

### **Social Justice and Social Security Committee**

# Addressing Child Poverty Through Parental Employment



#### $\label{published} \textbf{Published in Scotland by the Scottish Parliamentary Corporate Body}.$

All documents are available on the Scottish Parliament website at: http://www.parliament.scot/abouttheparliament/ 91279.aspx For information on the Scottish Parliament contact Public Information on: Telephone: 0131 348 5000

Textphone: 0800 092 7100 Email: sp.info@parliament.scot

## **Contents**

Membership changes	1
Introduction	
The Committee's inquiry	
Evidence, visits and engagement	4
Cross-cutting nature of action on child poverty and governance challenges	6
Leadership on cross-cutting issues and policy areas	6
Mainstreaming tackling child poverty through parental employment	6
Monitoring shared priorities delivered through local partnerships	7
Conclusion	
Infrastructure	9
Adequate and affordable services for low-income parents	9
Provision of childcare	9
Conclusion	11
Education and training provision	12
Conclusion	14
Public transport provision	14
Conclusion	15
Affordability of transport	16
Conclusion	17
Need for diverse service provision to meet specific needs	18
Provision of culturally sensitive childcare	18
Childcare for children with additional support needs	
Provision of childcare in remote and rural areas	19
Public transport outside urban centres, travel corridors and in remote areas	19
Conclusion	21
Employability programmes and services	22
Conclusion	24
Financial support	25
Student parents	25
Financial pressures of summer breaks	25
Part-time grant thresholds	25
Conclusion	
Improving financial support and guidance from education institutions	
Social security rules	27

Conclusion	28
National policy priorities	29
Working towards a Fair Work Nation	29
In-work poverty	29
Conclusion	
Fair pay for childcare workers	30
Conclusion	31
Reform of the post-school education sector	31
Work-based pathways and just transition opportunities	32
Inter-sector collaboration to progress national priorities	34
Returning to higher education	34
Conclusion	34
Involving employers in employability programmes	35
Fair work and the business sector	37
Family friendly and flexible working	38
Supporting women returners	39
Conclusion	39
Using procurement rules to influence employment practices	40
Procurement process in the health and social care sector	41
Conclusion	41
Funding to deliver parental employment	
Prioritisation	42
Early learning and childcare	42
Transport for low-income families	42
Parental transition into employment	43
Increasing funding for Individual Training Accounts to meet demand	44
Impact of budget cuts and financial constraints	45
Education	45
Employability	46
Transport	46
Consistency and availability of funding	46
Providing educational courses	46
Delivering employability programmes	48
Conclusion	49
Delivering at pace and scale	
Childcare	50

Social Justice and Social Security Committee Addressing Child Poverty Through Parental Employment, 11th report, 2023 (Session 6)

Overall conclusion	51
Annexe A- Parental Employment in Best Start Bright Futures	52
Annexe B- Minutes of meetings	54
Annexe C- Written evidence	60
Annexe D- Visits and focus group	62
Annexe E - Education policies and strategies relevant to child poverty	64

# **Social Justice and Social Security Committee**

To consider and report on matters falling within the responsibility of the Cabinet Secretary for Social Justice excluding matters relating to housing and tenants' rights.



sjss.committee@parliament.scot

## **Committee Membership**



Convener
Collette Stevenson
Scottish National Party



**Deputy Convener Bob Doris**Scottish National Party



**Jeremy Balfour** Scottish Conservative and Unionist Party



Katy Clark Scottish Labour



John Mason Scottish National Party



**Roz McCall** Scottish Conservative and Unionist Party



Marie McNair Scottish National Party



Paul O'Kane Scottish Labour

### Membership changes

- 1. The following changes to Committee membership occurred during the Committee's scrutiny:
  - On 9 November 2022, James Dornan MSP replaced Elena Whitham MSP.
  - On 18 April 2023, Collette Stevenson MSP, Gordon MacDonald MSP and Marie McNair MSP replaced Natalie Don MSP, Emma Roddick MSP and Paul McLennan MSP.
  - On 25 April 2023, Paul O'Kane MSP and Katy Clark MSP replaced Pam Duncan-Glancy MSP and Foysol Choudhury MSP.
  - On 29 June 2023, Bob Doris MSP replaced Gordon MacDonald MSP and Roz McCall MSP replaced Miles Briggs MSP.
  - On 31 October 2023, John Mason MSP replaced James Dornan MSP.

#### Introduction

- 2. The Child Poverty (Scotland) Act 2017 (the 2017 Act) sets targets for reducing child poverty. It required delivery plans to be published in 2018, 2022, and 2026, and reported on annually. Local authorities and health boards are also required to report jointly every year on their activity.
- 3. As part of the Committee's 2023-24 budget scrutiny, the Committee heard that a greater scale and pace of action would be needed to meet the interim child poverty targets.
- 4. Contributors to these evidence sessions emphasised to the Committee how the COVID-19 pandemic, as well as rising energy and food costs, were impacting people's lives and hampering progress towards the targets. Since the start of this session of the Parliament, the Scottish Government has also faced increasing pressures on its budget and has been working to mitigate the impact of the increased cost of living on people's lives.
- 5. The Child Poverty (Scotland) Act 2017 set interim and final targets for child poverty.
- 6. This included an interim target that 18% of children would be in relative poverty this year, 2023-24, and that this would fall to 10% by 2030, the final target date.
- 7. Latest data is for 2021-22 shows that 23% of children were in relative poverty that year. Data for 2023-24 will not be available until March 2025.
- 8. In the absence of that data, the Scottish Government has modelled what child poverty might be this year<sup>ii</sup>. When that modelling included Scottish Government policies, such as the Scottish Child Payment, the results suggested that child poverty might be around 19% this year. That would narrowly miss the 18% target.
- 9. When the modelling was repeated but without including the impact of Scottish Government policies, the results suggested that child poverty might be around 28% this year. This suggests that Scottish Government policies might be reducing child poverty by around nine percentage points this year.
- 10. As part of its approach to tackling child poverty, the Government has published two delivery plans:
  - Every child, every chance: tackling child poverty delivery plan 2018-2022
  - Best Start, Bright Futures—Tackling Child Poverty Delivery Plan 2022-2026 (BSBF)
- 11. Evidence the Committee took on the 2022-2026 Delivery Plan emphasised the need for the Scottish Government to make progress on the aspirations of the Plan.

i For further detail on the definitions of poverty, the targets and latest data see: Child Poverty update 2023

ii For further detail on the Scottish Government's modelling see: <u>Best Start Bright Futures</u>, <u>Progress Report Annex 4</u>.

- 12. This view was summarised by Save the Children—
  - Although the promises in the plan are welcome, the next steps in setting out what the goals are, how they relate to child poverty and what the timescales are for delivering on that will be very important for parents when it comes to the choices that they can make around work and caring for their children. <sup>1</sup>
- 13. In <u>Best Start, Bright Futures</u>, the Scottish Government clearly states that parental employment is a key driver to meet the statutory targets to address child poverty. The Government aims to support "up to 12,000 parents to access and sustain employment and up to 3,000 in-work parents to increase their earnings."
- 14. The Government has set out that it will do this through:
  - A strengthened employment offer with increased investment in employability support and the testing of new approaches
  - Connectivity and childcare to enable access to employment with more childcare offers and a greater availability of affordable public transport
  - Transforming the economy by working with all sectors to promote fair work and investing in local and regional economies.
- 15. In March 2022, the Scottish Government published an updated evaluation strategy for BSBF <u>Tackling child poverty delivery plan 2022-2026 annex 2: child poverty evaluation strategy updated.</u>
- 16. A summary of progress in 2023 (BSBF, other strategies and Programme for Government) is available at Annexe A.

### The Committee's inquiry

- 17. On 9 June 2022, the Committee agreed to undertake an inquiry into child poverty focusing on parental employment as one of the Scottish Government's key longterm approaches to tackling child poverty.
- 18. The inquiry aims to consider how the Scottish Government is working with local authorities, employers, and other partners at a local level to tackle child poverty through improving employability.
- 19. It considers the broad range of interconnected policies required, such as childcare, education and transport, and the plans for delivery of the 'parental employment offer' announced in BSBF. In particular, it considers to what extent local approaches are targeted on the Scottish Government's agreed 'priority groups':
  - Mothers aged under 25
  - · Minority ethnic families
  - · Lone parents
  - Parents whose youngest child is under one
  - Parents with three, or more, children
  - · Disabled family members
- 20. The remit focuses deliberately on how the Scottish Government can support partner organisations in order to keep lines of accountability clear around the BSBF national strategy and local delivery. It specifically references 'priority groups' to enable the Committee to look at the plan through a social justice/human rights lens.

#### Evidence, visits and engagement

- 21. During summer 2022, the Committee sought the views of Local Employability Partnerships and held an engagement event in Rutherglen to hear some initial views on the employability programmes.
- 22. In January 2023, the Committee undertook two fact-finding visits, one to North Ayrshire and one to Benbecula and Uist, where it met with local infrastructure organisations and service delivery partners, parents, employers and teachers.
- 23. The Committee is grateful for the hospitality and assistance received during these visits and to those who gave up their time to share their experiences. The visits were instrumental in adding important context and helping the Committee determine the focus of its call for views. Submissions and notes from the focus group and visits are available on the inquiry page under Engagement.
- 24. A national call for views was then launched in February 2023 and ran until April 2023. It received 102 responses, with 57 received from individuals and 45 from organisations.

#### **Social Justice and Social Security Committee**

Addressing Child Poverty Through Parental Employment, 11th report, 2023 (Session 6)

- 25. Over ten oral evidence sessions in June and September 2023, the Committee heard from childcare, education and employability service providers and representatives, business representatives, employers, trade unions, and the Scottish Government. We are grateful to all those who shared their knowledge and experience.
- 26. A full list of the evidence sessions is available on <u>the inquiry page</u>. Extracts from the Committee's minutes are available in Annexe A.

Committee Member's visit to Cothrom, a Community Learning and Development Organisation in South Uist (January 2023)



Source: Scottish Parliament

# Cross-cutting nature of action on child poverty and governance challenges

# Leadership on cross-cutting issues and policy areas

- 27. Responses to the call for views covered a wide range of policy areas.
- 28. Evidence highlighted the need to take a whole system approach. Dumfries and Galloway Council wrote—
  - There is no single thing which could be prioritised, for example, improved access to transport without access to childcare will not work, similarly increasing higher paid roles without support upskilling and reskilling will still exclude some people from opportunities. The approach must be considered as a whole system approach not separate policies or interventions. <sup>2</sup>
- 29. The complexity of factors affecting child poverty and the holistic approach needed to address it mean it is vital for strategies and policies to align if they are to achieve BSBF's employment target of moving up to 12,000 parents into sustained work.
- 30. In its revised BSBF evaluation strategy, the Scottish Government admitted that maintaining focus on this employment target is a challenge as many factors influence poverty and its drivers—
  - ...experience from the first plan has illustrated how messy the problem is.

    Monitoring and evaluation will increasingly need to capture the complexity of poverty experience and required successful response, as well as poverty churn and triggers and the wider factors that impact on the targets. <sup>3</sup>
- 31. To make progress, actions will have to improve not just skills for employability and availability of jobs, but also the provision of infrastructure and support to help parents access training and employment. The Scottish Government acknowledged it will be the cumulative impact of this package of actions that will achieve the employment target.

# Mainstreaming tackling child poverty through parental employment

- 32. A key part of governance of a cross-cutting delivery plan is the mechanism by which the policy is steered to successful implementation. On 14 September, the Cabinet Secretary for Social Justice told the Committee that to embed anti-poverty work and drive progress, it is taking a cross-government programme approach.
- 33. The Cabinet Secretary referred to the ministerial portfolio boards and groups tasked with sharing information and advice and reporting on implementation challenges

and opportunities of BSBF. These include:

- The Tackling Child Poverty Programme Board which includes members from local government, third sector, academia and business
- A new cross-government Ministerial group 'to drive down child poverty' announced in the Programme for Government
- The Poverty and Inequality Commission which provides advice to Scottish Ministers on poverty and inequality and monitors progress.
- 34. The Cabinet Secretary provided more information on relevant cross-Government work in a letter to the Committee on 5 October 2023. <sup>4</sup>

# Monitoring shared priorities delivered through local partnerships

- 35. Many of the policies and funded programmes in BSBF are to be delivered by local authorities and other local partners, such as the voluntary sector.
- 36. The Poverty and Inequality Commission's Child Poverty Delivery Plan progress 2022-2023 progress report published in May 2023 raised concerns about the lack of joined-up work and alignment of policies and funding to maximise impact on employability and on the creation of more opportunities for parents to enter education or the workforce.
- 37. In June, the Scottish Government and the Convention of Scottish Local Authorities (COSLA) announced the 'Verity House Agreement', a statement of intent to work more collaboratively to deliver some shared priorities and engage jointly on budget and a shared programme of activities. One of the areas of common focus is to tackle poverty and in particular child poverty.
- 38. Regarding partnership working, the Cabinet Secretary for Social Justice told the Committee that 'there is a great deal of work that goes on [...] between the Government and COSLA and, separately, between the Government and local authorities. This includes support for joint local child poverty action reports through the Local Child Poverty Co-ordination Group <sup>iii</sup> and the Fairer Scotland duty, which aims to reduce inequalities. <sup>5</sup>

#### **Conclusion**

39. The Committee acknowledges that the number of parents engaged in employability programmes has increased over the last three years – from 3,630 in 2020-21 to 7,570 in 2022-23 – and it might be too early to see this reflected in actual parental

iii It coordinates national partners working to support local authorities and health boards developing their Local Child Poverty Action Reports. It also supports the implementation of effective practice.

employment outcomes.

- 40. However, following the consideration of a comprehensive range of evidence, and in light of the slow progress of the child poverty delivery plan targets as set out in the BSBF progress report, the Committee notes the scepticism of some stakeholders on the achievability of the BSBF's employability targets of "up to 12,000 parents accessing and sustaining employment and up to 3,000 in-work parents increasing their earnings".
- 41. For example, in their response to the BSBF plans, The Joseph Rowntree Foundation and Save the Children stated that getting 20% of those who are reached by the programme to gain sustained employment seemed "difficult to reconcile with the evidence available". <sup>6</sup>
- 42. In May, at the Cross Party Anti-poverty Summit, the First Minister stated that 'shifting the dial' on child poverty was a defining mission for the Government. When announcing the Programme for Government in September, he reinforced a focus on anti-poverty measures. He added that the three missions he set around equality, opportunity and community are connected and that 'when delivered together, they will make a real and positive difference to the lives of people across Scotland.'
- 43. The Committee does not underestimate the difficulty of effective governance and achieving change when each policy area has its own priorities. However, the Scottish Government needs to demonstrate how current arrangements and plans can actually achieve tangible change and make sure parental employment can genuinely contribute to addressing child poverty.
- 44. The Scottish Government needs to follow through with specific actions backed by data and with a sustained focus on low income parents when broad strategies such as BSBF get distilled into individual workstreams and policy areas.
- 45. This will mean a review of priorities across portfolios to manage what is possible with limited resources. The progress on some priorities has been slow and a review of plans and programmes should be undertaken to identify those with the biggest impact to support as many parents as possible to increase their earnings and lift their children out of poverty.
- 46. The Committee welcomes the Scottish Government's commitment to improved collaboration and accountability across ministerial portfolios and in partnership with local partners to deliver plans at the pace and scale required. The Committee asks that the annual and quarterly progress reports produced by the Tackling Child Poverty Programme Board are shared with the Committee, to assist with its ongoing scrutiny of the effectiveness of cross-portfolio cooperation on tackling child poverty.

#### Infrastructure

47. Lifting parents out of poverty through access to fair and flexible employment requires a network of essential infrastructure to be in place, for example childcare, education and training, and transport.

# Adequate and affordable services for low-income parents

#### Provision of childcare

- 48. In August 2021 the funded entitlement to Early Learning and Childcare (ELC) in Scotland increased to 1,140 hours per year for 3 and 4 year olds and eligible two year olds. It is estimated that 25% of two year olds are eligible.
- 49. The Scottish Government is expected to publish an evaluation of the 1,140 hours provision in late 2025, though an interim report is due in spring 2024. On 14 September, the Minister for Children, Young People and Keeping the Promise told the Committee that work on understanding the impact of the expansion (to 1,140 hours) on the economy and families across Scotland has already started and 'early adopting communities' will take part in the evaluation. <sup>7</sup>
- 50. A recent report by Audit Scotland on progress in implementing the 1,140 hours notes that although the expansion was achieved, and additional staff recruited, the sector remains fragile—
  - There are risks to the sector that could affect flexibility and choice for families. These include budget pressures, workforce recruitment challenges, and the ability of funded providers such as private nurseries and childminders to stay in business. 8
- 51. Audit Scotland recommended that the Scottish Government address issues around data on the movement of staff across sectors, the cost of delivering future policies and long-term workforce plans to ensure the sustainability of the sector.
- 52. The Scottish Government has made commitments to build on the 1,140 hours provision by:
  - Developing a funded early learning and childcare offer for one and two year olds, focusing on those who need it most; and
  - Building a system of school age childcare, by the end of this Parliament, providing care before and after school, all year round, supporting parents and carers – particularly on low incomes – to have secure and stable employment. Those on the lowest incomes will pay nothing.
- 53. In October, the Scottish Government published a School age childcare delivery

iv Eligibility is similar to that for free school meals and applies to local council services and private providers.

framework which stated that a more detailed delivery plan will be developed in 2025-26, setting out what a targeted school age childcare offer will look like and providing a clear timescale for delivery.

- 54. Further commitments were announced in the Programme for Government:
  - Two additional 'early adopter' communities testing approaches to school age childcare, bringing the total to six
  - Start to test innovative models of childcare from nine months to end of primary school
  - Expand provision for two year olds, focused on those who need it most
  - Test a new digital service to help parents find and pay for childcare
  - Minimum £12 per hour for staff delivering funded early learning and childcare in the private and voluntary sector
  - Pilots aiming to recruit 1,000 childminders.
- 55. Not being able to access childcare was the most common barrier to employment raised in responses to the Committee's call for views and on its visits.
- 56. In its submission, the Scottish Women's Convention quoted a mother struggling to juggle work and childcare—
  - There are no childcare providers through there, so you're constantly having to look into what family or friends are available ... no women can develop in their work, or their career until their child has reached a high school age. <sup>9</sup>
- 57. Accessible, affordable and flexible childcare is essential to support parents into sustainable employment. The Tackling child poverty delivery plan: progress report 2022 to 2023 recognised—
  - The need for more accessible, flexible and high quality childcare. A recent review of the impact of childcare on parental poverty noted that formal childcare is an 'indispensable part of a policy toolkit' to tackle child and in-work poverty. <sup>10</sup>
- 58. Flexible childcare was a priority for participants of the Committee's focus group and visits. At the Ayrshire visit <sup>11</sup>, childcare was described as a 'massive issue' as most parents need to find work that fits with school hours "golden hours of Monday to Friday 10 till 2" to go to work after dropping their children of at school and get back in time to pick them up.
- 59. The National Day Nurseries Association (NDNA) advised that 1,140 hours spread over a full working year, not only term-time, comes to just under 22.5 hours per week. As such parents either still have to pay for additional hours outside the 1,140 hours or make informal arrangements.
- 60. The Committee also heard that childminding is a key element to the delivery of flexible childcare services Childminding is a not a high income business and the majority of childminders are sole traders.

- 61. The Scottish Childminding Association described the workforce decline—
  - In the six years of ELC expansion, the childminding workforce has declined by 34 per cent, which means, in real terms, a loss of 1,926 childminding businesses and more than 11,000 childminding places for families. We undertake an annual audit for the Scottish Government that looks at where authorities are with regard to including childminders in ELC delivery and, in our latest workforce analysis, which was carried out last year, we projected that those trends are set almost to double by July 2026 unless we take urgent action. <sup>12</sup>
- 62. The Association noted that this decline has 'major implications for children, families, parental choice, communities' as well as the extension of childcare provision down to one year old and after school age because childminders have considerable experience with both age groups and will be required to provide the infrastructure to deliver the Scottish Government's ambitions. <sup>13</sup>
- 63. Lack of childcare options compounds the disadvantages faced by families in the 'priority groups'. The Poverty Alliance stated—
  - The high cost of childcare means that paid work is simply unviable for many parents, particularly single mothers. In addition to paid work, childcare provision is also critical to enabling parents to access education or training opportunities which may improve their employment prospects in the longer term. <sup>14</sup>
- 64. When the Committee took evidence in June 2023, witnesses welcomed the Scottish Government's commitment to further expand childcare but raised some concerns about the way in which this should be undertaken.
- 65. COSLA emphasised that planning is a crucial element and the Scottish Government will need to consider coherence across the childcare offer, including understanding parents' needs and building local capacity. COSLA commented that this "is a long process and it can be quite challenging". <sup>15</sup>
- 66. The National Day Nurseries Association stressed the importance of building on provision without damaging existing good-quality services. It pointed to the growth of the local authority workforce with the last expansion, which although important happened at the expense of existing settings. <sup>16</sup>
- 67. The Scottish Out of School Care Network said the earlier expansion of ELC resulted in a loss of qualified staff in school-age childcare because it could not compete with the full-time hours and better pay and conditions of local authority nurseries and early learning settings. The Network warned that before further expansion happens the sector needs to have the staff to do the work. <sup>17</sup>

#### Conclusion

68. Planning is crucial to getting the next steps right and the Committee is keen for lessons to be learned from the 2021 expansion programme. The Committee

- welcomes the establishment of a ministerial group for child poverty to drive forward co-ordinated implementation.
- 69. The Committee is encouraged by the outline approach to engagement and the level of partnership working envisaged. However, the Committee notes that the Scottish Government is at a relatively early stage and, as pointed out by COSLA, this can be a "long" and "challenging" process. The Committee also has concerns that timescales for further expansion of school age childcare will not be detailed until 2025-26.
- 70. The Committee recommends that the Scottish Government sets out a strategy to retain staff and address the issue of competition between sectors. As part of this, it should consider Audit Scotland's recommendations around data on the movement of staff across sectors and workforce planning and monitoring to make the childcare sector sustainable.
- 71. The Committee recognises the importance of working with partners and testing workable approaches. However, the parents we met through this inquiry found childcare to be one of their main barriers to employment. We therefore ask the Scottish Government to reassess the scope to accelerate and scale up its work in this area. The Committee notes that the exact timing, hours of provision, eligibility and income thresholds have yet to be announced. As such, the Committee asks the Scottish Government to provide it with these details and the timescales it is working towards within the next 6 months or to advise why this is not possible.

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

- 72. Evidence highlighted that education is a key part of the infrastructure needed to make parental employment sustainable. Parents looking to improve their skills or retrain need diverse routes within the education system so they can move into employment or a different career.
- 73. Most respondents to the call for views, both individuals and organisations, stated that there was not enough education and training provision in their area.
- 74. Some courses need to allow people to ease their way back into education. Witnesses told the Committee that education providers need to be able to target those going back to education with a broad range of opportunities. Short taster courses and access courses are very valuable tools especially in communities experiencing high poverty.
- 75. Some individuals suggested that online learning would be more accessible, particularly in rural areas. Evening classes and access courses over two years were also suggested as a convenient option for people with a family. One Parent Families Scotland suggested "more flexible course times and locations such a community-based learning hubs and online courses which can be accessed at different times" can make student parents' life easier. <sup>18</sup>

- 76. Scottish Wider Access Programme (SWAP) stated that they offer part-time programmes that are delivered either face-to-face, online or in a blended format (mixing online and face-to-face). They also provide flexibility around childcare to make sure parents can fit studying around other responsibilities—
  - There are some simple and straightforward measures that most of our college partners provide, such as providing flexibility for people to drop off their kids and then get to classes, rather than having the kind of structure in which they expect people to be there at 9 o'clock. Most of our college partners are incredibly good at sorting out their timetables so that students can look after their children and work. One issue for the people whom the committee is trying to focus on in particular is that they are trying to juggle childcare and work. Our colleges are flexible in that respect. <sup>19</sup>
- 77. Specifically, witnesses called for more part-time courses to be rolled out, as they are considered to be a huge boost to help people get back into education.
- 78. SWAP detailed an innovative access programme for health practitioners in Grampian giving students the opportunity to study over two years, so that they do not lose their working hours. <sup>20</sup>
- 79. In its submission, Universities Scotland gave another example of useful practice by the University of the West of Scotland which gives students their timetable no more than 24 hours after they enrol so they can make plans and arrangements. <sup>21</sup>
- 80. Universities Scotland also described a calculator tool used by the Open University to help students think about course commitments so they can work out all their commitments in a given week. <sup>22</sup>
- 81. The Scottish Government's 2022 Scotland's National Strategy for Economic Development (NSET) highlighted the value of flexible provision and under 'Project 12 Development of Lifetime skills offer', it stated that—
  - Ensuring that access to training for more marginalised groups is made as easy as possible, we will work with learners and delivery partners to better understand the steps we must take to improve provision, including in areas such as training at times that suit people with caring responsibilities, with additional support needs or that fit around current job. <sup>23</sup>
- 82. The Minister for Higher and Further Education (Graeme Dey MSP) referred the Committee to the progress the Scottish Government has made in achieving the Widening Access interim target<sup>v</sup> of 16% of full time, first degree students to be from the 20% most deprived areas in Scotland. He went on: "However, we are absolutely not resting on our laurels. We are working closely with our partners in further and higher education to consider what more we can do to improve access to both sectors for people from the poorest backgrounds". <sup>24</sup>

v Scottish Funding Council: The overall target is 20% of full time, first degree entrants to be from SIMD20 backgrounds by 2030.

#### Conclusion

- 83. In terms of the interim target, the Committee acknowledges the Scottish Government's good work in this area. There is, however, more progress that can be made. The need for more flexible provision was raised in the Committee's call for views. Oral evidence and submissions have shown there is good practice out there when it comes to the structure of courses to allow more flexibility for parents juggling work and childcare. Such good practice should be thoroughly researched, evaluated and rolled out when suitable to further improve the ability of parents to successfully fit studying around their responsibilities and finances.
- 84. The Committee recognises the progress made in widening access to further and higher education in relation to school leavers. Nevertheless, the Committee recommends more could be done for adult returners and parents. The Scottish Government should evaluate successful initiatives, scale up work and ensure there is national provision for adults seeking to return to education. In doing this work, the Committee recommends the Scottish Government provides part-time courses with flexibility built in, for example by taking account of factors such as school term dates.
- 85. In addition, the Committee recommends that the Scottish Government works with education providers to explore and evaluate successful initiatives, particularly those focused on enabling access to low-income parents, with a view to promote and support these as good practice within the education sector. The Committee also recommends that case studies of flexible and holistic delivery are included as part of its further and higher education strategies and its approach to funding streams to ensure that support for parents to access education and lifelong learning is incorporated from the outset.
- 86. The Committee draws the attention of the Scottish Parliament's Education, Children and Young People Committee to the above recommendations and they may wish to consider them as part of their scrutiny of the continuing reforms to education and the Withers' report on the Independent Review of the Skills Delivery.

#### **Public transport provision**

- 87. In both BSBF and the National Transport Strategy <sup>25</sup>, the Scottish Government recognises that adequate and affordable transport provision is vital to address inequalities and contribute to reducing child poverty.
- 88. Improved transport infrastructure could make it easier for those on low incomes to access employment or training opportunities.
- 89. Respondents to the call for views were clear that service affordability on its own is not a solution to their transport needs. Witnesses said there is little benefit in working parents being able to afford bus and rail fares if services do not provide the routes, frequencies and length of operating day necessary to fulfil their transport

Addressing Child Poverty Through Parental Employment, 11th report, 2023 (Session 6)

needs. This was highlighted as a major issue for people working shifts and needing to travel outside office hours, where service frequencies can be much reduced or non-existent. The recent cancellation of vital bus routes in some areas was of particular concern for some respondents.

- 90. West Lothian College described how the availability of public transport is vital for students to access education—
  - Bus routes are being cut across West Lothian, which is cutting off the opportunity for young people—and, indeed, anyone in those outlying communities—to come into college, even though it is just a few miles away. The fact that there are no buses available or they are not available at the right times is denying people in our communities the opportunity for lifelong learning.
- 91. The Society of Chief Officers of Transportation in Scotland (SCOTS) highlighted the importance of an efficient public transport system nationwide—
  - A working parent needs a viable public transport service with a certain level of frequency to enable them to access childcare and work. They need to be able to get to work, to get from work to the childcare provider, to get back home and to work out how they will do their shopping. In my experience, the public transport offering is very limited in the majority of geographic areas outside the main built-up areas in Scotland. Achieving those things without a private car is a very difficult task. <sup>27</sup>
- <sup>92.</sup> In its submission <sup>28</sup>, Glasgow City Council suggested initiatives that could make balancing family life and work easier for parents, including running services at night and over the weekend, especially on Sundays, developing routes that reflect parents' journeys to work and childcare and expanding community connections with transport hubs.

#### Conclusion

- 93. The Committee highlights to the Scottish Government the importance of transport as a way to unlock accessibility to employment. Without the existence of robust and affordable public transport options across the country, access to employment as a lever to address child poverty becomes a moot point.
- 94. It is crucial that national, regional and local transport strategies/plans and funds are designed and implemented in a way that helps reduce child poverty. Public transport is a key infrastructure for low income parents, especially as they are more likely to rely on it to access employment, childcare and education.
- 95. The Committee recognises that passenger rail and bus networks have historically been designed to facilitate commuting between suburbs, outlying towns and villages and major centres of employment in Scotland's cities, principally city centres.
- 96. The Committee encourages the Scottish Government to consider how

public transport services can be designed and better supported to provide affordable, frequent and direct services that support the type of trips more regularly made by parents, and young people, e.g. orbital trips between suburbs without the need to travel via a city centre, or trip changing – i.e. trips that call at multiple stops such as childcare, work and shops. The Committee also draws the attention of the Scottish Government to paragraph 139 of this report which highlights transport challenges specifically faced by parents in island and rural communities.

#### Affordability of transport

- 97. In terms of affordability of transport, respondents to the call for views highlighted the limitations of existing schemes for example, those that do not cover different modes of transport or are not consistent across regions and operators, thus potentially denying parents the best combination to manage work and childcare.
- 98. SCOTS highlighted the lack of parity of concessionary tickets across the current public transport system—
  - Another anomaly that exists across Scotland, although there are exceptions, is the idea of parity across modes. Lots of concessions are offered in the bus sector, which is welcome, but there are examples across Scotland of rail being the missing link. Some people are geographically disadvantaged because they have a rail station rather than a bus station, which seems a bit bizarre. Also, in the northern isles, people use the ferry services almost as a proxy bus service, but, again, they do not have that entitlement either. They are disadvantaged due to geography, not circumstance. <sup>29</sup>
- 99. Some witnesses suggested free public transport, or integrated public transport with multi-operator ticketing, allowing travel within an area on services provided by any operator for no more than £4 a day.
- 100. In its submission 30, Dumfries and Galloway Council mentioned that ScotRail in partnership with DWP offers free travel for one month for those attending job interviews and those who have secured work. However, this is only valid on a limited number of regional trains and would benefit from an expansion to bus operators and other local authorities.
- 101. Affordability across all modes of transport was highlighted as crucial by witnesses.
- 102. The National Union of Rail, Maritime and Transport Workers (RMT) said that when it comes to rail use—
  - It costs a working-class man or woman an absolute fortune to get to their place of work. We are talking about thousands of pounds. We feel that affordability must be at the top of the Scottish Government's agenda and that peak-time fares should be scrapped, because they are an added tax on hard-working families. 31

Addressing Child Poverty Through Parental Employment, 11th report, 2023 (Session 6)

- 103. Respondents to the call for views suggested that new subsidies and the expansion of schemes to offer free or discounted travel are required. They suggested different groups should benefit, such as parents engaged in education, low earners, jobseekers, people starting new jobs and not yet earning.
- 104. SCOTS questioned whether the current concession schemes offer is right if the focus of support is to be people on low incomes. It suggested a review of concessions for people who might not need them as much, such as people over 60 who are still working. <sup>32</sup>
- 105. In a letter to the Net Zero, Energy and Transport Committee regarding the Scotrail peak fares removal pilot, which started on 2 October, the Minister for Transport said—
  - The Programme for Government makes clear our commitment to tackle poverty and encourage a shift towards sustainable transport. The peak fares pilot will save people money and encourage a shift away from cars and towards greener rail travel. [...]. We will evaluate the impact this temporary change in pricing has on the demand for rail services. Combined with the existing 'Kids for a Quid' offer and a freeze on ScotRail fares until the pilot is over, we are making rail more affordable for hard-pressed families. <sup>33</sup>

#### Conclusion

- 106. The Committee is looking forward to the Fair Fares review publication at the end of 2023 and hopes it will demonstrate how concessionary and affordable travel can bring value to different groups, including low-income parents.
- 107. However, the Committee also recognises that without affordability of transport being considered as a whole and across all modes, many people are unable to get the best value out of schemes in a disjointed system. Inequalities appear when schemes only cover certain modes in certain areas, making it difficult for parents to mix and match modes to access places of work and education.
- 108. The Committee recommends that the Scottish Government undertakes a data-based analysis of the groups who need travel concessions the most. Analysis could link eligibility criteria for other things relevant to low-income families such as funded childcare, so as to best target concessionary travel offers to the groups most in need of extra support.
- 109. The Committee understands that universal free travel may not be possible for all groups. We therefore recommend that the Scottish Government uses modelling to develop a holistic and integrated system of discounted travel offers for low-income working-age people, providing a boost for some families and enabling them to access a wider range of employment opportunities by being able to travel further more cost effectively.
- 110. Finally, the Committee recommends that the Scottish Government enters into constructive discussions with operators and local authorities

nationwide to explore how concession schemes and discounted travel offers could be expanded to best serve the needs of low-income parents and what revenue can be made available to achieve this.

# Need for diverse service provision to meet specific needs

111. Inequality of service provision across different areas of Scotland can further compound disadvantages being experienced by certain groups of low-income parents and their children.

#### Provision of culturally sensitive childcare

- 112. Minority ethnic families are a priority group within the Scottish Government's child poverty strategies but there is not enough data to assess and address the childcare needs of this group and cultural diversity can be a barrier for parents to access adequate childcare.
- 113. The Coalition for Racial Equality and Rights <sup>34</sup> noted in its submission that the under-representation of ethnic minority staff within the Early Learning and Childcare (ELC) workforce can affect parents' decision to use childcare because of multiple factors such as concerns that children may experience racism from other children and/or staff, the desire to teach children about their culture and language and worries that childcare would not be able to cater to religious needs. They add that not enough data is available, and that the Scottish Government needs to collect more data amongst families and childcare providers to properly inform its strategies.

#### Childcare for children with additional support needs

- 114. The Committee heard that parents of children with additional support needs experience many challenges to access suitable childcare even when they manage to obtain a package of care because often services do not have the staff capacity to support the specific needs of their children. As a result, many have to give up work to care for their child.
- 115. Children's Hospices Across Scotland (CHAS) gave the following example—
  - Just the other day, I was talking to a parent who had in place a very significant package of support but was simply unable to recruit the staff that she needed to support the child, so she is giving up work in order to be the sole carer for her child. <sup>35</sup>
- 116. CHAS gave, as an example of good practice, community nurses working with other staff to improve their skills, including in childcare provision. However, CHAS felt that "the magnitude of the problem is significant in relation to children with additional

support needs." 36

#### Provision of childcare in remote and rural areas

- During a visit to Benbecula and South Uist <sup>37</sup> in the Western Isles in January 2023committee members heard that some parents can't access funded hours because of shortages of childcare provision, as there is only one private-sector childminder on Benbecula and the council provision is over capacity.
- 118. The Committee heard that although childcare is a source of employment in rural communities, wages are low and staffing requirements can change so it can be a precarious sector to work in.
- 119. The Scottish Childminding Association (SCMA) said that rural communities are "really struggling to recruit childminders, and parents are having to travel 40 or 50 miles to access childcare, with all the additional travel costs." <sup>38</sup>
- 120. SCMA is currently running a pilot project with a Scottish rural childminding partnership to support the recruitment of childminders and offer parents lifelines in areas with little childcare provision.

# Public transport outside urban centres, travel corridors and in remote areas

- 121. Respondents to the call for views commented on the disparity of public transport services across different areas of Scotland, often forcing people to rely on a car. Parents often have to travel long distances and work around a sparse transport infrastructure to juggle work with taking children to school and places of childcare.
- 122. Also, respondents said that many routes and links are designed for commuters around a 'hub and spokes' system with major cities as their centre making it very difficult for people to navigate outwith those urban corridors.
- 123. For example, a Midlothian resident said—
  - Many places that are within about 10-15min car journey can take over an hour on a bus as you need to take one bus to Edinburgh to then take another one out.
- 124. SCOTS also commented that traditionally people think only small villages and rural areas have sparse transport due to the viability of running these services, however, the low "level of viability is sometimes closer to urban areas than you might have thought". <sup>39</sup>
- 125. Evidence from transport witnesses explained that fewer people use public transport in rural areas than in urban areas, as networks tend to be sparse and frequencies low. In addition, operators face higher fuel costs, long routes serving low density populations and often challenging weather and road/rail conditions. That makes many of those services marginal in respect of their viability.

- 126. During their visit to South Uist and Benbecula in January 2023, members of the Committee heard that transport is a key barrier for parents living on the islands. There is no integration between buses and ferries, or onward trains on the mainland, and transport issues are exacerbated because homes are sparsely distributed and "you can drive 100s of miles" between work, home and childcare with no opportunity to combine different modes of transport to move around.
- 127. People who don't drive rely on family, neighbours and employers. Employers try to be flexible around start and finish times, but that can impact on business productivity. There is community transport, but it is limited, and a community bus was not deemed financially viable.
- 128. Witnesses told the Committee that the removal of support grants post-COVID is impacting rural areas very hard and marginal services in rural areas could be further affected if no other schemes are considered.
- 129. There are funds available at community and local authority levels such as the Community Bus Fund. The Committee heard that funding local solutions informed by an understanding of communities is a positive approach. However, some funds are used to research future plans instead of supporting the provision of urgently needed affordable buses. Furthermore, there is no joined up approach to inform best practice across Scotland.
- 130. CPT Scotland gave the example of the Community Bus Fund—
  - You would think from the terminology that the fund is going to be used to improve community bus links to help people who are in poverty, but my understanding is that the money can be used by local authorities to pay consultants to look at the powers within the Transport (Scotland) Act 2019, which is not exactly delivering what the title suggests. 40
- 131. Witnesses agreed that Digital Demand Responsive Transport (DDRT) is a great way to enhance access to transport in rural areas by providing detailed information about timetables and costs. However, establishing such technology can be quite a costly investment on routes with low usage.
- 132. SCOTS gave the example of the Ready2Go scheme in and around Inverurie—
  - That scheme brought new people to the public transport market and enabled access to employment and to nurseries. It helped young people to get out and about because they could actually use their youth cards and were no longer reliant on their parents providing a shuttle bus or taxi service in the area. [...]

    Unfortunately, the funding was withdrawn because of the cost. 41
- 133. Although the scheme was deemed too expensive, with software issues and legal limitations around competition, the pilot has provided positive learning around what can best work in rural and suburban areas where employment and services are spread out. It opened the door to technology complementing community and voluntary transport, subsidised taxis and active travel links in communities.

#### Conclusion

- 134. Finding childcare to meet the particular needs of parents is challenging and for some parents this presents a significant barrier to entering into employment. This can intensify the inequalities they are already experiencing. The Committee considers that greater emphasis should be placed on recruiting and training a diverse workforce so childcare can be provided that meets the needs of parents.
- 135. Inquiry evidence shows that rural areas have limited childcare options and that demand can often outstrip the number of places available. Providing childcare can be seen as precarious employment as the need for childcare can vary in small communities and also may not be profitable enough to encourage people to work as childminders. Different solutions will be needed in different areas.
- 136. The Committee also heard that a transport system can only be viable if it is affordable to its users, especially low-income families. Also, that an integrated system of services across modes of transport with routes and timetables that work for all wherever they live and whenever they need to travel is key to encouraging more parents into education and work. Additionally, working parents need to be able to juggle shifts and childcare beyond office hours.
- 137. Parents in rural and suburban areas face inequalities when it comes to managing work and childcare locally as well as when accessing employment outwith city hubs and urban corridors. A review of the options available to them is required and should include a mix of technology and community initiatives properly researched, tested and funded for the long term.
- 138. As with other infrastructure pillars supporting parental employment, all funding should take into account the needs, opportunities and challenges of different communities and be based on data projecting long-term usage of a sustainable service.
- 139. To facilitate employment for parents experiencing multiple inequalities, the Committee recommends that the Scottish Government undertakes a detailed assessment of the current childcare workforce availability across the sector. This should include skills for children with additional support needs, and the levels of provision required to allow children from different cultural backgrounds to access the services, as well as the provision needed in remote and rural areas for parents to start or return to work. The Committee also recommends that the Scottish Government engages with relevant organisations to review examples of good practice to inform its expansion plans.
- 140. The Committee recommends that the Scottish Government reviews its strategy for transport in rural areas and considers the need of working parents and low-income families to have access to a combination of modes of transport to access work, education and childcare. This should be informed by the review of how existing and planned Demand Responsive Transport (DRT) can be used to support low-income families as part of Best Start Bright Future, as detailed in the 2023 progress report.

## **Employability programmes and services**

- In BSBF, employability is part of a broader 'employment offer' to move up to 12,000 parents into sustained work and support up to 3,000 to increase their earnings. The Scottish Government aims to make employability services contribute to reducing poverty and inequality and transform the economy. In her response to the Committee's pre-budget report 2023-24, the then Cabinet Secretary for Social Justice, Housing and Local Government, Shona Robison, confirmed that for 2023/ 24, "we will reinstate funding to support the employability response to child poverty, with £69.7 million committed in recognition of the important role that employability support has to play in tackling child poverty". vi
- All parents accessing employability services will have different needs and a different 142. journey. They will be facing a range of challenges such as financial issues, confidence, and access to childcare.
- The Scottish employability support landscape is complex with a range of reserved 143. and devolved programmes and plans making up a structure to support people overcome barriers and disadvantages to access employment.
- The main Scottish Government-funded programmes are Fair Start Scotland and No-one Left Behind:
  - Fair Start Scotland (FSS) was introduced in 2018 to provide practical support and advice for those furthest from the labour market and is delivered by public. private and third sector providers across nine geographical areas. It is currently set to run until March 2024 following an extension in 2023.
  - No One Left Behind (NOLB) was introduced in 2019 and focuses on the needs of individuals and the labour market with a flexible, user-centred system aimed at helping people to find, stay and progress in sustainable work. It is delivered in partnership with local authorities.
- An evaluation of the implementation of NOLB vii was published in August 2023 and 145. will inform how employability services will be run from April 2024.
- All 32 local authorities offer employability support to parents to access work and progress their careers. Support can range from person-centred support to build skills and confidence to training and work-based initiatives. Local Employability Partnerships (LEPs) collaboratively plan and deliver local employability support. The Scottish Local Authorities' Economic Development described LEPs in their submission <sup>42</sup> as having "a role to play in identifying and agreeing the priority groups and employability activities which should be provided in their own areas".
- 147. One Parent Families Scotland emphasised that "although we are talking about

vi Letter from the Cabinet Secretary to the Social Justice, Response to the Social Justice and Social Security Committee, 10 January 2023

vii The evaluation also covered the Young Person's Guarantee and assessed progress and learning with the same local employability stakeholders, staff and service users.

- employability to support parents out of poverty, we still need to tackle the poverty that they face, so that they will move into employability programmes, then into training, education and employment". <sup>43</sup>
- 148. Witnesses suggested that providing a range of interconnected and tailored interventions and not just employability is key especially for lone parents.
- 149. One Parent Families Scotland gave the example of a model they use to offer support for parents who might be in a crisis and unable to buy food or face deep debt—
  - We need to sort out as much of that as we can before those people engage in employability work. There is a bit before employability that we need to fund and resource. [...] If you are in poverty and you are stressed, it is very difficult to even think about looking for a job. Child poverty will be tackled only if parents, especially single parents, get a boost to their income through social security and if they have access to early years and school-age childcare that is not only affordable but flexible. 44
- 150. Witnesses welcomed the person-centred approach of No One Left Behind (NOLB) but advised that more tailored support would be useful for priority groups and families facing systemic barriers and discrimination.
- 151. The Institute for Public Policy Research (IPPR) Scotland agreed that policies are currently based on a 'catch all model'. There should be a shift and 'the priority groups should be the lens through which we design policies.' 45
- 152. Fedcap, an organisation that supports people into sustainable employment through Fair Start Scotland, suggested a move from a "no-wrong-door" approach to a "right-door approach" and a "pre-pre-employment stage" model could help organisations offer comprehensive support at whatever stage people need it and get more people to a stage where they are ready to talk about employment—
  - Can you imagine somebody with multiple barriers building up the confidence to apply? Think of a parent, with everything that they are experiencing just now, finding somewhere and reaching out to an organisation and being told, "Sorry—this isn't for you. We need to find you something else. 46
- 153. The Cabinet Secretary for Wellbeing Economy, Fair Work and Energy (Neil Gray MSP) and the COSLA Spokesperson for Community Wellbeing (Maureen Chalmers) in a <u>statement of 10 August 2023</u> stated their commitment to—
  - [...] continue to build on the progress already made through the delivery of No One Left Behind and to move into the next phase of delivery focused on our shared priorities of collective leadership and evidence-based improvement and innovation. This includes exploring opportunities to scale up employability support for parents, in recognition of the key role that employability can play in eradicating child poverty.
- 154. In July 2023, the Scottish Government published <u>statistics</u> for the programmes up to March 2023. It states that 32% of people receiving support on NOLB have entered employment, while a further 5,477 (14%) entered further or higher education or training. Overall, there have been 20,013 job starts since FSS launched.

- 155. At the Committee's meeting on 14 September, the Cabinet Secretary advised that these employability programmes 'have been doing relatively well' and that parents are a key target with a quarter of people going on to work and a quarter on to a positive destination, including further education or training. <sup>47</sup>
- 156. Scottish Government officials viii added that a shared measurement framework is being developed to improve the original modelling and ensure that the 12,000 target set for the number of parents to access sustainable employment remains stretching as good practice is learned and applied. Best practice is also shared with local partners with a view to replicate in different areas.

#### Conclusion

- 157. The Committee notes that the Fair Start Scotland contract ends in April 2024 and that No One Left Behind was recently evaluated ix. The Committee recognises that the Scottish Government and COSLA are jointly exploring opportunities to scale up employability support for parents, in recognition of the key role that employability can play in eradicating child poverty.
- 158. Employability services need the resources to deliver interventions throughout people's journey, even at the very initial stages when they are just starting to consider employment and are facing too many barriers to focus fully on a programme.
- 159. The Committee asks the Scottish Government for more detail on how this scaling up will be achieved, particularly after Fair Start Scotland ends in April 2024. Furthermore, the Committee seeks more clarity from the Scottish Government on the levels of funding focused specifically on parents' employability.

### **Financial support**

#### Student parents

160. Low-income student parents face a number of barriers to accessing and continuing in education, such as those explored with infrastructure. One of the biggest issues is dealing with the financial complexities of being a student, what that means for them in terms of childcare costs, funding to attend education and how funding can impact on any benefits they receive. These complexities can be difficult to navigate without clear advice.

#### Financial pressures of summer breaks

- 161. On 28 June 2023, the Lifelong Learning and Skills Directorate published Summer support for students: review. It follows a survey and engagement workshops with students, including student parents, looking at their financial support and funding needs over the summer months. Issues around childcare costs and finding work as well as managing caring responsibilities were raised but the recommendations and next steps do not include specific solutions to address these issues.
- 162. Student parents who took part in the survey and workshops reported that:
  - They incur additional childcare costs over the summer as their children are not attending school or nursery.
  - They have to pay to keep their child's place at nursery over the summer so that they can return in August.
  - Parenting and caring responsibilities are difficult to balance with work and often limit student employment prospects over the summer.
- 163. The Committee recommends that, as a follow-up from its summer support for students review, the Scottish Government develops concrete solutions around childcare costs to support student parents manage their finances and caring responsibilities over the summer months, so they do not have to suspend or give up their courses.

#### Part-time grant thresholds

- 164. Universities Scotland expressed concerns that the part-time grant thresholds are not increasing. They explained that the grant was introduced 10 years ago and 68% of Open University students receive it. Recently students have come forward looking to pause or quit their courses because the grant is no longer sufficient for them to cope with the cost of living crisis or because an increase in their wages means they are no longer eligible for the grant. <sup>48</sup>
- 165. In his Independent Review of the Skills Delivery Landscape, published in June 2023

- James Withers highlights the importance for all students of getting a level of financial support that matches the living wage, thus removing barriers to 'access upskilling and retraining opportunities and develop their journey through work'. In Recommendation 7 of the review he states—
- As part of the redesigned funding process in Recommendation 6, the Scottish Government should ensure that there is provision in the system for those undertaking part-time learning or pursuing certain approved accelerated retraining programmes to receive the same pro-rata level of funding support for living costs as those in full time education. <sup>49</sup>
- 166. In June 2023, the Scottish Government published initial priorities for its programme of reform across the lifelong education and skills system <u>Purpose and Principles for Post-School Education, Research and Skills</u>. One of the five principles is to be 'supportive and equitable'. If realised, this would see people "supported throughout their learning journey, particularly those who need it most". As one of the initial priorities, the Scottish Government has committed to review student support for part-time learners "within financial constraints" with the aim of improving parity of support.

#### Conclusion

- 167. The Committee heard clear requests to review the Part-Time Fee Grant threshold to support low-income parents opting for part-time studies to fit around their caring responsibilities without impacting on their finances. The Committee welcomes the Scottish Government's programme of reform and its focus on support for part-time learners.
- 168. The Committee agrees with James Withers recommendation to review the provision of funding for students wishing to undertake part-time studying and urges the Scottish Government to undertake this review as soon as possible.

# Improving financial support and guidance from education institutions

- 169. Witnesses said education institutions could improve how they get parents into the education system. They considered this could be achieved by providing better guidance on how different sources of financial support interact, so parents have the necessary information to take the next step. It was suggested that partnership work across the sector in Scotland and beyond could bring in useful learning about successful practice.
- 170. Universities Scotland told the Committee about how a 2016 review of how funding works in Wales, the Diamond Review, has allowed for the creation of a bespoke arrangement with the creation of new grants. These have helped to get more students to take up courses with the Open University. <sup>50</sup>

- 171. The Diamond Review recognised parents as a group of students with particular financial and social challenges and needs. The review recommended that the Welsh Government work with universities and student unions to ensure adequate levels of funding for student parents.<sup>x</sup>
- 172. The review also found that the option to study part-time can be a good choice depending on students' circumstances. This enabled them to 'learn while they earn' and this should be supported by a triple partnership between providers, the Government and students themselves.
- 173. The Committee recommends that the Scottish Government engages with the Welsh Government and Welsh education and student union partners to understand how learning from the Diamond Review could be applied in Scotland to support and guide student parents and incentivise part-time study as a positive option for them.

#### Social security rules

- 174. Social security rules can create difficulties for student parents and parents thinking of becoming students. Witnesses called for a review of how some benefits interact with other vital financial support parents receive. They considered that this would remove a barrier for parents seeking to take up courses or training.
- 175. There are a range of funds available to students in further and higher education, including lone parent grants, discretionary funds and loans. Student parents are eligible for Universal Credit but most student funding is counted as income. This means that Universal Credit awards can be greatly reduced. This in turn can impact on access to passported benefits such as the Scottish Child Payment as well as subsidised childcare costs.
- 176. In 2022, the Scottish Government consulted on changing the legislative basis of the Scottish Child Payment in order to allow it to be 'de-coupled' from Universal Credit. In the analysis of the consultation published in March 2023, '93% of respondents were in favour of 'the proposal that it would be useful for the Scottish Government to be able to make changes to Scottish Child Payment that were not limited by the current approach that relies on 'top-up' powers.'
- 177. In its written submission <sup>51</sup>, the Scottish Wider Access Programme (SWAP) highlighted that juggling finance with the combination of benefits, employment and college funds is a challenge for student parents. They will often have to rely on a strong support network around them to successfully complete their studies in order to cope with unexpected financial and family issues.
- 178. Kenny Anderson, SWAP, explained how college funding can clash with benefits and how they could be an asset when managed properly together—

- A particular challenge is that colleges are great with their discretionary funds, but those funds can sometimes cause difficulties for people on universal credit. When that challenge arises oh my goodness! the balance can go wrong and cause difficulties. It is less of an advice and information problem. If we could really get stuck into the benefits system, we might actually start to do some good. <sup>52</sup>
- 179. Education is a positive step towards employment. However, witnesses said a lot of issues stem from the fact that Universal Credit is focused on getting people into work. There is no flexibility in the benefits system for a parent accessing education.
- 180. Colleges Scotland commented that Universal Credit is a barrier for parents, whether they are in or out of work, to engage in education "because of all the conditions and impacts that studying has on their benefits. That is a big issue across the UK." <sup>53</sup>
- 181. On 14 September, Members asked the Minister for Higher and Further Education if special support for students in receipt of benefits would be delivered. The Minister said the Scottish Government is currently working on the matter with the DWP to consider how to take this forward within its devolved competence and hopes to have a plan for the next academic year in place by the end of 2023. <sup>54</sup>

#### Conclusion

- 182. It is counterproductive for the social security system to work against helping prospective parent students into education whether they are in or out of work. The lack of flexibility of the benefits system to consider education as a step towards employment creates additional barriers for parents dealing with an already complex range of supports.
- 183. The Committee notes the Scottish Government's discussions with the UK Government on special support for students and looks forward to seeing the Scottish Government's plan for addressing this situation.

  Notwithstanding these discussions, the Committee asks the Scottish Government to consider introducing funding options that will ensure that low-income and part-time students always have adequate funding to support them without the need to access the benefits system.
- 184. One of the aims of the Social Security Amendment (Scotland) Bill, introduced on 31 October 2023, is to create a framework that would allow the Scottish Child Payment to become a stand-alone benefit. The Committee recommends that the Scottish Government makes use of this framework to extend eligibility to the Scottish Child Payment to low-income student parents whose student funding means they are ineligible for benefits such as Universal Credit.

### **National policy priorities**

185. Addressing child poverty through parental employment is a cross-cutting issue that engages key national policy priorities, such as the Scottish Government's ambition to be a Fair Work Nation, an extensive education reform programme and delivering a Just Transition to Net Zero. This section explores some of these links.

#### Working towards a Fair Work Nation

186. The Scottish Government's vision is for Scotland to be a leading Fair Work Nation by 2025, where fair work drives success, wellbeing and prosperity for individuals, businesses, organisations and society.

#### In-work poverty

- 187. In its 2023 Tackling Child Poverty progress report, the Scottish Government stated that "many families living in poverty are already working. Instead, what is needed, is well-paid, stable and secure contracts that allow families to not live in poverty."
- 188. One Parent Families Scotland's 2022 'Living without a Lifeline' research found that two in five (40.9%) single parents in paid work said they were finding it extremely difficult to afford food or could no longer afford it, while over half said the same of electricity (56.2%), gas (52.8%) and travel (55.2%).
- 189. Preventing in-work poverty should be a priority alongside supporting parents in long-term unemployment. Employability services have a key role in providing inwork support to help people choose and develop a sustainable career path, upskill and deal with financial barriers. Witnesses considered some tweaks to how services are delivered that could improve parents' prospects and motivate them to stay in work.
- 190. Witnesses suggested that in-work support should match the support people get on their journey to access employment. Fedcap Scotland told the Committee that "twelve months of pre-employment support is fantastic, and then, once somebody gets work, they need 12 months of in-work support. That is crucial". <sup>55</sup>
- 191. The support available to parents in work should go beyond career and skills to focus on interventions, such as financial advice. The Scottish Local Authorities' Economic Development Group said this can ensure people receive all the benefits they are entitled to and receive a robust better-off-in-work calculation to enable them to consider the best option that would lead to a real-terms increase in their household income. They highlighted that for both parents in work and preemployment parents—
  - We should not just make the assumption that increased hours will increase their income, because a lot is lost as a result of that. That motivating factor seems to be similar across both groups. <sup>56</sup>
- 192. Witnesses wanted flexibility to access advice and support, for example in the evenings or through online services, so parents can focus on it after children have gone to bed.

- 193. There are already successful initiatives such as online platforms and support hubs and more could be learnt from what works best for working parents. Fedcap described a digital platform they run that allows parents who are in work to access training and development at a time that suits them—
  - We can track when they use it: the most popular times are between 7 o'clock at night and 2 o'clock in the morning. That allows people to go through the training at a time that suits them, based on their interests, at a pace that suits them and under no pressure. <sup>57</sup>

### Conclusion

194. Increased and improved parental support for in-work parents, especially single parents, is key to reducing child poverty. In-work parents need support and tools to maintain employment, improve their prospects and stay motivated when facing structural and financial barriers. Again, the Committee considers that a shift in how employability programmes are designed to improve the range of interventions available, and how and when they are delivered, is essential to giving working parents the best chance to stay in employment.

### Fair pay for childcare workers

- 195. Witnesses emphasised that offering a fair wage to the childcare workforce is key to providing quality services and retaining staff. Childcare providers argued that funding therefore needs to be adequate and to increase in line with inflation and rising running costs if they are to be able to pay staff the real living wage.
- 196. Third sector providers argued that with the current cost of living crisis, they have struggled to allocate their funding adequately to offer the real living wage to staff and compete with public sector salaries. Flexible Childcare Services Scotland explained—
  - The cost of inflation has also been higher than the increase in funding rates. We feel as though we are being hit from all sides at the moment. We are trying to provide services that meets parents' needs and the costs of doing that are going up and up. Staffing costs are also under pressure because we cannot compete with the higher salaries that are paid by local authority services. There is therefore a real pressure to push costs up even beyond the real living wage increase to attract good-quality staff. <sup>58</sup>
- 197. The National Day Nurseries Association added that paying staff the real living wage means there is no capacity to pay managers, room leaders and higher-qualified and more experienced staff more. As a result, "staff are leaving for other sectors such as supermarkets". The Association claimed that children and staff are not getting a fair cut of funding, putting additional pressure on private and voluntary providers. <sup>59</sup>
- 198. The Bellsbank Project emphasised the challenges for the third sector—

- We have also found that grant funding is not going up, but everybody is expecting wages to go up. Instead of applying to two or three major funders a year, we are having to apply to 17 or 18. Everybody's wages are being paid from three, four or five different sources. It is really difficult to keep on top of that. <sup>60</sup>
- 199. The Scottish Government announced in the Programme for Government a minimum of £12 per hour for staff delivering funded early learning and childcare in the private and voluntary sector from April 2024. It is to be noted that this is in line with the Scottish Government's promotion of the real Living Wage as the minimum rate for everyone in paid work from April 2024.
- 200. The Minister for Children, Young People and Keeping the Promise commented "That is a really important step" and advised that the Scottish Government will also expand existing recruitment and retention pilots for childminders to increase the workforce by 1,000 by 2026-27. She said—
  - Those two actions, coupled together, are critical steps towards addressing some of the issues around recruitment and retention. <sup>61</sup>

### Conclusion

- 201. The Committee very much welcomes the setting of a minimum of £12 per hour for staff delivering funded early learning and childcare in the private and voluntary sector from April 2024. However, the Committee notes this could be higher to more accurately reflect the value of early learning and childcare as a service and the part it plays in helping children grow up happy and healthy.
- 202. The Committee asks the Scottish Government what discussions it has had with the sector on what this increase in minimum pay means for providers' overall wage bills, for recruitment into the sector, for paying managers higher salaries than the minimum pay to retain them in the sector and for organisations that rely on grant funding to pay staff wages.

### Reform of the post-school education sector

- 203. The education sector has a lot of competing priorities, and many systems are designed around young adults with few responsibilities. Witnesses asked for low-income student parents to be prioritised in the education sector and across Scottish Government strategies.
- 204. In its initial priorities paper for the reform of the post-school education sector, the Scottish Government established principles and 'systems level outcomes' that set out the long-term ambition for each principle. One of the ambitions for the sector is to be supportive and equitable, making sure 'people are supported throughout their learning journey, particularly those who need it most. Supporting this is an outcome

- to develop a 'public funding system for student support perceived as fair, transparent and accessible by learners, providers and employers'.
- 205. One of the tasks identified in the research for the Scottish Government is to set clear priorities for public investment that are informed by evidence with people at the centre. Although the paper refers to a case study of SWAP's work supporting adult returners including single parents, there is no other mention about the specific needs of student parents.
- 206. The Committee recommends that the Scottish Government recognises low-income parents' specific needs, financial constraints, and responsibilities as part its programme of reform of the education sector and associated public funding systems. It should do this by including them as a category when analysing learners' needs and in determining funding, specifically childcare costs, as this is a significant expense for low-income parents.

## Work-based pathways and just transition opportunities

- 207. It is vital to tackle skill shortages and to support a thriving economy and net zero transition. Access courses, community-based provision and partnership working are all key to supporting this.
- 208. Work-based pathways can be enhanced through collaboration with employers to create a diverse portfolio of learning options that can address skill gaps. BSBF refers to creating "up to 500 apprenticeship opportunities in 2022-23." They are available from the school-based level to graduate level and are open to all including low-income parents.
- 209. In June 2023, James Withers published his review of the skills landscape in Scotland, which made significant recommendations for reform of the national bodies which currently deliver skills, which aims in part to ensure employers are able to find the skills they need during the transition to net zero and other significant changes expected.
- 210. Skills Development Scotland said it 'has a parents and carers strategy that is all about different ways of engaging parents, particularly low-income parents, and supporting a range of opportunities.' Apprenticeships are one of the pathways open to them. <sup>62</sup>
- 211. SWAP explained that people entering the education system through their programmes tend to consider safe jobs in health and care but don't think of 'green jobs' such as engineering. They are looking to gain a good degree towards good employment and it can be difficult to promote the jobs of the future and show that 'jobs in engineering and social science are just as important and that they are as able as anybody else to go into those jobs.' 63
- 212. Universities Scotland warned, however, that there is a lot of talk about just transition

#### **Social Justice and Social Security Committee**

Addressing Child Poverty Through Parental Employment, 11th report, 2023 (Session 6)

in the university sector but a clearer definition of what this means in practice is needed to develop the right university courses and relevant access courses to offer suitable pathways towards good jobs. Equipped with a clear understanding, education institutions could contribute to an inclusive just transition that can offer great prospects to parents with no formal education and support the economy by filling skill gaps. <sup>64</sup> The Minister for Further and Higher Education responded to the review of the skills landscape in Scotland, stating "I am supportive of the broad direction of travel James Withers identifies but will take a little time to consider fully the detail of the recommendations and the practicalities of implementing them". <sup>65</sup>

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

# Inter-sector collaboration to progress national priorities

214. Many of the policies that contribute to national priorities rely on the collaboration of different sectors. In delivering the Scottish Government's ambition of getting up to 12,000 parents into sustained work, and the various policies that play a part in meeting this goal, collaboration with the public, private and third sectors is crucial.

### Returning to higher education

- 215. Good collaboration and partnership across providers and sectors are key to opening up a range of education pathways especially as funding decreases.
- 216. For example, SWAP explained that access programmes require a lot of engagement with college partners so the people they support can be ready quickly to progress and partners have to 'balance the books' to deliver. <sup>66</sup>
- 217. Universities Scotland explained that the Open University has students in every parliamentary constituency and region and has strong partnerships with colleges but as funding reduces, more collaboration is needed and they now also looking at working more with the third sector and SWAP. <sup>67</sup>
- 218. Witnesses expressed the need for a partnership framework to link education institutions with organisations across sectors. There is good practice out there that could be replicated. Skills Development Scotland described the strategic agreements and shared learning they have with West Lothian College, Social Security Scotland and the DWP—
  - We share continuing professional development learning—upskilling each other—because, when we are in front of a customer, we have to make sure that we can offer a range of supports that go far outwith our own services. <sup>68</sup>
- 219. An integrated approach also requires the involvement of employers. Skills Development Scotland explained that work-based learning opportunities "should be part of a diverse portfolio of accessible options for parents on low incomes". <sup>69</sup>

### Conclusion

220. The Committee believes that for the education system to be robust and efficient in supporting student parents, strong governance and a framework are needed to assist the collaboration of all relevant partners in the education, third and private sectors to provide a range of learning opportunities. There is good collaborative practice out there and more streamlined partnerships could lead to cost effective new opportunities. In addition to these aims and opportunities, there is a need to ensure that parents and adult returners have the information they need to access courses and the support available to them.

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

### Involving employers in employability programmes

- 222. Employability services rely on employers offering opportunities to the people they support through their programmes. Services need to satisfy the needs of both employers and potential employees and create strong relationships throughout the process.
- 223. The Committee heard that employability partners need support to develop, share and implement strategies and approaches to engage successfully with employers. This would help employers feel confident they can offer quality jobs and will get the right people for them.
- 224. Fedcap described the importance of employers' engagement for employability programmes to successfully support people to access and retain quality jobs—
  - We can support people, upskill them and give them dreams and aspirations, but, if we do not have employers that are able to support those individuals and are confident enough in supporting them or knowledgeable enough about how to support them, the job will not work. <sup>71</sup>
- 225. Witnesses called on the Scottish Government to do more through current policies and programmes to increase connections with employers who want to give back, and encourage them to involve parents enrolled in employability programmes. Suggestions included:
  - Linking with business support and workforce development programmes to match business needs with career opportunities
  - Encouraging the development of partnerships with large employers such as retailers, local authorities and the NHS with incentives such as accreditation and reward schemes
  - Developing conditions in procurement contracts to create career opportunities for people engaging with employability programmes.
  - Considering tax rebates to encourage employers to uphold social responsibilities and achieve Fair Work Nation ambitions<sup>xi</sup>.

xi The Sottish Government's vision is for Scotland to be a leading Fair Work Nation by 2025, where fair work drives success, wellbeing and prosperity for individuals, businesses, organisations and society.

- 226. On the 19 October, the Scottish Government set out its implementation plan for the development of the New Deal for Business, "which offers a refreshed way of working with business, based on mutual trust and open dialogue. It recognises that business' commercial success is central to achieving a thriving Wellbeing Economy".
- 227. As mentioned above, James Withers' review recommends significant changes to ensure that the wider skills landscape is better in tune with the business base in Scotland. For example, he recommended that Enterprise Agencies have a new role in engaging with businesses to support skills planning.
- 228. The Committee welcomes the Scottish Government's New Deal for Business and asks the Scottish Government to set out how that work reflects the Scottish Government's priority of tackling child poverty.

### Fair work and the business sector

- 229. Providing jobs that pay a fair wage and are family friendly with flexibility to meet parents' needs is central to tackling child poverty through parental employment.
- 230. In the current post-COVID economic climate, many businesses have been struggling with increased costs and securing permanent and seasonal staff in some sectors. These conditions can have an impact on the flexibility and working conditions that businesses, especially small ones, are ready to offer and how much they can think about the benefits of long-term changes.
- 231. In the Fair Work Action Plan, the Scottish Government states it will "use all levers available to us to make Fair Work the norm by promoting and embedding Fair Work within every Ministerial portfolio across the economy." Private sector employers need support if they are to be confident and willing to implement Fair Work practices and undergo culture changes. Clear messages, encouragements as well as specific, practical advice and on-going support to help them deliver fair, flexible work are some of the soft powers the Sottish Government can most efficiently deploy.
- 232. The Joseph Rowntree Foundation reinforced the importance of strong messaging to support low-income families—
  - Messaging was key to ensuring compliance with the COVID pandemic rules. Messaging about this mission on child poverty needs to penetrate the business community and private sector as well as it has permeated the policy of the third sector and public sector. <sup>72</sup>
- 233. Such messages can however only be successful if the Scottish Government creates sustainable partnerships and offerings based on trust with the private sector. In their submission <sup>73</sup>, the Joseph Rowntree Foundation explained that the Scottish Government could also provide funding and incentives such as subsidies to employers who offer family-friendly and flexible working conditions, guidance and resources such as on best practices, produce research and promote the benefits of good policies employers as well as the wider.
- 234. Flexible Working Scotland suggested that the Scottish Government already funds many organisations to speak to businesses and this should be seen as an opportunity to convey consistent and mainstreamed messages around child poverty and flexible working. This is important when new legislation such as the 'Day 1 right<sup>xii</sup> to flexible working' is implemented and businesses need to be informed and prepared to deal with changes. <sup>74</sup>
- 235. The Cabinet Secretary for Wellbeing Economy, Fair Work and Energy said the Scottish Government had provided significant funding to organisations, for example Flexibility Works, to help "ensure that businesses are aware of not only the benefits of providing flexible workplaces but the practical things that they can do to support

xii From spring 2024, workers in the UK will have the right to request flexible working from day one of a new job, with employers required to consider any requests and provide a reason before rejection.

their employees in that process". He also pointed to work being done in the NHS around work-life balance. <sup>75</sup>

### Family friendly and flexible working

- 236. In an 'Opinion and Lifestyle Survey ' on home working data and the characteristics of people working from home from September 2022 to January 2023, the Office for National Statistics (ONS) showed there is a clear variation by income when it comes to home/hybrid working.
- 237. The survey showed that 80% of those on incomes over £50,000 are either home or hybrid working compared to 13% of those earning less than £10,000. Variations were also considerable depending on age and education. Those most likely to be hybrid or home working are degree educated, higher earning, middle-aged workers, with 67% of those with a degree either home or hybrid working compared to 14% of those with no qualifications.
- 238. The Chartered Institute of Personnel and Development told the Committee that in Scotland 70% of people on the lowest income cannot and do not work from home at all and for half of all Scots flexibility is not an option. <sup>76</sup>
- 239. Working Families explained that, although many parents work in flexible ways, flexible patterns can impact their ability to earn adequate income if they can't work full-time in a hybrid format to reduce costs, especially out-of-school care. This is particularly true for parents working in place-based jobs in sectors such as retail, logistics, health and care, hospitality and education. <sup>77</sup>
- 240. Parents who can only work part-time not only earn less but are also frequently considered less valued in the workplace and can be locked out of the labour market and put their careers on hold. Flexibility can be a lifeline and free up valuable income.
- 241. A lack of affordable childcare can prevent low-income parents accessing work or progressing their career in some sectors because they are unable to manage shifts around childcare. Flexible Working Scotland told the Committee how inflexibility of shifts can be an issue for some professions and mentioned the situation for some nurses—
  - The average cost of childcare for a day in Scotland is around £55. That is £55 that is not in that parent's pocket because they paid for childcare thinking that they had a shift that day when they did not, or their partner was at home and they did not need the childcare. <sup>78</sup>
- 242. Flexibility Works told the Committee about what parents in frontline jobs need to make flexible work fit around their responsibilities—
  - They know that they cannot work from home, but they are looking for things such as reliability of shifts and being able to set their shifts so that they always know when they will be working. They also want occasional ad hoc flexibility for when family emergencies or other situations arise. <sup>79</sup>
- 243. Witnesses believed that the Scottish Government should do more to ensure that

- suitable flexible working practices are put in place and become the norm in the public sector, for example giving staff their rota many weeks in advance.
- 244. Flexible Working Scotland mentioned the current four-day week pilot in the public sector and suggested that other types of trials should be funded in sectors needing different types of flexibility as they could be 'real game changers' for some people while still supporting business needs. Solutions are needed for people in jobs with no flexibility such as teachers, nurses who have to start at 7am or people in retail working at the weekend. <sup>80</sup>

### Supporting women returners

- 245. Flexible Working Scotland described a 'triangle of policy levers' where childcare and flexibility need to be complemented by supporting mothers back into the workplace. She explained that—
  - Women are having their kids later. We know about the sandwich generation of women who are looking after their kids and their parents. Women may have disabled children who they have to look after as adults. Those women are looking for flexible employers. They are not even looking at the rest. They are designing the work-life blends around work that they are able to do. 81
- 246. The Scottish Government had funded women returners programmes but this funding has now ended. Witnesses told the Committee that these programmes offer support to women who take career breaks to care for their families get back into the labour market without having to be penalised for not having a linear career path. Women returning from a break want and can contribute to the economy. Flexibility Works explained how such employability initiatives "are vital to giving people confidence and knowledge. It is so hard to know where those flexible jobs exist". 82

### Conclusion

- 247. The Committee believes that flexible working should be an option for everyone whether they have a desk-based or frontline job. A range of options beyond home working or a four-day week need to be made available. Flexi-time and predictable shifts are particularly important for frontline workers, who make up a large proportion of those in lower paid jobs.
- 248. The Scottish Government needs to lead by example and set the standard for the public sector by offering adequate flexible working options and support to suit all parents, and especially single parents.
- 249. The Committee welcomes the four-day week trial and looks forward to being updated on its evaluation when available. The Committee is keen to ensure there are solutions to allow parents to balance their childcare responsibilities without compromising their earnings.
- 250. Supporting women to further their careers, and not end up out of the labour market because of caring responsibilities, should be a priority for employability programmes. Women returners should be seen as an asset to the economy.

251. The Committee recommends that the Scottish Government, in considering its workforce planning for the devolved public sector, takes into account the desirability of flexible working and predictable shift patterns for making roles more accessible, particularly to those with caring responsibilities.

## Using procurement rules to influence employment practices

- 252. Procurement can encourage and support employers to adopt fair work practices. Through <u>Fair Work First</u>, the Scottish Government aims to ensure employers deliver high quality and fair work, workforce diversity and inclusive workplaces by removing barriers to those most marginalised from the labour market.
- 253. As well as incorporating commitments around the real living wage, all public sector grants, funding and sponsorship have to be issued according to Fair Work First criteria and guidelines, and all public sector bodies and partners have to follow Fair Work practices whether they administer funding or act as employers.
- 254. Business in the Community highlighted the long-term potential of procurement and Fair Work First practices to lead the way, especially for small businesses getting grants—
  - It is a bit of a chicken-and-egg situation. How do you implement something that will eventually lead to long-term benefit but that has an up-front cost? It is a question of investment. Public fair work can definitely help to get the ball rolling.
- 255. A range of suggestions to strengthen fair work conditions for parents were provided to the Committee.
- 256. Flexibility Works suggested the Scottish Government should use procurement to make flexible and family-friendly working practices a requirement and a demonstrable commitment for all organisations in receipt of public funds. 84
- 257. Working Families stated that criteria around the living wage, living hours and predictable hours should be mandated. <sup>85</sup>
- Public Health Scotland in their submission <sup>86</sup> suggested that public sector anchor institutions, such as hospitals, can influence suppliers and contractors to widen access to quality work by providing longer term procurement contracts. This would enable suppliers to invest in staff recruitment and training.
- 259. The GMB proposed procurement procedures are used to bring the rights of fathers into line with those of mothers so that caring responsibilities can be better shared.

  87
- 260. Highlands and Islands Enterprise recommended 'a requirement for contractors to provide an annual report on what has been actioned/delivered'. <sup>88</sup>

### Procurement process in the health and social care sector

- 261. Health and Social Care is a sector which relies heavily on procurement and one where pay and flexibility is often an issue.
- 262. Scottish Care warned that in the social care sector most providers are small organisations and enforcing some procurement practices needs to come with support for the right conditions to be in place. <sup>89</sup>
- 263. Independent Living Fund Scotland also had concerns about how often the lowest bidders get chosen thus compromising fair work conditions for staff. They suggested—
  - Let us not look for the employer or the bid with the lowest cost, which is how everything is configured under procurement frameworks; instead, let us ensure that fair work comes right through that process. <sup>90</sup>

### Conclusion

- 264. Procurement is an opportunity for the Scottish Government to promote and spread good practice for fair and family-friendly working conditions.
- 265. The Committee asks the Scottish Government whether it will look into the feasibility of using its procurement and tendering processes to strengthen Fair Work First criteria around family-friendly and flexible working to ensure low-income parents get a fair deal.

### Funding to deliver parental employment

### **Prioritisation**

266. The BSBF delivery plan covers a number of policies and programmes. The Scottish Government has to take decisions about where to allocate funding to maximise outcomes across its budget. This will require the Scottish Government to prioritise funding for specific policies over others.

### Early learning and childcare

- 267. The Scottish Government provides around £1 billion per year to local authorities for the current system of funded ELC.
- 268. In a letter to the Cabinet Secretary for Education and Skills, the First Minister set out the priorities for childcare—
  - For this financial year we have agreed that you will deliver on the following outcomes:

You will take forward work to build the system infrastructure for School Age Childcare, including through investing in a range of projects across the country to test and refine approaches.

You will begin to build the evidence base and start work to trial and evaluate models to deliver funded childcare for 1 and 2 year olds, focusing on those who need it most. <sup>91</sup>

- 269. Good quality childcare provision is essential to providing the necessary support parents need to gain employment or improve their prospects. The Committee welcomes the Scottish Government's additional commitments, though would like to have greater clarity on what additional funding will be needed to meet these new commitments.
- 270. The Programme for Government does not set out what new funding will be available to meet the new childcare commitments. The Committee asks the Scottish Government to set out a detailed spending plan alongside the budget showing what it aims to achieve with that spending and relevant timescales.

### **Transport for low-income families**

- 271. In its 2023 progress report, the Scottish Government details work it is undertaking to tackle transport issues specifically affecting low-income families including:
  - Continuing to deliver support through concessionary fares for eligible groups such as the free bus travel scheme for under 22s

- Progressing the Fair Fares Review to ensure a sustainable and integrated approach to public transport fares
- Reviewing how existing and planned Demand Responsive Transport (DRT) can be used to support low-income families.
- 272. The Scottish Government announced new funding streams:
  - A six-month pilot removing peak-time rail fares from October 2023
  - £900,000 for the Free Bikes Partnership Fund for school age children
  - A Community Bus Fund providing £0.75m resource and £5m capital in 2023-24
  - The delivery of new digital travel data systems to improve journey planning.
- 273. In its Programme for Government 2023 to 2024, the Scottish Government announced that as well as publishing the Fair Fares Review on both the cost and availability of bus, rail and ferry services, it will lay secondary legislation to enable the development of bus franchising and partnerships with more powers to Councils and freeze fares for a further six months on some ferry networks to support island communities.
- 274. In relation to funding, the Cabinet Secretary for Social Justice said the Scottish Government will look at what more can be done to enhance anti-poverty measures in the next budget but 'it would have to be done within the financial reality of the situation that we are in.' <sup>92</sup>
- 275. The Cabinet Secretary added that the Scottish Government will work with the Committee and others to take the difficult funding decisions 'because a number of different calls for funding require us all to think about how we prioritise the many ways that we could further assist families.' 93
- 276. The Committee welcomes the willingness of the Scottish Government to work with the Committee and others. Transport issues relevant to low-income parents have been set out in this report and the Committee asks the Scottish Government to take account of these issues and their relevance to tackling child poverty through parental employment when allocating funding for delivering transport policies.

### Parental transition into employment

277. In June, witnesses expressed concerns about the year-long delay to the implementation of the Parental Transition Fund, aimed at tackling financial barriers to accessing employment. The Institute for Public Policy Research (IPPR) Scotland said "it is disappointing, particularly given what was announced by the UKG [UK Government] on childcare reforms, and it potentially shifts what you want to spend the budget on".

- 278. The Poverty and Inequality Commission also commented in its May progress report on reprioritisation of funding—
  - In the light of the UK Government's recent commitment to pay childcare costs upfront for parents claiming Universal Credit, the Scottish Government should now focus on alternative ways it might use the £5 million allocated for 2023-2024<sup>xiii</sup> to support parents with the transition to employment.
- 279. On 14 September, the Cabinet Secretary for Social Justice said that the planned Parental Transition Fund had been cancelled because of difficulties identifying a mechanism to work around the Scottish Government's powers and the interaction with reserved tax and benefits. It was further explained by the Cabinet Secretary for Wellbeing Economy, Fair Work and Energy that some of the funding has been redirected to the Fuel Insecurity Fund. 95
- 280. Much as the Committee welcomes this investment to help low-income households struggling with their energy costs, the Committee asks what the Scottish Government is going to do to support those parents who would have benefited from a parental transition fund.

## Increasing funding for Individual Training Accounts to meet demand

- 281. Individual Training Accounts (ITAs) were launched in 2017 and aim to help people looking for work and those in low-paid work to get work-related skills and qualifications through £200 funding towards a single training course or training episode per year.
- 282. ITAs were found to be useful in a recent evaluation with half of those surveyed saying they helped them find a job and over half of those unemployed finding work after accessing training funded by an ITA. Colleges Scotland noted that ITAs are a vital tool for colleges to offer flexible learning for people in low-paid jobs. <sup>96</sup>
- 283. One of the commitments in BSBF, following the evaluation of ITA and the Flexible Workforce Development fund (FWDF) programmes, was to set out plans to improve the Scottish Government's adult upskilling and reskilling offer and how it supports parents experiencing poverty.
- 284. However, witnesses have told the Committee that although the latest round of ITAs was disbursed in July, providing 6,000 ITAs for 2023-24, they have now been paused because demand was high and the funding limit had been reached.
- 285. Colleges Scotland told the Committee that variations in the availability of ITAs can have a negative impact on students accessing courses and put pressure on colleges to find other funding sources—

xiii The Parental Transition Fund meant to have up to £15 million invested each year to help parents with financial barriers to entering the labour market.

- Many people who are in low-paid jobs—for example, those in the care sector—want to upskill both to do the job that they are doing and to progress in their job. Very often, they rely on things such as ITAs, and colleges having the flexibility and ability to tap into other resources to provide more of that learning is necessary. <sup>97</sup>
- 286. The Committee notes that, while BSBF highlights the value of ITAs, they appear to have been rolled out on a very small scale, and recent delays due to budget considerations raise questions about the priority that ITAs have been given.
- 287. The Committee looks forward to hearing the details of the lifetime skills offer and recommends that the Scottish Government ensures it is funded on a significant enough scale to provide a broad range of opportunities to low-income parents who would benefit from an ITA.
- 288. The BSBF delivery plan covers a number of policies and programmes that seek to have a cumulative impact on tackling child poverty. As the Cabinet Secretary said in her evidence to the Committee, there will be difficult funding decisions ahead for her portfolio and, the Committee notes, for other portfolios too. So the Scottish Government needs to ensure that these decisions are the right ones to achieve its objective. Stakeholders' evidence identifies a number of areas where funding has been cut when it needs to be maintained or enhanced. A review of all BSBF existing and planned programmes, such as the lifetime skills programmes, could identify where progress is most needed and how best to allocate resources to maximise impact.
- 289. In addition to the specific funding recommendations already set out in this report, the Committee asks the Scottish Government to outline what support it will provide for student parents in the context of tightening public sector finances.

### Impact of budget cuts and financial constraints

### **Education**

- 290. Recent budget cuts in the College sector could have a significant impact on the courses available, including access courses which are key for parents seeking to get into work. Without adequate funding they may not be able to offer the most suitable courses and adequate support packages to low-income parents.
- 291. In May this year, the Scottish Government announced that a planned 2023-24 budget uplift of £26m and £20m for college and university resource budgets respectively would not go ahead.
- 292. The Education, Children and Young People Committee wrote to the Minister for Higher and Further Education to ask for confirmation of whether the Scottish

Government is tracking the impact of cuts and redundancies on course availability at different levels. The response stated that officials were engaging with the Scottish Funding Council on the potential impact on provision and were considering opportunities to give colleges more flexibility to manage their budgets.

### **Employability**

- 293. An additional £53m for employability support, announced as part of Best Start Bright Futures, was cut following the emergency budget review in September 2022. However, the Scottish Government told the Committee that "for 2023/24, we will reinstate funding to support the employability response to child poverty, with £69.7 million committed." 98
- 294. On the changes to the funding allocations, IPPR Scotland said—
  - It is inescapable that the Government's justification at the time was that the cuts would mean that, although the funding was being taken away, no existing activity would be impacted, and that it was simply not taking forward planned expansion. That belied the ultimate point, which is that that planned expansion is what is desperately required. <sup>99</sup>
- 295. IPPR also said that: "that will have a knock on impact". 100

### **Transport**

- 296. The Committee heard that local authorities are responsible for subsidising socially necessary bus services that cannot be provided on a commercial basis. They also provide bus infrastructure, such as bus shelters and bus lanes, and have a role in promotion, information provision and transport policy development and implementation.
- 297. SCOTS explained that in the current climate, where councils face budget pressures in many areas, it can be difficult for them to achieve transport objectives and targets because of budget constraints.

### Consistency and availability of funding

### **Providing educational courses**

- 298. For providers to adopt a consistent holistic and flexible approach to development and delivery of courses, witnesses said the way they are funded needs to be reviewed.
- 299. Witnesses explained that how colleges access funding could be reconsidered to make a difference to the low-income parents that providers work with. Colleges Scotland said—

- Colleges are very agile—we will change and try to do our best, and we absolutely will focus on the people who are in most need. However, it is critical that the Government thinks about other areas that colleges could get funding from. Other pockets of funding could support colleges, not just from the education budget, which would help tackle poverty and achieve the economy that the Scottish Government wants. <sup>101</sup>
- 300. Witnesses gave examples of courses and funding that work but require more consistent support. For example, the National Transition Training Fund (NTTF) enabled colleges to offer an increased number of short courses focused on the communities they serve but this COVID recovery fund ends this year. It is hard for colleges to consistently respond to demands for courses, not knowing what funding will be available to them year on year and when new funding to address a specific national priority might be introduced.
- 301. Colleges Scotland explained that colleges have expertise in short community-based courses to ease people into education in areas of high unemployment and this needs more support even if part-time courses can be more expensive to run. She gave the example of a course in West Lothian that offers a unique pathway into successful careers to women who have children and have not been in education—
  - There is an on-site crèche that ensures that they can be happy that their children are looked after. Every single one of the women who have taken part in the taster course for childhood practice has taken up a full-time college course in August. They would never have contemplated going into the college before they took part in that course in the community. <sup>102</sup>
- 302. The Withers report makes several recommendations to best plan a redesign of publicly funded learning and training. They include:
  - the establishment of a single body to oversee all publicly funded learning and training, and make sure learners' needs, equality, widening access and fair work are priorities
  - Redesign of the process for 'how funding for all learning and training provision is allocated to ensure it is prioritised to deliver strategic outcomes and best value for public investment'
  - Parity of esteem when looking at course funding and acknowledging that, although university is a good pathway, there are other pathways that can meet the needs of individuals, national skills priorities and the economy
  - Funding organised with simple streams, flexibility, multi-year options and promotion of work-based learning such as apprenticeships.
- 303. The Committee notes the Withers Report and draws particular attention to the recommendations around the creation of a single agency and redesign of funding and pathways. The Committee notes that these recommendations could benefit low-income parents.
- 304. The Committee understands that the Scottish Government is currently

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

### **Delivering employability programmes**

- 305. Witnesses emphasised the importance of sustainable multi-year funding so employability programmes can deliver at pace.
- 306. Fedcap referred to the good work and the commitment of local providers and local authorities, but the uncertainty of funding has knock-on effects on the quality of services—
  - When the funding comes in, some of the organisations can no longer apply for it, because they do not have the resource to do so and they cannot employ people for six or seven months, so we are losing good people from the sector. Ultimately, the people who are most impacted are those we are trying to support—those we want to support. <sup>103</sup>
- 307. The Scottish Local Authorities Economic Development Group added that delivery partners do their best to plan to keep up with the funding timings but often funding and provision parameters do not get confirmed until they have already started delivering programmes—
  - Not only does our spend need to be committed, it needs to be out the door by the end of the year. That means running at a significant pace. 104
- 308. The Scottish Local Authorities Economic Development Group added that as employability is not a statutory requirement, providers can be faced with an added challenge when local authorities decide to make cuts in this area to make internal savings and programme plans are impacted. Collaboration and governance from the Scottish Government is key to ensure service delivery is adequate. <sup>105</sup>
- 309. On 14 September, a Scottish Government official said the Government is working with COSLA and 'thinking about how we can share best practice between different partners so that it can be replicated in different areas.' <sup>106</sup> This approach should be sustained to ensure optimal governance at national and local level is supporting delivery.

### Conclusion

- 310. Local employability partners raised concerns about budget cuts and late funding announcements which cause uncertainty and can make it difficult for them to best plan delivery to maximise their reach and impact without clear budgets and lead times. Providers also have to work with local authorities' own plans and strategies and can be impacted when budget cuts impact local priorities and funding.
- 311. The Committee considers that the Scottish Government needs to be much clearer about how it intends to achieve the employability outcomes set out in Best Start Bright Futures. From the evidence received it is not clear that employability programmes and delivery partners have adequate resources and capacity for an expansion in line with the Scottish Government's ambitions.
- 312. The Committee is concerned about delays to funding. From our recent prebudget work this seems to be a recurring issue. The Committee seeks the Scottish Government's assurance that it will address this as a matter of urgency.
- 313. The Committee recommends that the Scottish Government ensures that, in making policy commitments, it builds in adequate time between confirmation of funding, establishment of expanded services and date of expected outcomes. Also, that funding has the continuity needed to deliver those outcomes.

### Delivering at pace and scale

- 314. In BSBF, the Scottish Government states it will work with partners to achieve a reduction in child poverty by providing employment support that will reach up to 50,000 parents, increase childcare provision and apply a "no wrong door" approach to services.
- 315. Evidence suggests that achieving these aims would require a significant increase in investment and in the scale of employability activities. Witnesses considered that it is vital to think long term and invest in a strong structure and a holistic approach with scalability and partnership at the core of all policies and programmes.
- 316. IPPR Scotland described the current situation and the need for urgent action from the Scottish Government—
  - There is a massive chasm between the overall number of people being reached by current employability programmes and those who are supported into work. That chasm alone is big enough, but the number of parents being reached by those programmes and supported into work is tiny in comparison with the aims and ambitions that the Government has set itself, so something has to give. As David Stewart rightly said, this is about scaling up. 107

### **Childcare**

- 317. In Child Poverty Delivery Plan progress 2022-2023 report, the Poverty and Inequality Commission commented that in relation to expanding childcare for one and two year olds "the Scottish Government is not yet making the progress that will be needed to deliver this commitment, probably due in large part to a lack of committed funding."
- 318. Similarly, with school age childcare—
  - The pace of action on school age childcare has been slow [... It] is now 2023 and Scottish Government has not defined who will be eligible for free childcare and there does not appear to be a clear path as to how access to school age childcare can be delivered at scale. There also does not seem to be sufficient focus on a plan for children with disabilities and additional support needs.
- 319. In England, the Spring Budget 2023 announced a large expansion of free childcare focused on working parents—
  - On top of the existing offers, from April 2024, eligible working parents will get 15 free hours for two-year-olds, from September 2024, 15 free hours will be available from nine months, and from September 2025, 30 free hours will be available from nine months until the start of school. 108
- 320. The UK spring budget also increased support for childcare costs in Universal Credit (UC).
- 321. On 14 September, the Cabinet Secretary for Social Justice explained to the Committee that—
  - The focus in England is on working parents. If we are being asked to replicate what is happening down south, that would suggest taking away the offer that we already made for people who are not in work, which would be of great concern to the [Scottish] Government. <sup>109</sup>
- 322. The Poverty and Inequality Commission progress report<sup>xiv</sup> makes it clear that the Scottish Government must move quickly from undertaking research and engagement to delivery. In Best Start Bright Futures, the Scottish Government discusses scaling up action but it is not clear how this will happen and what individual actions need to have a greater focus and urgency. The Committee agrees with this assessment as this has been a feature of the evidence taken in this inquiry.

### **Overall conclusion**

- 323. Whilst recognising the governance challenges set out in this report, the Committee considers there is an opportunity for the Scottish Government to provide more clarity about the direction of Best Start Bright Futures, its priorities and commitments, with explicit delivery and spending plans set against them.
- 324. Even though Best Start Bright Futures has faced setbacks and progress has been slow in its first year as the Scottish Government seeks to put in the foundational work, the Committee recognises that the Scottish Government has made good progress with for example, the increase of the Scottish Child Payment and its expansion of the Payment to under-16s.
- 325. However, for the plan to deliver across the different policy area commitments, decisive action is needed now. Account requires to be taken of how these policies deliver their intended outcomes quickly, otherwise the Scottish Government will find Best Start Bright Futures' commitments and targets become unachievable.
- 326. In a submission following the evidence session on 15 June 2023, IPPR stated—
  - The wider backdrop to this is the government's admission in its Tackling Child Poverty Progress Report published just after our evidence session that it now expects its interim child poverty target, next year, to be missed. It then becomes even more pressing that significant action is taken to catch up and ensure a realistic pathway to meeting the final target in 2030. 110
- 327. The Scottish Government must supercharge its efforts to prioritise policies that tackle child poverty.
- 328. The Committee underlines the importance of good quality, flexible work as a route out of poverty, while also targeting support to those who are unable to work, so that children in those circumstances do not experience poverty and the repercussions this has for their life chances.

### **Annexe A- Parental Employment in Best Start Bright Futures**

Key themes and policies relevant to the inquiry in Best Start Bright Futures (March 2022)

Theme and Policy	Strategy and plans	
Childcare - Improved access and availability of childcare	<ul> <li>Develop funded offers of early learning and childcare (ELC) for and 2 year olds, starting with low-income households within this Parliament</li> </ul>	
	Build a system of school age childcare by the end of this Parliament	
Education and training - Upskilling and reskilling	<ul> <li>Make child poverty a central pillar of the Lifetime Skills Offer aiming to upskill and retrain adults in work and/or at risk of redundancy and address in-work poverty (plan due Dec 2023)</li> <li>Publish a new Adult Learning Strategy for 2022-2027</li> </ul>	
	Set out plans to strengthen the adult upskilling and reskilling offer following the evaluation of current support programmes	
Transport – adequate and affordable provision and improved infrastructure	<ul> <li>Improve the availability of buses and introduce a £1 million community bus fund supporting local authorities to improve the availability of public transport</li> </ul>	
	<ul> <li>Review how Demand Responsive Transport (DRT) can be used to support low income families to plan their journeys</li> </ul>	
	<ul> <li>Deliver support through concessionary fares and ensure a sustainable and integrated approach to fares for others</li> </ul>	
Employability - opportunities and support to enter, sustain and progress in work	<ul> <li>Increase investment in employability support by up to £81 million in 22-23 to deliver holistic and tailored support through keyworkers and local employability partnerships (Some of these funds have been subject to cuts)</li> </ul>	
	<ul> <li>Create up to 600 funded opportunities and 200 placements in health boards and local authorities in 22- 23</li> </ul>	
	Set up a £2 million Challenge Fund to test out new approaches	
	<ul> <li>Set up £15 million per annum Parental Transition Fund to tackle financial barrier to entering work was shelved in 2023</li> </ul>	
Fair and family friendly work - Sustained work and increased incomes	Progress fair work actions in low paid sectors	
	<ul> <li>Ensuring investment in Just Transition supports meaningful action on child poverty</li> </ul>	
	Review the Fair Work Action plan	
	Promote fair work through public procurement policy and practice	
	<ul> <li>Develop Community Wealth Building action plans and introducing a Bill during this session</li> </ul>	

### Progress to date- Best Start Bright Futures, other strategies and Programme for Government

Theme and Policy	Strategy and plans	
Childcare - Improved access and availability of childcare	<ul> <li>Some plans still in research phase. e.g. childcare for ELC and school age children.</li> <li>Plans announced in the <u>Programme for Government</u> in September for the coming year<sup>XV</sup> including:</li> </ul>	
	six local authorities to develop childcare from nine months to end of primary school	
	test a digital service to find and pay for childcare	
	Minimum £12 per hour for staff in the private and voluntary sector	
	Pilots to recruit 1,000 childminders	
	Expanded of eligibility of two-year-olds for early learning and childcare	
Education and training - Upskilling and reskilling	<ul> <li>On 14 September, the Minister for Higher and Further Education stated to the Committee that 'the lifelong learning offer is a work in progress' and 'we have made significant progress, and the reform agenda on which we are embarking will afford us further opportunity to build on that.'</li> </ul>	
	Adult Learning Strategy for 2022-2027 published in May 2022	
Transport – adequate and affordable provision	<ul> <li>Concessionary fares for under 22s delivered and evaluation in progress</li> </ul>	
and improved	Fair Fares review due in December 2023	
infrastructure	Demand Responsive Transport review in progress	
	Community Bus Fund not started	
	Scotrail pilot peak time fares removal October 23 to April 24	
Employability - opportunities and support to enter, sustain	<ul> <li>Employability funding cuts in-year in 2022-23 by £53m following emergency budget review with consequent delays in programmes delivery</li> </ul>	
and progress in work	<ul> <li>200 funded placements: unclear from progress report how many of these were delivered for parents specifically</li> </ul>	
	<ul> <li>No progress on Challenge Fund but progress report says it has been 'aligned with other work'</li> </ul>	
	<ul> <li>£15m Parental Transition Fund affected by Universal Credit rule changes and Government says it has 'just run its course as a concept'</li> </ul>	
Fair and family friendly work - Sustained work and increased incomes	<ul> <li>Refreshed <u>Fair Work Action Plan published</u> including real living wage mandatory for organisations applying for public sector, support of adoption of community wealth building approaches</li> </ul>	
	<ul> <li>91% of all employees aged 18+ (up from 85.5% in 2021 earned at least the real Living Wage in 2022</li> </ul>	
	<ul> <li>3,000 living wage and 20 'living hours' employers in Scotland</li> </ul>	
	<ul> <li>Over £700 million committed through Emergency Budget Review to fund enhanced pay settlements for public sector employees</li> </ul>	

xv <u>School age childcare delivery framework</u> published on 4 October details commitments, action areas and the approach for the next two to three years.

### **Annexe B- Minutes of meetings**

329. You can read minutes of the Committee's meetings at the Scottish Parliament website: Social Justice and Social Security Committee - Meetings

Extracts from the minutes of meetings of the Social Justice and Social Security Committee:

18th Meeting, Thursday, June 9, 2022

1 Decision on taking business in private—

The Committee agreed to take items 6 and 7 in private.

7 Work programme (in private)—

The Committee considered its work programme and agreed its approach to its Child Poverty and local approaches inquiry.

21st Meeting, Thursday, June 30, 2022

1 Decision on taking business in private—

The Committee agreed to take items 2 and 3 in private.

3 Work programme (in private)—

The Committee further discussed its approach to its Child Poverty: Parental Employment inquiry.

29th Meeting, Thursday, November 10, 2022

3 Decision on taking business in private—

The Committee agreed to take items 6 and 7 in private.

7 Child Poverty and Parental Employment Inquiry (In Private)—

The Committee agreed its approach to engagement.

1st Meeting, Thursday, January 19, 2023

3 Child Poverty and Parental Employment Inquiry—

The Committee agreed to consider further approaches to its inquiry, evidence received, correspondence, and draft reports, in private at future meetings.

2nd Meeting, Thursday, February 2, 2023

1 Child Poverty and Parental Employment Inquiry (In Private)—

The Committee considered and agreed to finalise its approach to the national Call for Views by correspondence.

#### 5th Meeting, Thursday, March 2, 2023

3 Child Poverty and Parental Employment Inquiry (In Private)—

The Committee considered and agreed its management of written submissions to the inquiry.

11th Meeting, Thursday, May 4, 2023

3 Child Poverty and Parental Employment Inquiry (In Private)—

The Committee considered and agreed its approach to the inquiry.

### 13<sup>th</sup> Meeting, Thursday 25 May 2023

1 Decision on taking business in private—

The Committee agreed to take items 4, 5, 6 and 7 in private.

3 Child Poverty and Parental Employment Inquiry—

The Committee took evidence from—

- · Irene Audain, Chief Executive Officer, Scottish Out of School Care Network
- Jonathan Broadbery, Director of Policy and Communications, National Day Nurseries Association
- Graeme McAlister, Chief Executive, Scottish Childminding Association
- Matthew Sweeney, Policy Manager, Children and Young People, Convention of Scottish Local Authorities (COSLA).
- 4 Child Poverty and Parental Employment Inquiry (In Private)—

The Committee considered the evidence it heard earlier under agenda item 3.

### 15<sup>th</sup> meeting, Thursday 8 June 2023

1 Decision on taking business in private—

The Committee agreed to take items 3 and 4 in private.

2 Child Poverty and Parental Employment Inquiry—

The Committee took evidence from—

- Beverley Isdale, Chief Executive, First 4 Kids
- Susan McGhee, Chief Executive, Flexible Childcare Services Scotland
- Rami Okasha, Chief Executive Officer, Children's Hospices Across Scotland (CHAS)
- Kirsty Ramage, Project Leader, Bellsbank Project.

3 Child Poverty and Parental Employment Inquiry (In Private)—

The Committee considered the evidence it heard under agenda item 2.

16<sup>th</sup> meeting, Thursday 22 June 2023

1 Decision on taking business in private—

The Committee agreed to take item 3 in private.

2 Child Poverty and Parental Employment Inquiry—

The Committee took evidence from—

- Kenny Anderson, Director, Scottish Wider Access Programme
- Jackie Galbraith, Principal and Chief Executive Officer of West Lothian College, Colleges Scotland
- Sharon McIntyre, Head of Career Information Advice and Guidance Operations, Skills Development Scotland
- Keith Robson, Senior Public Affairs Manager, The Open University, Universities Scotland

#### and then from-

- Marion Davis, Director of Policy, Communication and Strategy, One Parent Families Scotland
- Sarah McCulley, Falkirk Council Representative, Scottish Local Authorities' Economic Development (SLAED)
- David Stewart, Regional Development Manager, Fedcap Scotland
- Philip Whyte, Director, Institute for Public Policy Research Scotland

3 Child Poverty and Parental Employment Inquiry (In Private)—

The Committee considered the evidence it heard under agenda item 2.

17<sup>th</sup> meeting, Thursday 22 June 2023

1 Decision on taking business in private—

The Committee agreed to take items 3, 4 and 5 in private.

2 Child Poverty and Parental Employment Inquiry—

The Committee took evidence from—

- Jack Evans, Senior Policy Advisor (Scotland), Joseph Rowntree Foundation;
- Lynn Houmdi, Co-Creator and Programme Manager, Making Work Work, The Challenges Group Founder, Flexible Working Scotland;

- · Nikki Slowey, Director and Co-Founder, Flexibility Works
- · Jane van Zyl, Chief Executive Officer, Working Families;
- Marek Zemanik, Senior Public Policy Advisor, Chartered Institute of Personnel and Development

#### and then from-

- Andrea Bradley, General Secretary, Educational Institute of Scotland, Scottish Trades Union Congress
- · Karen Hedge, Deputy Chief Executive, Scottish Care
- · Louisa Macdonell, Scotland Director, Business in the Community.
- 3 Child Poverty and Parental Employment Inquiry (In Private)—

The Committee considered the evidence it heard under agenda item 2.

### 18<sup>th</sup> meeting, Thursday 29 June 2023

1 Decision on taking business in private—

The Committee agreed to take items 4, 5 and 6 in private.

2 Child Poverty and Parental Employment Inquiry—

The Committee took evidence from—

- Helen Herd, Head of Human Resources and Rachel Hunter, Director of Enterprise Support, Highlands and Islands Enterprise
- Harvey Tilley, Chief Operating Officer and Heather Melville-Hume, Senior HR Manager, Independent Living Fund Scotland
- Andy Wood, People Services Lead, The Wheatley Group.
- 4 Child Poverty and Parental Employment Inquiry (In Private):

The Committee considered the evidence heard under agenda item 2.

### 19<sup>th</sup> meeting, Thursday 7 September 2023

3 Decision on taking business in private—

The Committee agreed to take items 5 and 6 in private.

4 Child Poverty and Parental Employment Inquiry—

The Committee took evidence from—

Paul Finch, Strategy Manager, Nestrans and Vice Chair for Transportation, Society of Chief Officers of Transportation in Scotland (SCOTS)

Mick Hogg, Regional Organiser, National Union of Rail, Maritime and Transport Workers (RMT)

Paul White, Director, Confederation of Passenger Transport (CPT) Scotland.

5 Child Poverty and Parental Employment Inquiry (In Private)—

The Committee considered the evidence it heard under agenda item 4.

### 20<sup>th</sup> meeting, Thursday 7 September 2023

1 Decision on taking business in private—

The Committee agreed to take items 4 and 5 in private.

2 Child Poverty and Parental Employment Inquiry—

The Committee took evidence from—

- Shirley-Anne Somerville, Cabinet Secretary for Social Justice
- Graeme Dey, Minister for Higher and Further Education; and Minister for Veterans
- Natalie Don, Minister for Children, Young People and Keeping the Promise
- Jane Duffy, Unit Head, Post School Qualifications
- Matthew Farrell, Head of Strategy, Finance and Performance
- Julie Humphreys, Deputy Director, Tackling Child Poverty and Financial Wellbeing
- Ann McKenzie, Unit Head, Tackling Child Poverty Policy Unit, Scottish Government

#### and then from-

- Shirley-Anne Somerville, Cabinet Secretary for Social Justice
- Neil Gray, Cabinet Secretary for Wellbeing Economy, Fair Work and Energy
- Aidan Grisewood, Interim Director, Economic Strategy
- Julie Humphreys, Deputy Director, Tackling Child Poverty and Financial Wellbeing
- Ann McKenzie, Unit Head, Tackling Child Poverty Policy Unit, Scottish Government.

#### 4 Consideration of evidence (In Private)—

The Committee considered the evidence heard earlier in the meeting.

29th Meeting, 16 November 2023

### **Social Justice and Social Security Committee**

Addressing Child Poverty Through Parental Employment, 11th report, 2023 (Session 6)

1 Decision on taking business in private—

The Committee agreed to take items 3, 4 and 5 in private.

5 Child Poverty and Parental Employment Inquiry (In Private)—

The Committee considered a draft report. Various changes were agreed to, and the report was agreed for publication.

8

### **Annexe C- Written evidence**

#### Written submissions received from Local Employability Partnerships:

The Committee asked for views from Local Employability Partnerships through a targeted call for views. The call for views ran from 30 June to 14 September 2022. The Committee received the following 5 responses:

Falkirk Council, 18 July 2022

Midlothian Council, 19 August 2022

Glasgow City Council, 26 August 2022

East Renfrewshire Council, 13 September 2022

Perth and Kinross Council, 14 September 2022

Written submissions received on the digital platform Citizen Space as part of the national call for views:

The Committee sought views from people across Scotland. The call for views ran from 8 February to 5 April 2023. The Committee indicated it was particularly interested in the views and experience of:

- · employers
- · lone parents
- · people from an ethnic minority background
- · families with a disabled adult or child
- young mothers (under 25)
- · parents to a child under the age of one
- · families with three, or more, children
- · organisations who provide support

The Committee received 102 responses. Read the published responses.

After closure of the call for views, the Committee also received supplementary submissions of written evidence from:

Scottish Local Authorities' Economic Development People (Employability) Group

Institute for Public Policy Research (IPPR)

**Carers Scotland** 

Coalition for Racial Equality and Rights (CRER)

**Social Justice and Social Security Committee** 

Addressing Child Poverty Through Parental Employment, 11th report, 2023 (Session 6)

Save the Children

Indigo Childcare Group

Scottish Childminding Association

Association of Directors of Education in Scotland (ADES)

**National Autistic Society Scotland** 

Early Years Scotland

Flexible Childcare Services Scotland (FCSS)

Children's Hospices Across Scotland (CHAS)

Scottish Wider Access Programme (SWAP)

**Colleges Scotland** 

**Universities Scotland** 

Fedcap Scotland

Skills Development Scotland

Flexibility Works

The Wheatley Group

Highlands and Islands Enterprise

Independent Living Fund Scotland (ILF Scotland)

Child Poverty Action Group (CPAG)

**CPT Scotland** 

Society of Chief Officers of Transportation in Scotland (SCOTS)

National Union of Rail, Maritime and Transport Workers (RMT)

The Committee received correspondence from the Scottish Government:

Correspondence from the Cabinet Secretary for Social Justice

### **Annexe D- Visits and focus group**

### **Focus Group**

On 23 August 2022 the Committee visited Rutherglen to hear some initial views on this issue. What they heard is summarised in the following note:

### Summary of 23 August Focus Group

#### **Visits**

Committee Members made two visits to North Ayrshire and Western Isles (Uist and Benbecula). Outline itineraries for the visits are included below.

### North Ayrshire, 13 January 2023

Committee Members in attendance: Natalie Don, Jeremy Balfour, Paul McLennan

The Committee undertook a visit in North Ayrshire where it met with Local Employability Partnership members, delivery organisations, parents and employers.

Meeting	Activity	Details	
Meeting 1	Local Employability Partnership (LEP) - Irvine	Update on North Ayrshire Tackling Child Poverty Board, Overview of the LEP and roundtable discussion with its members on barriers, support required and impact of reductions in funding	
Meeting 2	We Work for Families - Ardrossan	Meeting with parents & key workers, overview of the project, support provided and how it helps parents, challenges parents face.	
Meeting 3	CHAP, Ardrossan	Meeting with a local employer to discuss role of employers in improving outcomes for parents and the support they can get from the Fair Work Ayrshire programme	
Meeting 4	Parental Employment Support Provision – Irvine	Meeting with parental employment support practitioners to discuss the barriers to progressing parents into a positive destination, how they are addressed locally and what further support is required.	

#### Read a note of the visit.

#### Western Isles, 19 and 20 January 2023

Committee Members in attendance: Emma Roddick, Jeremy Balfour, Miles Briggs, Foysol Choudhury, Pam Duncan-Glancy; Paul McLennan

The Committee visited Benbecula and Uist where it met with local infrastructure organisations and service delivery partners, parents, employers and teachers.

Social Justice and Social Security Committee
Addressing Child Poverty Through Parental Employment, 11th report, 2023 (Session 6)

Meeting	Activity	Details
Meeting 1	Strategic overview and setting the scene with local organisations - Benbecula	Overview of the local employability and community landscape and discussion with local infrastructure organisations and service delivery partners
Meeting 2	Cothrom – South Uist	Roundtable with parents about their discussed employment situation, what had helped and challenges
Meeting 3	Cnoc Soilleir - South Uist	Roundtable with local employers to discuss how to develop good local jobs and the issues around offering flexible working
Meeting 4	Cnoc Soilleir - South Uist	Roundtable with teachers and head teachers to discuss the childcare situation and the role of schools in supporting parents working full time.

Read a note of the visit.

# Annexe E - Education policies and strategies relevant to child poverty

### Lifetime skills offer

An initial lifetime skills offer is to be developed by December 2023 to help address in-work poverty with a focus on how best to upskill and retrain adults in work and/or at risk of redundancy. It will also align with the six child poverty plan's priority groups and take into account other groups such as working age adults in poverty or at risk of poverty, people on zero hour contracts or insecure employment and self-employed people.

### **Adult Learning Strategy 2022-2027**

The strategy was published in May 2022. It aims to build a more coherent education system by creating pathways between community-based adult learning, which is often the first step back into education for adult learners and mainstream education opportunities in colleges, universities, local authorities and third sector organisations.

The strategy aims to contributes to tackling child poverty by ensuring that parents – both in and out of work – are able to access the skills they need to progress in their career with an increase in accredited learning and better links to employability services.

### **Individual Training Accounts (ITA)**

ITAs are training course funds of up to £200 aimed at people seeking employment or people in low paid jobs looking to progress. They aim to support learners develop their career prospects by improving work-related skills and qualifications. The scheme is currently closed due to high demand.

### The Flexible Workforce Development Fund (FWDF)

The Fund allows employers to apply for up to £15,000 to help retrain and upskill their workforce to address skill gaps and productivity. It gives access to training courses through local colleges, the Open University and Skills Development Scotland. The fund was evaluated in 2023, and although it was found to be working well, there was no data on its impact on poverty and less than one-fifth of FWDF enrolments live in the 20% most deprived data zones in Scotland.

### **National Strategy for Economic Transformation (NSET)**

NSET was published in March 2022 and sets out a vision for 2032 for Scotland to be a thriving, inclusive and entrepreneurial country delivering a just transition to a net zero, nature positive, wellbeing economy. NSET aims to ensure that people have the skills they need throughout their lives to have rewarding careers that meet the demands of an everchanging economy and society.

NSET has a broad reach and pulls together policy actions across a wide range of areas, some crossing over the ones BSBF references and aims to support a strong economy where good, secure and well-paid jobs and growing businesses have driven a significant reduction in poverty and, in particular, child poverty.

#### **Social Justice and Social Security Committee**

Addressing Child Poverty Through Parental Employment, 11th report, 2023 (Session 6)

Some of its anti-poverty work includes the following projects:

- Project 11 aims to adapt the education and skills system to make it more agile and responsive to the economic needs and ambitions with a focus on lifelong learning, post-school learning and in-work learning opportunities.
- Project 12: aims to support and incentivise people, and their employers, to invest in skills and training throughout their working lives, with a strong focus on working age people in poverty and the six priority family types to better understand how to improve provision to suit their needs.

- Social Justice and Social Security Committee, Official Report, 21 April 2023, Col 11
- 2 Dumfries and Galloway Council, written submission
- Tackling child poverty delivery plan 2022-2026 annex 2: child poverty evaluation strategy updated, p8
- 4 Letter from Cabinet Secretary for Social Justice to the Committee, 5 October 2023
- Social Justice and Social Security Committee, Official Report, 14 September 2023, Col 24
- 6 Delivering for Families, p18
- Social Justice and Social Security Committee, Official Report, 14 September 2023, Col 7
- 8 Audit Scotland News Release
- 9 Scottish Women's Convention (SWC), Written submission
- Tackling child poverty progress report 2022 to 2023: annex d cost of living focus report
- 11 Committee Visit to North Ayrshire, notes, 13 January 2023
- 12 Social Justice and Social Security Committee, Official Report, 25 May 2023, Col 4
- 13 Scottish Childminding Association, written submission
- 14 The Poverty Alliance, written submission
- 15 Social Justice and Social Security Committee, Official Report, 25 May 2023, Col 8
- 16 Social Justice and Social Security Committee, Official Report, 25 May 2023, Col 9
- 17 Social Justice and Social Security Committee, Official Report, 25 May 2023, Col 11
- 18 One Parent Families Scotland, written submission
- 19 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 14
- 20 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 15
- 21 Universities Scotland, written submission
- Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 15
- 23 Scotland's National Strategy for Economic Development (NSET)
- Social Justice and Social Security Committee, Official Report, 14 September 2023, Col 5
- 25 National Transport Strategy, p10
- Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 10

Addressing Child Poverty Through Parental Employment, 11th report, 2023 (Session 6)

- Social Justice and Social Security Committee, Official Report, 7 September 2023, Col 19
- 28 Glasgow City Council, written submission
- Social Justice and Social Security Committee, Official Report, 7 September 2023, Col
   8
- 30 Dumfries and Galloway, written submission
- 31 Social Justice and Social Security Committee, Official Report, 7 September 2023, Col
  7
- 32 Social Justice and Social Security Committee, Official Report, 7 September 2023, Col
  8
- Letter from Minister of Transport to Net Zero, Energy and Transport Committee, 13 September 2023
- 34 Coalition for Racial Equality and Rights, written submission
- 35 Social Justice and Social Security Committee, Official Report, 8 June 2023, Col 15
- 36 Social Justice and Social Security Committee, Official Report, 8 June 2023, Col 15
- Committee Visit to Benbecula and South Uist, notes, 19 and 20 January 2023
- 38 Social Justice and Social Security Committee, Official Report, 25 May 2023, Col 13
- 39 Social Justice and Social Security Committee, Official Report, 7 September 2023, Col 24
- Social Justice and Social Security Committee, Official Report, 7 September 2023, Col 20
- Social Justice and Social Security Committee, *Official Report*, 7 September 2023, Col 22
- 42 Scottish Local Authorities' Economic Development, written submission
- 43 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 30
- 44 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 30
- Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 37
- Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 38
- 47 Social Justice and Social Security Committee, Official Report, 14 September 2023, Col 11
- 48 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 8
- 49 Independent Review of the Skills Delivery Landscape Chapter 4 Recommendations
- 50 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 16

- 51 Scottish Wider Access Programme (SWAP), written submission
- 52 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 15
- 53 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 17
- Social Justice and Social Security Committee, Official Report, 14 September 2023, Col 6
- 55 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 28
- 56 Social Justice and Social Security Committee, *Official Report*, 15 June 2023, Col 40
- 57 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 28
- 58 Social Justice and Social Security Committee, Official Report, 8 June 2023, Col 6
- 59 Social Justice and Social Security Committee, Official Report, 25 May 2023, Col 27
- 60 Social Justice and Social Security Committee, Official Report, 8 June 2023, Col 7
- Social Justice and Social Security Committee, Official Report, 14 September 2023, Col 9
- 62 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 11
- 63 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 3
- 64 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 3
- 65 Skills Review Published
- 66 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 22
- 67 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 10
- 68 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 21
- 69 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 10
- 70 Independent Review of the Skills Delivery Landscape Chapter 4 Recommendations
- 71 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 43
- <sup>72</sup> Social Justice and Social Security Committee, Official Report, 22 June 2023, Col 5
- 73 Joseph Rowntree Foundation, written submission
- <sup>74</sup> Social Justice and Social Security Committee, *Official Report*, 22 June 2023, Col 17
- Social Justice and Social Security Committee, Official Report, 14 September 2023, Col 16
- <sup>76</sup> Social Justice and Social Security Committee, Official Report, 22 June 2023, Col 4
- 77 Social Justice and Social Security Committee, Official Report, 22 June 2023, Col 2

#### **Social Justice and Social Security Committee**

Addressing Child Poverty Through Parental Employment, 11th report, 2023 (Session 6)

- <sup>78</sup> Social Justice and Social Security Committee, Official Report, 22 June 2023, Col 8
- <sup>79</sup> Social Justice and Social Security Committee, *Official Report*, 22 June 2023, Col 3
- 80 Social Justice and Social Security Committee, Official Report, 22 June 2023, Col 10
- 81 Social Justice and Social Security Committee, Official Report, 22 June 2023, Col 11
- 82 Social Justice and Social Security Committee, Official Report, 22 June 2023, Col 22
- 83 Social Justice and Social Security Committee, Official Report, 22 June 2023, Col 29
- 84 Social Justice and Social Security Committee, Official Report, 22 June 2023, Col 9
- 85 Social Justice and Social Security Committee, Official Report, 22 June 2023, Col 10
- 86 Public Health Scotland, written submission
- 87 GMB, written submission
- 88 Highlands and Island Enterprise, written submission
- 89 Social Justice and Social Security Committee, Official Report, 29 June 2023, Col 34
- 90 Social Justice and Social Security Committee, Official Report, 29 June 2023, Col 16
- 91 Education and Skills: First Minister letter to Cabinet Secretary for Education and Skills, 5 September 2023
- 92 Social Justice and Social Security Committee, Official Report, 14 September 2023, Col 17
- 93 Social Justice and Social Security Committee, Official Report, 14 September 2023, Col 20
- 94 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 34
- 95 Social Justice and Social Security Committee, Official Report, 14 September 2023, Col 13
- 96 Social Justice and Social Security Committee, *Official Report*, 15 June 2023, Col 13
- 97 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 13
- 98 Letter from the Cabinet Secretary for Social Justice, Housing and Local Government, 10 January 2023
- 99 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 32
- 100 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 32
- 101 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 23
- 102 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 4
- 103 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 31

- 104 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 33
- 105 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 33
- Social Justice and Social Security Committee, Official Report, 14 September 2023, Col 22
- 107 Social Justice and Social Security Committee, Official Report, 15 June 2023, Col 27
- Funding plan revealed for free childcare from nine months-old, press release 21 June 2023
- Social Justice and Social Security Committee, Official Report, 14 September 2023, Col 10
- 110 IPPR, written submission

