

# **Child Poverty:** Recovering from the COVID-19 Pandemic Executive Summary



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CCI-CP COVID-19-28092022 CCI - Design Research Client: GCC Financial Inclusion Team

# **Child Poverty:** Recovering from the COVID-19 Pandemic Executive Summary

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### **Child Poverty:** Recovering from the COVID-19 Pandemic

### Our initial brief

The Centre for Civic Innovation has been working collaboratively with child poverty experts from across the Council for the past 3 years. The work undertaken by the CCI led to the development of the *Child Poverty in Glasgow Report* 2020 and *Child Poverty: Understanding the Impact of the COVID-19 Pandemic 2021.* 

This report takes a deep dive into the data that the council holds on Housing Benefit and Council Tax Reduction recipients, as well as bringing in data around kinship care, and we are finding new sources of data every year. This data research allows Glasgow City Council to view child poverty at a granular household level allowing for the characteristics of those in poverty to be understood. This will also allow Glasgow City Council to design and implement solutions that will have a real, tangible impact on children across the city.

Now in its third year, the report is allowing the team to begin to see the impact of persistent poverty in the city.

Our aim is to better understand child poverty in Glasgow in order to help reach the child poverty targets set out by the Scottish Government:

- + By 2023 there is an interim target to ensure that fewer than 18% of children are living in relative poverty
- + By 2030 there is a target to ensure that fewer than 10% of children are living in relative poverty
- + By 2023 there is an interim target to ensure that fewer than 8% of children are living in persistent poverty
- + By 2030 there is a target to ensure that fewer than 5% of children are living in persistent poverty

#### Impact of previous reports

Since the production of our report in 2020 and 2021, the insights gathered have been used to better understand the need for interventions targeted at priority groups.

The initial research carried out in 2020 highlighted a significant gap in the uptake of education benefits, which led to funding being secured to set up a pilot to embed Financial Inclusion Support Officers in secondary schools across Glasgow. The role of the officers is to increase awareness and knowledge in young people of the various grants and awards available to them as well as supporting parents to maximise their income by raising awareness of entitlements to welfare benefits, grants and awards.

The research also identified that two thirds of children experiencing relative poverty in Glasgow live in lone parent households. This led to Glasgow City Council funding One Parent Families Scotland to provide holistic support targeted at our priority groups.

The impact that these initiatives have had, as well as the outcomes achieved will be explored in a separate report.

#### Framing the Project

Our previous report focused on the impact of the COVID-19 pandemic and identified the major negative impact on the communities within Glasgow. This was worst felt by families on low income and those already regarded as living in poverty.

Building on this knowledge, this report will aim to understand:

- + How has the recovery from the COVID-19 pandemic impacted the number of households with children receiving Housing Benefit or Council Tax Reduction?
- + How many households with children are now receiving these benefits that weren't previously?
- + How many households with children are no longer receiving these benefits that were previously?
- + How many households with children that were already in poverty have had a drop in their income?
- + How many households with children receiving Housing Benefit and Council Tax Reduction that were employed, are now unemployed, and vice versa?
- + What impact has the recovery from the pandemic had on the number of households with children receiving Universal Credit?
- + How many households with children are experiencing persistent poverty?
- + How has poverty changed in Greater Pollok, Canal and Calton?

It is also vital that we continue to understand how this recovery from the pandemic has impacted the priority groups that were a focus of the previous child poverty reports:

- + Lone parents
- + Mothers under the age of 25
- + Households where a member has a disability
- + Households with 3 or more children
- + Households where there is a child under the age of 1
- + Kinship care households

# **Child Poverty in Glasgow:** An Overview

As we now have 3 years worth of data, we are able to understand how child poverty in Glasgow has changed and what the impact of the COVID-19 pandemic has been.

This initial section provides an overview of Child Poverty as a whole during this period and focuses on the following key areas:

- + The overall levels of relative poverty
- + The depth of poverty
- + Employment
- + Universal Credit
- + Changes in households in poverty
- + Persistent poverty

# The last three years...

#### Child poverty in 2020



There were 64,650 households living in Glasgow



with 107.775 children



There were 19,804 households receiving HB/CTR



with

36.072

children





There were 13,827 households living in relative poverty

with 25.485 children

At least 24% of children in Glasgow were living in relative poverty in 2020

#### Child poverty in 2021



There were **63,855** households living in Glasgow



There were **19,650** households receiving HB/CTR



with 35.540 children



There were **15,346** households living in relative poverty



27.995

### children

At least 26% of children in Glasgow were living in relative poverty in 2021

#### Child poverty in 2022



There are 62,450 households living in Glasgow



with 104,625 children



There are 18,256 households receiving HB/CTR

At least 25% of children in Glasgow are living in relative poverty now



with 33,183 children



There are 14,269 households living in relative poverty



26,166 children

#### **POINT OF INTEREST**

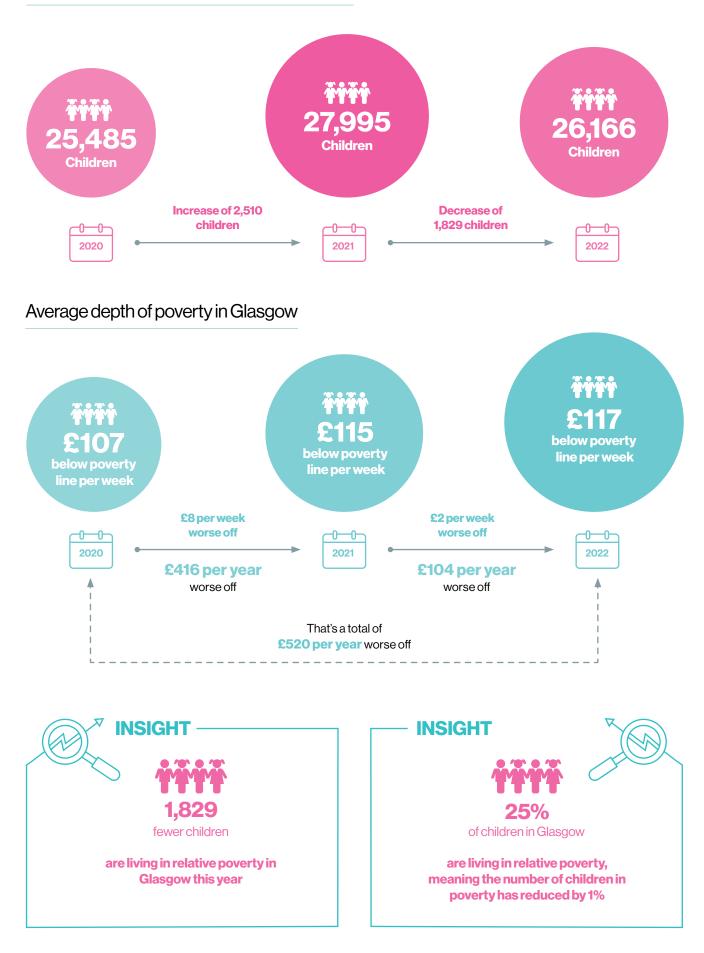
The Child Poverty (Scotland) Act 2017 sets out four targets for 2030, which are shown below, (bracketed figures are the interim 2023 targets);

- Less than 10% of children are in relative poverty (18%) +
- Less than 5% of children are in absolute poverty (14%)
- Less than 5% of children are in combined low income and material deprivation (8%)
- Less than 5% of children are in persistent poverty (8%).

To reach the targets for relative poverty in Glasgow this means by 2023 there need to be less than 18,832 children in poverty in Glasgow and by 2030 less than 10,463.

In Glasgow there are currently 26,166 children living in relative poverty. This means that the number of children living in relative poverty in Glasgow needs to be reduced by 7,334 children to meet the interim targets

### How has child poverty in Glasgow changed?

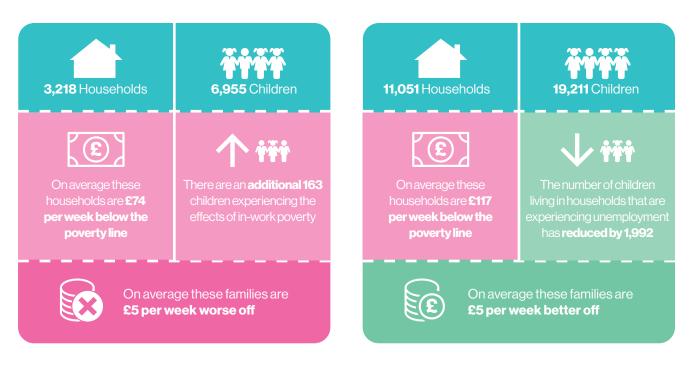


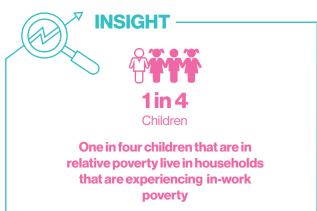
# Employment

Income from employment has been identified by the Scottish Government as a key driver of poverty in their *Every child every chance*: delivering a *child poverty action plan 2018–2022* report. Looking at employment and benefits means we can look at data that has the biggest impact on child poverty and **how employment is a route out of poverty** for some families.

### How many children live in households where at least one adult is in employment?

How many children live in households where no one is in employment?





### Changes in employment and households in poverty

Households that were employed but are no longer



#### Households that have found employment this year



#### **INSIGHT**

Families that have gained employment in the last year are on average £10 a week worse off than an average household with at least one adult in employment



# **Benefits**

### How many children live in households that are in receipt of Universal Credit?





Children



Per week below the poverty line



+749 children An increase of 749 children since 2021



£5 better off On average these families are £5 per week better off

### How many children live in households that are not in receipt of Universal Credit?



Households with children



Children

**F112** Per week below the poverty line

	_00_	
- 2020 -	2021	+

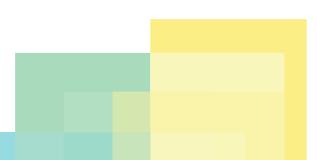
-2,578 children A decrease of 2,578 children since 2021



£3 worse off On average these families are £3 per week worse off

### INSIGHT

People receiving Universal Credit are £5 per week better off than those who are not receiving Universal Credit.



# Housing Benefit and Council Tax Reduction claims

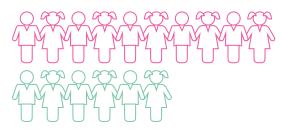
Families no longer receiving Housing Benefit or Council Tax Reduction



8,178 children are no longer receiving Housing Benefit or Council Tax Reduction



79% (6,457) of these children were in poverty in the previous report



**36% (2,328) of the children** who were in poverty were living in households where at least one adult was employed

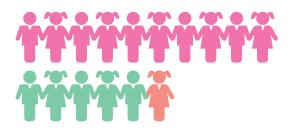
New claims made for Housing Benefit or Council Tax Reduction



**6,197 children** live in households claiming Housing Benefit or Council Tax Reduction that were not in the previous report



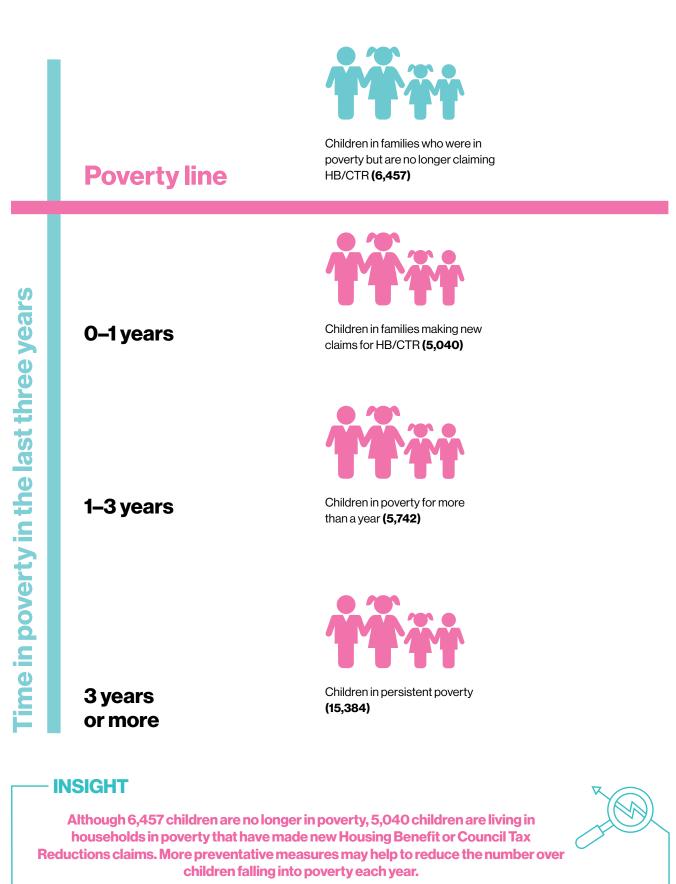
81% (5,040) of these children are in relative poverty



32% (1,618) of children in poverty live in a household with at least one employed adult

8% (411) of children in poverty live in a household where a child has been born in the last year

# **Poverty over time**



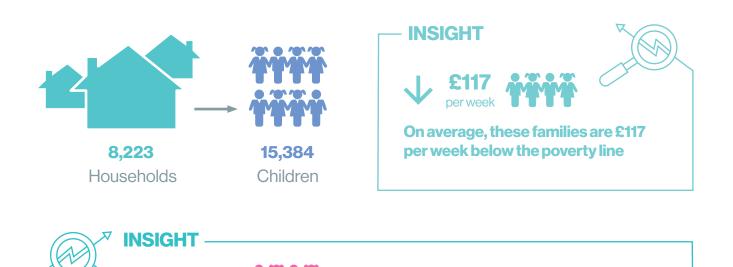
# **Persistent poverty**

Persistent poverty is defined as experiencing relative poverty in at least three of the last four years. We now have three years worth of child poverty data. Of the families in relative poverty in Glasgow, over half are also experiencing persistent poverty.

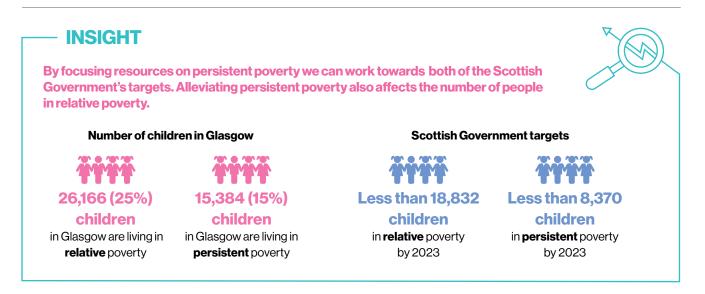
Compared with children who never experienced poverty, those in persistent poverty were at increased risk of mental health problems, obesity and longstanding illness."

**Persistent poverty affects one in five UK children** University College London

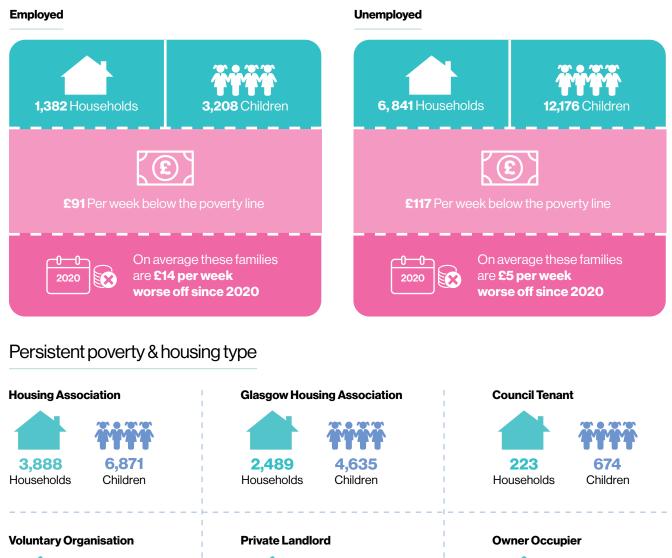
### How many households with children are in persistent poverty



**59%** of children in poverty are in **persistent poverty** 



### Persistent poverty & employment



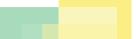




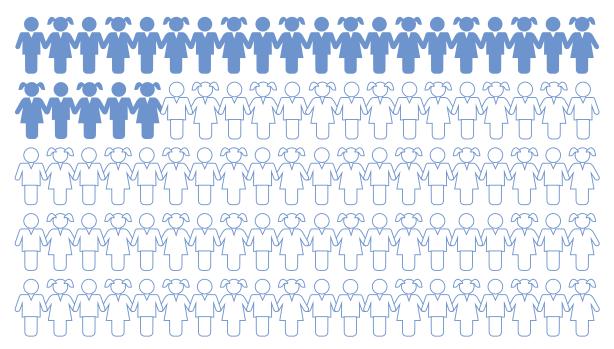








### If Glasgow was 100 children...



### 25 would live below the poverty line

Of those 25...\*



live in lone parent households



lives in a household where the mother is under 25



live in Housing Association properties



live in households with 3 or more children



lives in a household where a child is under the age of 1



live in a household experiencing in -work poverty



live in a household where someone has a disability



live in households experiencing persistent poverty



live in households where no one is in employment



lives in a household where someone is in kinship care



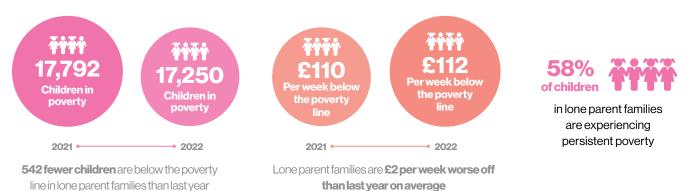
live in properties owned by private landlords

live in a house receiving Universal Credit

# People

In the *Every child every chance: delivering a child poverty action plan 2018–2022* from the Scottish Government, several groups are highlighted as being disproportionately affected by child poverty. In response to this, we are looking at how these groups are recovering in response to the COVID-19 pandemic using a number of factors including employment, persistent poverty and housing.

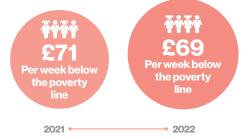
#### Lone parents



Family with a disability



**692 fewer children** living in a household where someone has a disability are now in poverty



These families are on average **£2 per week better off** 



in families where someone has a disability are experiencing persistent poverty

Mothers under 25



**161 fewer children** with a mother under 25 are living in poverty this year

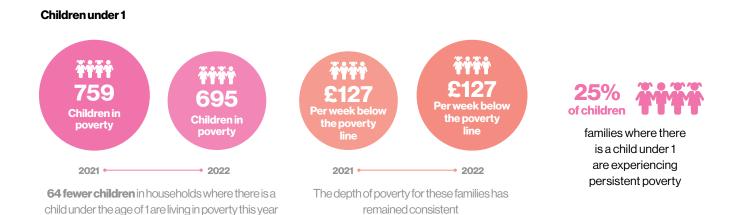


worse off

36% of children

with a mother under the age of 25 are experiencing persistent poverty





#### Large families



Kinship care



## Conclusion

With every year of the Child Poverty Report, **we find new ways to look at, understand and take action on child poverty.** When we started, we built the most detailed picture of relative poverty in any local authority in Scotland, in the following year, we were able to look at the impact a pandemic and an economic crisis had on child poverty. This year, we've been able to look at how many households are in **persistent poverty** and what kind of impact this has had on families.

Since the last report, the number of children in Glasgow living in relative poverty has **dropped from 27,995 to 26,166.** As Glasgow begins to recover from the pandemic, we have seen a **decrease of 1,829 in the number of children in poverty** which is a significant achievement given the challenges exposed by the pandemic.

With each year, the Scottish Government's target of reaching fewer than 18% of children by 2023 and fewer than 10% of children by 2030, looks ever more challenging. In order to meet the 2023 target, Glasgow would have to help 7,344 children out of poverty in the next year which would be a significant undertaking given 1,829 children were lifted out of poverty this year.

On average, households in poverty with an adult in employment are £74 per week below the poverty line and the number of children in these households has increased by 163 since last year. In households where there are no adults in employment, they have a depth of poverty of £117 per week on average. Comparing the depth of poverty in these homes shows that employment can significantly lessen the depth of poverty. However, with 6,955 children experiencing the effects of in-work poverty, it's clear that employment in no way guarantees that families will be lifted out of poverty.

Before the pandemic 10,154 children lived in households in poverty that were claiming Universal Credit. During the pandemic that increased to 15,140 children and **this year's report shows a decrease to 14,162 children.** 

For the first time we have identified that there are at least **15,384 children** that live in households **experiencing persistent poverty** meaning they have been in poverty for 3 out of the last 4 years. This represents 59% of children in poverty in Glasgow. The largest number of children experiencing persistent poverty amongst any priority group is **lone parent households with 10,061 children.** 

The challenge to reduce child poverty in Glasgow is significant and the COVID-19 pandemic has only amplified the scale of the problem. We need to find new, innovative and effective ways to tackle this challenge.

With these insights we've found priority groups to be a useful way to look at child poverty as it highlights the specific challenges people face depending on their circumstances.

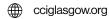
# **Next steps**

Using the data at our disposal is key to directing our interventions and activities to where they are most needed. As it stands, the council has permission to use the data in this study for internal use only but they can't act directly on the insight generated. For real impact to be achieved, the next phase of the data sharing partnership must address this in order for all parties to achieve more positive results.

Only by understanding and **engaging with all stakeholders**, working in partnership and combining experiences, ideas and knowledge can we hope to **co-design the solutions** that will enable our citizens to make significant and lasting change to their lives.

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