

Item 5

Education, Leisure and Housing Committee: 3 April 2019.

Child Poverty in Orkney.

Joint Report by Executive Director of Education, Leisure and Housing and Chief Officer/Executive Director of Orkney Health and Care.

1. Purpose of Report

To provide an overview of new responsibilities for Local Government and Health Boards arising from the Child Poverty (Scotland) Act 2017.

2. Recommendations

The Committee is invited to note:

2.1.

The research into child poverty in Orkney and its pernicious effect on children, young people and families as well as the broader fabric of the community, as detailed in Appendix 1 to this report.

2.2.

The new statutory reporting requirements, as set out in the Child Poverty (Scotland) Act for local government to address child poverty.

2.3.

That a Local Child Poverty Working Group be established to take forward the recommendations from the 2018 research commissioned by Orkney Children and Young People's Partnership into child poverty, as detailed in the executive summary attached as Appendix 1 to this report.

3. Background

3.1

This report provides an overview of new responsibilities for Local Government and Health Boards arising from the Child Poverty (Scotland) Act. These include new requirements for publication of an annual report describing existing and new planned actions, or measures taken, to reduce and mitigate the effects of Child Poverty.

3.2

To meet the requirements referred to above, it is proposed that to establish a Child Poverty Working Group to take the required work forward and ensure the Council is compliant with new statutory reporting requirements set out in the Child Poverty (Scotland) Act.

3.3

The proposed group will take the form of a cross partnership working group, led by the Orkney Children and Young People's Partnership (OCYPP) and ensure any new actions established will be developed in consultation with partners and affected communities. The purpose of this working group will be to devise strategies to implement the recommendations of the 2018 research into child poverty in Orkney along with building on existing partnership and reporting arrangements and co-ordinate Council action to address Child Poverty in Orkney.

4. Child Poverty in Orkney

4.1.

Orkney is well recognised as an affluent community and is often cited as the best place to live and grow up in the UK, but it is also a community with wide levels of inequality. The research shows that 14% of Orkney children grow up in poverty with, statistically, the Northern Isles most greatly affected.

4.2.

The Child Poverty (Scotland) Act places a new duty on local authorities and health boards to jointly prepare an annual Local Child Poverty Action Report on what they are doing to reduce the impact of child poverty. The first Local Child Poverty Action Report is due for publication in June 2019. The legislation states that these reports must aim to provide a strategic forward look, as well as an account of progress to date, and should:

- "Describe any measures taken in the area of the local authority during the reporting year...for the purpose of contributing to the meeting of [national] child poverty targets."
- Set out information on measures that the local authority plans to take to contribute to the meeting of the [national] child poverty reduction targets.

4.3.

To address these parallel aims, the Scottish Government has developed local authority guidance for the contents of Local Child Poverty Action Reports. The guidance recommends that the report requires a series of five steps:

- Step 1 - Identify local partners – The guidance recommends that Community Planning Partnership processes are used to provide a helpful vehicle to coordinate reports.

- Step 2 - Identify and assess child poverty in the local area – The guidance provides an analytical framework to support gathering of evidence of the scale and drivers of child poverty in local areas, and recommends this framework is used to guide local responses. See Appendix 1 for further information.
- Step 3 - Identify and assess existing action and existing plans that seek to reduce or mitigate child poverty in the local area
- Step 4 - Identify new action to reduce child poverty or expansions or modifications to existing action to increase impact
- Step 5 - Identify and share 'What is Working' and 'Lessons Learned'.

4.4.

Within the Orkney Children and Young People's Partnership, early action is already underway to address Child Poverty and good partnership relationships already exist to support the meeting of the new reporting requirements. Indeed, Scottish Government Guidance emphasises that to ensure a streamlined approach and avoid duplication of effort development of new Child Poverty Action Reports should be undertaken alongside existing related statutory planning and reporting duties. In particular, new reports should link to and build on existing annual reports such as:

- Annual reporting on Children's Services Plans
- Children's Rights reporting, and
- Annual reporting on Local Outcome Improvement Plan progress

5. The 2018 Research

5.1.

The research carried out in 2018 carried some powerful messages as to the scale and impact of child poverty in our community today and was informed by the participation of 343 parents / guardians and 179 practitioners working with children and young people along with a further 100 participants at a workshop held at the annual growing up in Orkney conference. For example key messages included:

- 14% of children and young people are living in poverty after housing costs.
- Child poverty levels are highest in the Northern Isles (28%), Stromness and the South Isles (19%) and lowest in the West Mainland (9%) and East mainland, South Ronaldsay and Burray (5%).
- 61% of respondents described themselves as being in a worse position financially than they were 12 months ago.
- 47% of respondents said their home is a bit, or much, colder than they would like.
- 75% of income and/or employment deprived people DO NOT live in our most deprived areas.

5.2.

As a result of this research a small number of actions have been initiated ahead of the creation of the working group. This has primarily been through coordination of the OCYPP members and joint work between Orkney Health and Care and Education colleagues to maximise benefit from Pupil Equity Funding.

6. Human Resource Implications

Child poverty within Orkney is exacerbated by the use of temporary or seasonal contracts both of which are used by the Council across all directorates.

7. Equalities Impact

An Equality Impact Assessment has been undertaken and is attached as Appendix 2 to this report.

8. Corporate Governance

This report relates to governance and procedural issues and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

9. Links to Local Outcomes Improvement Plan

The proposals in this report support and contribute to improved outcomes for communities as outlined in the Local Outcomes Improvement Plan priority of living well.

10. Financial Implications

The Council received £5,000 from the Scottish Government to support the production of a local plan. This money was used to contribute towards officer time in progressing the outcomes of the commissioned research. The solutions to child poverty are complex and will require a collaborative use of resources in the future as the action plan is developed.

11. Legal Aspects

This report highlights a new statutory duty placed on the local authority with a requirement to report in Child Poverty annually to Scottish Government.

12. Contact Officers

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13. Appendices

Appendix 1: Child Poverty in Orkney 2018 Research – Executive Summary.

Appendix 2: Equality Impact Assessment.

Poverty and Disadvantage factors that affect children and young people in Orkney



This study was commissioned by the Orkney Childcare and Young People's Partnership. The report captures the detail and analysis from research undertaken in the period October 2017 to March 2018. The objectives of the research were to identify:

What poverty and disadvantage means to children and young people living in all areas of Orkney; and

1. How providers of services for children, young people and families can act to mitigate any adverse impact associated with growing up in Orkney

The 2016 publication: *Poverty in Scotland, tools for transformation*¹ reports that poverty, disadvantage and inequalities remain significant features of contemporary Scottish society, despite significant progress on reducing child and pensioner poverty since the mid-1990s.

Nationally, poverty rates appear to be rising slowly. It is estimated that around two-thirds of children living in relative poverty before housing costs, or 120,000 children each year (in Scotland), were living in working households. This would equate to around 431 children in Orkney each year. The term 'working' here refers to paid employment. Often those in employment or who are self-employed will be ineligible for many benefits and other support, such as free school meals, clothing vouchers and cheaper participation in certain activities or leisure facilities. These families however may be on very low and fluctuating incomes and so can face disadvantage.

Local data suggest that 14 per cent of children in Orkney are in poverty (after household housing costs), and that this is highest in the North Isles (28 per cent) and Stromness and South Isles (19 per cent) and lowest in the West Mainland (nine per cent) and East Mainland, South Ronaldsay and Burray (five per cent).

The Orkney Foodbank opened in 2013 and has since provided a large number of food parcels and other essential items to the community. Usage of the Foodbank in 2015-16 has shown a 17.8 per cent increase on 2014-15. In 2016-17 there were 513 adults and 238 children supported, representing growth of around 20 per cent and 29 per cent respectively.

In terms of attainment, Curriculum for Excellence data for Orkney show that there has been some improvement from 2016 to 2017 across all curriculum areas at P1, P4 and P7, with the exception of

¹ Poverty in Scotland, 2016, Tools for transformation. Edited by John H McKendrick, Gerry Mooney, Gill Scott, John Dickie and Fiona McHardy. Available at: www.open.edu/openlearn/sites/www.open.edu/openlearn/files/povertyinScotland2016asPublished.pdf

2nd level numeracy at Primary 7. However, consideration against the national figures show that Orkney still has some way to go in stabilising the judgements at most stages.

Poverty is often closely connected with health and wellbeing. Data indicate that in Orkney there are similar challenges to the national picture, so there are similar levels of P1 pupils that can be considered very obese, there are alcohol-related hospital stays at a rate nearly double the national average, with a drug-related hospital stay level just below the equivalent national average. There are children living in poverty and children in fuel poverty and low-income households in Orkney.

The data show lower than Scottish average levels of free school meals take-up, despite high levels living in fuel poverty, for example – perhaps recognising that aspects such as the higher cost of living in Orkney is not taken into consideration in terms of the eligibility for free school meals and that take up of free school meals is at a level significantly below what it should be in Orkney.

The survey in this study reveals what children in Orkney are going without. Most commonly (15%) households are going without a family holiday, followed by pocket money (10%). Also, 5% are often and 20% sometimes going without school trips or holidays, while 7% are often and 14% sometimes going without their own birthday party due to the inability to afford. In terms of essentials, 5% are often and 21% sometimes going without clothes, while 4% are often and 16% sometimes going without shoes.

In terms of activities, 8% of respondents, which equates to 18 respondents (representing 41 children), don't do and can't afford 'children's clubs or activities'. Factoring this up to the whole child population of Orkney, this might equate to around 114 children across Orkney. These respondents to the survey were approximately evenly split between locations in Kirkwall, in the rural Orkney Mainland and on the isles.

Looking at the respondents that didn't do and couldn't afford 'children's clubs or activities', one-third of these ALSO stated that they didn't do and couldn't afford school trips, and two-thirds of these ALSO didn't do and couldn't afford 'hobbies or leisure activities'. Hence, there is a small but not insignificant group of children that are not able to participate in various activities, which, as referred to in the wider literature will potentially limit their learning and other outcomes in life.

Survey respondents reported that for the majority (61%) they are financially in a worse position than they were 12 months ago. Thirty per cent of respondents are about the same, while just 8% are in a better situation than they were 12 months ago.

Some people are not able to pay every bill when it is due. Respondents reported a wide range of items that they had fallen into arrears with. Most commonly, respondents reported that they were in arrears in relation to credit card payments, followed by fuel bills and then Council Tax. This shows that for the vast majority of respondents in arrears (74%) have been in arrears in the last 12 months with only a single item. In addition, 10% of respondents have been in arrears with two items in the last 12 months, 5% have been in arrears with three items, and 10% reported that they had been in arrears with four or more items in the last 12 months

For a little over one half of respondents their home has about the right level of warmth, while for the other nearly one-half of respondents their home is a bit (33%) or much colder (14%) than they would like. Their cooler home typically meant that respondents were feeling 'miserable, anxious or depressed' plus many 'stayed in bed longer than they wanted to keep warm' and many also did not feel able to invite friends or family to their home. A smaller, but still significant number (15 respondents) stated that their cooler (than they would like home) has made an existing health

problem worse, and indeed five respondents reported that they felt their cold home had brought on a new health problem.

Respondents were asked how many pounds a week, after tax, that they thought it was necessary to keep a household such as the one in which they live, out of poverty. Most respondents felt that somewhere in the region of £250-£550 pounds per week (after tax) would be required to keep their household out of poverty. The majority of these respondents reported that they were a little below (21%), about the same (24%) or a little above that level (28%). That said, 13% of respondents stated that they were a lot below that level of income.

A little over one-third of respondents reported that they had at some point felt embarrassed because of their income. Given the wide mix of respondents to the survey, this is a high share of the sample that have felt embarrassed.

Stakeholders generally thought that the gap between rich and poor in Orkney is getting larger. It was suggested that there is a lot of hidden poverty, both by being geographically hidden in pockets across the community, and also in the fact that due to the high cost of living *“many folk can be in half decent jobs but still be facing poverty, debt and hardship.”*

The survey identified a small yet not insignificant number of children that were not able to afford to attend a number of activities that they would wish to attend otherwise. Stakeholders working with families highlighted the financial barriers to participation in activities, sporting, leisure, arts and other clubs.

Multiple stakeholders highlighted broad issues around wellbeing, suggesting that they observed that there was generally low levels of wellbeing within the families with which they were working and engaging. Wellbeing markers through the survey also showed some concerning metrics; it is thought that wellbeing is a good indicator of more general wellness, and indeed a predictor of future ill health. It can hence be suggested that addressing this poor wellbeing amongst the community would have wide-felt potential and benefits.

Through the study children and young people contributed their views on what it was like to grow up in Orkney. For many, Orkney IS a really good place to grow up. Young people and children appreciate the open spaces, the fresh air, the northern lights and the beaches, in varying measures. Some of the older young people recognised that they can take Orkney for granted. Young people are concerned about a number of issues, most commonly:

- Mental health – particularly that support and care for young people could be improved.
- Drugs and alcohol are a problem in Orkney, and that education on drugs and alcohol is felt to be old-fashioned and focuses on ‘just don’t do it!’
- Transport availability, or more so a lack of transport places real barriers on learning, on extracurricular activities and on getting into employment.
- Access to sport and other activities – young people commented that often sport is focussed on the very competitive end, and there aren’t opportunities to join in for fun.
- Attitudes – young people commented that Orkney can be rather conservative in views and opinions, such that it can feel discriminatory to particularly minority groups.

- Young people in the isles – it was felt that young people in the isles miss out on opportunities due to the cost and distances involved in attending activities on the mainland; and often the timing of events, activities etc, do not work well with ferry timetables.

At the *Growing Up in Orkney* Conference in February 2018 attendees participated in a group-based action-planning exercise to create a future vision and to set some tangible actions for how collectively Orkney can make progress toward the vision for children and families in Orkney that are in poverty or suffer disadvantage.

Generally, visions across the multiple groups focussed upon families being supported and children and young people feeling loved, valued, accepted and respected within the community.

The most common responses to the actions that would be taken to help realise the vision was firstly improving information sharing between all parties (including families), and secondly increasing access to and funding of schools, activities and sports.

In terms of what aspects may hinder realising the future vision, most commonly, and stated by the majority of groups were factors around budget constraints. Also frequently stated were aspects of societal exclusion and a lack of acceptance of poverty being an issue in Orkney.

Finally, in terms of the actions that are already in place that will be contributing to the vision, most commonly stated was aspects around partnership working, and active networks.

The factors explored and described throughout this study interact creating often complex and multifaceted inequalities. For example, a lack of finance in a household means taking sometimes potentially damaging choices, such as falling behind on bills and payments, having to turn down heating, so the home is below a tolerable level and also foregoing all manner of activities for the children and young people in the home (as well as the parents). Families in poverty are further penalised through 'poverty premiums', some of which have been created and sustained locally in Orkney.

The data collected through the survey, and supported by the qualitative inputs, suggests that around 10-15% of households are really struggling to be able to keep up with bills, to be able to heat their home adequately and to be able to eat healthy foods and for their children to get involved in events and activities in their community. Distance from activities is often a factor, and the cost and time associated with a child taking part through a combination of the journey and the cost of participating conspire as a barrier.

Throughout the study there has been a recognised gap between those with resources and those without. It has often been suggested that this gap is widening. Inequalities in Orkney are perhaps more keenly felt than in other areas, and are certainly spread right throughout the community.

Thinking about the whole person, about the child and the family as a whole, data collected through the survey and from the various research themes has portrayed a picture comprising lower levels of wellbeing in Orkney than may have been expected. This is a particular area of concern given the correlation between wellbeing and general health.

There are many good projects, initiatives and support available in Orkney, but it is probably not supporting all the families that would benefit, and furthermore, there is more that could be done through a combination of specific, tailored interventions, as well as considering those that may be living in poverty in all that is done, across ALL public and voluntary sector activities. The foundations are there that it is believed, with some further concerted efforts, no child in Orkney will be

disadvantaged through poverty. A multi-agency / multi-sector action plan accompanies this study and is summarised below.

It is recommended that these foundations are built upon through the creation of a local time-limited Task Force, mirroring the Scottish Government’s Ministerial Task Force on reducing health inequalities, which is referred to as being critical to the Scottish Government’s *Achieving our Potential* framework to tackle income inequality and disadvantage.

Orkney Poverty Taskforce	Whole Person Approach	Equality / Poverty Impact Assessments	Relationship and Information Sharing / Information
Awareness Raising, challenging attitudes	Poverty Proofing	Planning / Housing	Remove 'Poverty Premiums' from Orkney
Basic Income pilot	Hostel	Free School Meals and Clothing allowance	Breakfast clubs, after-school clubs
Wellbeing to tackle health inequalities	New approach to parenting support	New approach to life skills	Income Maximisation
Cost of going to school	Sustainability and Environmental Promotion	Pupil Equity Fund approach	Community Involvement



Equality Impact Assessment

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

1. Identification of Function, Policy or Plan	
Name of function / policy / plan to be assessed.	Introduction of statutory duty to report on child poverty action plans.
Service / service area responsible.	Orkney Health and Care and Education
Name of person carrying out the assessment and contact details.	Scott Hunter Head of Children and Families & Criminal Justice, CSWO
Date of assessment.	8 th March 2019
Is the function / policy / plan new or existing? (Please indicate also if the service is to be deleted, reduced or changed significantly).	This is a new statutory requirement.

2. Initial Screening	
What are the intended outcomes of the function / policy / plan?	To provide Scottish Government with evidence of the impact of Orkney's Child Poverty Action Plan.
Is the function / policy / plan strategically important?	Yes.
State who is, or may be affected by this function / policy / plan, and how.	Children, Young People, Families. Orkney Islands Council Community Planning Partners.
How have stakeholders been involved in the development of this function / policy / plan?	The work has been coordinated by the Orkney Children and Young People's Partnership and has also been presented to the Community Planning Board.

<p>Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise.</p> <p>E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see equalities resources on OIC information portal).</p>	<p>Forecasting Child Poverty in Scotland - A report for the Scottish Government by Howard Reed, Landman Economics and Graham Stark was published in April 2018.</p> <p>Orkney research was undertaken in 2018.</p>
<p>Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise.</p> <p>E.g. For people living in poverty or for people of low income. See The Fairer Scotland Duty Interim Guidance for Public Bodies for further information.</p>	<p>The impact of child poverty and effects are well established via national documents such as the main report noted above.</p>
<p>Could the function / policy have a differential impact on any of the following equality areas?</p>	
<p>1. Race: this includes ethnic or national groups, colour and nationality.</p>	<p>No.</p>
<p>2. Sex: a man or a woman.</p>	<p>Yes. The impact of child poverty is more keenly felt in households with a single carer.</p>
<p>3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.</p>	<p>No.</p>
<p>4. Gender Reassignment: the process of transitioning from one gender to another.</p>	<p>No.</p>
<p>5. Pregnancy and maternity.</p>	<p>Yes. The addition of siblings can affect benefit entitlements which will adversely affect the impact of child poverty.</p>
<p>6. Age: people of different ages.</p>	<p>No.</p>
<p>7. Religion or beliefs or none (atheists).</p>	<p>No.</p>

8. Caring responsibilities.	No.
9. Care experienced.	No.
10. Marriage and Civil Partnerships.	No.
11. Disability: people with disabilities (whether registered or not).	No.
12. Socio-economic disadvantage.	Yes. Child Poverty disproportionately affects families who are disadvantaged.
13. Isles-proofing	

3. Impact Assessment

Does the analysis above identify any differential impacts which need to be addressed?	Yes.
How could you minimise or remove any potential negative impacts?	The child poverty action plan will take cognisance of the above and take mitigating actions.
Do you have enough information to make a judgement? If no, what information do you require?	Yes,

4. Conclusions and Planned Action

Is further work required?	Yes
What action is to be taken?	The production of an Orkney Child Poverty Action Plan.
Who will undertake it?	Orkney Children and Young People's Partnership (OCYPP).
When will it be done?	2019.
How will it be monitored? (e.g. through service plans).	Monitored through the OCYPP as well as OHAC and EL&H Committees.

Signature:



Date: 08/03/2019

Name: SCOTT HUNTER

Please sign and date this form, keep one copy and send a copy to HR and Performance. A Word version should also be emailed to HR and Performance at hrsupport@orkney.gov.uk