

CPAG Scotland Briefing Note.

Health and Sport Committee Debate - Tuesday 18th April:

S5M-04948 - Inquiry into the Preventative Health Agenda.

That the Parliament recognises the importance of the work of the Health and Sport Committee in its inquiry into the preventative health agenda; welcomes its examination of policies and actions, which prioritise and build in actions to reduce demand on health in the longer term following on the work of the Christie Commission on the Future Delivery of Public Services, and the Finance Committee in 2010; notes that the cross-cutting nature of health inequalities also encompasses housing, education, justice, transport, the environment and other portfolios, and welcomes attempts to meet the growing demand for public services by preventing health problems before they occur by early interventions and by tackling causes as well as their effects.

Child Poverty Action Group (CPAG) in Scotland works on behalf of the one in four children in Scotland growing up in poverty. It doesn't have to be like this. We use our understanding of what causes poverty and the impact it has on children's lives to campaign for policies that will prevent and solve poverty – for good. We provide training, advice and information to make sure hard-up families get the financial support they need.

- 1 in 4 (260,000) children in Scotland are living in poverty.
- Experiencing child poverty can undermine the health and wellbeing of children.
- Increasing the financial resources available to families in Scotland will make a significant impact towards tackling the causes of poor health and prevent poverty related demand on services.
- A £5 top-up of child benefit would mean 30,000 fewer children in poverty in Scotland.

1. **CPAG Scotland welcomes** the Health and Sport Committee's Inquiry into the Preventative Health Agenda and in particular the recognition of the cross-cutting nature of health inequalities, and the Committee acknowledging the importance of early interventions in addressing the growing demand for public services.
2. CPAG Scotland believes the debate provides an opportunity for MSPs to highlight the impact that child poverty has on health inequalities and the need for urgent action to maximise family income so as to limit negative health implications for low income families.
3. More than **one in four** (260,000) of **Scotland's children** are officially recognised as **living in poverty**ⁱ, compared to 22% (220,000) in 2014/15. This is a level significantly higher than in many other European countriesⁱⁱ. The recent increase in child poverty is in-keeping with independent modelling by the Institute for Fiscal studies (IFS) which forecasts an increase of more than 50% in the proportion of children living in poverty in

the UK by 2020/21ⁱⁱⁱ. This would reverse most of the fall in child poverty observed in the UK since the late 1990's.^{iv}

Impact of Child Poverty on Health Outcomes

4. Experiencing child poverty can undermine the health, wellbeing and educational attainment of children.

- A report from the Royal College of Paediatrics and Child Health^v highlighted that poverty was the “*biggest cause of poor health*” concluding that “***children living in the most deprived areas are much more likely to be in poor health, be overweight or obese, suffer from asthma, have poorly managed diabetes, experience mental health problems, and die early.***”
- The same report highlights research on the long-term impacts noting that “**Poverty can also have lasting effects which often continue into adulthood; in particular, the risk of death in adulthood increases for many conditions including coronary heart disease, respiratory disease, injuries, and cancer.**”^{vi}
- There are strong links between the experience of child poverty and poor mental health. **One study shows that children living in low-income households are nearly three times as likely to suffer mental health problems than their more affluent peers.**^{vii}

5. As well as being harmful to children and families, child poverty has a wider cost for society. A 2013 study found that the high levels of child poverty in the UK are currently costing the country at least £29 billion a year^{viii}. This includes the cost of policy interventions, long term losses to the economy, lower educational attainment and poorer mental health.

Rolling out the Healthier, Wealthier Children Approach to Income Maximisation

6. CPAG Scotland welcomes the commitment by the Scottish Government to roll out nationally the Healthier, Wealthier Children approach to income maximisation and would welcome further details on timetable for this and how such an extension will be funded. The initial project, a collaboration between NHS Greater Glasgow and Clyde, Local Authorities, Glasgow Centre for Population Health and Voluntary Sector Money Advice Services, found that addressing financial exclusion through income maximisation advice referrals “**has the potential to reduce health inequalities and tackle the social determinants of ill-health.** People living with long-term ill-health or disability are more likely to be living in poverty, a key factor in poorer health outcomes”^{ix}. An evaluation of the initial Healthier, Wealthier Children project found an increased uptake among participants of Healthy Start vouchers and follow-up interviews revealed reduced stress and improved wellbeing^x.

Utilising New Powers to address Child Poverty

7. New powers devolved by the Scotland Act 2016 give the Scottish Parliament a unique opportunity to protect children from poverty in Scotland and improve their health and wellbeing. The forthcoming Social Security (Scotland) Bill and the establishment of a Scottish Social Security Agency provide the opportunity to address operational problems within the social security system, embed a rights-based approach and ensure families can access the advice and information they need to maximise their incomes.
8. CPAG in Scotland welcomes the Child Poverty (Scotland) Bill, the introduction of income-based targets and the ambition to eradicate child poverty in Scotland by 2030 but notes the need for a strategic, forward looking duty on local authorities and health boards and a commitment to ensure that social security powers are used to reduce child poverty.
9. However, the recent Consultation on Social Security in Scotland did not address the powers available to the Scottish Government to make discretionary ‘top-up’ payments to individuals entitled to a reserved benefit.
10. While there are complex reasons for the existence of child poverty – including low wages, under-employment and a lack of paid work, **CPAG Scotland believes utilising the new powers to introduce a top-up to child benefit (currently taken up by 95% of families in Scotland) could help ensure low income does not undermine the health and wellbeing of Scotland’s children.**
11. Modelling suggests a **£5 top up of child benefit for children in Scotland** would result in a reduction of 14% in child poverty compared to what it would otherwise be. That means up to 30,000 fewer children (after housing costs) facing the worry, stress and ill-health associated with growing up in child poverty.^{xi}
12. Topping up child benefit could improve diet, help protect children from cold and increase participation in activities and exercise. £5 per week would provide:
 - Seven breakfasts of cereal, milk, fruit juice and a banana OR
 - Over two months, a good quality winter coat OR
 - Taking part in a school trip or out of school activity each week^{xii}
13. A top up to child benefit is supported by a coalition of third sector, civil society and faith groups including the Children’s Commissioner, the Church of Scotland, One Parent Families Scotland, the Poverty Alliance, Inclusion Scotland and BEMIS^{xiii}. In evidence to the Consultation on a Child Poverty Bill for Scotland, NHS Health Scotland highlighted that undoing child poverty “may require more radical actions at a national level. Increasing child benefit is one option that has been recommended from evidence dating back to the Black Report”.^{xiv}

14. How much will a £5 top-up to child benefit cost?

Indicative costings suggest that topping up child benefit by £5 for every child in Scotland would cost £256 million per year^{xv}. This is a significant investment but should be seen in the context of the Scottish Government's overall budget. More importantly, the Scottish Government must take into account the cost of not acting to reduce child poverty. The estimated £29 billion cost per year across the UK includes the effects of poverty, as well as the longer term losses to the economy which result from poor children's reduced productivity, lower educational attainment and poorer physical and mental health.

15. CPAG Scotland urges the Committee, as part of its Inquiry, to recognise the importance of income maximisation for families as part of its inquiry into preventative health agenda and that increasing the financial resources available to families in Scotland will make a significant impact towards improving child wellbeing.

- For more information please contact Jenny Duncan, Policy and Parliamentary Officer, Child Poverty Action Group (CPAG in Scotland) Tel: 0141 552 3303, Email: jduncan@cpagscotland.org.uk

ⁱ Latest 2015/16 Poverty and Income Inequality in Scotland figures, Table A1: Relative Poverty in Scottish Households 1994/5 to 2014/15, <http://www.gov.scot/Resource/0051/00515392.pdf>

ⁱⁱ International comparisons are for 2011 on a before housing costs basis under which 15% of Scotland's children live in poverty. Poverty in Scotland 2014 see Chapter 5 Figures 5.3, p90 and 5.6, p94

ⁱⁱⁱ Living Standards, Poverty and Inequality in the UK: 2015-16 to 2020-21. Table B2: Relative Poverty: 2007/08 to 2020/21. <http://www.ifs.org.uk/uploads/publications/comms/R114.pdf> Research from the Resolution Foundation also projects increases in child poverty of up to 1.2 million across the UK by 2020/21 compared to 2016/17 available at <http://www.resolutionfoundation.org/wp-content/uploads/2015/10/Child-poverty-briefing.pdf> (page 11)

^{iv} Ibid.

^v <http://www.rcpch.ac.uk/news/rcpch-launches-landmark-state-child-health-report>

^{vi} Ibid.

^{vii} www.jrf.org.uk/system/files/2301-child-poverty-costs.pdf Joseph Rowntree Foundation, The cost of child poverty for individuals and society, 2008

^{viii} Estimate of the Cost of Child Poverty in 2013, Donald Hirsch, Centre for Research and Social Policy, Loughborough University,

[www.cpag.org.uk/sites/default/files/Cost%20of%20child%20poverty%20research%20update%20\(2013\).pdf](http://www.cpag.org.uk/sites/default/files/Cost%20of%20child%20poverty%20research%20update%20(2013).pdf)

^{ix} <http://www.nhs.gov.uk/your-health/campaigns/healthier-wealthier-children/health-benefits-of-financial-inclusion/>

^x Ibid.

^{xi} <http://www.cpag.org.uk/sites/default/files/CB%20top%20up%20briefing%20final.pdf>

^{xii} Ibid.

^{xiii} <http://www.cpag.org.uk/sites/default/files/CB%20top%20up%20briefing%20final.pdf>

^{xiv} https://consult.scotland.gov.uk/social-justice/consultation-on-a-child-poverty-bill-for-scotland/consultation/view_respondent?show_all_questions=0&q_text=NHS+Health+Scotland&uuld=285609145

^{xv} <http://www.cpag.org.uk/sites/default/files/CB%20top%20up%20briefing%20final.pdf>