

LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

Wednesday 17 September 2008

Session 3

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LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

22nd Meeting 2008, Session 3

CONVENER

*Duncan McNeil (Greenock and Inverclyde) (Lab)

DEPUTY CONVENER

*Alasdair Allan (Western Isles) (SNP)

COMMITTEE MEMBERS

*Bob Doris (Glasgow) (SNP)

Patricia Ferguson (Glasgow Maryhill) (Lab)

*Johann Lamont (Glasgow Pollok) (Lab)

*David McLetchie (Edinburgh Pentlands) (Con)

*Jim Tolson (Dunfermline West) (LD)

*John Wilson (Central Scotland) (SNP)

COMMITTEE SUBSTITUTES

Brian Adam (Aberdeen North) (SNP)

Rhoda Grant (Highlands and Islands) (Lab)

Alison McInnes (North East Scotland) (LD)

Margaret Mitchell (Central Scotland) (Con)

*attended

THE FOLLOWING GAVE EVIDENCE:

Tam Baillie (Barnardo's)

Fiona Campbell (Falkirk Council)

Marion Davis (One Parent Families West of Scotland)

John Dickie (Child Poverty Action Group)

Margaret Doran (Glasgow City Council)

Andy Hamilton (Falkirk Council)

Douglas Hamilton (Save the Children)

Peter Kelly (Poverty Alliance)

Robert McGeachy (NCH Scotland)

CLERK TO THE COMMITTEE

Martin Verity

SENIOR ASSISTANT CLERK

ASSISTANT CLERK

Ian Cowan

LOCATION

Committee Room 1

Scottish Parliament

Local Government and Communities Committee

Wednesday 17 September 2008

[THE CONVENER *opened the meeting at 10:00*]

Decision on Taking Business in Private

The Convener (Duncan McNeil): Good morning and welcome to the 22nd meeting in 2008 of the Local Government and Communities Committee. I remind everyone—as I usually do at this stage—to switch off their mobile phones and BlackBerrys.

Agenda item 1 is to consider whether to take in private agenda item 3, under which the committee will consider a paper from its budget adviser, Professor Ron McQuaid. We normally discuss issues papers with him in private.

Do members agree to take item 3 in private?

Members *indicated agreement.*

Child Poverty Inquiry

10:01

The Convener: Agenda item 2 is our child poverty inquiry. We welcome our first panel. Tam Baillie is director of policy at Barnardo's, and John Dickie is head of the Child Poverty Action Group in Scotland. We have not received any apologies, so I presume that Robert McGeachy of NCH Scotland has been delayed by transport difficulties or an unforeseen event and that he will join us. Marion Davis is manager for development, policy and training at One Parent Families West of Scotland, Peter Kelly is director of the Poverty Alliance, and Douglas Hamilton is head of policy and research at Save the Children.

Members of the committee and the witnesses are not strangers: in preparing for the inquiry sessions, we had the opportunity to discuss issues with them in various settings, and we welcome their written evidence. As a result, and given the size of the cast here, we will not ask for opening statements, which would be a challenge too far for us this morning. It will be best to proceed directly to questions, with the witnesses' consent.

Jim Tolson (Dunfermline West) (LD): Good morning. I thank the witnesses for coming to the meeting.

We all know that there are several important aspects to trying to tackle child poverty, one of which is how we use single outcome agreements as a tool to do so. I would like you to focus first on those agreements, on which the Child Poverty Action Group has commented. I have some general questions for Mr Dickie and the other members of the panel about them.

Are there any specific forms of support that you would wish local authorities to be provided with to assist them in their delivery of services to tackle child poverty? What specific measures should be put in place in order that both the Scottish Government and local authorities are held to account on SOAs? Do you have concerns about the impact of the removal of ring fencing on initiatives such as the working for families initiative? Finally, what consideration has been given to, or what examples exist of, the pooling of budgets by community planning partners to deliver services holistically to tackle child poverty?

John Dickie (Child Poverty Action Group): In our written evidence, we said that concern exists that the mechanisms are not currently robust enough to allow local authorities to demonstrate how their increased spending flexibility is impacting on children and families that are experiencing poverty. Therefore, we are keen to see the single outcome agreements and the

process that is involved being developed and improved so that there are much clearer expectations and there is a much clearer ability to demonstrate the impact of policy and services on children and families that are experiencing poverty.

I mentioned in our evidence that colleagues in the Child Poverty Action Group have, with the Centre for Economic and Social Inclusion, developed a local child poverty toolkit for use in England. We think that that toolkit could be useful to local authorities for understanding the relationship between child poverty and the services that local government is responsible for delivering, and to measure progress and demonstrate the impact of their delivery of services on child poverty. However, that should not take away from the need for a robust mechanism between local authorities and the Scottish Government to allow us to see where money is going and what impact it is having on children and families who are living in poverty. The concern at the moment is that the mechanism is too loose to allow that.

We welcome the big-picture purposes, targets and indicators that are being set at national level. However, because of local authorities' increased flexibility, it will be essential to find a way of ensuring that the national indicators and targets take effect at local level.

Tam Baillie (Barnardo's): It is helpful to start with single outcome agreements, because they are now the driving force behind implementation of Government policy, although it is a bit early to say exactly what will happen with the single outcome agreements. We and others have been looking at them to see how clear a profile is given to poverty. I think that although most of the single outcome agreements will mention poverty and measures to tackle it, fewer will mention child poverty. By taking an interest, the committee could ensure that child poverty features in single outcome agreements. As John Dickie suggested, some work might remain to be done on developing useful indicators.

With the new relationship between central Government and local government, it will be important—if we want to tackle child poverty consistently across the country—for child poverty to feature in the single outcome agreements. However, it is early days: the first single outcome agreements have just been produced, and we know that they will develop in the future.

The Convener: Have any of you done any work to assess the published single outcome agreements? How many have mentioned or targeted this issue? Are you happy or sad—or despairing—about them?

Tam Baillie: We are in the middle of assessing them right now. I wish we could produce a paper showing all the mentions of poverty and child poverty, but that is a mammoth exercise. There are 32 single outcome agreements, and we are not the only sector that is interested in them. However, that kind of analysis will offer the kind of information that will let committees become much more informed in respect of the questions that they should be asking of central Government and local government.

The Convener: Are you doing that work together?

Tam Baillie: Yes.

The Convener: Obviously, various organisations could be funding that. When do you expect the exercise to be complete?

Tam Baillie: Within weeks, we will have an idea of the mentions of poverty across the board, and an idea of which councils specifically mention child poverty. However, I am reluctant to say that there will be a published document. We have to be careful and sensitive when local authorities are putting together single outcome agreements. The agreements are dense documents. Mr Tolson mentioned taking a holistic approach: many of the measures that local authorities would regard as tackling child poverty will not fall just into the child poverty category, but will affect education, income maximisation and a range of other issues. It will therefore be complicated to do a detailed analysis of the documents.

Peter Kelly (Poverty Alliance): John Dickie has talked about taking a consistent approach to considering single outcome agreements, and Tam Baillie has said that we have to consider what is being done across a range of policies in the single outcome agreements. The committee might have a critical role in the coming years, when it considers how to hold local authorities and the Scottish Government to account, in finding out how the spending within single outcome agreements is allocated and how it is child poverty proofed. That will be a key role, and CPAG's suggestion of some kind of toolkit to help local authorities is very useful.

It is probably beyond the scope of the voluntary organisations that are represented on the panel to do that full-scale analysis. The Poverty Alliance would look to the Scottish Government to do such analysis and for the committee to contribute to it.

The Convener: We will talk about maximising income and about benefits later in the morning. I am anxious that we do not focus too much on one area at the expense of others. Much of the evidence that we have received from your organisations focuses on local authorities

delivering services such as child care, education and so on, which are very important.

I will allow other members to come in on the single outcome agreements.

Johann Lamont (Glasgow Pollok) (Lab): The Scottish Parliament information centre has done analysis of single outcome agreements that indicates that, on average, only 12 per cent of the national indicators feature in the SOAs. The witnesses have said that we need consistency across Scotland and that we must recognise the crucial role of local government. A critical issue for your organisations, which want to deliver services and support families throughout Scotland, is that there is tension between avoiding a postcode lottery and respecting local flexibility. How will that be done? You say that single outcome agreements are “dense documents”. If they are dense documents and it cannot be done, does that suggest that the process is wrong?

John Dickie: We would like a mechanism in the agreements to ensure that local authorities are able to demonstrate what they are doing to tackle child poverty, and the impact of what they are doing. Such a mechanism is not part of the current thinking.

Johann Lamont: With respect, what Tam Baillie said—John Dickie said it, too—was that the means through which national policy would address child poverty in Scotland would be the single outcome agreements, but you are saying that there is not currently a mechanism in the process to do that. National indicators are a very small part of the agreements and the Scottish Government says that it is the role of local government to deal with those matters. Is the danger that we will lose the strategic focus on child poverty or any poverty measures as long as such an approach is taken?

Tam Baillie: There needs to be a consistent policy throughout Scotland. It is a question of how much flexibility central Government would be comfortable with in single outcome agreements.

Johann Lamont: There is total flexibility.

Tam Baillie: We are in the early days. It remains to be seen what will happen in the second round of single outcome agreements. There may well be a call, perhaps from the committee, that child poverty should feature in them: it may well be the kind of issue on which you could make representations to central Government, although central Government would still have to take a view about the degree of difference between single outcome agreements, not only on child poverty but across a range of policy matters.

Douglas Hamilton (Save the Children): I will back up Tam Baillie’s point. How it will be done is

exactly the sort of question that the committee needs to ask the Scottish Government and local authorities when they come before the committee. Our recommendation is that there should be a local outcome on tackling child poverty in every single outcome agreement.

I come back to the provisional analysis that has been done in our initial work. Glasgow City Council has an outcome in its single outcome agreement about reducing the proportion of children who are living in poverty. I would like to see something like that in every outcome agreement and I would like there to be a standard indicator that every local authority could use to measure progress. That is what we recommend for the Government and local authorities.

The Convener: I apologise to Jim Tolson, as I cut him off and did not allow him back in. Marion Davis wants to comment.

Marion Davis (One Parent Families West of Scotland): Lone parents are the focus of Westminster policy changes in the welfare reform that will take place in the coming years. We have city strategies in certain parts of Scotland, some aspects of which will merge into single outcome agreements and strategies. We would be interested to know about the contribution that the welfare to work strategy makes to the national picture. The aim nationally is to eradicate child poverty and to move 70 per cent of lone parents into work. How do we measure that locally? Glasgow has a high percentage of lone parents. How do we measure at local level how successful the coming together of the welfare to work strategy and the Scottish Government’s workforce plus strategy to support lone parents in moving into work have been in tackling child poverty? That is a challenge, but it is important. If Westminster and the Scottish Government have a joint agreement to eradicate child poverty and one of the main ways in which Westminster intends to do that is to move lone parents into work, it is important to know how we measure that.

10:15

Jim Tolson: In relation to the single outcome agreements, Tam Baillie was right to say that it is difficult to get a hold on child poverty when 32 different local authorities are reporting on it and each authority has a certain amount of flexibility. That is a challenge for you and for us.

Here is another challenge for us all: yesterday, the Government announced its budget for the coming year. We need to examine that budget, not only for mentions of child poverty but to determine whether budget lines will or will not help to eradicate it. We must move forward on that.

Douglas Hamilton made a particularly good point about indicators and targets. Specific, measurable, achievable, realistic and time-bound—SMART—targets give real, tangible and credible targets that we can achieve on child poverty and other matters. We need to consider in more detail the single outcome agreements, budgets and other issues that come from the Government and local authorities to try to ensure that we achieve the targets on child poverty in a realistic timescale.

Tam Baillie: One of the questions that I am sure we will be asked is whether we have the right local indicators to ensure that we make progress on any number of policy areas—the one in which we are interested today is child poverty, of course. As long as there is flexibility in that process, we as a nation might get smarter at measuring our performance.

Bob Doris (Glasgow) (SNP): The witnesses have gone some way towards answering my supplementary question. Single outcome agreements might bring into sharp focus certain cross-cutting issues, such as child poverty. In the past, local authorities carried out a number of stand-alone initiatives on child poverty and regarded them as what they did to tackle it. Now, we have the single outcome agreements—the witnesses will say that the local authorities' approach to tackling child poverty should be woven through those agreements. Do they present an opportunity—intended or otherwise—to ensure that all 32 local authorities work with the Scottish Government to tackle cross-cutting issues that affect our communities, such as child poverty, gender equality and racial equality?

Douglas Hamilton: They provide an opportunity but, at the moment, tackling child poverty is not working through the single outcome agreements. We recommend that there should be a local outcome for it in each single outcome agreement. If we had that, the agreements could be useful for comparing approaches across authorities so that they could learn from one another, and share experiences about how they might achieve the outcome and reduce the numbers of children who are living in poverty.

The initial analysis that we have done shows that some of the single outcome agreements mention tackling child poverty in relation to health inequalities. That is good, but child poverty does not appear so much in relation to inequalities in educational outcomes. There are opportunities to ensure that it is woven in but the single outcome agreements need to be brought together to ensure that every local authority does that. If it is not standard, the opportunities that you mention will not materialise.

David McLetchie (Edinburgh Pentlands) (Con): I was interested in Marion Davis's

observation about the Westminster strategy of taking 70 per cent of lone parents off welfare and getting them into work. On what objective evidence is that based? What objective evidence is there regarding whether it is better for the long-term welfare of children, particularly pre-school children, if they are nurtured at home by their mothers—their parent, to use a neutral term—than if they are in child care while the parent is at work? I ask Marion Davis to comment on that from the perspective of lone parents; perhaps other witnesses might like to respond for other groups that suffer from child poverty.

Marion Davis: A lot of research shows that families in which the lone parent is in work have a higher income and therefore a lower level of child poverty. The challenge lies in lone parents moving into work sustainably. We would like lone parents to have a choice—to decide whether to move into work or not and whether their doing so would be in the best interests of the family.

Welfare reform is moving along on a slightly different track, in that parents with children aged seven and above will be required to move on to jobseekers allowance and to be available for work. There are some positive sides to that, in that lone parents have otherwise been left on income support, and there has not been as much investment in them and support for them to move into employment.

As I said, it is important for lone parents to have an element of choice. Their rate of job entry is the same as that of other groups, but lone parents' sustainability in work is effectively half that of other groups moving into work. If we could get the sustainability aspect right, Government would achieve its 70 per cent target and, as we argue, the element of compulsion would not be required. Both the key parties at Westminster—Labour and Conservative—have a policy of compulsion and conditionality around lone parents and their employment.

David McLetchie: You have spoken about research that shows that families in which the lone parent is in work are better off. Is that measured in terms of income? Is there any research covering wider issues, including nurturing and general wellbeing? I appreciate that income will be higher when the parent is in work, but what about the wider issues around the nurturing and wellbeing of younger children, in particular? I am talking about their getting a good start as they first go to school, and other qualitative aspects.

Marion Davis: If you find one piece of research saying that children's wellbeing improves if their parent goes to work, you will find another that says that there are negative effects from their being in child care at a young age. The jury is out on that question. The key is to have choice and to assume

that parents know what is best for their children. If they are going to move into work, it needs to be well-paid and sustainable employment: after all, a high percentage of children who are in poverty live in families in which there is a parent working. We need to get that right.

Tam Baillie: Barnardo's is a child care organisation, so children's development is at the heart of our concerns. Marion Davis is right: routes into employment are often the best way to get families—especially young families—out of poverty. There needs to be a link with the early years and early intervention framework. In freeing up and removing barriers to employment through providing child care, we have to consider the quality of that child care and the child's education. I hope that, whatever else comes out of the early years and early intervention framework that the Government is currently working up, specific mention is made of the quality of care that is provided to our children and the support that can be given to families in those early years. There is a definite tie-up between freeing up families for economic activity and maintaining a balance in providing good care for our children.

Peter Kelly: To return to David McLetchie's point, living in a low-income household over a sustained period damages many children's wellbeing. That needs to be the focus. Helping lone parents, or any parents, back into work should be about ensuring that the work is sustainable—as Marion Davis suggested—and decently paid.

That brings us back to the working for families programme, which Jim Tolson asked about earlier but which we did not address. One of its key successes is in helping lone parents back into the labour market at a pace and time that suits them, and with decent child care being made available for them. Such measures can improve the wellbeing of children over the long term, not just when they are children, but into young adulthood and adolescence.

John Dickie: The context is that we have one of the highest employment rates in the world, but also one of the highest child poverty rates. When we talk about supporting people and removing barriers for those who can and want to get back to work—there are too many barriers, such as child care or a lack of quality jobs—we must remember that, too often, removing barriers will not be the solution to child poverty. We must remember that we need an adequate safety net for those who are not able to work, perhaps because they have made a positive choice to care for children or are affected by disability or ill health. We must consider how to provide services and financial support to protect those families from poverty.

The Convener: We will have an opportunity to discuss that shortly, but John Wilson has a final question on the single outcome agreements, after which we will move to questions on income maximisation.

John Wilson (Central Scotland) (SNP): My question is along the same lines as David McLetchie's. Although Jim Tolson's initial question was on the single outcome agreements, Marion Davis and one or two others have mentioned the issue of how we bring together the work in a Scottish context when many of the levers that could bring people out of poverty through income do not rest with the Scottish Government. I seek advice from the panel about the measures that should be put in place to help alleviate child poverty. Through the single outcome agreements, we can have a wraparound policy at local level, but what measures would you like to be put in place that would make the difference that would raise children out of poverty?

The Convener: I am reluctant to go into that, because I want to finish the discussion on single outcome agreements. Alasdair Allan was going to lead us on to that wider issue. However, I ask the witnesses to respond to John Wilson's question by relating it to single outcome agreements, perhaps by giving us a view on child care provision, the free school meals pilots or the working for families programme. We will then move on to benefits and income maximisation.

Douglas Hamilton: I will give a brief answer and others can pick up on the details. To tie in the answer with single outcome agreements, there is a role for Westminster, local authorities, the Scottish Government and the Parliament. We recognise that several players are involved and that not all the levers for tackling child poverty are in one place. That is the context within which the Scottish Parliament and Government need to find their role and consider how they can make the biggest difference.

The committee's inquiry is a good starting point. Some issues that the committee will consider, such as income maximisation and employment, are within the control and power of the Scottish Parliament and Government and local authorities. As various players are involved, the committee can play a key role by trying to pull everything together in one place through its inquiry, including issues relating to local government and the UK Government. Co-ordination does exist between the different levels of government, but as the Scottish Affairs Committee pointed out, pulling together the work of local authorities, the Scottish Government, the Scottish Parliament, Westminster and the UK Government and ensuring that they all work better is one way of ensuring that all those efforts contribute to the overall aim of tackling child

poverty. I hope that the committee will be able to unpick that, explore the issues a bit further and then make recommendations as to how the situation can be improved.

Robert McGeachy (NCH Scotland): I strongly support Douglas Hamilton's comments. To get to the very roots of child poverty and make a real difference, it is vital that the UK and Scottish Governments work together, along with the Convention of Scottish Local Authorities and local authorities. Joined-up working was flagged up in the Scottish Affairs Committee report, and I hope that this committee will take that up and identify practical ways in which the different agencies and Governments can work together.

10:30

Marion Davis: I have a couple of things to say about how Westminster and Scottish Government policies affect lone parents. As welfare reform in relation to child poverty moves along, the changes that are being made have not taken into account the Scottish institutional landscape. In making welfare reform work, it is key that child care and skills support are in place for lone parents so that they can take up employment opportunities. For example, legislation requires local authorities in England to provide child care to meet the needs of not just lone parents but other parents who want to move into employment and education, but it is different up here. England also has extended schools provision, whereas Scotland's child care strategy is taking a slightly different route, although Glasgow has made some announcements about its recent plans. It is a challenge.

The skills strategy is also related to lone parents and employment. Employment and employment services are Westminster-based levers, and the skills strategy is a Scottish Government function. Ensuring that lone parents have a compulsory skills check, which will start to roll out for lone parents whose children are over seven as well as for parents with younger children, is part of welfare reform. We are talking about joined-up working. It is crucial that those functions work together, and measuring that is an important part of the single outcome agreements.

The Convener: Johann, do you feel the need to ask something?

Johann Lamont: First, am I right in thinking that your preference is for compulsory indicators? If so, would it be reasonable to expect the Scottish Government not to accept single outcome agreements that did not contain indicators? Indicators are not compulsory at the moment, so at what point should they be made so?

Secondly, there has been an argument about whether single outcome agreements should be equality impact assessed. It is all very well to aspire to things, as Marion Davis said, but they have to be delivered in practice and in certain ways. Should the single outcome agreements be equality impact assessed? If there were no evidence of such assessments, would it be reasonable to ask the Scottish Government not to accept the agreements? If you do not agree, how would you ensure that the single outcome agreement budgets address the needs of, for example, families that are in poverty and that suffer disability, and lone-parent families that are headed by women, who are more likely to be in low-paid jobs? Marion Davis's point is about not realising aspirations but delivering through practical mechanisms. What practical mechanisms should be put in place?

Tam Baillie: My understanding of the spirit of the agreement between local and central Government is that none of the indicators will be compulsory, and that it will be left to local authorities to decide what indicators are put into the single outcome agreements. However, if we are going to take a consistent approach to tackling child poverty in Scotland, I would expect to see that in each of the single outcome agreements.

Johann Lamont: What if it is not? I presume that an equality impact assessment would provide such consistency.

Tam Baillie: If it is not in the single outcome agreements, we will have to dig a bit deeper into them, because it might be tucked into other policy initiatives within an holistic approach. However, we would like child poverty to be specifically mentioned as part of the indicators.

John Dickie: We are looking to local authorities and the Scottish Government to agree that authorities should be able to demonstrate the impact that policy, services and spending are having on children and families who experience poverty. They should also be able to demonstrate by way of agreed indicators the progress that they are making in tackling child poverty.

The Convener: Thank you. Alasdair Allan will lead our next set of questions on income maximisation.

Alasdair Allan (Western Isles) (SNP): Various estimates have been offered of the number of families with children who would be lifted out of child poverty if they claimed the benefits to which they are entitled. Do you have an estimate of how many families would be affected if that happened?

John Dickie: I cannot say how many, but it is clear that full, or improved, take-up of benefits and tax credits would have a significant impact. We said in our submission that the official evidence is

that £70 million-worth of tax credits goes unclaimed each year and that 20 per cent of families are missing out, so a significant amount of money that should be in the hands of families to support their children is not being received by them.

Disability living allowance is another key benefit. We know that children and families who are affected by disability are at particular risk of poverty and that, all too often, that allowance goes unclaimed. The evidence is clear: a significant amount of money is not reaching those whom it is intended to reach.

Part of the wider issue is that, even if a family receives in full the benefits and tax credits to which it is entitled, the level of benefits and tax credits is inadequate to lift the family out of poverty. We need to tackle the issue on two fronts: the adequacy of benefits and tax credits, which is a reserved issue, and ensuring that people get what they are entitled to, which is a devolved issue. We focused on the latter issue in our submission. Through supporting the provision of advice services, the Scottish Government and local authorities can play a huge role in ensuring that people get what they are entitled to. When families receive the benefits and tax credits that they are entitled to, it can have quite a dramatic effect on their wellbeing, including the wellbeing of the children.

Robert McGeachy: I support what John Dickie said. A lot of effort goes into highlighting benefit fraud. It would be good to see a bit more effort going into highlighting the lack of uptake of benefit. That would maximise take-up.

John Dickie: The wider impact of boosting the incomes of families and ensuring that they have the money to which they are entitled is that that would allow children to participate fully in their education. Although this evidence is anecdotal, it concerns a recent local authority case in which a welfare rights team was sent in to see a family whose children had been truanting from school. The children had been off school for a long time and, despite many interventions, the problem had not been tackled. The welfare rights team found that the family was not getting the benefits and tax credits to which it was entitled and that it was in severe financial straits. The intervention not only got the family the money that it was entitled to but led to the children's return to school. The welfare rights intervention did more than simply boost the family's income; wider positive benefits were also achieved.

There is a lot of scope for ensuring that advice is provided where families are likely to access it. I am thinking of educational and health settings. Front-line education and health workers can refer people to the quality advice and information that

they need if they are to tackle the financial issues that might be the root cause of the educational or health problems that lead them to seek advice in the first place.

Alasdair Allan: How patchy is the current provision of welfare and income maximisation advice in local authority areas? Should there be a statutory obligation on local authorities to provide such advice?

John Dickie: The situation is definitely patchy. Different authorities deliver advice in different ways, whether by way of authority-provided services or the voluntary sector, including rights advice services. Showing that such advice is available to families in its area should be a key part of a local authority's demonstration of what it is doing to tackle poverty, and it would enable the authority to ensure that families get the income support to which they are entitled.

Services are under financial pressure at the moment, which is having an impact on front-line delivery. Recently, our second-tier benefits and tax credits advice and information was evaluated, and the feedback showed that one of the things that was preventing the delivery of services by people in the front line was the financial pressures at the local level. Ensuring that there is support for adequate advice at local authority level is crucial. In our submission, we said that it is important to map the availability of advice and information across Scotland, so that we know what sort of information service is available and can see where the gaps are, so that we can deal with them.

Peter Kelly: We have just completed the third of three large-scale consultations with people who are experiencing poverty. Perhaps the most consistent message that has come out of that is the need for better advice and information to ensure that people access the benefits and services that are available to them. That relates to the issue of the patchiness of services. Unpublished work that we have done in the Borders shows that there is a big problem with people accessing information in rural communities. Also, work done up in Stornoway shows that a relatively small investment in advice services has had an incredible impact.

Advice needs to be a priority for local authorities. It comes back to the question of the overall approach that we ought to be adopting at the Scottish level and the recommendations that we should be making to funders at the local authority level and to citizens advice bureaux, which are under a great deal of pressure, and will be under ever greater pressure, given that the current fuel poverty problems are only going to get worse.

Douglas Hamilton: A recurring theme of Save the Children's evidence throughout this process

has been the need to ensure that services reach those who need them most. Quite often, the poorest families—the ones that are the most vulnerable—are the ones who miss out. That applies equally to benefits advice and income maximisation support.

In our submission, we say that 44 per cent of households with children living in severe poverty claim child tax credits, but we would expect the figure to be much higher than that. That indicates that, even with current advice services, the poorest households are missing out on some of the money that they are entitled to.

Marion Davis: I would like to reinforce what others have said about welfare benefits, but also talk about income maximisation. The quality of advice and information that people are given is important. Through consultation with lone parents, we have discovered that income maximisation advice has to be long-term advice, particularly in relation to tax credits. One of the reasons why lone parents fall out of employment, and often get into debt and so on, is that their tax credits fall dramatically in the second year, because the calculations are based on their having been in work for a year. It is important to have, for example, really good benefit take-up campaigns, but it is also essential that we have a longer-term view in relation to financial planning.

Alasdair Allan: I appreciate that it is not your job to make life easy for local authorities, but would a more far-reaching programme of income maximisation throughout Scotland reduce some of the pressure on local authority social work departments and so on, which would mean that they could provide better services?

John Dickie: Evidence shows that boosting incomes through benefit take-up not only benefits individuals and families but has a wider positive impact as a result of increased spending in the local community. In fact, I know of research that has modelled the creation of jobs around those additional resources.

10:45

The Convener: With regard to the lack of co-ordination, we might agree that it is everyone's responsibility to raise awareness and maximise benefit uptake through campaigns, but why should the Scottish Government be responsible for funding a campaign for a UK benefit? Has that been a problem? How would the burden of such responsibility trickle down to local authorities, which might take on a statutory or major role in funding awareness or take-up campaigns for UK benefits or benefits in general? How do we achieve co-ordination and ensure that all

authorities accept their responsibility in this matter?

Douglas Hamilton: Why should the Government do it? Because it can.

The Convener: Why has it not been doing it?

Douglas Hamilton: The Scottish Government and local authorities have the power to tackle child poverty in Scotland. At the core of this inquiry should be an examination of what we, the Scottish Government and local authorities can do to make a difference and how we can push it through. As John Dickie has just made clear, evidence suggests that income maximisation and benefit uptake can form an important strand in tackling child poverty in Scotland. Tackling those issues is devolved to the Scottish Government and is within the remit of local authorities, so if they can do it, they should do it, because it will have a significant impact on tackling child poverty.

The Convener: But why is the Scottish Government not doing it and why has it not done it?

Tam Baillie: Perhaps we should come at the issue the other way round. The fact is that we can and should do it. I do not particularly want to talk about where responsibility should lie, but we are talking about UK money that can be maximised by efforts in Scotland to the benefit of families that are most in need. It is a cost-effective way of getting more money to some of our poorest families.

John Dickie: There is also a specific Scottish dimension, with the increasing importance of the interaction between benefit and tax credit entitlements and devolved sources of financial support. For example, parents who want to return to study are entitled to student financial support, which is a devolved matter. However, that has an impact on their benefit and tax credit entitlements. Likewise, the take-up of kinship care allowances, which are a devolved source of financial support for vulnerable families, has implications for entitlement to benefits and tax credits. The working for families programme exposed a similar situation, with attempts by local authorities and partnerships to provide additional funding for child care places having an impact on families' child tax credit entitlements.

We need to examine the complex interaction between devolved sources of financial support to families and UK benefits and tax credits. It is important that we have an advice and information system that is funded in Scotland to make sense of all that.

The Convener: But that still raises the question of why we have not had one.

John Dickie: The point is not that we have not had one; it is more about doing things better and more consistently and ensuring that we provide the right resources.

The Convener: I hope that this evidence session will highlight some good practice.

David McLetchie: We have heard a lot about the complexity of the benefits system and, as John Dickie's previous response highlighted, the interaction between UK benefits and devolved services and benefits. How good are the information and the information technology network that agencies and advisers use to advise people on their mandatory entitlements and discretionary benefits? Is there a basic software kit or whatever you might call it—I am not very good on IT issues—that welfare rights advisers, money advice advisers, agencies and so on can access? Can you enter a set of circumstances, ask all the pertinent questions, and get a printout that tells you whether someone is entitled to certain benefits, or may be entitled on a discretionary basis to other benefits, so that you can take it from there? Is such infrastructure in place with regard to providing advice?

John Dickie: Citizens Advice Scotland has a reasonable second-tier infrastructure in place to support front-line advice bureaux. We provide second-tier advice and training and information to front-line advisers. However, it is often difficult for advisers to access that support. There are cost issues, and it is difficult to free up time for advisers to go on training courses to get up on new developments. They are often under pressure, and there might not be cover to allow them to go on training courses to gain an understanding of the latest developments in benefits and tax credits.

Nonetheless, an infrastructure is in place to allow people to access the level of detail that you are talking about, if advisers are given the right resources and the time to discuss people's entitlements with them on an individual basis. We can then advocate for people and enable them to access the benefits to which they are entitled, and challenge the poor decision making that too often means that people do not get what they are entitled to even when they claim for it.

David McLetchie: Is that access directly available to a potential claimant? Is it possible for someone to go to their local library, enter their circumstances into a computer, press a button and get answers about the benefits that they are entitled to, or is that only available where there is a network of advisers who have access to the type of information and software that you have described?

John Dickie: Various tools can provide a basic benefit check, so it is possible for individuals to do

that. However, such tools must be treated with caution. Because of the complexity of the system, we recommend that people see an experienced adviser to discuss the financial support that they might be entitled to.

Marion Davis: That is crucial in relation to moving into work. If someone does that without expert advice, they might make a decision based on flawed information. A lone parent, for example, whose income level is crucial to feeding their kids would want to base their plans on getting the right information from an expert.

The Convener: It can be complex, in that there is a lot of duplication. The voluntary sector delivers benefits advice, local authorities make calculations with regard to particular housing benefits, and the Department for Work and Pensions deals with routes back into work. Perhaps the committee can make some recommendations in that area.

Jim Tolson: Robert McGeachy made a good point about the uptake of benefits. We are all aware that there are national targets to eradicate child poverty. Would maximising the take-up of benefits be enough to eradicate child poverty, or do we need a longer-term approach that involves moving people through training and qualifications into work, and trying to lift families—and therefore children—out of poverty that way?

Tam Baillie: The straightforward answer to your first question is no. Barnardo's, as a national organisation, has called for an additional £3 billion to be allocated through the child tax credits system, and for a streamlining of the benefits system—we have heard at length today about its complexities. We believe, as does the Institute for Fiscal Studies, that that would allow us to reach the 2010 target. The UK, Scottish and local government contexts have been mentioned today. It would help if the committee pressed for child poverty to be on the agenda at joint ministerial meetings, so that the policies work in harmony. We also have to consider the overall benefit levels for some of our poorest families.

Douglas Hamilton: The answer is still no. That is not to say that it is not an important strand—it is absolutely important. Maximising the income from benefits and tax credits to which families are entitled will have a significant impact. However, as I have said, there are issues about low pay and children who are living in poverty whose parents are in work that must be addressed as part of the overall strategy for tackling child poverty.

There are various strands. Tackling the take-up of benefits will have a significant impact on the overall child poverty figures, but that must be aligned with addressing the issue—which is also part of your inquiry—of providing sustainable

employment that pays a decent enough wage to lift families out of poverty.

Jim Tolson: “No” was the answer that I expected. However, the issue is complicated. Robert McGeachy might wish to comment on that. We must ensure that an holistic approach is taken, as some members have mentioned. Douglas Hamilton makes a good point about the need to provide reasonably paid employment—not just any employment—and the training and everything else that goes with that to help to lift families and children out of the poverty trap.

John Wilson: Marion Davis has said that only 44 per cent of lone parents take up the tax credits to which they are entitled. I accept that support mechanisms need to be in place. I remember Strathclyde Regional Council’s benefits take-up campaign in the 1990s, which aimed to maximise the take-up of benefits by families. Nevertheless, does the panel agree that, instead of spending lots of money in chasing what it sees as benefits fraudsters, the Government should use some of that money to ensure that the agencies that are supposed to deliver benefits actually go out and deliver them?

Instead of relying on people chapping the door, asking for money, should not the Government agencies ensure the maximum take-up of benefits? Would that not be better than a host of agencies throughout Scotland approaching the various organisations and saying, “This client isn’t getting enough money. They are not getting the full benefit. Stump up now”? Would it not be easier for the Government to ensure that people who are entitled to benefit receive it, rather than set up a myriad of advice services to do that?

I accept that there needs to be continued support at a local level to ensure that people get the benefits to which they are properly entitled. However, we seem to be approaching the problem from the wrong direction in arguing that we need to challenge the system to ensure that people get their benefits. We should, instead, be telling central Government to ensure that everybody who is entitled to a benefit gets it. The Government should work with, for example, people who are entering work or who are lone parents to do that. It should take some responsibility for getting the benefits to those individuals.

John Dickie: As you say, the Government needs to do what it can to ensure that benefits and tax credits reach those who are entitled to them, whether they are in work or out of work. Nevertheless, we will still need an independent infrastructure of advice workers who can advocate on behalf of individuals to ensure that they get the benefits to which they are entitled. It is not an either/or situation. There is a role for central Government—currently the Department for Work

and Pensions and HM Revenue and Customs—in ensuring that people are aware of their benefit entitlements. However, there is also a role for advice services at a local level in ensuring that people take up their entitlement as they become aware of it.

Peter Kelly: The issue is partly about the way in which we view the benefits system. Rather than call it welfare, let us call it social security, as we used to. We see it as, somehow, an add-on of the welfare state rather than as a core part, like education services or the health service. We think about it differently, so people have to argue the case for what should be a right—their entitlement.

John Wilson may partly be alluding to the fact that the DWP could be much more proactive in encouraging people to take up benefits. When tax credits were first introduced, they were accompanied by a widespread, useful and popular take-up campaign, which worked. We could probably do with more of that.

I am cautious about being overconcerned about the duplication of welfare rights advice. We need more centralised provision such as the one-stop shops that people often call for, but, as John Dickie alluded to, the experience is that people take different routes to get the information that they need, so we should ensure that those routes are open to people. Whether people’s contact comes through health provision, education provision or local authority or voluntary sector welfare rights services, the most important thing is that they are given good-quality, consistent advice.

11:00

John Wilson: I have one more question on the tax credits system. We rely heavily on the working families tax credit to provide an income top-up to people who are out working. Given some of the issues that have been raised about the tax credits system over the past couple of years—including, as has been mentioned, the fact that people seem to get more money in tax credits in the first year than in the second—will the panel comment on the complexity involved in claiming for, and calculating, tax credits? Does anyone on the panel have an opinion on how the tax credits system could be modified—we cannot modify it, but we can suggest how it should be modified—to bring maximum benefit to the people who receive tax credits? I understand that a claimant whose income changes during the year can find that some of the money is clawed back the following year.

Tam Baillie: As I mentioned, Barnardo’s has called for an additional £3 billion so that we can streamline the methods of payment and ensure better targeting of the most needy families. We

have done some complex modelling of how, at least in our estimation, that would allow the poorest families to get out of poverty. I would be more than happy to share that information with the committee later rather than take up time just now going into all the complexities.

John Dickie: Likewise, we have done a lot of work in pushing the UK Government to improve the administration of tax credits, and we have seen some real progress on that front. Again, we could provide more information—I do not have the details to hand just now—on how we have pressed hard to bring about the recent improvements that we have seen. Those have perhaps not gone far enough yet, but we are working on the issue.

Tam Baillie: Engagement between the Scottish Government and the UK Government is key. The issue is what the Scottish Government does with that information, given that the matter is reserved.

Johann Lamont: I am interested in the notion of the importance of advice. The provision of such advice probably goes beyond telling people just that they are entitled to benefits X and Y; we need to draw on many other things, such as the experience of how we support such families. I agree that the complexity of the system is an issue that must be addressed at the UK level. Rather than deliberately create disincentives to applying for benefits, we should ensure that people are able to access the benefits that are available.

The point was made that everyone is under financial pressures, but some of those financial pressures are clearly a matter of Scottish Government policy. The Scottish Government has actively decided to fund tax cuts amounting to something like £400 million by 2010-11. In that context of financial pressure—which is an active political choice about what the Government does with its money—are people tracking the levels of service in the provision of financial welfare rights advice? Let me give some anecdotal evidence. A constituent complained to me that she can no longer get someone to help her fill in one of the forms. It is arguable whether the forms should be so complex, but it has been suggested that some of the soft services have been stripped out of local government services and removed from local government contracts with the voluntary sector. Are your organisations tracking that?

John Dickie: We have not tracked it in formal research, but we have received clear feedback on it. A key issue that arose at a recent conference that was attended by 150 welfare rights workers from across Scotland was the pressure caused by a lack of resources at local level. The pressure was greater in some areas than in others, but cuts and squeezes on funding were having an impact on people's ability to deliver services.

Other evidence has come from an independent evaluation that we asked to be carried out. It was an evaluation of our services, but an issue that was picked up from front-line advisers and from people in focus groups was that of a lack of funding at local level and the impact that that was having on the delivery of adequate local services.

Johann Lamont: I am suggesting not that the voluntary sector lived off the fat of the land for years but that now things are tough. However, you say that your work is a key part of addressing child poverty, so you would expect funding to be sustained, if not growing. It would be very important to inform the Scottish Government and local government if the trend was in the opposite direction.

John Dickie: Absolutely. We feed back the information that we receive, and that brings me back to the issue of how we can improve the single outcome agreement mechanism between the Scottish Government and local government, to ensure that national ambitions and commitments—on income maximisation and on boosting the take-up of benefits and tax credits, for example—filter through to the funding of services on the ground that can deliver the support to fulfil those national ambitions and commitments.

Tam Baillie: The discussion has brought us almost full circle—we are back on to the discussion of single outcome agreements that took place at the beginning of the meeting. As I said then, it is early days. However, one thing that the committee could usefully do would be to encourage the Scottish Government to monitor the impact in particular areas. We are talking about child poverty, and it will take a while for some movement in services to take effect. We can relate anecdotes, but that is not really satisfactory; some proper research is required at national level on the impact on specific services across the board.

Johann Lamont: But you would not expect to have less money to do your work.

Tam Baillie: No, but there are winners and losers. Certain areas of service development in our organisation are growing as opposed to suffering from cuts. Proper national research is required.

The Convener: Your groups campaign for the poor. However, there have been tax cuts for businesses and the council tax has been frozen, and the poor do not benefit from that. There are arguments about how much benefit the poor receive from free prescriptions, and there are arguments about the universal provision of free school meals. Some people are in acute poverty, and arguments arise over the universality of some measures. What are your views on the priorities shown when substantial amounts of money are

spent on cutting business rates rather than on cutting the rates of children living in poverty?

Douglas Hamilton: Our organisation does not have a position on cutting business rates, but I will say this: levels of child poverty this year are pretty much the same as they were last year and the year before that. The policy developments that you refer to are not having an immediate impact on the lives of children living in poverty.

I agree with you on some points. We have responded to the Scottish Government to say that we are not convinced about free prescriptions. We do not really see how the poorest people benefit from that measure. Similarly, we remain to be convinced on how the poorest families will benefit from any reforms to the council tax.

What is important—it is clearly lacking in the policy developments that are being discussed—is an element of poverty proofing. Poverty proofing, would allow us to consider developments such as business rate cuts, council tax reform and free school meals and say how they were impacting on and benefiting the poorest families. That is another thing that the committee could recommend so that the Government and local authorities progress their approach to child poverty in the coming years. Child poverty proofing new policies could be considered.

Peter Kelly: I will try to answer the question on tax cuts. The Poverty Alliance would certainly be in favour of redistributing wealth, although how that should be done is open to question. Tax cuts at the Scottish or the UK level are probably not widely held to be a good way of redistributing income to the poorest.

I return to a point that Johann Lamont made about monitoring impacts on organisations that deliver front-line services. Some organisations are not in the best position to monitor. However, the Glasgow Council for the Voluntary Sector is monitoring the cuts, and I will feed back to the committee any information about that monitoring that I can get. The impact on local organisations of using resources differently is an important issue.

Marion Davis: Likewise, we do not have a position on business rates. However, I reinforce what Peter Kelly has said about inequality. It is important to consider inequality and poverty and not only total child poverty.

On targeting and universality, I want to make a point about school meals. One Parent Families West of Scotland participated in the free school meals campaign, and we still support a free school meals policy. Obviously, there is a health and poverty debate around that. A key issue for lone parents moving into work is in-work costs. Stumping up money for school meals as well as for travel and other things to move into work

represents an added cost. We see consideration of that issue as an important part of the employability agenda and getting people from welfare to work.

Robert McGeachy: A lot of our discussion seems to have returned to where the different levers to change things lie. Obviously, Westminster has responsibility for the benefits system, but there are also levers in Scotland. What has been said underlines the need for dialogue between the two Governments at the highest level to address child poverty.

Douglas Hamilton mentioned child poverty proofing many new policies, which I would support. Policy memorandums outline the impact of new legislation on equalities, rural and remote communities and the environment. Why cannot consideration be widened to include children, young people and child poverty in particular?

My colleague Marion Davis mentioned the employability agenda. It is important to recognise the level of support that individuals sometimes require to get back into work. We have provided training and employment opportunities in the construction industry for difficult-to-reach young people through our youthbuild projects. It is important that organisations such as NCH Scotland and our partners provide support for young people, many of whom have complex life issues and challenges. We must recognise the importance of ensuring that support is in place to ensure employability.

John Dickie: One way of looking at the issue is to consider countries—particularly the Scandinavian countries—that have much lower levels of child poverty, and to find out what they are doing. There is an issue. Those countries invest much more money in the social infrastructure that protects children and families from poverty—I am talking about investment in child care and education, and benefit safety nets that genuinely protect children. Investment is required. We need to find more resources to provide such infrastructure, and those resources should come from those who are most able to pay, so the tax system should be examined.

Tax cuts should not threaten our ability to tackle child poverty in Scotland. We should be trying to build a consensus around raising the level of resources that is required to provide a social infrastructure that will genuinely protect children and families across Scotland from poverty.

11:15

Tam Baillie: There is a correlation between levels of inequality and health outcomes right across the board. The more unequal our society is, the more our citizens suffer from poor health

outcomes. I know that we are concentrating on child poverty today but the levels of inequality in the UK have not shifted very dramatically. If we do not look at them, they might well have a dampening effect on any of the measures that we take. That is just another issue that we need to take on board if we are really to tackle child poverty in the UK.

John Wilson: On Tam Baillie's comment, inequality in society has widened during the recent past rather than remaining static.

My question relates to Johann Lamont's point about local authority funding, particularly for the voluntary sector. As I understand it—I have number of years of experience in the voluntary sector—voluntary sector advice services in particular rely heavily on money not from local authorities but from other agencies. For example, the Big Lottery Fund, the Calouste Gulbenkian Foundation Trust and other charitable organisations provide money to allow the voluntary sector to deliver many of its services. Have the members of the panel seen a change in the level of funding from sources other than local government? We seem to be focusing on how the single outcome agreements have stripped voluntary sector organisations of funding, when other aspects of the funding streams on which voluntary sector organisations rely might have been affected. That might be hidden by the argument about the single outcome agreements.

Tam Baillie: As I think I said earlier, it is too early to say. We need properly researched information—it would be useful if the committee recommended that. If there is a particular concern about money advice, it might well form part of that research brief. People need to take a national view of the problem, just as they need to take a national view of child poverty and its profile within single outcome agreements.

The Convener: I think that we are coming to a bit of squeezing time. Bob Doris has a question.

Bob Doris: We are talking about the best way to use the money that local authorities get. This might be a good time to put on the record the fact that they have had a 13 per cent increase in their funding, and voluntary sector organisations have had a 37 per cent increase, at a time when the Scottish Government has had an increase of only 1.4 per cent. It is important to put all that in context.

Money needs to be used wisely. For example, we have already heard that, at a local level, payments to kinship carers might fall foul of the UK tax and benefits system. In reintroducing grants for further education students, we have found that some of them might also fall foul of the

UK system. How do we progress that and keep money in the Scottish system?

I will give an example and ask panel members for their comments. If a kinship carer receives £100 per week from a local authority, and the first £60 of that offsets the UK benefits that they get, there will be £60 less to be used to tackle child poverty in the Scottish system. How do we keep that money within the Scottish system when the Scottish Government and local authorities are actively trying to tackle child poverty but people are losing money because of the tax and benefits system?

Douglas Hamilton: I have a couple of points on that. First, local government and the Scottish Government have powers to make additional payments directly to children and families, but that must be done in a way that will not disadvantage them. We must consider ways in which to do that. I agree that it is counterproductive to give people money from one budget if it is taken away from another one. We need to provide assistance in a way that does not impact on benefits.

Secondly, to return to the conversation on benefit take-up and income maximisation, we need to ensure that the money that is due to the Scottish people comes to them, because it is their right to get that money as social security. The issue has two sides. First, we need to ensure that additional assistance does not have a negative impact, and there are ways round that problem. Secondly, we need an approach that gets into Scotland the money that is due to the people in Scotland who need that money the most.

Bob Doris: Can I ask a quick follow-up question, convener?

The Convener: You were going to lead off with the employability questions.

Bob Doris: I might let that slide and allow someone else to lead on that if I can ask this question.

The Convener: Okay.

Bob Doris: Would the panel members like every pound that is lost through the tax and benefit system because of local authority or Scottish Government initiatives to tackle child poverty to be brought back to Scotland? In other words, if income support or housing benefit is lost because of such initiatives, would the panel members be keen for that money to be brought back to Scotland and given directly to local authorities for initiatives to tackle child poverty? Should the DWP return the money to Scotland?

John Dickie: That highlights the point that, although the Scottish and UK Governments are committed to ending child poverty, it is vital that ministers work together to ensure that, when

additional supports are considered or introduced, they provide genuine additional financial support for children and families. We must work to find out where, perhaps unintentionally, benefits and tax credit regulations cut across other payments—such as kinship care payments, which Bob Doris mentioned—or vice versa, and then find a way round that. We must push for changes in regulation to allow vulnerable families and families in poverty to get the maximum benefit from new sources of financial support. To me, that is about the Governments working together. They both have a clear commitment to ending child poverty, and providing additional support to families is essential to delivering that, so they need to work together to find a way round those problems.

Alasdair Allan: John Dickie said that tax cuts would not make an awful lot of difference to families living in poverty. To clarify, were you thinking of income tax? Was your point that a couple of pence off income tax would not make much difference to most of the families that we are talking about.

John Dickie: I am not an expert on the taxation system, but we need to proof any changes to taxation—whether income, council or business tax—to take into account their likely impact on families' resources and on the available resources to provide the social infrastructure that protects children and families from poverty. We need to be careful and proof taxation policy for its impact on child poverty. That would be our approach. Having said that, it is fairly clear that additional resources are required to provide the necessary child care and education services and the benefit and tax credit safety net. Those extra resources should come from those who are more able to pay. Too often, families and households that are in poverty pay a disproportionate amount of their income in tax. We must consider shifting that and getting more resources from those who can afford to pay.

The Convener: That takes us neatly on to employability strategies and whether work pays. We have concentrated for a while on maximising benefits, which raises issues about dependency and the poverty trap. People think that they cannot afford to work or that it is not worth while for them to do so. We should consider how to deal with that.

Is there an opportunity for the Scottish Government in effect to increase the minimum wage through the public sector? Are there any initiatives that we could take with employers to push the minimum wage up, rather than simply focusing on benefits?

Peter Kelly: There is a lot of scope there. I do not have the figures at the tip of my tongue, but I think that about a quarter of people who are directly employed by the state in Scotland are paid

less than £6.50 an hour. That comes from the New Policy Institute, so you can double-check my figures. There is therefore scope to address low pay within the public sector, and that seems to be within the ambit of the Scottish Government.

You raise a couple of other issues. There are various ways to tackle low pay. We have been discussing the work of the Poverty Alliance, and other organisations have been developing a living wage campaign over the past year. In the next month or so, we hope to publish research that will guide what a living wage in Scotland would be. It puts the emphasis on employers in the private sector. If we seek to tackle low pay, with a reduction in child poverty as a big impact, we need to consider the practices of the private sector. We have spoken a lot about the work of the UK Government, the Scottish Government and local authorities, but we do not talk very much about the private sector's role in addressing child poverty. There is work that can be done there.

Returning to what can be done by the Government, I think that enforcement of the minimum wage is an issue. It is almost as though we disregard the minimum wage now, because we have become so used to it that it has become part of the furniture of the labour market. However, the research that we did down in the Scottish Borders found that some people were not getting even the minimum wage. There is work to be done on the enforcement of the national minimum wage; resources should be put into introducing more enforcement officers in Scotland.

Tam Baillie: I certainly endorse what Peter Kelly said with regard to low wages. We said as much in our response to the anti-poverty strategy—that the Scottish Government could take the lead on the local authority wage settlement. The Government could give a lead on the overall wage packet that people take home.

I mentioned early years strategy earlier. It is a particularly strong Government policy, and we need to consider the quality and qualifications of staff in that area. A lead could be given on the value that we place on early years development.

We need to ensure that people are provided with appropriate support when they get into employment. For the most vulnerable families, the gap between accessing and sustaining employment can often be addressed at a local level using appropriate support to individuals in maintaining that employment. The issue is not just about the wage level or accessing employment; it is about giving people the necessary support to sustain it.

The Convener: In connection with the living wage campaign, which Peter Kelly spoke about, it is interesting to note from discussions with COSLA

representatives dealing with the current wage dispute that it has not been possible to tackle issues affecting the lowest-paid workers, because of equal pay legislation. It is a sweet irony that people at the top would complain that they were being discriminated against because we were tackling low pay.

11:30

Jim Tolson: I do not want to take up the committee's time scoring cheap political points; I would rather give due respect to the panel and keep to the pertinent questions. We are talking about equality. I would like to ask about equality for children with disabilities, looked-after children and children of asylum seekers. What extra efforts can the Government make to help those particularly disadvantaged children in our society?

Douglas Hamilton: Particular groups suffer disproportionately and we know that certain groups, such as the ones that you mentioned, are more likely than the rest of the population to live in child poverty. The answer is to ensure that we have adequate universal provision of services, but that alone is not sufficient. We also need to target initiatives at particular groups who suffer most and who need that assistance most. We have suggested that there should be outreach services for those families living in severe poverty and that a more flexible approach within those services should be developed. That is how it has to be done—we have to recognise that particular groups need additional support on top of the universal service.

Tam Baillie: There are two sides to the argument. We have talked a lot today about providing additional support to families, but the caring responsibilities in some families are such that the route to employment is just not practical, particularly in families in which there are disabilities. That is why it is important that, as well as providing additional support for people to get employment, we acknowledge that employment is not the way forward for the parents of some children. Therefore, the levels of benefit and support that they receive should be adequate.

Particular groups can access employment—for example, young people who are leaving care. They are a finite group of young people for whom we can provide supported employment opportunities so that they get a proper start in life that includes employment. Models are available; our organisation provides them, as do others. There are two groups of people to consider: people who are not able to access employment at a particular time; and those who can access it with the right support at the right time.

The Convener: The point is well made and reflected in some of the written evidence that we received. We are running out of time so, unless the witnesses want to add something more, I ask for their co-operation in moving quickly to a couple of final questions.

Bob Doris: Marion Davis might want to respond to my question. I visited an employability project that is run by A4e. The organisation runs a variety of projects, but the one that I visited is a voluntary project that helps single mothers, among others. It was emphasised to me that it has to be voluntary, that it cannot look at those whom it helps as statistics of people coming off benefits and that it has to look at the overall family situation when helping mothers with young children move from benefits into work. I offer Marion Davis an opportunity to put on the record the issues and pitfalls of helping people who wish to get back into work voluntarily, as opposed to being compelled to do so.

Marion Davis: Lone parents are a key target group. Their challenge is that not only are they the sole breadwinner, they are the sole carer. There need to be special schemes to help them to move into work, such as the one that you mentioned. I said earlier that our organisation feels that it is important that lone parents decide when it is right for them to move into education, training or work. Research shows that 80 per cent of lone parents want to take up employment opportunities if they can ensure that their child or children are well cared for. That is our point of view and we lobby on it.

It is clear that welfare reform will move along and lone parents who have children aged seven or above will be required to be available for work. It is important that the Scottish Government works in partnership with Westminster to ensure that the framework is in place in Scotland to develop that policy. Some of the key concerns for lone parents considering employment include whether the employment is sustainable and, as you would expect me to say, the cost and availability of child care. At the moment, the maximum level of support that lone parents and others who use child care can get through the tax credits system is 80 per cent. We would like to see some more investment or subsidy there.

A key issue, in terms of the Scottish link, is lone parents' skills and their access to training and education. The investment and resources are being made available to make such access possible. Before moving into the new scheme, whereby lone parents will be captured within the jobseekers regime, they have a chance to upskill, train and improve their education. The research shows that lone parents, as a whole, have a pretty

poor skills base and few qualifications. We therefore need joined-up working on that, as well.

The Convener: We have received many submissions on the issue of child care. Should access to child care be universal? What do you mean by “flexibility”? Would that include holiday periods, such as the summer holidays, which can be a challenge to people? Should child care be free to everyone? Should it be subsidised? What kind of provision should there be if the service is to meet the demands that we have heard about? I will take three responses.

John Dickie: We would argue that a child care system that protects and supports children and families, enabling them to lift themselves out of poverty, should be provided universally and free at the point of delivery. However, that is not going to happen overnight. We want the Government to set out its strategy for getting to a position in which child care that is free at the point of delivery is available in all communities to families who need it.

Douglas Hamilton: I agree with the point about universal provision. What do we mean by “flexibility”? It is ensuring that the child care meets the needs of the parents and the children by providing it at the times and at the points in the year when they need it and in the places where they need it. It is not having a service that provides child care between the hours of 2 o'clock and 4 o'clock, which would be tough luck on parents whose shift pattern is 6 o'clock to 8 o'clock. It is about learning from what happened with the working for families fund, which introduced some of the services. It is about providing child care that is appropriate to the needs of the parents and their work patterns, so that they get the child care when they need it.

The Convener: Tam, can you give me a plan? What are your demands? For how many hours a week should child care be available? I am not asking for something aspirational—what is your plan?

Tam Baillie: I think that we should talk about child development, not merely child care.

The Convener: We do not have enough time for that.

Tam Baillie: The picture is complex. We already have a mixed market and a commitment to improve early years services. There is an excellent opportunity for us to consider how we can get the right mix of good child development services and allowing parents to access employment when it is appropriate for them.

The Convener: John Wilson will ask the final question.

John Wilson: I hope that the answer will be yes or no. Does the panel think that we will meet the 2010 target on child poverty?

Douglas Hamilton: It will be extremely difficult to reach the 2010 target to halve child poverty within the current policy set-up. Nevertheless, that will be achievable if investment is made over the next year or so. There is still a possibility of reaching that target. That is the clear message that all our organisations are taking down to the UK Government at Westminster.

At End Child Poverty's keep the promise rally, on 4 October, we will push the message that there is still a chance to meet the 2010 target if the investment is made. As John Dickie has said, it is a question of political priorities and choices about where the Government puts its money. The Government could put its money into tackling child poverty and that target could still be met.

The Convener: Does anyone dissent from that view?

Witnesses: No.

The Convener: Thank you for your attendance this morning. We look forward to working with you throughout the committee's inquiry.

11:39

Meeting suspended.

11:43

On resuming—

The Convener: I welcome our second panel of witnesses. From Glasgow City Council, we have Margaret Doran, the executive director of education and social work services; and, from Falkirk Council, Fiona Campbell, the head of policy and performance review and Andy Hamilton, the corporate policy officer. The witnesses' written submissions have been forwarded to members, so we will proceed to questions.

Jim Tolson: A particular aspect that interests me is how the single outcome agreements will impact on eradicating—or otherwise—child poverty. What forms of support for the delivery of services to help tackle child poverty do you think should be provided within local authorities? What specific measures should be in place to ensure that the Scottish Government and local authorities are held to account on single outcome agreements? Do you have any concerns about the impact of the removal of ring fencing on initiatives such as working for families?

11:45

Margaret Doran (Glasgow City Council): On your first question, the United Kingdom Parliament's Scottish Affairs Committee's inquiry into child poverty showed that there has been an unprecedented level of investment and support for social inclusion and child poverty. Clearly, there is evidence that that was making a difference, although the report also recognises that progress has slowed down.

Over the past 10 to 12 years, the investment from the Scottish Executive and, latterly, the Scottish Government has been helpful to the local authorities. It is important for local authorities to be in tune with the Government's policy and to be signed up to the same priorities. It is to be welcomed that addressing child poverty is a priority for the UK Government, the Scottish Government and local government and its partners in the single outcome agreements.

Previously, we had the excellence fund; early intervention funding, which involved funding for supported study and for support for parents; funding for new community schools, which encouraged integrated working; and so on. It was quite difficult to disentangle funding from those separate silos and to focus it on improving outcomes for children and families in our communities. The fact that each funding stream had separate planning and reporting processes made the situation quite complex. I would have to say, therefore, that I welcome the end of the ring-fenced funding in the context of the single outcome agreement. However, we must be clear about the outcomes that we are trying to achieve. We want those outcomes to improve, year on year. The single outcome agreement framework is helpful, but it must be seen in the context of local priorities, which are—this is where it gets complex—determined with individual children and families. The capacity building with children and families to improve their individualised, personalised outcomes is what is important.

Today, you have been talking about a lot of large-scale, structural issues. However, a lot of soft issues must also be addressed. The issue is not simply about plans and structures; it is also about the people. The quality of the relationship between those who are providing support and working with children and families is equally as important as having a piece of paper that says, "These are your outcomes, and this is related to funding." The situation is much more complex than that.

I am particularly interested in the interface between those who are in receipt of services and those who deliver services and build the capacity of children, families and communities to bring about change in people's lives. In Durham, there

was a significant improvement on the education and care outcomes for looked-after children. The research showed us that the aspirations of the children, the families, the carers, the social work staff and the education staff were high. Everyone was committed to making a difference.

We need to ask what child poverty is and to look at softer measures that address the issue, as well as harder outcome measures. We are not clear about what those harder outcome measures are. What is the nature of poverty? What does it mean? More than 30,000 children in Glasgow are at point 1 on the 10-point Scottish index of multiple deprivation. That is a huge number of children in poverty, with families who are in poverty. Do we deal with that issue through a single outcome agreement? We need to build the capacity of universal services—early years, schools and health services. We must understand the employability agenda better and encourage parents into training for work. We must identify and be helped to identify the specialists with whom we should connect to give benefits advice, so that parents can be helped into work and employment.

You asked what local authorities need to support the delivery of services and linked that to specific measures in the single outcome agreement. Support comes from the phenomenal networking that already takes place in local authorities, through community planning. We have a strong Glasgow community partnership, involving all partners. We have a strong connection to Glasgow works—the pathfinder initiative to get people into employment. In Glasgow, people are increasingly joined up around the five themes for community planning. I am the learning theme champion for the city, and we have an all-age learning strategy. The other themes are being healthy, working, having a vibrant city—especially through sports, the arts and culture—and being safe. Those simple five themes are bringing people together in cross-cutting initiatives, with clarity about outcomes. They are related to the five national single outcome agreement themes.

If we are joined up nationally and in local areas, we can maximise partnership working to make a difference in communities. However, the biggest and most effective partnership is the personalised work that we do with every child and parent in Glasgow, especially the 30,000 children who are at point 1 on the Scottish index of multiple deprivation.

Fiona Campbell (Falkirk Council): The single outcome agreement has provided an important focus over the past couple of months. By making us look seriously at priorities, it has rejuvenated certain partnerships, as it has made clear that we cannot do everything. In Falkirk, the single outcome agreement involves our community

partners—it is not just a council agreement at this stage. Through discussion and development of the agreement, partners have understood why certain priorities are important to people in our area. Fundamentally, our community planning partnership is accountable for the delivery of the single outcome agreement to people in the Falkirk Council area, who have set our priorities through the vision for the area. The community planning partners have thought seriously about what we need to do to deliver those priorities and have set them within the single outcome agreement.

The release of ring-fenced funding to councils and, thereafter, to community planning partners means that we can join up initiatives to achieve our priorities and take difficult decisions not to fund certain measures because there are other priorities. It ensures that there is greater scrutiny of what we are delivering and whether it is having the desired impact—are we achieving what we want to achieve? The single outcome agreement is a natural progression for the strong, robust community planning partnership in the Falkirk Council area. It takes us a step forward and provides a focus for all partners—not just the council and those who have typically seen themselves as involved in particular issues or having particular priorities.

For example, we discussed with the police, the health service, the then enterprise company and the fire service how we might achieve our fairer Scotland fund priorities. Although funding certain initiatives with certain organisations will not help us to achieve our three fundamental priorities as expressed in our single outcome agreement, those agencies understand that they can do other things to help to achieve other priorities. That discussion has been very mature and helpful.

Jim Tolson: Does Andy Hamilton have anything to add?

Andy Hamilton (Falkirk Council): Just—

The Convener: I should say, Mr Hamilton, that you should respond only if you feel the need to.

Andy Hamilton: We felt that the working for families programme was a very effective model locally. We were in the second raft of authorities that received the funding—we got it for two years—and it helped 239 parents get into sustained employment. Because we felt that the model was valuable, the partnership has decided to continue it under the fairer Scotland fund, which means that it has not been affected by the removal of ring fencing.

Jim Tolson: I welcome those comments. Indeed, I am sure that the single outcome agreement has been well received by most local authorities, including Glasgow and Falkirk,

although it is a work in progress and very much in its early stages.

I do not know whether you heard the earlier evidence, but we discussed with the previous witnesses the possibility of all local authorities having specific child poverty targets in their single outcome agreements. Have your local authorities set such targets or do they plan to do so?

Fiona Campbell: The issue for us is how we measure child poverty at a local level and get statistics that actually make sense and allow us to understand, analyse and find solutions to the problem. Our single outcome agreement contains proxy measures such as benefit uptake and indicators on income and attainment. However, we have found it difficult to try to reflect some national figures at local level. As we say in our submission, it would be helpful if the agreements contained local proxy measures that could be used by all local authorities.

The Convener: Was that a yes or no to Mr Tolson's question? Is tackling child poverty a headline priority in your single outcome agreement?

Fiona Campbell: I do not think that we have used the phrase “child poverty”, but the outcome of a number of aspects of our single outcome agreement would be a reduction in child poverty. Instead of simply saying that we will alleviate or eradicate child poverty, we need to find out how we measure such things and ensure that we are achieving such aims.

Margaret Doran: That brings us back to the cross-cutting theme that we discussed earlier. Although our single outcome agreement contains a specific commitment to reducing the proportion of children in poverty, it relates to five of the national outcomes, including tackling inequalities in health, particularly those that are caused by childhood poverty; improving educational outcomes, including skills for employment; spreading the benefits of improved economic performance; and tackling youth crime.

One of our major priorities has been the recent launch of an early childhood and extended services strategy, which sets out a five-year vision in Glasgow and commits us to working towards giving all parents access to child care from 8 am to 6 pm, 52 weeks a year. The strategy also has an employability strand. For example, in a pilot that we are starting with the Glasgow works group in eight early years centres, we will work with parents who want to get back into training, education and employment on issues such as the links between child care admissions and charging policies and the benefits system. At the moment, we are designing lots of questions with a view to working them through the pilot.

12:00

For some time, Glasgow City Council has met the Scottish Government target of three hours a day free access to education—15 hours a week. We have done that in recognition of the need to tackle child poverty. I think that the target becomes a Government commitment in 2010.

Given the very good practice in family learning centres, we want to look at capacity building in the mainstream early years workforce. We have 11 such centres in some of the most economically challenged areas of the city. The centres are working through Glasgow works and with agencies to support parents into work. The difficulty in all that arises when parents cannot efficiently access working tax credits or child tax credits and the money just sits with the Treasury. I will not go into all that again; the committee explored the issue with the first panel. That said, I hope that the pilot that I mentioned will maximise the benefits that come to families and the income by which we can increase the number of child care facilities and places in the city.

The Convener: What you said fits neatly with Alasdair Allan's line of questioning on income maximisation. As you said, we discussed the issue earlier, but we have further questions on delivery and the local authority role.

Alasdair Allan: As the witnesses know, we discussed income maximisation for families in poverty with the previous witnesses, who came from the voluntary sector. Can local government do more to help people maximise access to the benefits and tax credits to which they are entitled?

Fiona Campbell: We highlighted the issue in our submission, particularly with regard to the work that council services undertake. That said, our evidence may not have reflected the support that we give to the voluntary sector and the essential services that that sector provides, including on income maximisation.

A member of the first panel spoke about the need to provide a range of services that allow people to access them in different ways. People do not access services in the same way but in a way and at a time that feels comfortable to them. Therefore, it is not helpful for us simply to tell them that there is one door for them to go through.

Falkirk Council supports a network of CABx and a range of other providers in our area that offer income maximisation services. We have also given training to health visitors who can now give welfare benefits advice as part of the service that they offer to people in their own homes. Indeed, we found from a small study that we undertook over a month that £28,000 of benefits had accrued to families as the result of advice from health visitors.

National campaigns are of use in highlighting particular issues. However, if a family is not in need of the benefit at the time of the campaign, the information can quickly be forgotten. When they need the benefit, people do not recollect that it is around and available to them. It is important that the messages are reinforced not only by specialists but by people with whom families come into contact day in, day out. Those people can at least provide a signpost to available benefits.

We are finding it increasingly hard to recruit people into our money advice service, as are our local CABx. The issue is perhaps one for national intervention.

Alasdair Allan: Have you any idea of the impact on families in your area who live in poverty if they were to access the benefits and tax credits to which they are entitled? Do you have any figures for that?

Fiona Campbell: We know that 17,000 inquiries were made to our money advice service last year, as a result of which more than £6 million went to families by way of additional benefits. We also know that 24,000 inquiries were made to our local CABx, as a result of which £8.1 million was generated for families. The amount of money is significant. As I said, during a four-week period, health visitors giving low-level advice obtained £28,000 of benefits for families in need.

Alasdair Allan: I wanted to ask about the consequences for local authorities. If families are lifted out of poverty in the way that we have been discussing, are there knock-on benefits for local authorities because of a decrease in some of the pressures on social work and other services?

Fiona Campbell: Inevitably, the call for certain services decreases. However, to go back to a point that was raised earlier, there is a balance between considerations of poverty and considerations of inequality. The local authority and our community planning partners should not just provide information and advice in order to help people get money; we should also provide an holistic service to support families. My colleague mentioned the working for families initiative. That initiative tries not only to get people back into work as a means to an end, but to support people so that they can sustain that work and can stabilise what might be a chaotic lifestyle. That will allow them to benefit not only from work but from wider community activities such as arts and sports, which can help them to become more rounded members of their communities.

Margaret Doran: An area that Glasgow City Council has excelled in is its work with the DWP and Glasgow works. We have recognised that a way of getting people out of poverty is improving their employability and getting them into work.

Pathfinder projects have set up local integrated working consortia arrangements, and the impact has been significant. The DWP and Glasgow works agreed targets: that the employment rate would be raised to 67 per cent by May 2009; and that some 12,000 residents would come off the three main benefits of jobseekers allowance, lone parent income support and incapacity benefit. Having targets is important, and people are all working towards them.

People have become much more active with children and young people at school through the more choices, more chances initiative. Work has been done not only with enterprise and employability workers in schools but with schools in setting up local groups to get young people out of the school scene and focusing on employability with Glasgow works and other partners.

We are also working on how we can identify early the young people who might drop out of the system. That work is critical. We have just conducted a huge staged-intervention audit in Glasgow of the needs of every child in nursery, primary and secondary schools. We studied additional support needs using 52 indicators, which has helped us to see which children should be targeted. We personalise things and get the children to think ahead about careers and positive destinations. The theory is to hold on to the baton—we have to identify the children early and then see them on to a positive destination.

If someone works for a public service in Glasgow—such as education or social work—we expect them to look outwards and to work with children, families and communities, thinking about the bigger issues. When parents are unemployed and children see that as the role model, unemployment will continue. Mr Allan asked about benefits, but the important thing is not the benefits to social work or other services, but the benefits to the economy and the life chances of people in Glasgow if we can all work together to make a difference to people's opportunities.

David McLetchie: I wanted to ask about targets and the measures that are used to assess progress. I was particularly interested when Margaret Doran said that 30,000 children in Glasgow were at point 1 of the index of multiple deprivation.

Glasgow City Council's written submission referred to your concern about using a target based on a single poverty line, with the households below average income survey as the basis of measurement. Forgive me for not knowing all the details of your single outcome agreement: does it include a target for improving the figure of 30,000 and moving some of those children up the 10-point scale?

Margaret Doran: What we are saying is that we cannot see the issues in isolation. It is a question of looking at a single outcome agreement on a cross-cutting basis and not just looking at health outcomes, for example. Educational outcomes are related to other outcomes: there can be all sorts of reasons why children are not achieving in school that relate to health, addictions and so on. We cannot look at a single outcome agreement and just see adult addictions as a health issue to be addressed by social work. Adult social work services that deal with addictions need to work with the children and the family to address the issue.

It is a question of connectivity between child and family. As I said, if we break down single outcome agreements to consider issues in isolation, we will not crack the problem of the 30,000 children and young people in Glasgow who are at point 1 of the 10-point scale. The issue is linked to their health and to how schools take responsibility for the positive destinations of and outcomes for the children and young people. It is about the health needs of children and families and about education taking its share of responsibility through health-promoting schools, for instance. Similarly, the health visitors that we heard about earlier were concerned about getting parents into employment.

Poverty is a complex issue, and if we look at it in silos, we will not see the solution. We need workers who see the connectivity, and we need politicians who see the potential for us to find better solutions when we work together rather than saying simply that the health service deals with one thing and the education service deals with another. We do not want employability services that deal just with employability without thinking about the impact of being in employment on people's health and wellbeing or without considering people's improved life chances and career prospects through learning.

David McLetchie: That point is well made, but is the index of multiple deprivation to which you referred not a cross-cutting index that takes into account health, education and so on? If so, it would seem a useful measure. To go back to my original question, is it included in the single outcome agreement as a measure of the improvements to the wellbeing of children on the cross-cutting basis on which the index is apparently compiled?

Margaret Doran: As policy officer, Fiona Campbell is better placed to speak about that. However, my understanding is that the SIMD is the Scottish Government's official tool for identifying small areas of multiple deprivation in Scotland. To be precise, it divides Scotland into 6,505 small geographical areas called data zones, each with a median population size of 769. They

are ranked from 1, which is the most deprived, up to 6,505, which is the least deprived. There are 37 indicators of deprivation across seven domains: current income, employment, health, education, geographic access to services, housing and crime.

I referred earlier to child poverty, and when we put all the domains together, we can see the impact on children. It is an area worthy of further research. As I said earlier, we need more robust data to identify the indicators of child poverty. We are not there yet—the index is a complex tool.

12:15

Fiona Campbell: The Scottish index of multiple deprivation has been used for a number of years to identify what have been called areas of deprivation or areas of priority treatment. It is used to examine urban areas only—it does not examine rural areas—and it covers only areas where there is a concentration of deprivation factors such as unemployment and ill health. A large amount of people who suffer from poverty and deprivation do not fall within the data zones that cover the worst 15 per cent of areas in Scotland.

Rural poverty, and therefore a range of children or older people who are suffering significantly from deprivation and poverty, might not be picked up by the index. Although we use the index to examine concentrations of deprivation, it should not be the sole measure of poverty or deprivation in an area.

David McLetchie: What should be used as a universal standard—the baseline—for measurement throughout all 32 local authority areas?

Fiona Campbell: As I said, we have included a range of measures within our single outcome agreement, including reducing the concentration of deprivation within our council area and the number of people who are claiming particular benefits; increasing household income; and examining educational attainment and health inequalities. Although those are local indicators and priorities, they will give us a measure of whether we are improving life chances for children and their families. Those indicators might be quite different from those used in the area next to us and in Glasgow City Council, so it is difficult to compare like with like.

Johann Lamont: Unless it has radically changed, the Scottish index of multiple deprivation covers the whole of Scotland. However, we need to recognise that there is an issue with regard to living in a community in which there is a significant concentration of deprivation. By definition, the data zones and the numbers are small, but the index includes at least one rural indicator and a homelessness indicator. It is not used only for urban areas.

I would like to know what discussions you have had with COSLA and the Scottish Government. The Government distributed funds through what is now the fairer Scotland fund. We need to recognise that although a person in a particular community might have the same income as someone who lives elsewhere, the health centres, schools and other services in that community have an impact, because poverty is concentrated in very localised areas.

Margaret Doran referred to the need for a cross-cutting approach, which is exactly the approach of the Scottish index of multiple deprivation process. I do not know whether the information that is provided by particular indices within the Scottish index of multiple deprivation is reflected in your single outcome agreements. With respect, if it was meant to be only for urban areas, it would not be called the Scottish index.

Fiona Campbell: The Scottish index of multiple deprivation has changed over a number of years. It is—or was initially—based on the census information, with certain weightings, but it has changed every couple of years. Since Falkirk Council has been in existence, we have found that the index has changed at least three times in relation to weightings and the way in which indicators were set. Although the index covers rural areas, it does not pick up the deprivation that we found in our rural area because of the small numbers involved.

Johann Lamont: The index covers 6,000 data zones, so it would pick up a concentration or a pattern within a field. It is not a complete indicator of everything needed to support individual families—that is what the benefits and welfare system is also used for. There is a difference between talking about the data that were used and how those data were balanced and measured, and saying that the index as a measure of poverty and deprivation does not cover the whole of Scotland. It does not exclude rural areas: there is a specific rural indicator. Unless the index has changed since May 2007, I think that it explicitly includes an access to health indicator, although I am not quite sure what it is called.

Margaret Doran: The Scottish index of multiple deprivation was produced in 2004 and 2006, and will next be produced in 2009. The 2004 and 2006 versions are consistent and cover every local authority. They can be downloaded from the Scottish Government's website. There is an interesting chart at the back, which shows every authority in Scotland.

Another proxy measure of child poverty would be footwear and clothing grants and free school meals. Such simple indicators have helped us for a long time in the education field to measure poverty. However, that is about ensuring that

parents are taking up those benefits. In authorities in which parents have been encouraged to take up footwear and clothing grants, those indicators can be used as a simple measure of child poverty.

The Convener: That opens up an interesting discussion. Priorities certainly need to be identified, for example, using acute poverty rather than a general measure. Much of what has been said by both of today's panels indicates that our aspiration flows to where our first priorities are and that we need decent measures to tackle the worst cases.

John Wilson: Fiona Campbell can correct me if I am wrong, but was she saying that 750 people in a data zone is too many, or that there are families who are falling through the net? That relates to an argument I raised some years ago. For almost 30 years, Langlees in Falkirk was seen as an area of deprivation. However, private sector investment and an influx of owner-occupation have meant that areas of owner-occupation can be found sitting right next to areas of deprivation. Someone with a household income of, say, £10,000, might be living within yards of an estate where people are buying flats at £125,000 or £129,000, or houses at £200,000. The impact on the assessment of household income in such areas can be quite dramatic. Do we need more robust indicators in order to pick up people who may be falling through the net?

Fiona Campbell: We are suggesting that there should be a balance so that the scenario that you mentioned does not happen. We should consider the index of multiple deprivation with regard to not only data zones but other measures as well. We should be considering not just concentrations of deprivation and poverty but how poverty impacts on someone because of circumstances other than geography or where they live.

Andy Hamilton: Langlees is a good example. We will not know whether the house building in that area has had an impact according to the Scottish index of multiple deprivation until it is run again in 2009. The SIMD is a really useful tool for us. However, like all measures, it is a crude tool, and it is not the only measure that one would want to use.

Johann Lamont: How does the SIMD impact on local authorities' capacity to deliver services? Local authorities have to consider an individual's access to a school and the needs of the family of a child with a disability—there are indicators that tell local authorities how the school should reach out to such families. However, if a school is attended by a significant number of youngsters from drug-abusing, homeless or transitory families, everybody who goes to the school is affected. It is not just about the individuals; the funding for that school should recognise the challenge.

I do not know what discussions are taking place not only about how local government services can be shaped by individual needs—for example, the needs of a family with a child who has a disability—but about how to direct resource into a community school when the income of many of its youngsters' families is adequate but it experiences pressures on its services because of what is happening elsewhere in the school community, which has an impact on the classroom and on all children's learning.

Fiona Campbell: We can do several things. The index of multiple deprivation has been useful in identifying areas with a concentration of deprivation factors but, as I said, a whole load of people who are in poverty and deprivation are not in those areas.

The Langlees and Dawson areas in Falkirk have been a priority for us for several years. We have recognised the problem of how to support existing services when a range of issues applies. We look closely at the issues in an area and we work closely with communities and with community and voluntary organisations not just to deliver projects, but to supplement and develop mainstream services. We have in a concentrated area a community school, a community library, a child care training resource and a campus facility that provides support for education and adult learning. We see the school very much as part of that, but the aim is to support the school to deliver what it is there for, which is education. We look at everything and at how we can complement and bend mainstream services to deliver for a geographic area.

Margaret Doran: The question of funding and resources is interesting. The number of children in Glasgow who are known to social work services is 10,000, and 30,000 children in poverty are at point 1 on the index's scale—9,000 are at point 2 and 8,000 are at point 3. Mainstream early years services, primary schools and secondary schools support those 30,000 or so children, who present complex challenges. It is clear that a gap in specialist or enhanced services exists. The only way through is to build the capacity of all the mainstream staff to understand better the additional support needs of children who are in those complex circumstances, which might involve addictions and all the issues that are associated with poverty.

Social work services face pressure because the thresholds for the children with whom they work mean that those children are likely to be higher tariff—to have higher needs. Residential or secure unit placements might be required, which cost a lot of money, and only one pot of money for children is available. A place in a secure unit costs £250,000 a child, and 19 children are in secure

units in Glasgow. When money is spent on that, it cannot be spent on all children. Resourcing for social inclusion is not sufficient to meet the needs that we face and to allow social work services, health services such as community health and care partnerships and schools to get on the front foot and do proactive and preventive work with children and families from birth all the way through. That fundamental shift needs to take place. The tariff is pretty high in places such as Glasgow, where we cannot get on the front foot.

The Convener: Should the justice system rather than education services be responsible for that budget?

Margaret Doran: Absolutely. I have recommended that before.

The Convener: We will move on to broader employability issues.

12:30

Bob Doris: I was going to ask the previous panel about the next subject, but it is just as pertinent to the current panel. I am interested in more details on how you work with the Glasgow works partnership.

I had an extremely constructive and helpful meeting with Jim McColl in Glasgow, who explained to me the employability strategy that the fairer Scotland fund has farmed out to Glasgow works. I also met David Coyne of Glasgow works. A negative issue that emerged is that, in the current economic climate, they are quite worried that many of their employability targets, on which they are making good progress, might start to slide. Glasgow works is seeking to build capacity by enabling people who are quite far removed from the labour market to compete in that market, but it is worried that they might be displaced as other people who have more capabilities and employability skills become unemployed. I am interested to find out about the work that Glasgow City Council and Glasgow works are doing together and what you think the challenges are. Given that we are talking about child poverty, any reference you can make to working with families and getting parents back into the labour market would be most useful.

Margaret Doran: The committee would probably benefit from hearing from Jim McColl, who chairs Glasgow works, or its executive director, David Coyne.

The key vision and the major challenges are recognised in the stretching targets that Glasgow works has set for itself, which are to provide full employment, to reduce child poverty and to create a workforce that is able to contribute to its full potential. Those aims are worth the effort. Jim

McColl is an inspirational leader who, regardless of the economic climate and the storms ahead, will keep driving forward to secure employment for people.

Glasgow's hosting of the Commonwealth games presents opportunities. That goes back to the point that I made about people having aspirations, and having a dream or a vision and going for it. The economic climate should not be allowed to get in the way of what people are attempting to do. I think that the hurdles will be overcome as they come along. We are talking about a highly driven initiative that is working with the DWP to make a difference. The action that is being taken—through, for example, the local consortia arrangements and by maximising partnership working—is powerful. It involves working with individual families and adults. For example, the single outcome agreement contains a commitment on social work services, which have made a difference in getting adults with learning disabilities into employment. Everyone—whether they provide public services or work in the private sector—is committed to getting people into work. That is a strong and powerful commitment.

Bob Doris: I have a question about the level of throughcare that is available once capacity has been built. Once a parent has been provided with the necessary child care, the better-off calculations have been done and Glasgow works or one of the local regeneration agencies has successfully got them back into employment, are they left at that point or does a support scheme follow on? I am aware of a number of schemes in different areas that will stick with a family for 26 or 52 weeks. What level of support is available to ensure that once someone is back in the labour market, their employment can be sustained?

Margaret Doran: The working for families element of the initiative has appointed 10 mentors—two in each of the five community planning areas—who work with parents, and not just those who require child care, to give them benefits advice, financial advice and advice on going into training. If there is a gap between someone getting a job and getting their working tax credit, there is even a hardship fund to help with their bills. It is quite an holistic model of support that stays with people until the situation settles. That support is always available.

We could always do more, but that should not always be left to initiatives. I go back to the point that we should build the capacity of our mainstream services. In Glasgow, serious underfunding in early years provision is affecting our ability to achieve our vision. We need more home-link and family support workers to reach out and contact parents and families, and to work with parents who might have had addiction problems,

for example. There is a need for someone to go to the house to work with them, or to get the child into nursery. We need much more of that outreaching, and the model should be sufficiently resourced to hold on to parents.

Bob Doris: That is the key thing. Follow-up work could be done after a year or two years on targets to get families or parents back into the labour market to find out whether those people are still in it. The issue is when they should get a chap on the door from a mentor or link worker who will say, "It's two months since you got your job. How are things going?" Link workers or throughcare workers could take a personalised approach to supporting families in their unique circumstances to ensure that they endure in the labour market.

The Convener: Is there a "Falkirk works"?

Fiona Campbell: We have a workforce plus strategy and a partnership that is part of our community planning structure. A range of organisations, which are led by organisations such as Jobcentre Plus, is involved in that strategy. The council's employment training unit and our health service are involved.

We have mentioned that Falkirk was one of the pilot areas for the working for families programme. We have made a commitment that when the challenge funding ends, we will continue it over another three-year period because we have seen significant benefits from it not only in getting people into work, but in sustaining them in work. Obviously, that complements the wider economic development strategy in Falkirk—the my future's in Falkirk initiative—which involves turning around the area from being one that was quite depressed to one that is economically and demographically growing.

We see a range of things underpinning an economic development strategy. It is not just about getting in employers; it is also about growing our own workforce—Margaret Doran referred to that—and Falkirk Council being an exemplar employer. We have made a commitment on having modern apprentices or skillseekers as 5 per cent of our workforce, and we want to encourage and nurture our young people to think that Falkirk is a place where they should work and that working for the public sector is a viable option.

We work with private businesses through our business panel, which has several hundred members. Through that panel, we have considered community benefits that can result from procurement, how the private sector can equal our modern apprentices and skillseekers commitment, and how it can sustain in employment people from the local community, for example.

We also work with other community planning partners so that when they have big contracts and are looking to award new work, they can take on modern apprentices, skillseekers and other trainees.

However, we must also consider how we are spending our money. We are not only employers—we are also procurers of services. We want to consider how we procure services to benefit local people through providing employment or training or opening up opportunities. We are doing a range of things other than the most obvious things.

The Convener: I think that the Child Poverty Action Group said that 25 per cent of the public sector workforce lives with poverty pay. How many workers in Falkirk Council and Glasgow City Council are on poverty pay?

Fiona Campbell: I do not have any figures on who is on poverty pay, but the lowest wage in Falkirk Council is above the minimum wage—I checked that with our head of human resources. However, that does not take into account part-time workers who may be the only earners in their households, for example. We do not have figures for them. That said, we have a commitment to ensuring that we are an employer of choice and an exemplar employer, and that people do not simply stay at the lowest wage level without any chance of progressing. We are considering a range of workforce development plans so that modern apprentices, skillseekers and people who are in part-time and lower-paid jobs can work their way through the organisation.

The Convener: Is that work in its early stages, or do you have information on how people on lower pay are moving or progressing through the scales? Do you have percentages or numbers on whether there have been successful outcomes?

Fiona Campbell: We are looking at workforce development plans for all our services and divisions to see how we can put that career development and progression in place. That work has started and is in progress.

The Convener: That is worth exploring because a lack of opportunity for progression can be a barrier to people entering employment. Margaret, have you considered the matter in Glasgow?

Margaret Doran: I have not been involved in that, so I do not have any statistics for you—sorry. However, in Glasgow we have just been through the workforce pay and benefits review. The cost of that was considerable, at £100 million, but it shows our commitment to our employees. There was also a target to ensure that every employee had a personal development plan by June this year. That work should be completed by the early autumn.

There are also throughout our services commitments to vocational training and to getting young people in particular into employment in the modern apprenticeships scheme, which is pretty powerful. The vocational training programme in Glasgow is unique, given the number of young people it tries to get into employment. There is a commitment to getting young people onto the first rung of the ladder and into employment.

Also, priority is given to looked-after children and young people through the enhanced vocational improvement programme and courses at John Wheatley College in construction and other trades, so we are ensuring that vulnerable young people get into employment.

On the point about salaries, there was definitely a commitment by the council leader to try to ensure that the workforce pay and benefits review was applied fairly and there is a commitment that every member of staff will have a clear career pathway by April 2009, with nobody being in detriment.

The Convener: The proposed percentage increase in incomes will do nothing to tackle the problems of low-paid people—we heard from COSLA people that the equal pay legislation actually works against doing something for them. It is strange. Anyway, we are where we are.

John Wilson: I was interested to hear Margaret Doran say that Glasgow City Council is getting young people into traineeships and modern apprenticeships. Under the regulations on the minimum wage, there are no set rates of pay for apprenticeships, although the UK Government has target amounts that it expects employers to pay. That raises the issue of employability.

Are Glasgow City Council and Falkirk Council paying reasonable rates that encourage young people to go into employment? Are they getting a financial benefit from being in the apprenticeship scheme? The rates of pay in some other sectors where young people are pushed into apprenticeships or modern apprenticeships can be as little as £1.50 or £2 an hour.

I think it was Peter Kelly from the Poverty Alliance who made the point that local authorities should up the ante. I know that health boards have tried to do that. If local authorities set a higher rate for the lowest-paid workers, they will act as a driver and will impact on how private employers regard their employees. It would be interesting to know what rates of pay are received by people who are put into modern apprenticeships.

Fiona Campbell: Modern apprentices who come into the council are paid the rate for the job. As I said, our lowest spinal-column point is above the minimum wage. We also broker arrangements for modern apprentices and skillseekers to go into

other organisations and we want them to get at least the minimum wage. In some cases, we pay an enhancement to modern apprentices and skillseekers. However, when they finish their programme and go into full and permanent employment, they sometimes lose money. That is an unfortunate consequence of our trying to do something to tackle the very issue that you raise.

The Convener: As we have no further questions, I thank you for your time and participation this morning and for the evidence that you submitted. We are grateful.

12:45

Meeting continued in private until 13:16.

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