

# **2. Child Poverty: scale, trends and distribution in Scotland**

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## Key messages

- **Almost one in four children in Scotland (24%, 240,000) were living in relative poverty in Scotland in 2017/18.**
- **The risk of poverty is higher for children in the following groups: lone-parent families, in a household where someone is disabled, in families with three or more children, in minority ethnic families, families with a child under one year old and families where the mother is under 25 years of age. More than eight out of 10 children in relative poverty in Scotland are in one of these groups.**
- **Risk of poverty is also high for children in households where no adults are in paid employment. However, two thirds of children in relative poverty in Scotland live in working families.**
- **Child poverty is spatially concentrated in urban and older industrial Scotland, though pockets can be found everywhere.**
- **Scotland compares favourably with other UK countries/regions, and is mid-ranked among other rich countries. In 2010, the lowest levels of child poverty were found in Scandinavia, the Netherlands and Slovenia.**
- **It is important that actions to tackle child poverty are reaching priority groups and meeting their needs, as well as achieving the right balance between actions to reduce in-work and out-of-work child poverty.**

## How is child poverty measured in Scotland?

There are several different measures of child poverty in Scotland. It is helpful to monitor them because they tell us different things.

Poverty in Scotland (and the UK) can be measured before or after housing costs. The Child Poverty (Scotland) Act 2017 sets its targets based on poverty after housing costs (AHC).

Income-based measures of poverty are 'equivalised' – that is, they are adjusted to take into account household need (based on size and composition).

The Child Poverty (Scotland) Act 2017 contains four headline income-based measures of poverty, defined as follows:

- **Relative poverty:** living in a household with an equivalised income below 60% of median incomes in that year.
- **Absolute poverty:** living in households with equivalised income below 60% of median income in some base year, usually 2010/11.
- **Combined material deprivation and low income:** living in a household with below 70% of median incomes in that year, plus whose parents want but cannot afford specific goods or services for their children or for themselves (such as a holiday away from home once a year, or bedrooms for every child aged 10+ of a different gender).<sup>1</sup>
- **Persistent poverty:** living in relative poverty for three or more of the last four years.

Other measures of poverty are available. At the extreme end, a recent report estimated that 365,000 children in the UK were destitute in 2017, meaning that they could not afford the bare essentials required to eat, stay dry and warm and keep clean.<sup>2</sup> The issue of destitution is however not considered further in this briefing.

For more information see briefing 1: Child Poverty (Scotland) Act 2017: an overview and Poverty, low income and economic disadvantage: concepts and definitions.

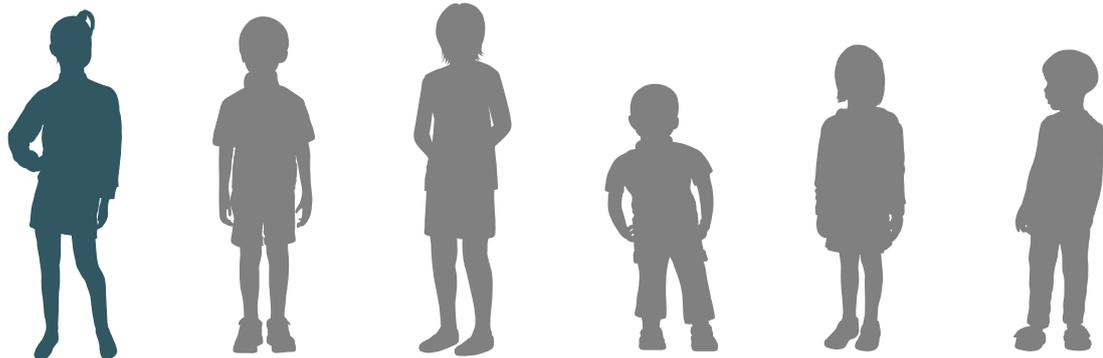
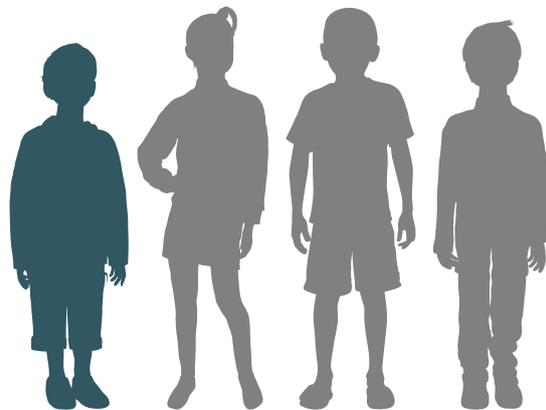
## What is the scale of child poverty in Scotland?

### In 2017/18, after housing costs:<sup>3</sup>

- Just under a quarter of children (24%, 240,000) in Scotland were living in relative poverty.
- Just over one in five children (22%, 220,000) in Scotland were living in absolute poverty.
- More than one in seven (14%, 140,000) children in Scotland were living in households with combined material deprivation and low income.

In 2013–17, 17% of children in Scotland were in persistent poverty after housing costs.<sup>4</sup>

**Nearly 1 in 4 children in Scotland (24%) were in relative poverty after housing costs in 2017/18. That's 240,000 Scottish children.**



**1 in 6 children (17%) in Scotland were in persistent poverty during 2013–2017. This means they were living in poverty for at least three out of four years.**

## Which children are more likely to be poor?

In Scotland, the risk of poverty is higher for children in certain groups (see Table 1) – and these have been identified as ‘priority groups’ in Every Child, Every Chance.<sup>5</sup> Risk of relative poverty is highest for children living in families where the mother is under 25, in a minority ethnic household or in lone-parent families. Risk of combined low income and material deprivation is especially high for children in lone-parent households, larger families, households where someone is disabled and families where the mother is under 25. The largest numbers of children in poverty are found in households where someone is disabled, lone-parent families and larger families. Priority groups are not mutually exclusive: children can live in a household with more than one of these characteristics.

**Table 1. Proportion and absolute number of children within priority groups who are in poverty, after housing costs: Scotland, 2015–18 (three-year averages)**

Priority groups	Relative poverty (%)	Relative poverty (number)	Combined low income and material deprivation (%)	Combined low income and material deprivation (number)
Families where the mother is <25 years	56	30,000	19	10,000
Lone-parent families	41	90,000	27	60,000
In a minority ethnic household	40	30,000	13	10,000
Three or more children	32	80,000	20	50,000
Families with a child under one	32	30,000	11	10,000
Household where someone is disabled	31	100,000	19	60,000
<b>All children</b>	<b>24</b>	<b>240,000</b>	<b>12</b>	<b>120,000</b>

Source: Scottish Government analysis of Family Resources Survey. Row percentages shown.

In absolute terms, more than eight out of 10 children in relative and absolute poverty in Scotland, and more than nine out of 10 in combined low-income and material deprivation, were living in a priority group household (see Table 2).

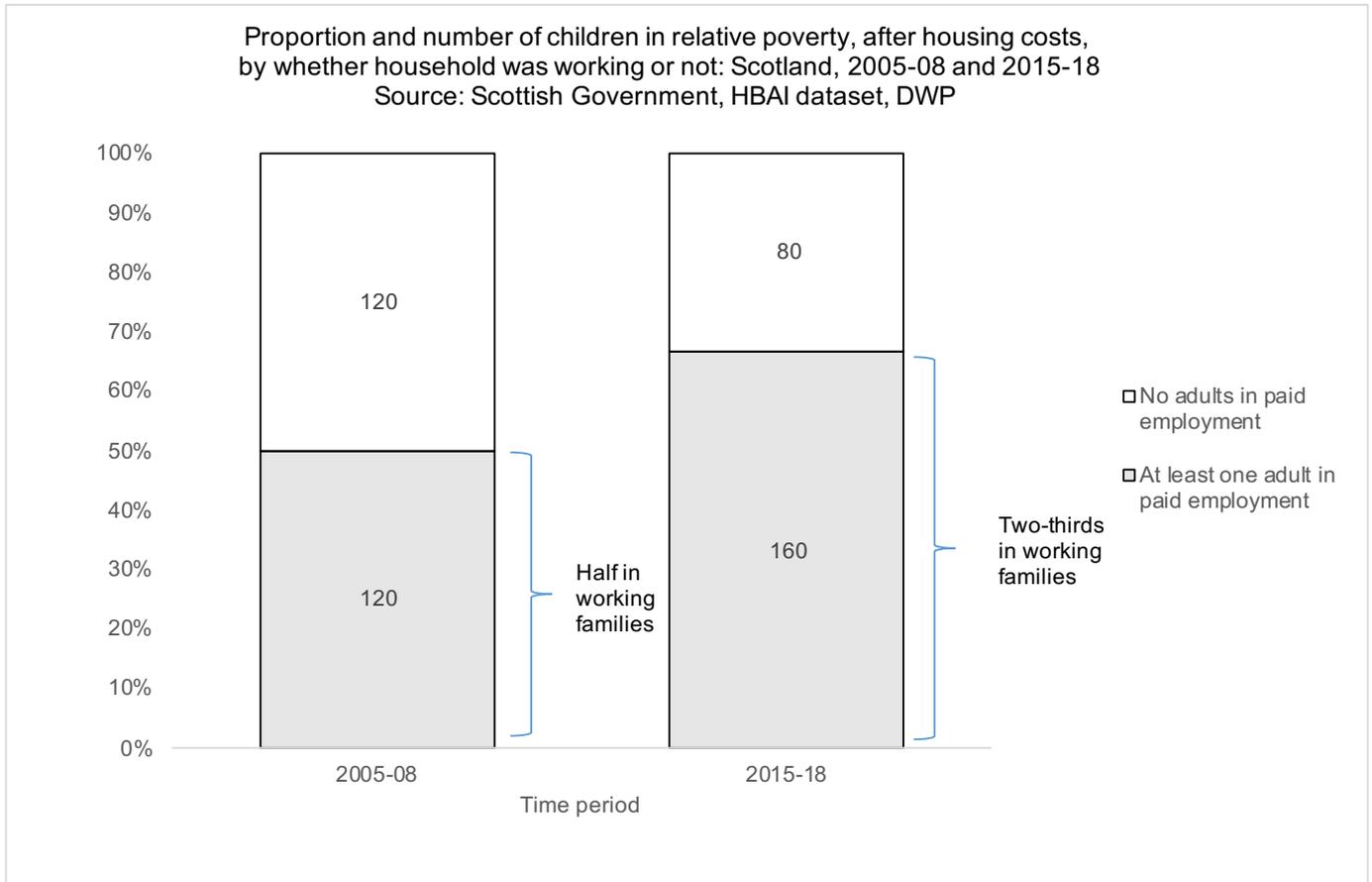
**Table 2. Number of children in poverty by whether living in a family with at least one priority group characteristic, after housing costs: Scotland, 2015–18**

	<b>Relative poverty (%)</b>	<b>Relative poverty (number)</b>	<b>Combined low income and material deprivation (%)</b>	<b>Combined low income and material deprivation (number)</b>
At least one priority group characteristics	83%	200,000	92%	110,000
No priority group characteristics	17%	40,000	8%	10,000
<b>All children</b>	<b>100%</b>	<b>240,000</b>	<b>100%</b>	<b>120,000</b>

Source: Scottish Government analysis of Family Resources Survey. Column percentages shown.

Risk of poverty is also high for children in households where no adults were in paid employment (64% in 2015–18). However, two thirds of children in poverty (160,000) in Scotland in 2015–18 lived in a working household. The proportion of children in poverty who live in a working household has increased over time: in 2005–08, one in every two children in poverty in Scotland lived in a working household (see Figure 1 on page 6).

**Figure 1. Two thirds of children in relative poverty in Scotland live in working households**



## How has child poverty changed over time?

### Britain

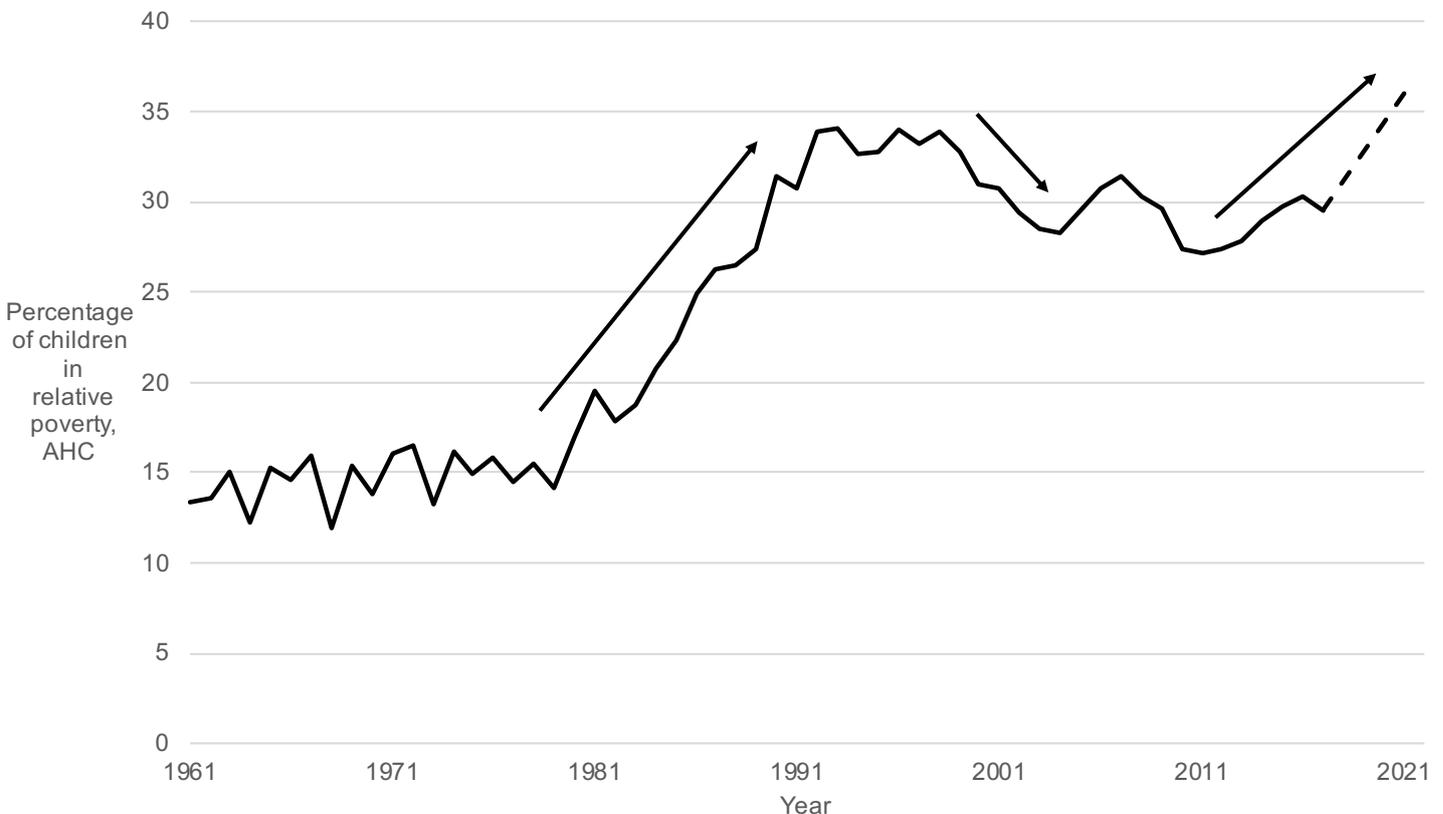
Child poverty is not inevitable. In Britain, after remaining relatively stable through the 1960s and 70s, child poverty rose rapidly during the 1980s. It showed an overall decrease since the late 1990s, but since 2012 child poverty rates have risen (see [Figure 2](#)).

### Scotland

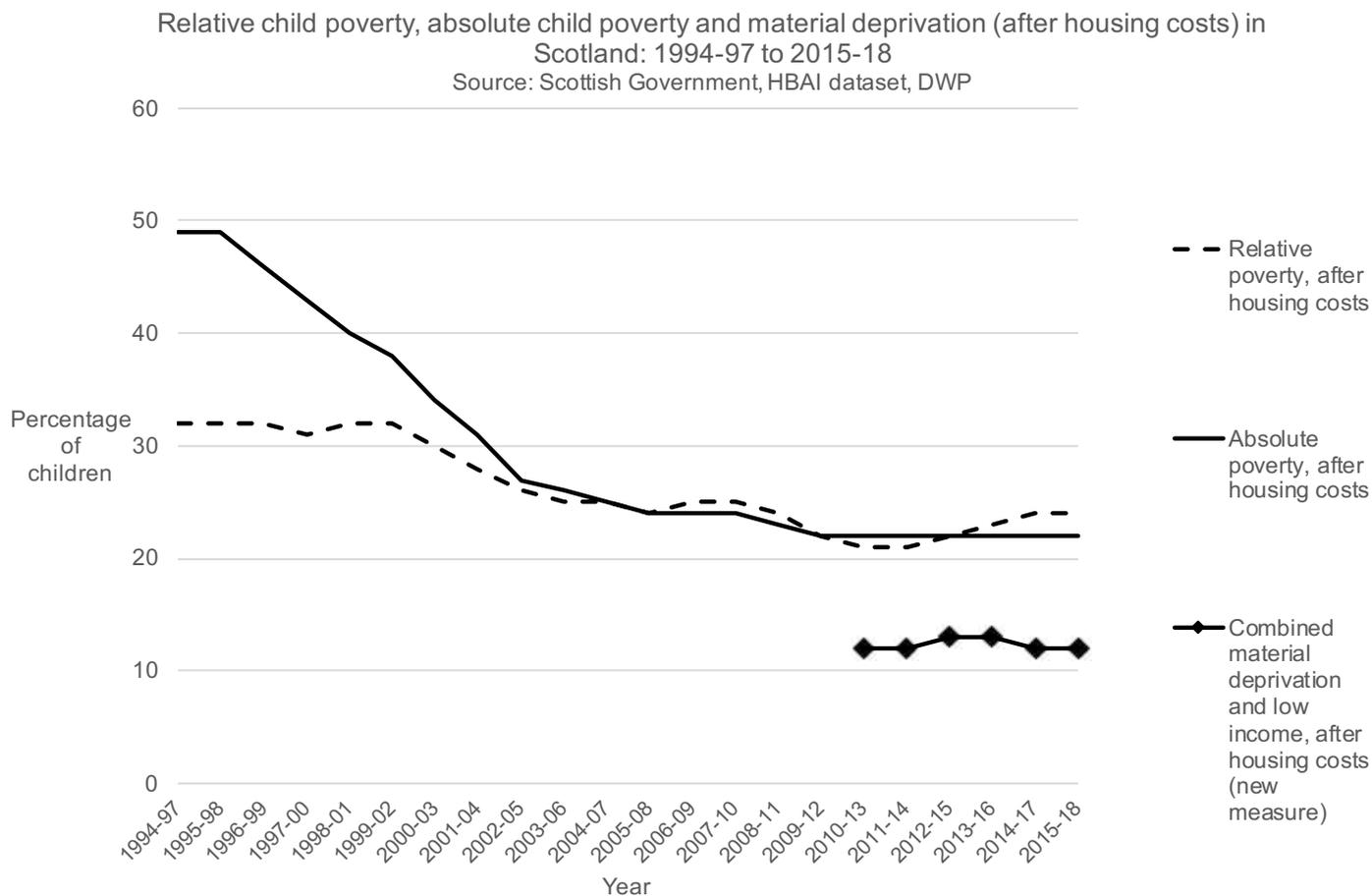
A similar pattern is seen for Scotland as in Britain since the 1990s, with relative child poverty rising in recent years. Since 2010–13, the proportion of children in combined material deprivation and low income (AHC) has remained fairly stable (see [Figure 3](#) on page 8). Persistent child poverty in Scotland fluctuated between 14% and 17% over the time period 2010 to 2017.<sup>4</sup>

### Figure 2. Child poverty in Britain is not inevitable: it has changed over time

Actual and projected percentage of children in relative poverty in Britain/UK, After Housing Costs: 1960s to 2020s  
Source: Institute for Fiscal Studies



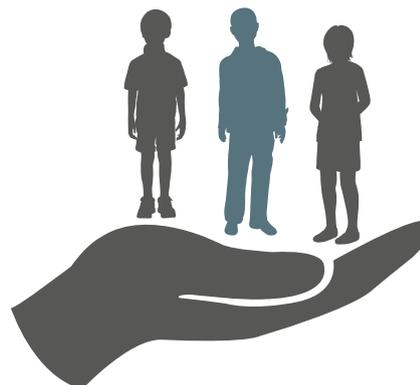
**Figure 3. Child poverty in Scotland fell between the late 1990s and mid-2000s. Recently, relative poverty has risen while absolute poverty and material deprivation flat-lined.**



## How is child poverty in Scotland predicted to change?

Relative child poverty after housing costs in Scotland is forecast to increase, at least in the short-term. Reed and Stark (2018) estimate that relative AHC child poverty in Scotland is forecast to increase to 34.5 per cent by 2020/21.<sup>6</sup> Other research supports the view that, all things being equal, child poverty will rise in Scotland over time.<sup>7,8</sup>

**By 2021 it is predicted that more than 1 in 3 children in Scotland will be living in poverty**



## How does child poverty vary across Scotland?

Child poverty is highest in urban and industrial Scotland but can be found everywhere. After housing costs, the highest rates of child poverty are found in Glasgow, Dundee, North Ayrshire, Dumfries and Galloway and Clackmannanshire. Much lower rates are observed in Na h-Eileanan Siar, Aberdeenshire, East Dunbartonshire and the Shetland Islands (see [Figure 4](#) on page 10).

However, this conceals high levels of poverty at a neighbourhood level found right across Scotland, including in 'affluent' and in rural local authorities. For example, within East Renfrewshire, child poverty in the Barrhead ward exceeded 27%.<sup>9</sup>

In 2014–17, the proportion of children living in households with combined material deprivation and low income (after housing costs) was especially high in Glasgow and South Ayrshire, and likely to be lower than the Scottish average in Aberdeenshire, East Lothian and East Renfrewshire (see [Figure 5](#) on page 11).<sup>10</sup>

## How do child poverty rates in Scotland compare to other regions and countries within the UK?

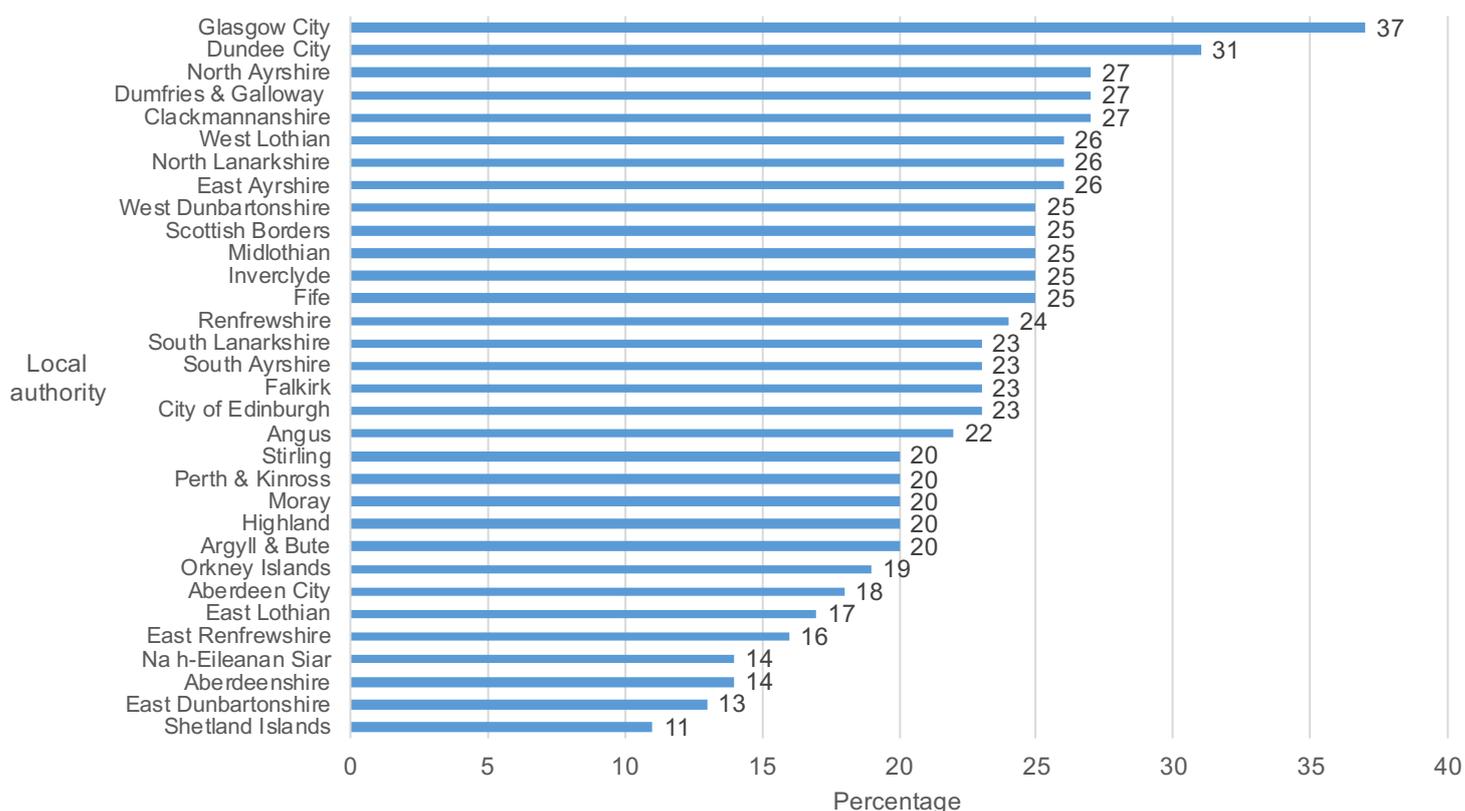
### For the three-year period 2015/16–2017/18:

- After housing costs, relative child poverty rates in Scotland were low compared to the UK as a whole, with the highest child poverty rates observed in London (especially inner London), the West Midlands and the north-east of England.<sup>11</sup>
- Scotland was mid-ranked in terms of the percentage of its children living in households with combined material deprivation and low income, before housing costs.
- On this measure, it compared unfavourably to the south-east, east of England and Northern Ireland, but favourably relative to inner London, the north of England, and Yorkshire and the Humber.<sup>11</sup>

In 2013–17, persistent child poverty in Scotland was lower than in England and Wales but similar to levels observed for Northern Ireland: after housing costs in 2013–17, 17% compared to 21% in Wales, 20% in England and 15% in Northern Ireland.<sup>4</sup>

### Figure 4: Child poverty is found everywhere across Scotland, but is much higher and lower in some places than others.

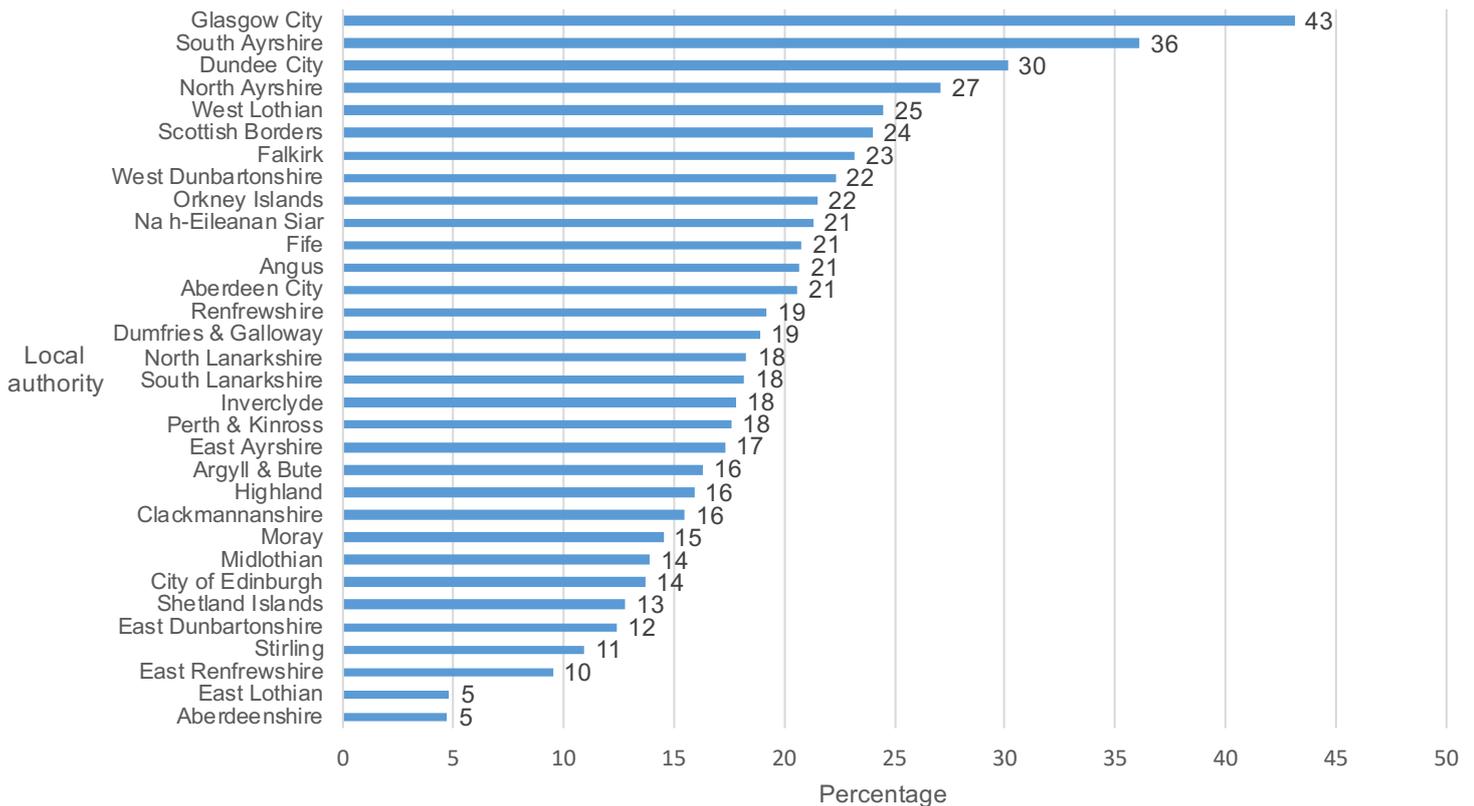
Percentage of children living in relative poverty, after housing costs:  
Scottish local authorities, 2019  
Source: End Child Poverty



**Figure 5: The number of children living in families lacking material resources varies considerably across local authority areas.**

Percentage of children living in in families with limited material resources, after housing costs: Scottish local authorities, 2014–17

Source: Scottish Government

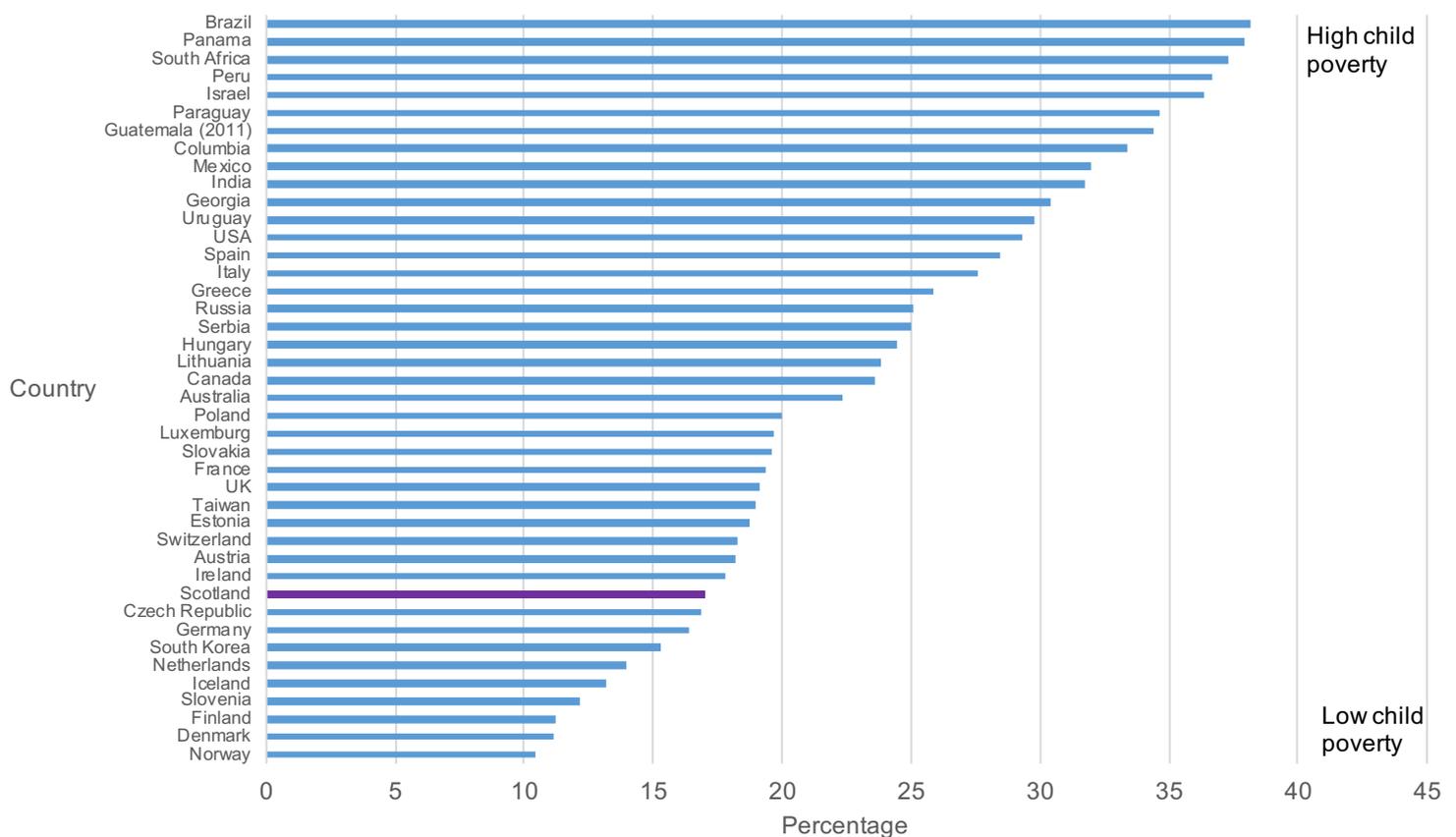


## How do child poverty rates in Scotland compare internationally?

In 2010, the latest year for which a wide range of international comparisons was available, before housing costs, relative child poverty rates in Scotland were high compared to other European countries, including the Netherlands, Slovenia, Iceland, Denmark, Sweden and Norway (see Figure 6 below). However, they were lower than rates seen in southern and eastern Europe, the USA, Australia and Canada.

**Figure 6: Child poverty in Scotland in 2010 was higher than in Scandinavia, the Netherlands and Slovenia.**

Child poverty rates before housing costs, Scotland's international position: 2010  
 Source: Luxemburg Income Study database key figures; Scottish Government



## Conclusions

Child poverty is a public health issue. Child poverty can lead to poorer health outcomes in children, and to poorer health and social outcomes in adulthood for those children.<sup>12</sup> Addressing child poverty will require a greater attention to in-work poverty, lack of appropriate job opportunities, costs of living and, crucially, the role of the social security system.<sup>13</sup>

The Scottish Government, NHS Health Boards and local authorities have a shared responsibility to contribute to this challenge, through the Child Poverty Act. While many of the actions required to reduce child poverty need to occur a national level, there is a lot that can and is being done locally, as highlighted by **Local actions to reduce child poverty** and **Case studies of local practice to reduce child poverty**. The **sample outcomes planning tool for local action to reduce child poverty** can also help in understanding local need, including among priority groups, and identifying appropriate actions.

It's not right that almost one in four children in Scotland currently live in relative poverty and that it is much higher among priority groups. It's not fair that it is expected to rise to more than one in three by 2021. This is not inevitable. While it is found everywhere, the level of child poverty varies across Scotland and has changed over time. Successfully tackling child poverty can help contribute to a healthier, fairer Scotland.

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