states that parental employment is a key driver to meet the statutory targets to address child poverty. It has set out key approaches to support "up to 12,000 parents to access and sustain employment and up to 3,000 in-work parents to increase their earnings. These cover a broad range of policy areas and include:

- A strengthened employment offer with increased investment in employability support and the testing of new approaches
- Connectivity and childcare to enable access to employment with a greater availability of affordable public transport and more childcare offers
- Transforming the economy by working with all sectors to promote fair work and investing in local and regional economies.

This cornerstone of the delivery plan has been the subject of the Committee's <u>inquiry</u> to ensure the Scottish Government delivers on its plan.

Contact: Social Justice and Social Security Committee, The Scottish Parliament, Edinburgh, EH99 1SP. Email SJSS.committee@parliament.scot. We welcome calls through Relay UK and in BSL through Contact Scotland BSL.

# **Inquiry report**

The Committee published its inquiry report in November 2023. It contains 34 recommendations and requests for action across a range of themes. The Committee received a response against each recommendation from the Scottish Government on 22 January 2024 and a debate was held on 14 March 2024. Several Members from a range of committees with relevant remits, such as Net Zero, Energy and Transport and Education, Children and Young people, contributed demonstrating an interest in making progress through the various policies.

# The need for a commitment to deliver across policy areas

Throughout our inquiry and other related work, the Committee has heard that a greater scale and pace of action would be needed to meet the interim child poverty targets.

Our work also clearly highlights the cross-cutting nature of the issues and barriers faced by parents when it comes to employment and employability and the decisive action needed across different policy areas if the Scottish Government is to achieve Best Start Bright Futures' commitments and targets.

## Progress a year on from publication of the report

A lot has changed since the publication of the report at both UK and Scottish A lot has changed since the publication of the report at both UK and Scottish Government levels. However, in spring 2024, the First Minister reaffirmed his commitment to tackle child poverty, saying "Eradicating child poverty will be the single most important objective of my government – and work in other priority areas will support and drive that mission."

For the inquiry and our recommendations to have a meaningful impact, the Committee will continue to hold the Scottish Government to account on its progress on the relevant policy areas to the end of the session. We <u>wrote</u> to the Cabinet Secretary for Social Justice on 7 November to get an update on progress nearly a year in from the publication of the report. The Cabinet Secretary <u>replied to the Committee</u> on 29 November.

# Policy areas relevant to the remit of your Committee

We believe the remit of your committee is incredibly important to tackle this issue and we would greatly value an update on pieces of work and lines of inquiry in your current or future work programme. This would help us hold the Government to account, broadening the impact of our report and highlighting the cross-cutting nature of the actions and policies needed to win its fight against child poverty.

The inquiry highlighted that in order to lift parents out of poverty through access to fair and flexible employment, a network of essential infrastructure needs to be in place, including childcare, education and training.

An over-arching theme of the inquiry was indeed how critical affordable, flexible and appropriate childcare is to enabling parents to return to the workforce. The Committee heard many calls for an increase in funded and subsidised childcare including the expansion of funded entitlement to Early Learning and Childcare (ELC) and after school care. A review of the childcare provision sector taking into account the need to recruit and maintain the workforce in a range of settings was also a priority.

The Committee heard how parents looking to improve their skills or retrain need diverse routes within the education system and provision is not adequate with a lot of competing priorities, and systems designed around young adults with few responsibilities. We understand you have been doing some work around college and university funding as well as scrutinised the Hayward Review as well as the Wither's Report

# Maximising the impact of our recommendations

Ending child poverty can only be achieved if the Scottish Government supercharges its efforts to deliver across different policy area commitments.

We would therefore be grateful if you could let us know if you have done or are planning any work around the above topics and policy areas and also consider the recommendations listed in the Annexe which are relevant to the remit of your committee. In order to increase the reach of our report, we would be particularly like to know:

- What progress you have made on relevant pieces of work you are currently undertaking and/or outcomes of relevant work you have completed
- If you are planning to do some work on any of these issues by the end of the current parliamentary session
- If you are aware of relevant and/or upcoming updates and developments relating to these issues.

We would appreciate a response by 31 January in order to inform the follow-up work of the Committee.

Yours sincerely,

Collette Stevenson MSP

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Convener

**Social Justice and Social Security Committee** 

# **Annexe**

# Recommendations relevant to the Education, Children and Young People Committee

#### **INFRASTRUCTURE**

### Adequate and affordable services for low-income parents

#### Provision of childcare

70 - The Committee recommends that the Scottish Government sets out a strategy to retain staff and address the issue of competition between sectors. As part of this, it should consider Audit Scotland's recommendations around data on the movement of staff across sectors and workforce planning and monitoring to make the childcare sector sustainable.

#### Provision of childcare

71 - The Committee recognises the importance of working with partners and testing workable approaches. However, the parents we met through this inquiry found childcare to be one of their main barriers to employment. We therefore ask the Scottish Government to reassess the scope to accelerate and scale up its work in this area. The Committee notes that the exact timing, hours of provision, eligibility and income thresholds have yet to be announced. As such, the Committee asks the Scottish Government to provide it with these details and the timescales it is working towards within the next 6 months or to advise why this is not possible.

## **Education and training provision**

84 - The Committee recognises the progress made in widening access to further and higher education in relation to school leavers. Nevertheless, the Committee recommends more could be done for adult returners and parents. The Scottish Government should evaluate successful initiatives, scale up work and ensure there is national provision for adults seeking to return to education. In doing this work, the Committee recommends the Scottish Government provides part-time courses with flexibility built in, for example by taking account of factors such as school term dates.

#### **Education and training provision**

85 - In addition, the Committee recommends that the Scottish Government works with education providers to explore and evaluate successful initiatives, particularly those focused on enabling access to low-income parents, with a view to promote and support these as good practice within the education sector. The Committee also recommends that case studies of flexible and holistic delivery are included as part of its further and higher education strategies and its approach to funding streams to ensure that support for parents to access education and lifelong learning is incorporated from the outset.

#### **Education and training provision**

86 - The Committee draws the attention of the Scottish Parliament's Education, Children and Young People Committee to the above recommendations and they may wish to consider them as part of their scrutiny of the continuing reforms to education and the Withers' report on the Independent Review of the Skills Delivery.

#### **INFRASTRUCTURE**

Need for diverse service provision to meet specific needs

#### Childcare

139 - To facilitate employment for parents experiencing multiple inequalities, the Committee recommends that SG undertakes a detailed assessment of the current childcare workforce availability across the sector. This should include skills for children with additional support needs, and the levels of provision required to allow children from different cultural backgrounds to access the services, as well as the provision needed in remote and rural areas for parents to start or return to work. The Committee also recommends that SG engages with relevant organisations to review examples of good practice to inform its expansion plans.

#### FINANCIAL SUPPORT - STUDENT PARENTS

#### Financial pressures of summer breaks

163 - The Committee recommends that, as a follow-up from its summer support for students review, the Scottish Government develops concrete solutions around childcare costs to support student parents manage their finances and caring responsibilities over the summer months, so they do not have to suspend or give up their courses.

#### Part-time grant thresholds

168 - The Committee agrees with James Withers recommendation to review the provision of funding for students wishing to undertake part-time studying and urges the Scottish Government to undertake this review as soon as possible.

# Improving financial support and guidance from education Institutions

173 - The Committee recommends that the Scottish Government engages with the Welsh Government and Welsh education and student union partners to understand how learning from the Diamond Review could be applied in Scotland to support and guide student parents and incentivise part-time study as a positive option for them.

#### **NATIONAL POLICY PRIORITIES**

#### Fair pay for childcare workers

202 - The Committee asks the Scottish Government what discussions it has had with the sector on what this increase in minimum pay means for providers' overall wage bills, for recruitment into the sector, for paying managers higher salaries than the minimum pay to retain them in the sector and for organisations that rely on grant funding to pay staff wages.

# Reform of the post-school education sector

206 - The Committee recommends that the Scottish Government recognises low income parents' specific needs, financial constraints, and responsibilities as part its programme of reform of the education sector and associated public funding systems. It should do this by including them as a category when analysing learners' needs and in determining funding, specifically childcare costs, as this is a significant expense for low-income parents.

# Work-based pathways and just transition Opportunities

213 - The Committee asks the Scottish Government to keep the Committee updated on the Government's response to the James Withers review of the skill landscape and, in particular, how this response will contribute to reducing in-work poverty and help towards reaching the Government's parental employment ambitions as set out in the Best Start, Bright Futures delivery plan.

#### INTER-SECTOR COLLABORATION TO PROGRESS NATIONAL PRIORITIES

### Returning to higher education

221- The Committee agrees with recommendation 1 70 of the Withers report stating that the Scottish Government should take a leadership role in postschool learning policy with clear expectations and remits and stronger oversight of delivery and performance. This oversight should ensure that low-income parents are considered in post-school policies and in collaborative work with education providers and other key organisations.

# FUNDING TO DELIVER PARENTAL EMPLOYMENT - Prioritisation

#### Early learning and childcare

270 - The Programme for Government does not set out what new funding will be available to meet the new childcare commitments. The Committee asks the Scottish Government to set out a detailed spending plan alongside the budget showing what it aims to achieve with that spending and relevant timescales.

#### Increasing funding for Individual Training Accounts to meet demand

287 - The Committee looks forward to hearing the details of the lifetime skills offer and recommends that the Scottish Government ensures it is funded on a significant enough scale to provide a broad range of opportunities to low-income parents who would benefit from an ITA.

# FUNDING TO DELIVER PARENTAL EMPLOYMENT - Consistency and availability of funding

#### Increasing funding for Individual Training Accounts to meet demand

289 - In addition to the specific funding recommendations already set out in this report, the Committee asks the Scottish Government to outline what support it will provide for student parents in the context of tightening public sector finances.

#### **Providing educational courses**

303 - The Committee notes the Withers Report and draws particular attention to the recommendations around the creation of a single agency and redesign of funding and pathways. The Committee notes that these recommendations could benefit low-income parents.

#### **Providing educational courses**

304 - The Committee understands that the Scottish Government is currently considering the development of a new funding model for post-school education provision – a move which it is thought may see the functions of the Scottish Funding Council, Skills Development Scotland and the Student Awards Agency Scotland brought together. For post-school education and training, the Committee urges that this new body has a strong focus on addressing poverty and works with education providers to inform funding and courses that would best target people who need a range of options, such as access and short courses as part of their learning journey.