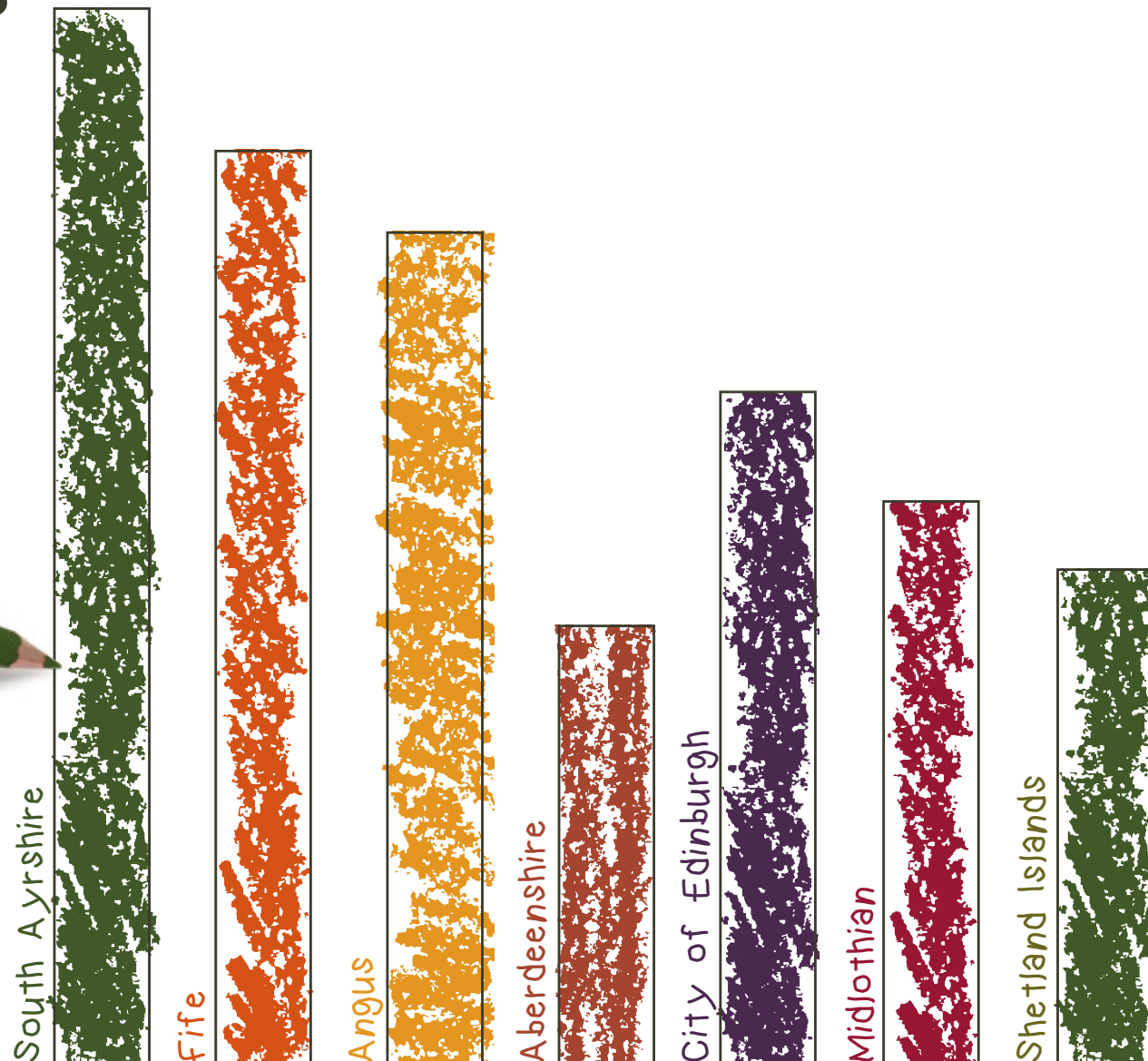


Children in families with limited resources across Scotland 2014-2016

Experimental Statistics



Scottish Government
Riaghaltas na h-Alba
gov.scot



FOREWORD

This booklet features new, experimental statistics on children in families with limited resources, 2014-16.

In particular, it looks at children experiencing a combination of low income and material deprivation. This is one of the targets set out in the Child Poverty (Scotland) Bill, which has just been passed by the Scottish Parliament, but these statistics are being provided for the first time at local level.

It's important to note at the start that these new statistics are different from the existing national material deprivation statistics. They use a different data source, are based on

different questions and a slightly different measure of low income, and the material deprivation threshold is in itself different. Therefore, the two are not comparable - this measure is designed for local purposes only.

These new statistics should help local authorities and other local partners think about how much of a problem child material deprivation is in their areas. And it will help them prioritise actions they should be including in their local child poverty plans. This should help reduce child material

deprivation locally, which will in turn help make progress towards meeting national targets too.

These are 'experimental statistics', which means that the data and methodology will be improved for future updates. We would welcome your feedback to help make future releases better.

INTRODUCTION

Some children in Scotland live in families that have limited resources.

Poverty statistics often only include households with incomes below a poverty threshold (usually 60% of middle incomes). But here, we consider other resources as well as income: we report on children in families that cannot afford basic necessities (they live in material deprivation) as well as having a low income (70% of middle incomes).

How families experience limited resources differs. Some parents have a low income, and yet for the most part they have the basic necessities they need to get by. Maybe relatives and friends help out, maybe they are drawing on their savings. Other parents cannot afford many basic goods and services, even though their income is a bit higher. Maybe they have to pay off debt, maybe they have only recently started their new job after a period of unemployment.

Between 2014 – 2016, we asked 2,424 families with children across Scotland about their income, and what basic necessities they couldn't afford. From their responses, we estimated how many children lived in families with limited resources, where in Scotland these families lived, and how they were made up.

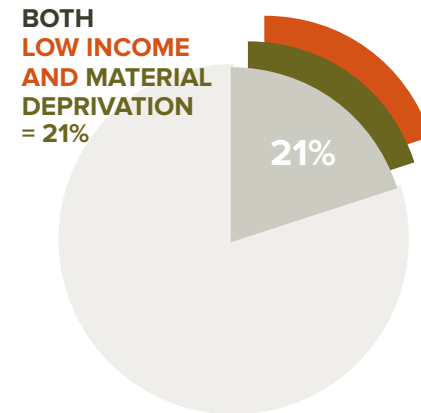
We also included some quotes that the Child Poverty Action Group collected from families they work with. These illustrate the barriers and worries families face as they try to provide for their children.

“It’s worse at October week and Christmas when it’s cold and I have to put more money in my gas to heat my house. When the kids are in school I don’t use my heating and I save it for them coming home to a warm house and getting up with heat in the mornings”

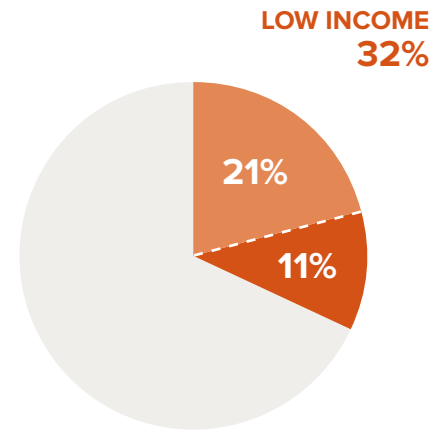
Fiona

USING NORTH LANARKSHIRE AS AN EXAMPLE

21% of children in North Lanarkshire live in households that experience both, a low income as well as material deprivation.

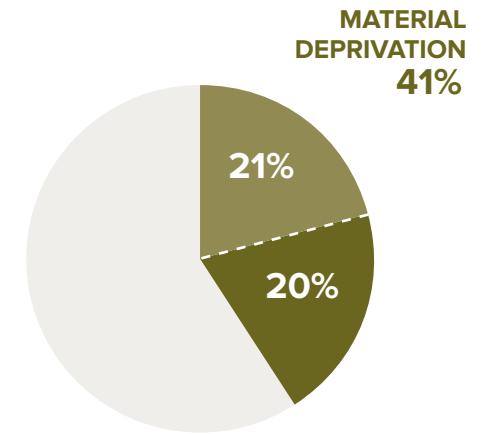


32% of children in North Lanarkshire live in a **low-income** household.



On a **low income** but not in material deprivation (11%); may still be **at risk of poverty**.

41% of children in North Lanarkshire live in a household in **material deprivation**.



In **material deprivation** but not on a low income (20%); may have only recently **moved out of poverty**.

This measure of limited resources brings together two aspects of poverty:

- living on a low income (70% of middle incomes)
- living in material deprivation (being unable to afford basic necessities)

HOUSEHOLD NECESSITIES

Percentage of children who live in families that cannot afford each necessity.

“My kettle blew up, so I went and got a kettle off my catalogue. Cause I wouldn't have been able to afford to just go and buy a kettle. And I didn't want to say to anybody, 'I can't afford a kettle.' Ken, people are coming in for a cup of tea and that, and 'oh my kettle's blew up, and I can't afford another one'...”

Mary

Why these items?

This list is based on what most people agree is a basic necessity, and it provides a robust material deprivation measure.



CHILD NECESSITIES

Percentage of children who live in families that cannot afford each necessity.

“I’ve got to go to the library because we don’t have a computer at home and I’ve had to hand in homework late or rush it and it hasn’t been the best because I’ve only been able to get there at lunch or break and sometimes I’ve got to skip lunch to make sure I get the work done”

Jamie (12 years old)

Why these items?

This list is based on what most people agree is a basic necessity, and it provides a robust material deprivation measure.



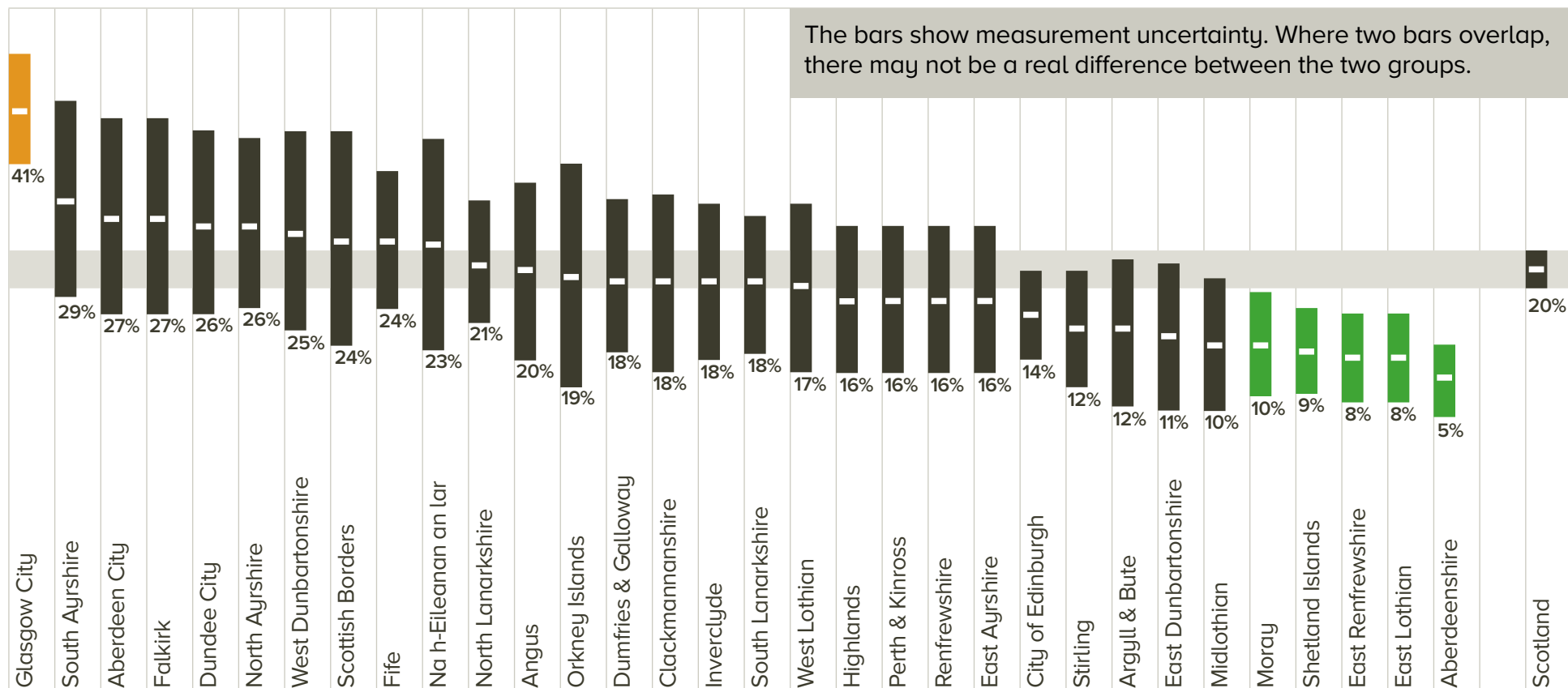
COUNCIL AREAS

Children in Glasgow are **more likely** to live in families with limited resources compared to the whole of Scotland

Children in these council areas are **less likely** to live in families with limited resources

compared to the whole of Scotland.

Percentage of children who live in families with limited resources by council area.



What the data says:

“Children in Moray are less likely to be in poverty compared to the whole of Scotland.”

“41% of children in Glasgow live in combined low income and material deprivation.”

“Children in Aberdeen are more likely to experience poverty than children in Aberdeenshire.”

What the data doesn't say:

“Children in Falkirk are more likely to be in poverty compared to the whole of Scotland.”

“Children in Dundee are more likely to be poor than children in Edinburgh.”

FAMILY & WORK CHARACTERISTICS

Children are **more likely** than the Scottish average to live in families with limited resources if:

- they live in a lone parent household
- they have 3 or more siblings
- a disabled adult lives with them
- none or only one adult work

Children are **less likely** than the Scottish average to live in families with limited resources if:

- two or more adults live with them
- two adults work

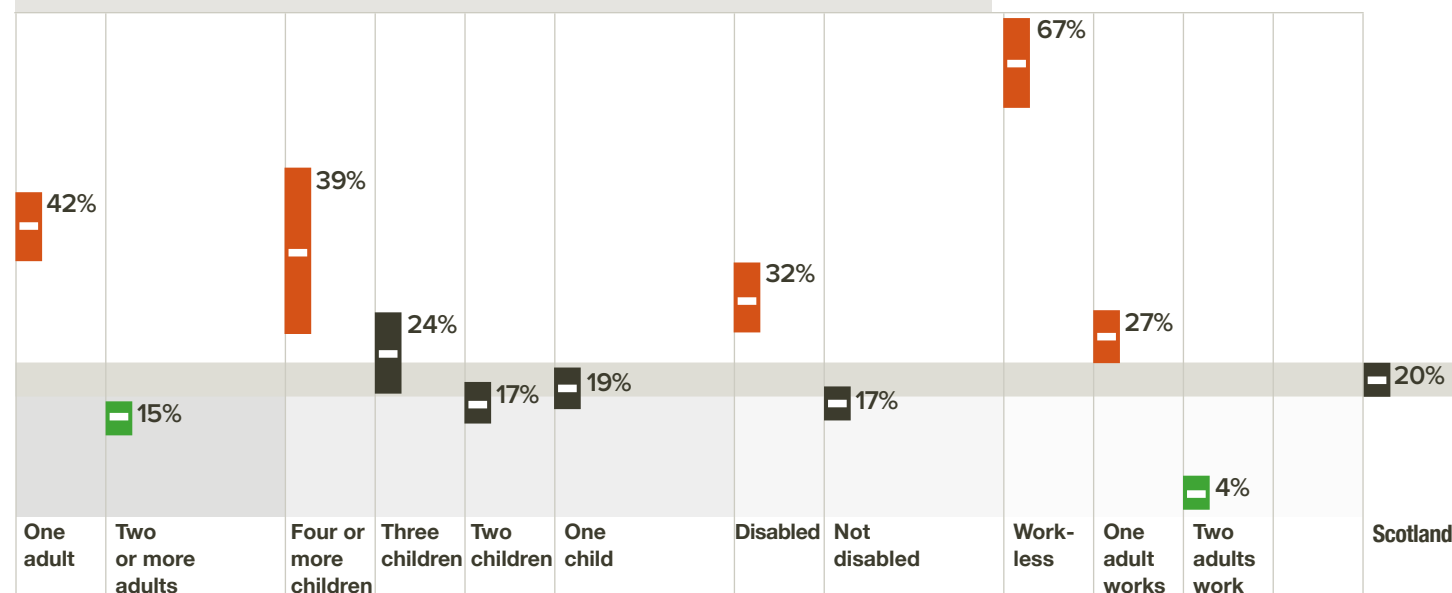


It's annoying, cause I'm obviously only earning £600. So half of it's going straight away to childcare but I want to work cause if not I'd have no sanity”

Ashleigh

Percentage of children who live in families with limited resources.

The bars show measurement uncertainty. Where two bars overlap, there may not be a real difference between the two groups.



What the data says:

“Children in lone parent families are at a higher risk of being in poverty.”

What the data doesn't say:

“All lone parent families are poor.”

Disability status

considers disability of all adults in the household.

Work status

considers the employment of up to two adults in the family. We have no information about any further adults.

AREA AND HOUSING CHARACTERISTICS

Children are **more likely** than the Scottish average to live in families with limited resources if:

- they are renting their home
- they live in the most deprived areas

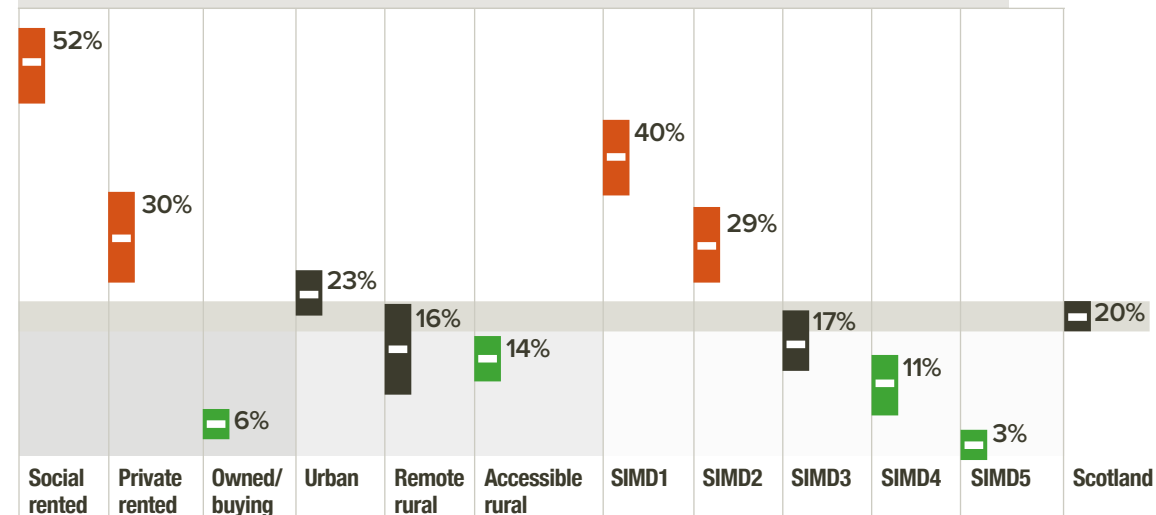
Children are **less likely** than the Scottish average to live in families with limited resources if:

- they live in an accessible rural area
- they live in the least deprived areas

“Managing eye I would say we are, we’ve just got no money to do anything though or buy anything, I suppose. I’ve got used to that. My mortgage is paid, and all my bills are paid and then I’ve got food. But that’s it”
Debbie

Percentage of children who live in families with limited resources.

The bars show measurement uncertainty. Where two bars overlap, there may not be a real difference between the two groups.



What the data says:

“Children in rented housing are at a higher risk of being in poverty.”

What the data doesn't say:

“Children living in urban areas are at a higher risk of being poor compared to the whole of Scotland.”

HOW TO USE THE DATA

What are these statistics for?

Local authorities and others have been asking the Scottish Government to publish local child poverty statistics for some years, but this has been difficult, because the Family Resources Survey, which is used for the national measures, does not have a large enough sample to produce statistics for every Scottish local authority. By introducing new questions on material deprivation in the Scottish Household Survey, we have now been able to produce combined low income and material deprivation statistics. These should help local partners with their anti-poverty work. The statistics show, for example, that some areas have more or fewer problems with these issues than the national average. The statistics also show which types of households are most affected, helping local partners to target their activities appropriately.

Do these statistics replace the national estimates of combined low income and material deprivation, included in the Child Poverty (Scotland) Bill?

No. These statistics are only produced for local purposes. They use a different methodology and are drawn from a different survey. The official statistics at national level are those included within the annual Poverty and Income Inequality Statistics publication, which is available here: <http://www.gov.scot/Publications/2017/03/2213>

Why are the estimates of combined low income and material deprivation different between the two surveys? Which one should we be using?

The most important difference between the two measures is the definition of material deprivation, because the two surveys look at slightly different necessities. Data analysis showed that for the local measure, being unable to afford three or more necessities is the best definition of material deprivation. This definition includes a wider group of families compared to the national measure. The low income measure is also different, because the Scottish Household Survey collects more limited financial information, and the estimate of median income is based on a Scottish rather than a UK median. The official statistics at national level should be used as a high level figure to monitor child poverty nationally and for comparison with other UK countries. The local measure should be used for targeting anti-poverty interventions and monitoring progress at a local level.

Why do we have different measures of poverty?

People's incomes give a good estimate of poverty, but it's helpful to consider other issues too. For example, some people have higher costs of living and a low income affects them more strongly. Other people on low incomes may cope better because they get a lot of help from family and friends. That's why there are different child poverty measures, and the Child Poverty (Scotland) Bill, which has just been passed by parliament, includes four of them. The new experimental statistics in this booklet provide local estimates, so we get more detail about where in Scotland children are at risk of poverty.

DEFINITIONS

A family lives in **material deprivation** when they cannot afford three or more items from a list of 22 necessities.

Children included here are biological, adopted and foster children under 17, as well as 17 to 19 year-olds who study full time and live at home.

Disability status considers if any adult in the household has a disability.

Information on **household income** was only collected for up to two adults in the household. The income of larger households might be underestimated.

Housing costs include rent and mortgage payments, but not council tax.

Measurement uncertainty occurs because we base our statistics on a small sample of children who represent all children. Depending on which sample we choose, the estimate can slightly vary. The true value is likely to be within the shown range.

Households are on a **low income** if their total net income after housing costs is below 70% of the Scottish median (or middle) income. Differences in household size are taken into account.

The **work status** considers the employment of up to two adults in each household. We have no information about any further adults.

Urban areas include all settlements of 3,000 or more people. **Accessible rural** areas include smaller settlements within 30 min drive of a settlement of 10,000 or more. The remaining areas are considered **remote rural**.

METHODOLOGY

- The data was collected through the Scottish Household Survey (SHS) over three years from 2014 to 2016.
- The statistics will be updated annually.
- To understand which families are experiencing material deprivation, we analysed the material deprivation and income data. Looking at the level of material deprivation that best distinguishes families with low incomes from families with higher income. Based on this analysis, we consider families who cannot afford three or more necessities as deprived.
- In this publication, low income means having an income below 70% of the median (or middle) household income after housing costs. This definition includes more people than those poverty measures that look at income only and are based on 60% of the median household income. Using the wider definition is consistent with other combined poverty measures.
- The SHS income data is currently collected for up to two adults in each household. This means that the household income for large households may be underestimated. For future updates, the income data will be improved.

YOUR FEEDBACK

These statistics are published as experimental statistics. This means that we are still developing them, and we welcome any feedback.

Issues we plan to address

- collect data from more households to reduce the uncertainty around our estimates
- collect more detailed income data
- improve the housing cost data
- review how we account for different household sizes and compositions

Your input

Please get in touch with your suggestions of how we can improve these statistics. This could be about additional break-downs of the data, how we present the statistics, how you can access them, or any changes to the methodology you would like us to consider.

“We’re kind of missing that bit of, you know, being able to socialise or go to the cinema or do fun family days out. And we’re not really getting the chance to do that at the moment”

Sophie

RESOURCES

Data – view and download the data from Statistics Scotland:
www.statistics.gov.scot/data/children-in-families-with-limited-resources

Methodology & Feedback – understand how we calculated the statistics and get involved in improving the next update:
<http://www.gov.scot/Topics/Statistics/Browse/Social-Welfare/IncomePoverty/LAPovertyData>

References

Nick Bailey (2017): PSE reduced and responsive scales
David Gordon (2017): Producing the PSE poverty line

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