ABERDEEN CITY COUNCIL

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| COMMITTEE | Operational Delivery Committee |
| DATE | 31st August 2022 |
| EXEMPT | No |
| CONFIDENTIAL | No |
| REPORT TITLE | Child Poverty Action Report 2021/22 |
| REPORT NUMBER | CUS/22/149 |
| DIRECTOR | Andy MacDonald |
| CHIEF OFFICER | Derek McGowan |
| REPORT AUTHOR | Derek McGowan |
| TERMS OF REFERENCE | Terms of Reference: |
| | 1.1.1 |
| | 1.1.3 |

1. PURPOSE OF REPORT

1.1 To provide the Committee with the Child Poverty Action report for 2021/22, as required by the Child Poverty (Scotland) Act 2017.

2. RECOMMENDATION(S)

That the Committee: -

- 2.1 approves the joint Aberdeen City Council and NHS Grampian Child Poverty Action Report 2021/22 for submission to the Scottish Government;
- 2.2 notes that this report has been created without access to national child poverty data; and
- 2.3 instruct the Chief Officer Early Intervention and Community Empowerment to review the Council's approach to tackling Child Poverty, in conjunction with Community Planning Partners through the Community Planning Aberdeen Anti-Poverty group, and bring a report back to the relevant Committee detailing a refreshed action plan for 2022-2026.

3. CURRENT SITUATION

3.1 The Child Poverty (Scotland) Act 2017 (the Act) fully entered into force on the 1st July 2019. The Act sets out steps required to be taken by the Scottish Government, Local Authorities and Health Boards to tackle child poverty. The Act identifies four definitions for poverty, identifies targets to be achieved by 2030, and creates a requirement for Local Authorities and Local Health Boards to annually agree a Child Poverty Action Report. This Report is then published and submitted to Scottish Ministers.

- 3.2 Poverty is defined in the Act under four different headings:
 - Relative poverty
 - Absolute poverty
 - Combined low income and material deprivation
 - Persistent poverty
- 3.3 At Operational Delivery Committee on the 17th September 2019, the Committee agreed to adopt the Local Outcome Improvement Plan (LOIP) as the Council's Child Poverty Action Plan for the years 2019-22.

4 CHILD POVERTY TARGETS

- 4.1 Section 1 of the Act sets out targets that the Scottish Ministers must meet by 2030. These are that, of children living in households in Scotland:
 - (a) less than 10% fall within relative poverty
 - (b) less than 5% fall within absolute poverty
 - (c) less than 5% fall within combined low income and material deprivation
 - (d) less than 5% fall within persistent poverty
- 4.2 Section 2 of the Act sets out Interim targets, that must be met by the Scottish Ministers in the financial year beginning with 1 April 2023. These are, that, of children living in households in Scotland—
 - (a) less than 18% fall within relative poverty
 - (b) less than 14% fall within absolute poverty
 - (c) less than 8% fall within combined low income and material deprivation
 - (d) less than 8% fall within persistent poverty

These measures cannot yet be defined at a Local Authority level.

5 LOCAL CHILD POVERTY ACTION REPORTS

- 5.1 The Act requires each Local Authority and NHS Board to publish a Child Poverty Action Report (CPAR) and undertake annual monitoring and reporting to demonstrate progress against statutory targets.
- 5.2 A local child poverty action report must describe any measures taken in the area of the local authority during the reporting year by the local authority and each relevant Health Board for the purpose of contributing to the meeting of the child poverty targets, and measures that are proposed to be taken to meet these targets.
- 5.3 Additionally, a local child poverty action report must describe any income maximisation measures taken in the area of the local authority during the reporting year to provide pregnant women and families with children with
 - a) information, advice, and assistance about eligibility for financial support, and
 - b) assistance to apply for financial support;

- 5.4 The report must in particular also describe any measures taken during the reporting year, or which are proposed to be taken, in the area of the local authority in relation to children living in households whose income is adversely affected, or whose expenditure is increased, because a member of the household has one or more protected characteristics.
- 5.5 The Act states that progress against these targets will be scrutinised nationally by the Poverty and Inequality Commission. However, at a local level it is the responsibility of the Local Authority and Health Board to publish, as soon as practical after the end of each financial year, a report on progress locally.
- 5.6 As noted in the Child Poverty Action report for 2020/21, accurate national data is not available. Awaiting national data has meant that in previous years this has meant reporting has only been possible much later than expected. This report is therefore submitted without access to accurate national data, and relies on local qualitative and quantitative data available, but without the national context added.

6 CHILD POVERTY ACTION IN ABERDEEN

- 6.1 The Population Needs Assessment used as the basis for the refresh of the LOIP in 2021 identified that the rate of child poverty in Aberdeen was estimated to be 21.8%, or around 5500 children. Poverty is defined as 'below 60% median income after housing costs'.
- 6.2 This report sets out the measures that have been taken by the Council, NHS and other partners to tackle and mitigate the effects of child poverty during 2021/22.
- 6.3 The report outlines significant efforts to tackle child poverty through 2021/22, demonstrating both the extent to which the Council, NHS and partners understood the impact the pandemic would have on children and young people, and the actions taken to support their physical and mental health and wellbeing.
- 6.4 In March 2022 the Scottish Government launched 'Best Start Bright Future', the new Tackling Child Poverty Delivery Plan 2022-26. 'Best Start Bright Future' sets out three key aims:
 - Providing the opportunities and integrated support parents need to enter.
 Sustain and progress in work
 - Maximising the support available for families to live dignified lives and meet their basic needs
 - Supporting the next generation to thrive
- As noted in 3.3 above, the LOIP has functioned as Aberdeen's Child Poverty Action Plan for the period 2019-2022. Following the launch of 'Best Start Bright Future', we must plan to refresh our own approach to tackling child poverty. With the new Community Planning Aberdeen Anti-Poverty Group containing key public sector and 3rd sector colleagues from across the city, it is proposed that the Chief Officer Early Intervention and Community Empowerment work with this group to review the Child Poverty Action Plan for Aberdeen and bring

a report to a future Committee setting out the approach to be taken for 2022-2026.

7. FINANCIAL IMPLICATIONS

7.1 Financial implications relating to this report would result from failure to achieve the outcomes sought for children and families across the City. Public services face significant challenges on expenditure, with financial projections indicating that these pressures will remain. Demand management is a key driver in helping meet these challenges, and failing to address child poverty may mean that costs associated with child poverty do not reduce, adding to projected pressures in coming years.

8. LEGAL IMPLICATIONS

8.1 The preparation and publication of the CPAR fulfils Aberdeen City Council's duty under section 13 of the Act.

9. ENVIRONMENTAL IMPLICATIONS

9.1 There are no direct environmental implications arising from the recommendations of this report.

10. RISK

| Category | Risks | Primary Controls/Control Actions to achieve Target Risk Level | *Target Risk Level (L, M or H) *taking into account controls/control actions | *Does Target Risk Level Match Appetite Set? |
|-------------------|--|---|---|--|
| Strategic Risk | Risk that the Council along with partners does not meet the requirements of the legislation, to the long term detriment of children and families in Aberdeen | Partnership work to mitigate the effects of poverty across the city | L | Yes |
| Compliance | Risk relates to failure to comply with statutory requirements | Provision of the LOIP as Aberdeen City Child Poverty Action Plan; annual reporting. | L | Yes |
| Operational | Failure to meet statutory targets | This work will improve outcomes for children and | L | Yes |

| | | families across the City. | | |
|-----------------------|--|---|---|-----|
| Financial | Risk relates to non- achievement of targets long term and failing to reduce demand through early intervention in key drivers. Failure to achieve the outcomes desired will mean residents requiring support from public agencies for longer. | Joint working and multi-agency service redesign to identify appropriate measures. | L | Yes |
| Reputational | Risk relates to failure to meet the statutory targets. | Meeting the LOIP outcomes. | L | Yes |
| Environment / Climate | Risk as opportunity | Meeting the LOIP outcomes will improve the environment for children. | L | Yes |

11. OUTCOMES

| Local Outcome Improvement Plan Themes | | |
|---------------------------------------|--|--|
| | Impact of Report | |
| Prosperous Economy | This report demonstrates the positive range of work being undertaken at service and partnership level to improve the quality of life for families and children in poverty. | |
| Prosperous People | This report demonstrates the positive range of work being undertaken at service and partnership level to improve the quality of life for families and children in poverty. | |
| Prosperous Place | This report demonstrates the positive range of work being undertaken at service and partnership level to improve the quality of life for families and children in poverty. | |
| Enabling Technology | Digital support provided in several areas including education provision and Connecting Scotland. | |

12. IMPACT ASSESSMENTS

| Assessment | Outcome |
|--|---|
| Integrated Impact Assessment | Stage 1 assessment completed. |
| Data Protection Impact Assessment | Not required. |
| Duty of Due Regard / Fairer Scotland Duty | The aim of the LOIP is to improve outcomes for all. |
| | The Fairer Scotland Duty is considered against strategic decisions. |

13. BACKGROUND PAPERS

Child Poverty Action Report 2020/21

14. APPENDICES

Appendix A – Joint Child Poverty Action Report 2021/22

12. REPORT AUTHOR CONTACT DETAILS

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