

# Appendix 1A

## Local Child Poverty Data and Statistics

## Table of Contents

Children in Low Income Families .....	3
Children in Relative Low-income Families, before housing costs.....	3
Children in Low-income Families (Relative poverty), after housing costs .....	6
Children in Low-income Families living in Absolute poverty .....	8
Scottish Borders Child Poverty Index 2023.....	12
SB CPI: Purpose and Scoring .....	12
Scottish Borders Child Poverty Index 2023 Components .....	13
Scottish Borders Child Poverty Index 2023 Results.....	14
Scottish Borders Child Poverty Level Change Over Time 2017 to 2023 .....	15
Scottish Borders Child Poverty Level Change Over Time 2017 to 2023 - Wards .....	15
Child Poverty Drivers.....	16
Income from employment .....	16
Costs of Living .....	21
Income from social security and benefits in kind.....	24
Priority Groups.....	29
Priority Group 1: Lone Parents .....	29
Priority Group 2: Disabled.....	30
Priority Group 3: Households with 3 or more children.....	32
Priority Group 4: Minority ethnic families .....	33
Priority Group 5: Youngest child aged under 1 .....	34
Priority Group 6: Mothers aged under 25 .....	34

## Children in Low Income Families

Information provided shows evidence on drivers of child poverty, along with information on the groups of people who are more at risk of experiencing child poverty.

The information in the Headlines section contains indicators that can be used as 'proxy' measures of child poverty locally.

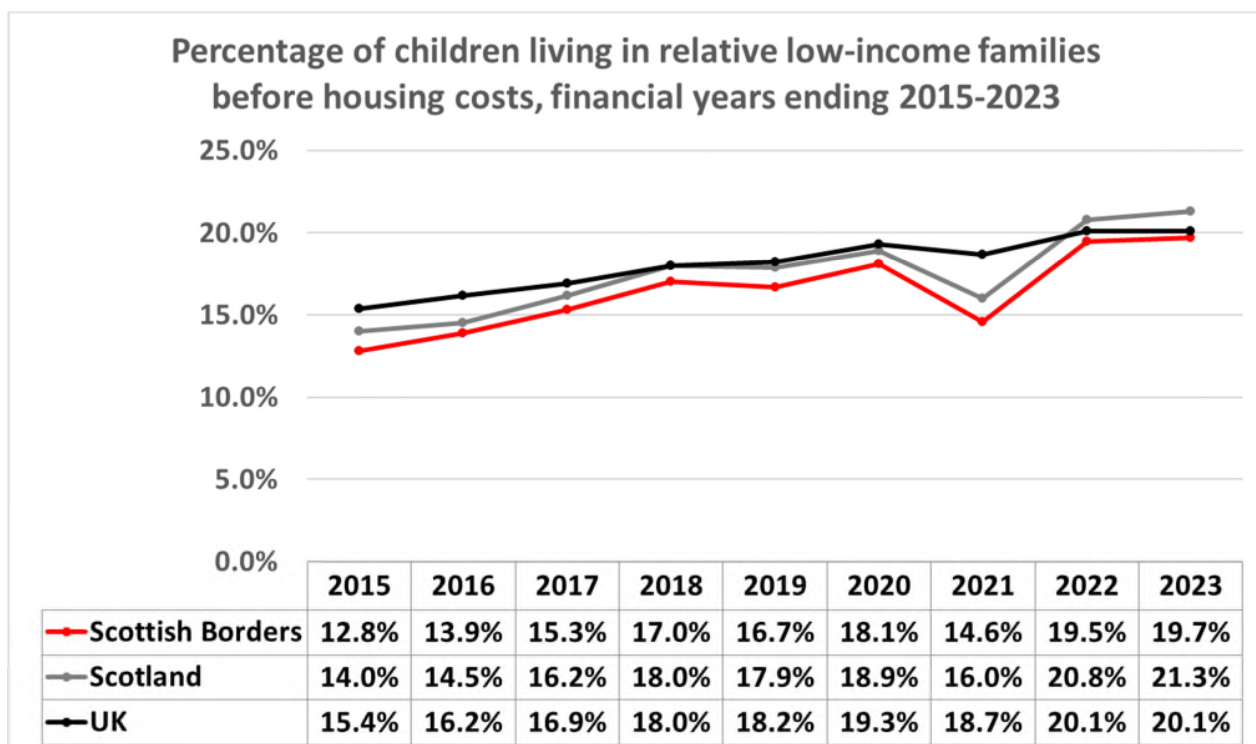
The Department of Work and Pensions (DWP) publication "[Children in low income families: local area statistics 2014 to 2023](#)" provides information at local authority and ward level to help monitor child poverty and its drivers locally.

### Children in Relative Low-income Families, before housing costs

Relative child poverty in a given year is when a family is assessed as having a low household income by the median income standards of the given year. The family must also claim Child Benefit and at least one other household income benefit (Universal Credit, tax credit or Housing Benefit) at any point in the financial year.

The chart below shows the DWP figures for the Financial Year Ending (FYE) 2023. **19.7%** of children aged 0-15 in the Scottish Borders live in relative low-income households. This is below the Scottish average of 21.3% and is unchanged from the previous year. The Scottish figure has increased since the previous year, indicating that child poverty in Scotland is getting worse but child poverty in the Borders is not so much. These are provisional findings, as the figure for Scottish Borders may be revised in due course.

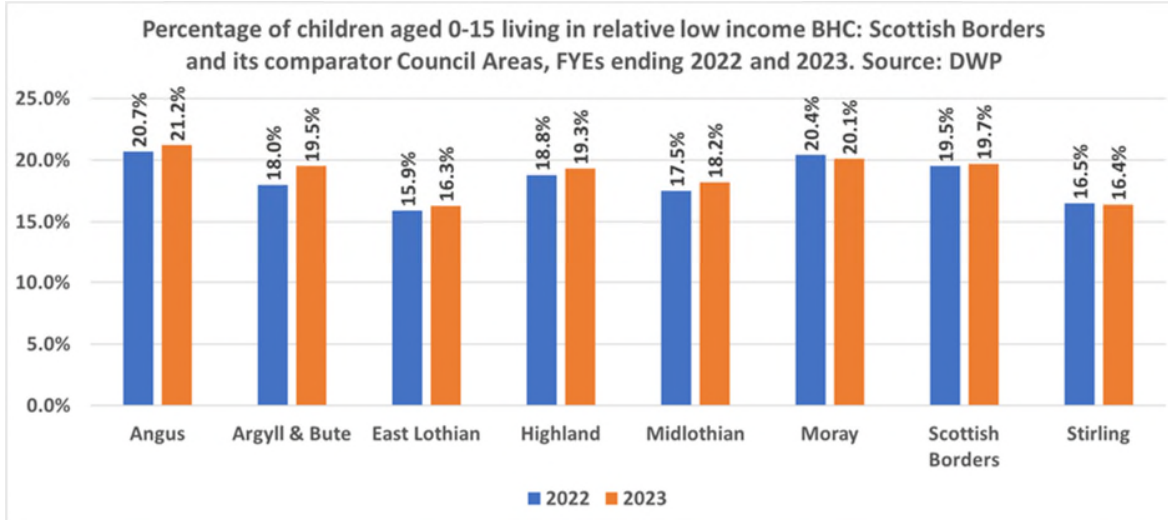
### Children in Low-income households over time, FYEs 2015 to 2023 before housing costs



The line graph above shows the timeline of this measure since FYE 2015.

## Changes since the previous year: Scottish Borders and comparator Local Authority areas

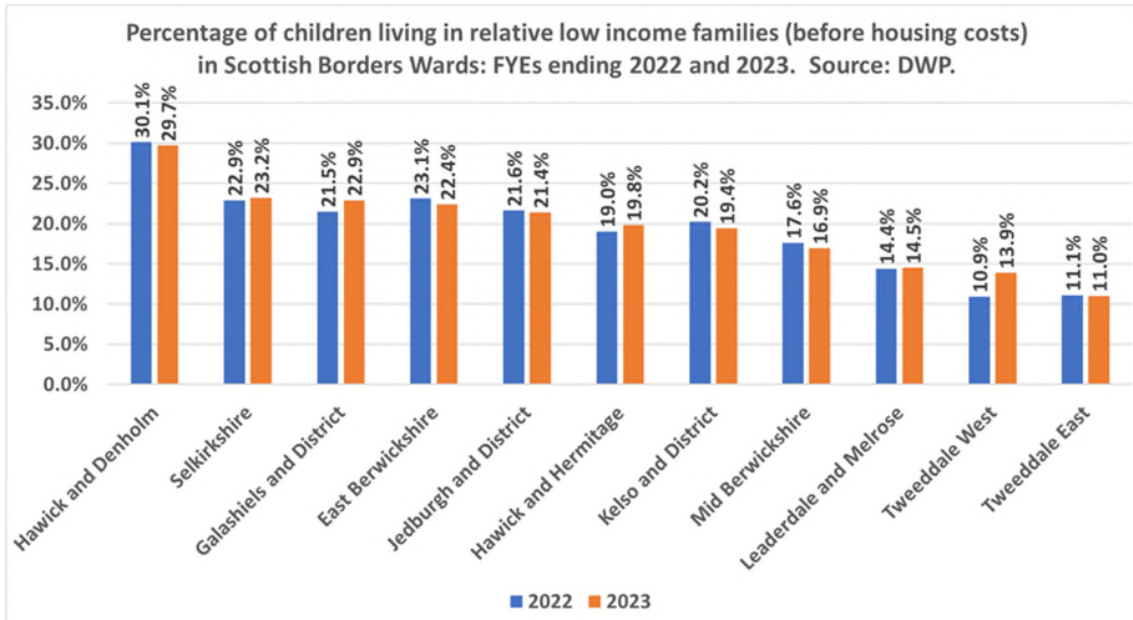
The Scottish Borders is in a benchmarking group with seven other Scottish Local Authorities. The bar chart below shows how relative child poverty in 2022 and 2023 compares with the position in these comparator areas.



Relative child poverty BHC in Scottish Borders is on the high side compared with its “family” of comparator Local Authorities. Only Angus and Moray have higher levels. This shows there is still work to do in Scottish Borders to reduce child poverty.

## Children in Low-income Families in Scottish Borders Electoral Wards

The chart below shows the Relative Child Poverty data at Scottish Borders Electoral Ward level for the FYEs 2022 and 2023.



Child poverty is highest in the Hawick and Denholm Ward, which contains one of the region’s areas of highest Multiple Deprivation. Selkirkshire and Galashiels and District also contain deprived areas, indicating that child poverty is strongly linked with deprivation, as we would expect.

## Numbers of children in relative low-income families, Electoral Wards

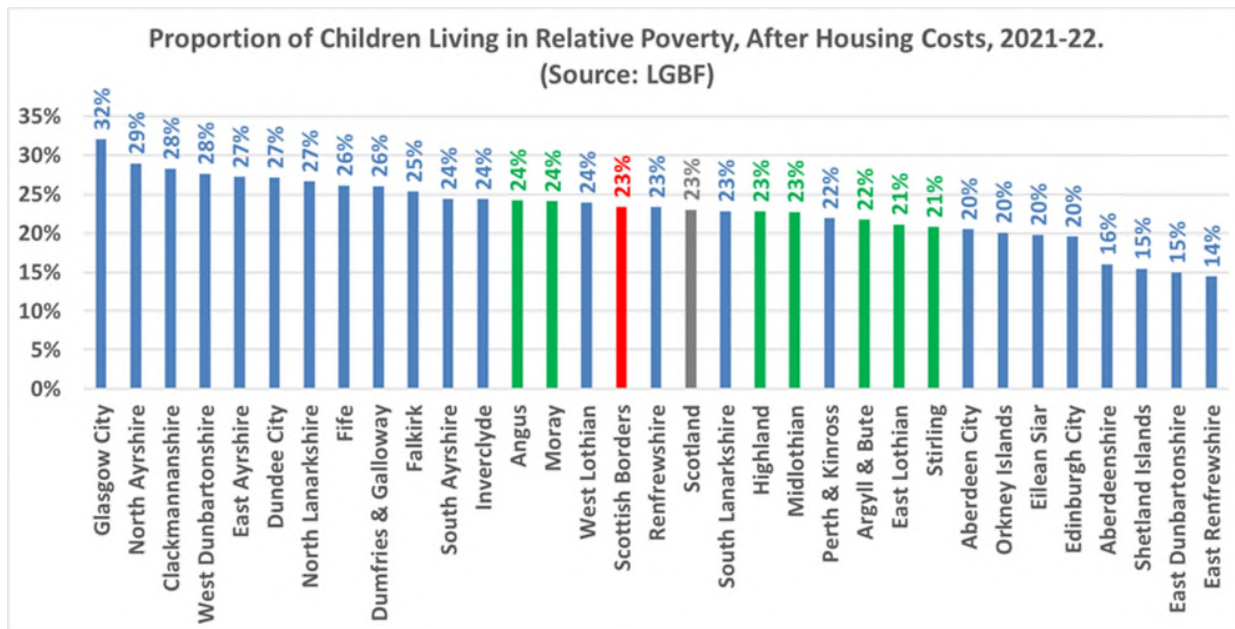
The following table gives an indication of the numbers of children who are estimated to be living in relative low-income families in the financial years ending 2022 and 2023.

Number of children in relative poverty (before housing costs) in Scottish Borders Wards				
Ward	2022	2023	% change 2022-23	No. of children 0-15, 2021
Hawick and Denholm	203	260	28.1	1,632
Galashiels and District	541	577	6.7	2,534
Tweeddale East	228	237	3.9	1,981
East Berwickshire	348	352	1.1	1,762
Jedburgh and District	281	284	1.1	1,455
Leaderdale and Melrose	319	316	-0.9	1,880
Selkirkshire	227	224	-1.3	1,489
Tweeddale West	501	494	-1.4	1,818
Kelso and District	413	400	-3.1	1,401
Mid Berwickshire	291	280	-3.8	1,582
Hawick and Hermitage	287	276	-3.8	1,188

Apart from having the highest levels of relative child poverty BHC, Hawick and Denholm has also seen the biggest increase in numbers of families living with child poverty since the previous year. Interestingly, the other Hawick ward has seen a decrease in child poverty, showing that there is a complex situation with a lot of inequality within the town.

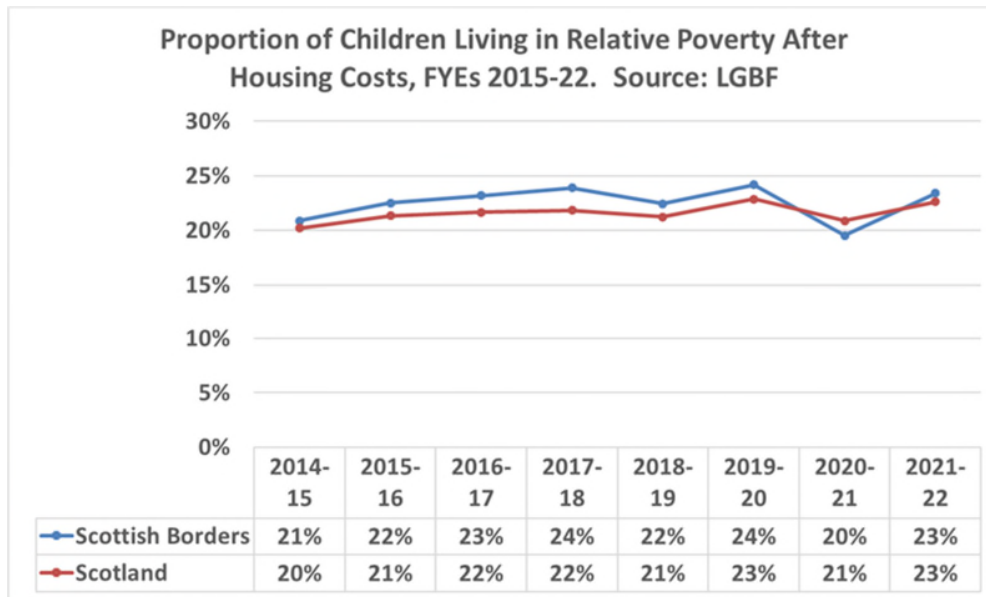
## Children in Low-income Families (Relative poverty), after housing costs

The [Local Government Benchmarking Framework \(LGBF\)](#) presents child poverty estimates (after housing costs) at local authority level, which are produced by the End Child Poverty Coalition. This measure is for relative poverty after housing costs, which provides important alignment with the targets set out in the Child Poverty (Scotland) Act 2017 and is therefore regarded as the “key” statistic on child poverty. This data shows the period following the introduction of the Scottish Child Payment and during the cost-of-living crisis. The 2022-23 data are not yet available from LGBF.



The chart above shows that the Scottish Borders (red bar) had 23% of children living in child poverty in 2022-23 – that is to say, they were in households with a household income that was 60% below the median for that year, after rent or mortgage has been paid. This is worse than the previous year’s figure of 19.1% and is now similar to the Scottish average (grey bar). Child poverty after housing costs is higher than before housing costs, as we would expect, and shows that the burden of paying high rents and mortgage repayments is pushing more families into poverty. Scottish Borders is one of the less well-performing Council Areas compared with its comparator Local authorities (green bars). The comparator Local Authorities were chosen by LGBF as they share certain population, rurality, and deprivation characteristics with the Scottish Borders.

## Children in Low-income households over time, FYEs 2015 to 2022 after housing costs

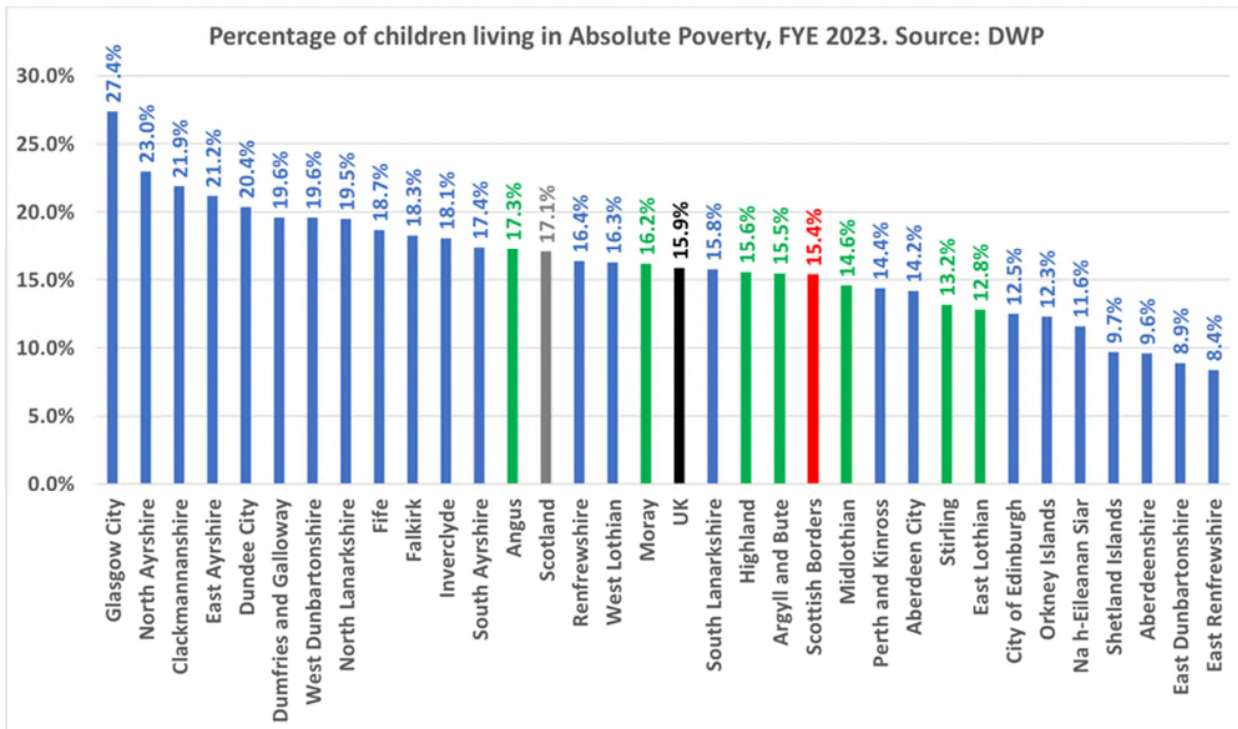


The trend in the Scottish Borders is similar to the Scottish average but has always been marginally higher, reflecting the higher impact of housing costs on relatively lower wages in the region. In 2020-21 the proportion of children living in poverty (after housing costs) had dipped down to below the Scottish average, but the 2021-22 dataset shows that it is now rising again, reflecting the rising cost of living. The Scottish Child Payment rose in December 2022 so this mediating effect should be reflected in next year's statistics.

## Children in Low-income Families living in Absolute poverty

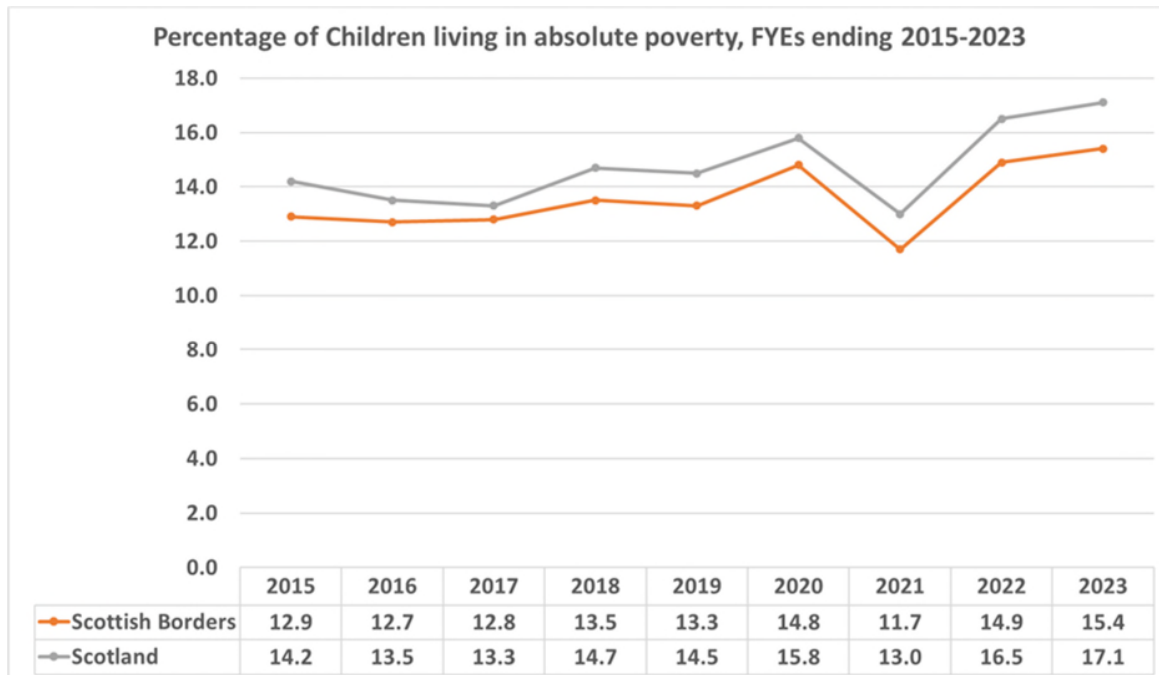
Absolute low income is defined as a family in low income Before Housing Costs (BHC) in the reference year in comparison with incomes in financial year ending 2011. A family must have claimed Child Benefit and at least one other household benefit (Universal Credit, tax credits, or Housing Benefit) at any point in the year to be classed as low income in these statistics.

The chart below shows the DWP figures for the Financial Year Ending (FYE) 2023. **15.4%** of children aged 0-15 in the Scottish Borders live in absolute low-income households. This is below the Scottish and UK averages of 17.1% and 15.9% respectively. The green bars show the comparison with Scottish Borders’s “LGBF family group” and shows that Scottish Borders is performing around average in this measure compared with its “family” of demographically similar Local authority areas.





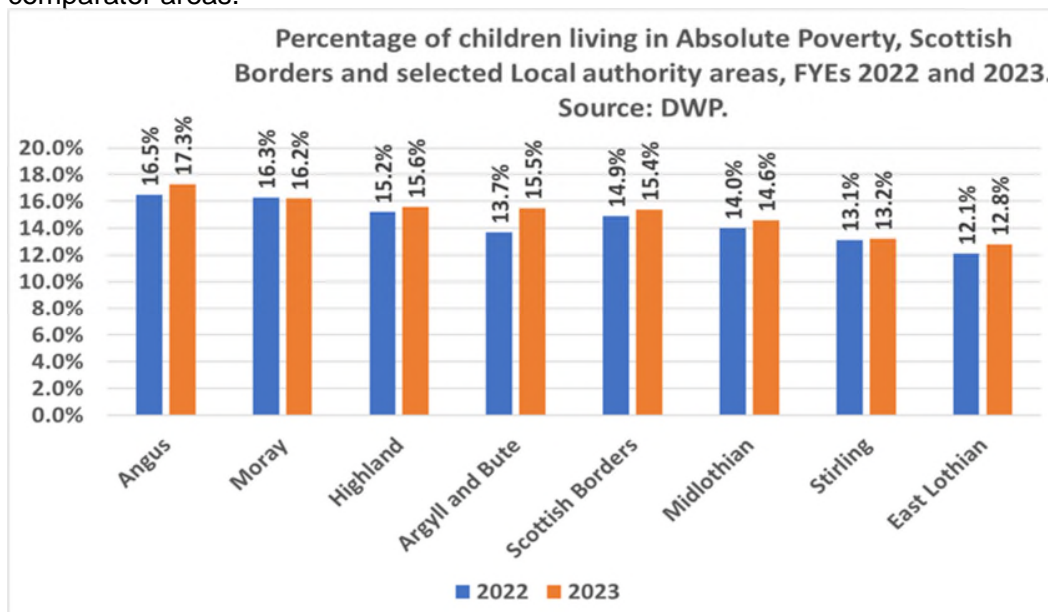
## Children in Absolute Low-income households over time, FYEs 2015 to 2023 before housing costs



The line graph above shows the timeline of this measure since FYE 2015. Absolute poverty in Scottish Borders has always been below the Scottish Borders average but otherwise mirrors the Scottish pattern. It increased last year and is continuing to increase as the cost-of-living crisis continues to have an impact on living standards when compared with what they were in 2011.

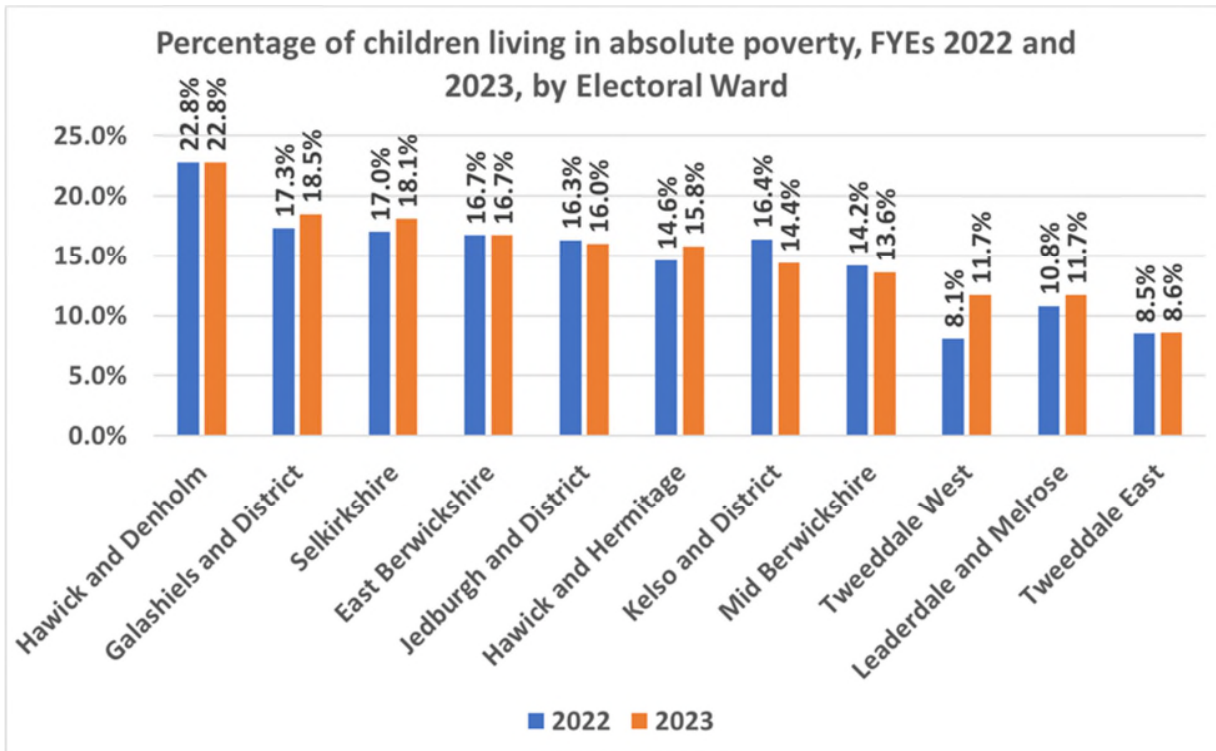
## Absolute poverty since the previous year: Scottish Borders and comparator Local Authority areas

The Scottish Borders is in a benchmarking group with seven other Scottish Local Authorities. The bar chart below shows how absolute child poverty in 2022 and 2023 compares with the position in these comparator areas.



## Children in Absolute Poverty in Scottish Borders Electoral Wards

The chart below shows the Absolute Child Poverty data at Scottish Borders Electoral Ward level for the FYEs 2022 and 2023.



## Numbers of children in absolute low-income families, Electoral Wards

The following table gives an indication of the numbers of children who are estimated to be living in relative low-income families in the financial years ending 2022 and 2023.

Number of children in relative poverty (before housing costs) in Scottish Borders Wards				
Ward	2022	2023	% change 2022-23	No. of children 0-15, 2021
Tweeddale West	151	219	45	1,818
Leaderdale and Melrose	211	229	9	1,880
Hawick and Hermitage	175	189	8	1,188
Galashiels and District	437	466	7	2,534
Selkirkshire	258	274	6	1,489
Tweeddale East	174	176	1	1,981
Hawick and Denholm	380	380	0	1,632
East Berwickshire	298	298	0	1,762
Jedburgh and District	240	236	-2	1,455
Mid Berwickshire	231	221	-4	1,582
Kelso and District	236	207	-12	1,401

# Scottish Borders Child Poverty Index 2023

## SB CPI: Purpose and Scoring

The purpose of the **Scottish Borders Child Poverty Index (SB CPI)**<sup>1</sup> is to provide additional insight into Child Poverty in the Scottish Borders. It is an *experimental* tool that may be used as a proxy for understanding the level of child poverty within the Scottish Borders.

The SB CPI was also created to work alongside the Scottish Index of Multiple Deprivation. SIMD provides a way of looking at deprivation in an area, covering the whole population and does not specifically reflect child poverty.

The SB CPI is a tool to help inform the Local Child Poverty Action Plan and which is a requirement of the Child Poverty Act (Scotland) 2017. The SB CPI is a summary of four components, which are:

- Children in Low Income Families (**CiLIF**) – Source is [DWP/HMRC](#).<sup>2</sup> Relative low-income is defined as a family whose equivalised income is below 60 per cent of contemporary median income. Gross income measure is Before Housing Costs (BHC) and includes contributions from earnings, state support and pensions. The SB CPI uses the most recent available year's data, currently there is a one-year lag e.g. for SB CPI 2023 uses the CiLIF data for 2022-23.
- Clothing Grant (**CLG**) - Source is SBC. The proportion of pupils recorded for Clothing Grant of all pupils in area for school year.

The table below shows the score that an area will receive based on the result for each component. The SB CPI allows an area to have a score ranging from 0 to 11, where 0 indicates no element of child poverty and 11 the highest levels of child poverty.

Children in Low Income Families (DWP)	Clothing Grant (SBC)	SB Child Poverty Index (revised)	
		Points	Level
0: None	0: None	0 to 2	1: Lower
1: Under 10%	1: Under 5%	3 to 4	2: Low
2: 10% to Under 20%	2: 5% to Under 10%	5 to 6	3: Mid
3: 20% to Under 30%	3: 10% to Under 15%	7 to 8	4: High
4: 30% to Under 40%	4: 15% to Under 20%	9 to 11	5: Higher
5: 40% or More	5: 20 to Under 30%		
	6: 30% or More		

<sup>1</sup> Revised November 2023

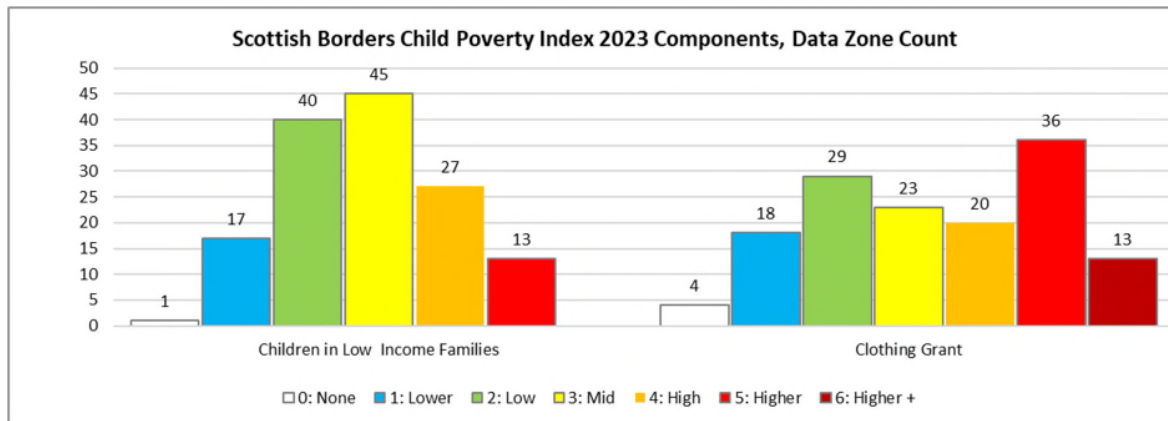
<sup>2</sup> \*The calculation of proportion of Children in Low Income Families for the purpose of the Scottish Borders Child Poverty Index differs to 'official statistics' due to the availability of the data from Stat-Xplore. The children in Stat-Xplore are defined as dependent individuals aged under 16; or aged 16 to 19 in full-time non-advanced education or in unwaged government training. (Not just those aged under 16 – unable to group into age bands). The figure for all children is then expressed as proportion of those aged 0 to 15 as published by NRS. It is recognised that this calculation is imperfect, but practical for the purpose of the SB CPI.

## Scottish Borders Child Poverty Index 2023 Components

The table below shows the allocation of data zones in the Scottish Borders for each of the components by count and proportion within each grouping.

Component Points	Children in Low Income Families		Clothing Grant	
	Count	Percent	Count	Percent
0: None	1	1%	4	3%
1: Lower	17	12%	18	13%
2: Low	40	28%	29	20%
3: Mid	45	31%	23	16%
4: High	27	19%	20	14%
5: Higher	13	9%	36	25%
6: Higher +		0%	13	9%
<b>SBC Data Zones</b>	<b>143</b>	<b>100%</b>	<b>143</b>	<b>100%</b>

The graph below shows the count of data zones for each component by grouping.

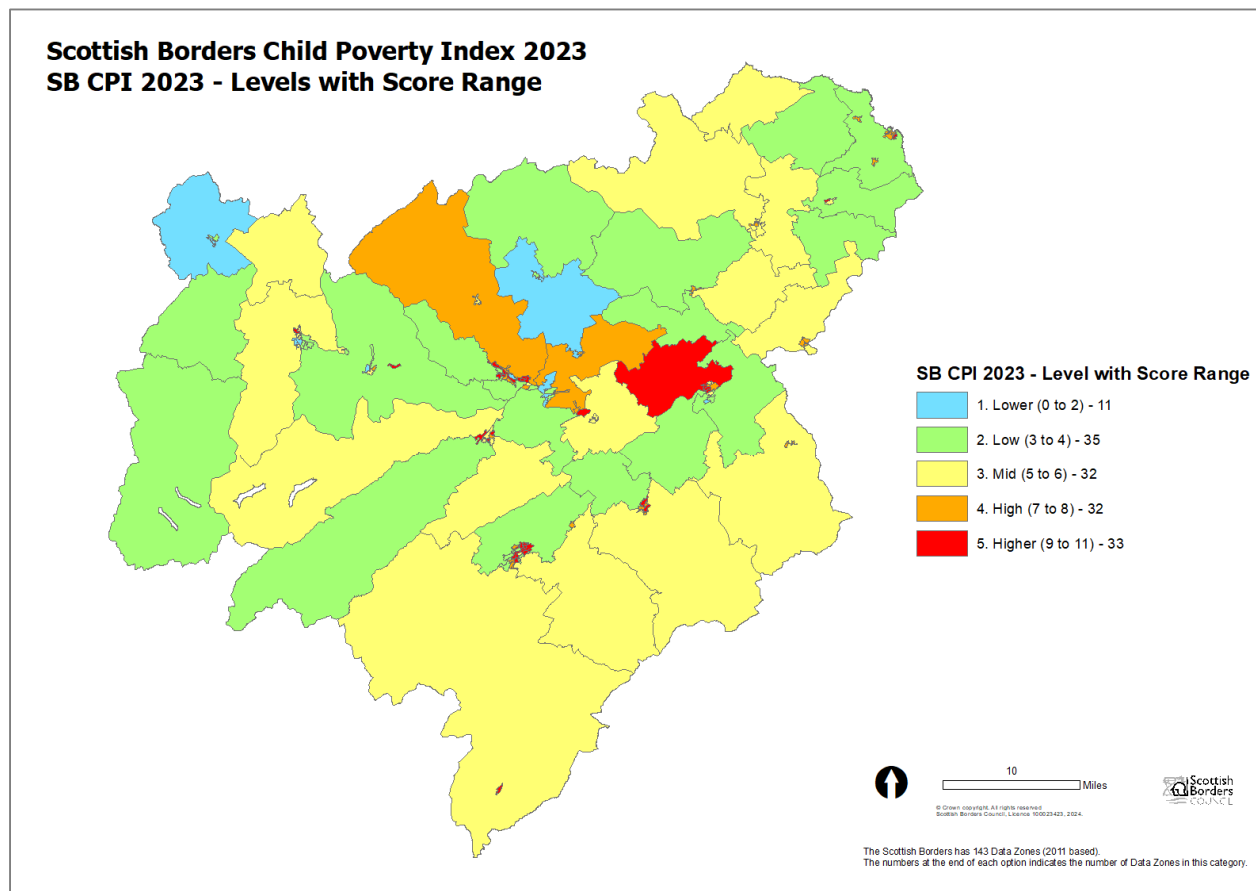
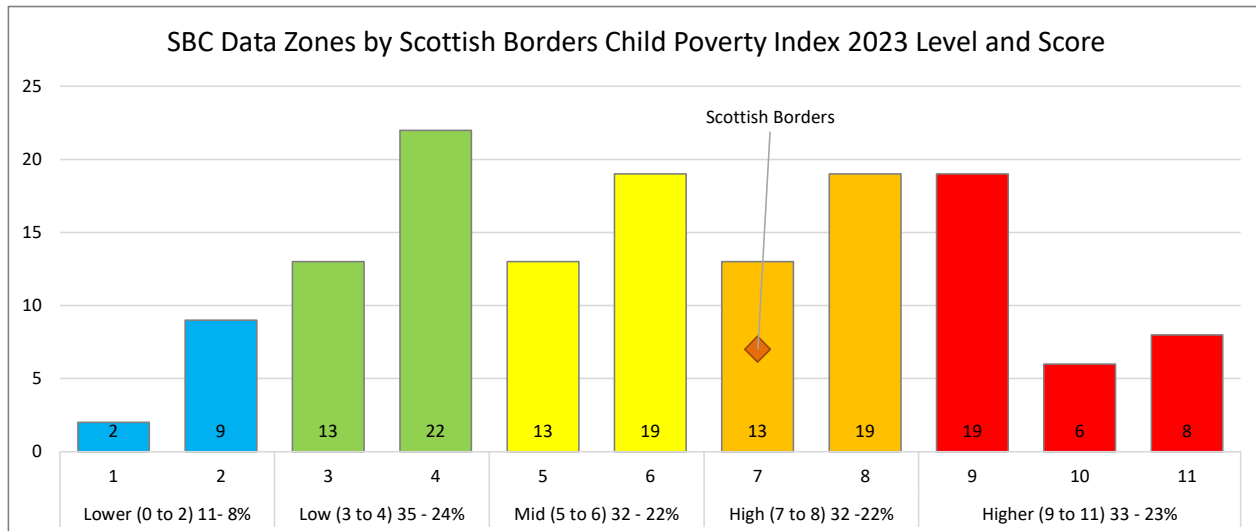


The table below shows the proportion of data zones by their Children in Low Income Families group and Clothing Grant group.

		Children in Low Income Families Group						
		0: None	1: Lower	2: Low	3: Mid	4: High	5: Higher	Scottish Borders
Clothing Grant Group	0: None		1%	1%				3%
	1: Lower		5%	5%	1%	1%		13%
	2: Low			4%	12%	4%		20%
	3: Mid			1%	3%	8%	2%	16%
	4: High		1%		5%	6%	2%	14%
	5: Higher				1%	10%	11%	25%
	6: Higher +					1%	2%	9%
	Scottish Borders		1%	12%	28%	31%	19%	9%

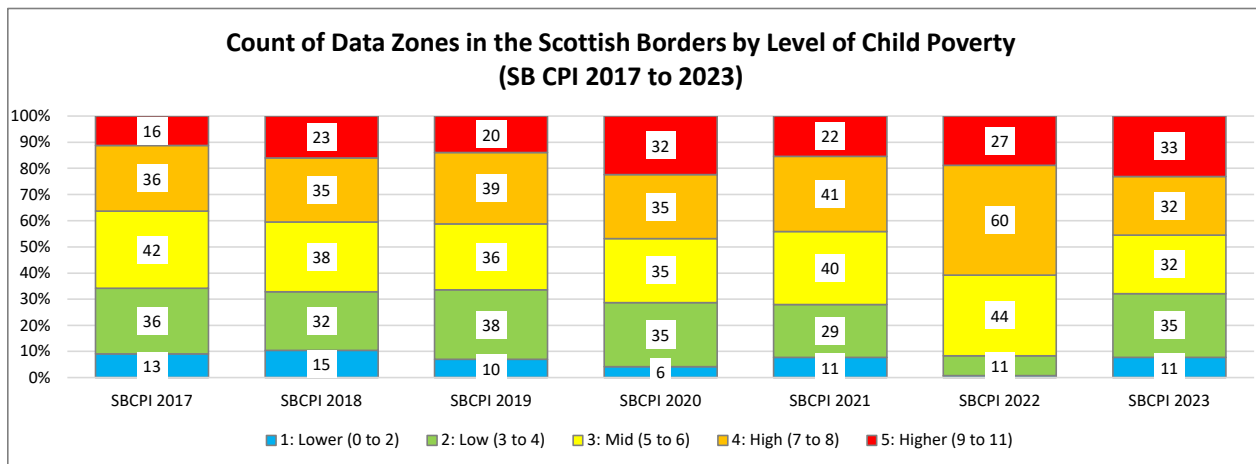
## Scottish Borders Child Poverty Index 2023 Results

The graph and map below show the Scottish Borders data zones based on the SB CPI score, grouped into levels of Child Poverty. Higher level (33 data zones) has a score of 9 to 11; High level (32 data zones) have a score of 7 or 8; Mid level (32 data zones) have a score of 5 or 6; Low level (35 data zones) have a score of 3 or 4; and Lower level (11 data zone) has a score of 0 to 2. Every data zone in the Scottish Borders has some element of child poverty. The Scottish Borders SB CPI score for 2023 was 7 in the High level.



## Scottish Borders Child Poverty Level Change Over Time 2017 to 2023

The graph below shows the distribution of data zones by level of child poverty for between 2017 and 2023.



The impact of Covid19 and the cost-of-living crisis can be seen in the number/proportion of data zones with Mid/High/Higher levels of child poverty. 66% of data zones had Mid/High/Higher levels of child poverty in 2017 that increased to 71% in 2020 and then to 92% for 2022, reflecting the impact of the cost-of-living. However, for 2023 the proportion of data zones with Mid/High/Higher levels of child poverty return to pre-covid level with 68%.

## Scottish Borders Child Poverty Level Change Over Time 2017 to 2023 - Wards

The table below shows the Scottish Borders Child Poverty Index level (SBCPI) for the Scottish Borders and each ward between 2017 and 2023.

Area	SB CPI 2017 Level	SB CPI 2018 Level	SB CPI 2019 Level	SB CPI 2020 Level	SB CPI 2021 Level	SB CPI 2022 Level	SB CPI 2023 Level
Scottish Borders	3. Mid	4. High	4. High	4. High	3. Mid	4. High	4. High
East Berwickshire	4. High	4. High	4. High	4. High	3. Mid	4. High	4. High
Mid Berwickshire	3. Mid	3. Mid	3. Mid	3. Mid	4. High	4. High	3. Mid
Jedburgh and District	3. Mid	3. Mid	4. High	4. High	4. High	4. High	4. High
Kelso and District	3. Mid	3. Mid	4. High	4. High	4. High	4. High	4. High
Galashiels and District	4. High	4. High	4. High	4. High	4. High	4. High	5. Higher
Leaderdale and Melrose	2. Low	2. Low	2. Low	2. Low	3. Mid	3. Mid	2. Low
Selkirkshire	4. High	4. High	4. High	4. High	4. High	4. High	4. High
Hawick and Denholm	4. High	5. Higher	5. Higher	5. Higher	4. High	5. Higher	5. Higher
Hawick and Hermitage	4. High	4. High	4. High	4. High	4. High	4. High	4. High
Tweeddale East	2. Low	2. Low	2. Low	2. Low	3. Mid	3. Mid	2. Low
Tweeddale West	2. Low	2. Low	2. Low	3. Mid	3. Mid	3. Mid	3. Mid



## Child Poverty Drivers

The three drivers of child poverty considered in this report are:

1. Income from employment
2. Costs of living
3. Income from social security and benefits in kind

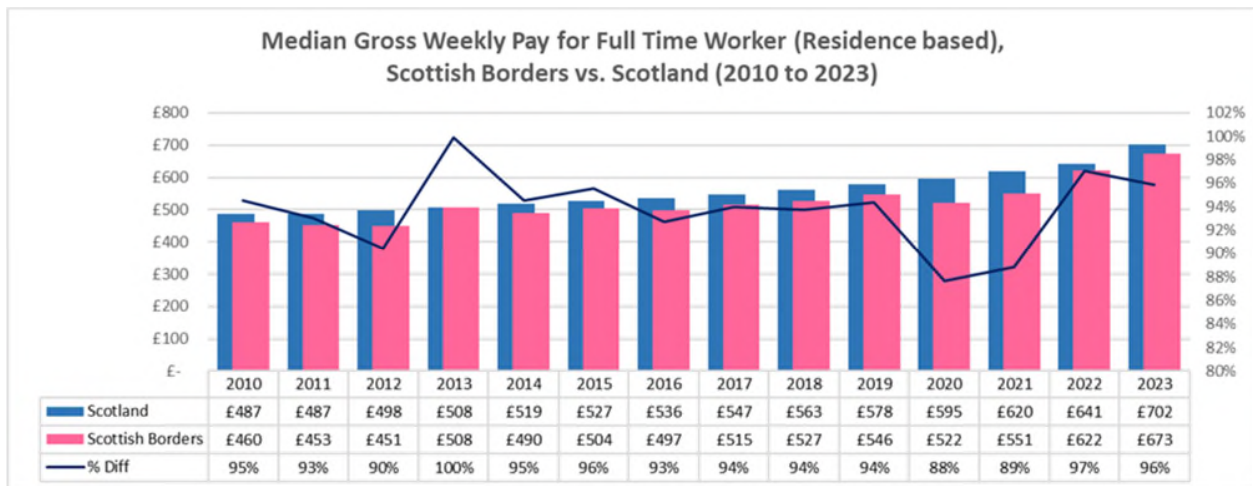
### Income from employment

The following section presents evidence from official statistics on topics such as earnings and jobs, particularly in households with children. This does not measure child poverty directly but helps to provide some background context to the current position.

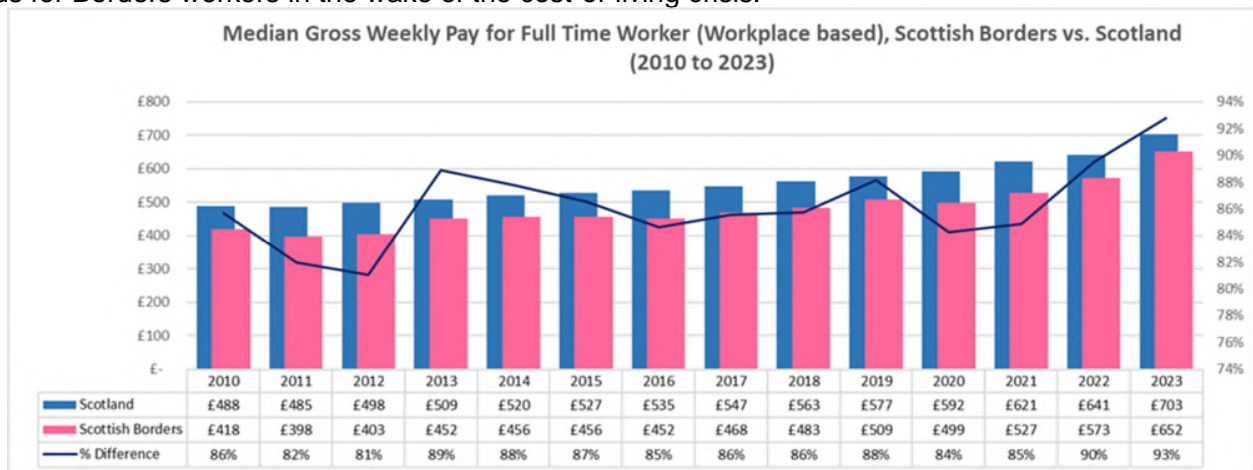
#### a) Average weekly Earnings

In 2023, the **median gross weekly pay** for full time workers living in the Scottish Borders (residence based) in the Scottish Borders was £673, **£29 below** the £702 for Scotland or **96% of the Scottish figure**. The regional pay gap between Scottish Borders and Scotland has greatly improved since 2021 for workers who live in the region.

[\(Annual Survey of Hours and Earnings - NOMIS\)](#)



In 2023, the **median gross weekly pay** for full time workers working in the Scottish Borders (workplace based) was £652, £51 less than the £703 for full-time workers working elsewhere in Scotland. This is **93% of the Scottish figure**. The pay gap for workplace-based earnings has improved since 2021 due to recent pay awards for Borders workers in the wake of the cost-of-living crisis.





## b) Percentage of employees (18+) earning less than the real living wage

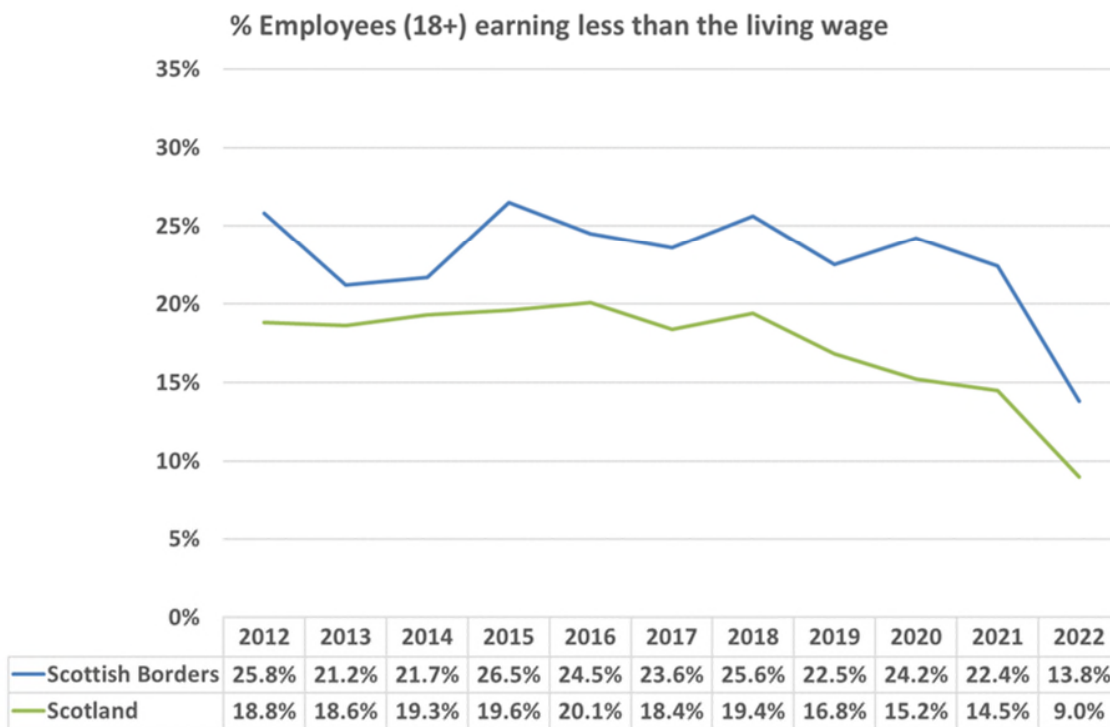
The Living Wage, also known as “the Real Living Wage”, refers to the hourly salary that is deemed by the [Living Wage Foundation](#) to be the minimum necessary for an employee’s basic needs to be met.

The current Real Living Wage is £12 per hour for the UK (£13.15 for London). **The Real Living Wage is not compulsory** but is paid by over 14,000 businesses in the UK who call themselves a “Living Wage employer”.

It is not to be confused with the **National Living Wage, which is the compulsory Government minimum for over 23s** and is currently £10.42 per hour. The statutory National Living Wage is calculated as a percentage of median earnings, whereas the voluntary Real Living Wage is calculated according to the cost of a basket of household goods and services at current prices. Therefore, the **Real Living Wage better represents the cost of living** during times of high inflation.

Figures are workplace-based, so include all those who work in the region, regardless of where they live.

The data in the chart below were sourced from the Annual Survey of Hours and Earnings (ASHE) for [Scottish Government’s December 2023 Local Child Poverty Dashboard](#).



The above chart shows why Scottish Borders is often referred to as a “low wage economy.” The proportion of full-time workers who are paid less than the Real Living Wage has always been higher than the Scottish average. Out of the 17 Council Areas which provided valid data to the 2022 Annual Survey of Hours and Earnings (ASHE), Scottish Borders had the second-worst rate of low-pay, with only South Ayrshire having a worse rate. Rates of low pay are lowest in the city Council areas, where salaries are more competitive.

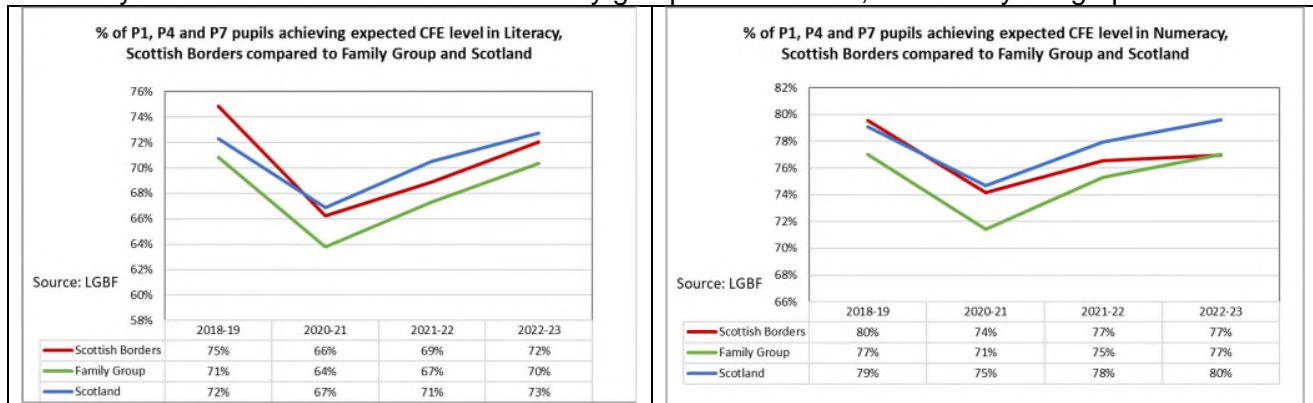
More encouragingly, there has been a significant increase in wages in 2021-22 across Scotland in response to the cost-of-living crisis and this has benefitted the region substantially. The proportion of over 18s who are paid less than the Real Living Wage in the region is at its lowest ever level.

### c) Child poverty and Education Outcomes

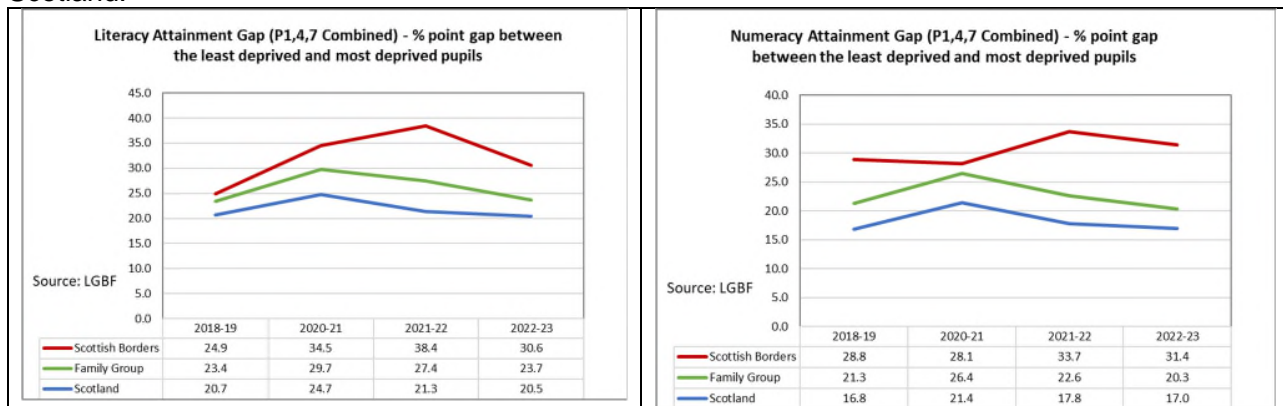
The link between poverty and educational attainment is complex. The aim is for educational attainment for those in the most deprived areas to be similar those in the least deprived areas. The Local Government Benchmarking Framework (LGBF) has several indicators that highlight the attainment of those pupils from the most deprived areas.

#### Literacy and Numeracy in primary school pupils

The pupils in the Scottish Borders are achieving the expected Curriculum For Excellence<sup>3</sup> level for literacy and numeracy are similar to the levels for the family group and Scotland, as seen by the graphs with tables below.



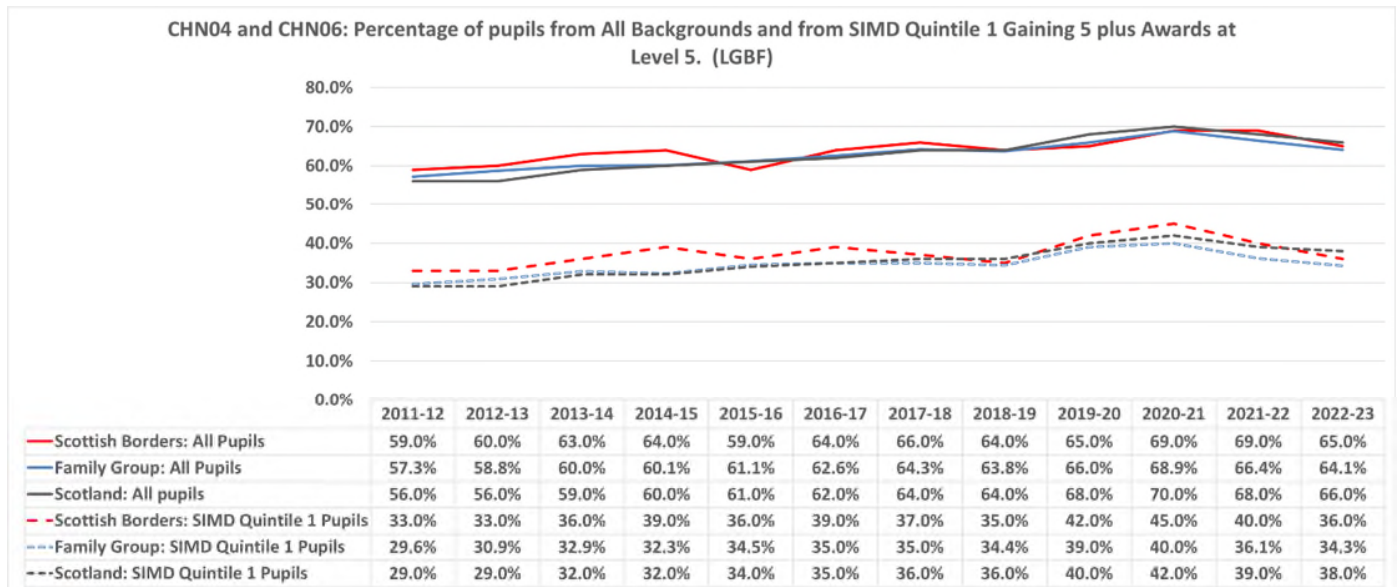
However, when looking at the % gap between the least deprived and most deprived pupils there is a bigger gap in the Scottish Borders compared to the family group and Scotland. In the most recent years the gap for both literacy and numeracy in the Scottish Borders has reduced, but still bigger than the family group and Scotland.



<sup>3</sup> CFE = Curriculum for Excellence

## Senior phase: impact of deprivation on Gaining 5+ Awards at Level 5 and Level 6

The graph below shows the proportion of pupils gaining 5+ awards at level 5 (SQA National 5) for all pupils and those from the 20% most deprived areas in Scotland (a.k.a. "SIMD Quintile 1"). It compares Scottish Borders, its family group of comparator Council areas and Scotland.



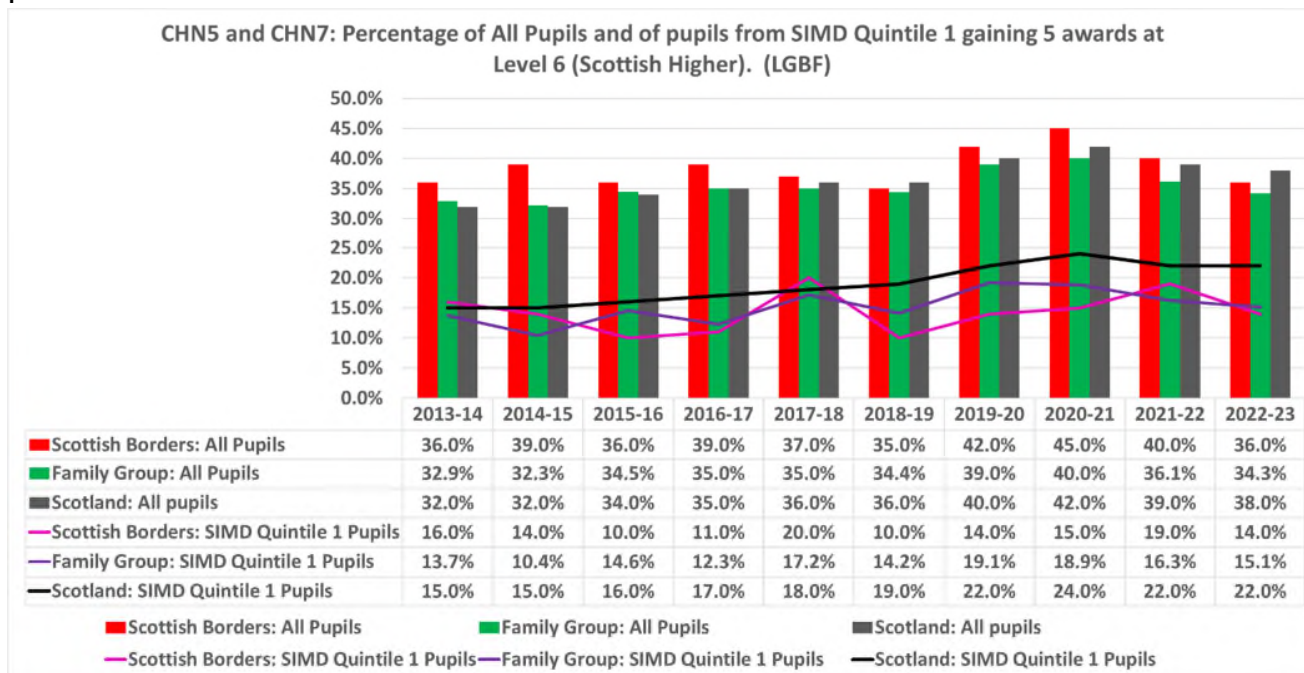
The graph clearly shows the difference in attainment between the 20% most deprived (dashed lines) and all pupils (solid lines) for all three selected areas. The deprivation attainment gap for National 5-level pupils is worse in Scottish Borders than its comparator Council areas, and both are worse than Scotland as a whole.

### SQA National 5 Attainment gap between

All pupils and SIMD Quintile 1	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Scottish Borders	33.0%	40.0%	29.0%	42.0%	34.0%	40.0%	30.0%	33.0%	35.0%	28.0%	31.0%	34.0%
Family Group	25.8%	27.9%	24.9%	26.7%	25.1%	23.5%	23.7%	24.0%	21.1%	21.4%	22.5%	25.1%
Scotland	23.0%	21.0%	21.0%	20.0%	20.0%	19.0%	19.0%	18.0%	19.0%	17.0%	18.0%	16.0%

## Deprivation Gap at Level 6 (Scottish Higher) Level

Although a lower proportion of pupils gain 5+ awards at level 6 (Scottish Higher) compared to level 5, the pattern comparing all pupils to those from the 20% most deprived areas is similar



There is a persistently larger Deprivation Attainment Gap in Scottish Borders than in both its family group and the Scottish average at Scottish Higher level, and this deprivation gap tends to fluctuate depending on the cohort of pupils, which is relatively small.

CHN5 and CHN7: Attainment Deprivation Gap at Scottish Higher Level	2013 to 14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Scottish Borders	20.0%	25.0%	26.0%	28.0%	17.0%	25.0%	28.0%	30.0%	21.0%	22.0%
Family Group	19.2%	21.8%	19.9%	22.8%	17.8%	20.2%	19.9%	21.1%	19.9%	19.1%
Scotland	17.0%	17.0%	18.0%	18.0%	18.0%	17.0%	18.0%	18.0%	17.0%	16.0%

## Costs of Living

Information from [Institute For Government](#) states that the “Cost of living Crisis” refers the fall in “real” disposable incomes (adjusted for inflation and after taxes and benefits) that the UK has experienced since late 2021. This is triggered by the failure of wages and social security benefits to keep up with inflation but is also exacerbated by external factors such as the Ukraine war and escalating energy prices.

Inflation peaked at 11.1% in October 2022 and has come down since then. This does not mean that food prices have come down, only that they are rising less rapidly. Since then, there has also been a round of public sector pay awards and a lowering of energy prices, which has reduced the crisis. However, domestic, and small business finances, which were already running off savings due to the pandemic, are now stretched so thin that many families and businesses have no reserves left.

It is estimated that household incomes will finally catch up with living costs and Real Household Disposable Incomes (RDHI) will return to pre-2021 levels by 2027. For some households, the damage done by the erosion of their financial resilience during the previous 8 years will be felt for a long time.

### a) Fuel Poverty

According to research carried out for [the 2021 Scottish House Conditions Survey](#), a household is in fuel poverty if, in order to maintain a satisfactory heating regime, total fuel costs necessary for the home are more than 10% of the household’s adjusted net income (after housing costs) and the household’s remaining adjusted net income is insufficient to maintain an acceptable standard of living – the so-called “heating or eating” debate.

Where a household is in fuel poverty, the “fuel poverty gap” is the annual amount that would be required to move the household out of fuel poverty.

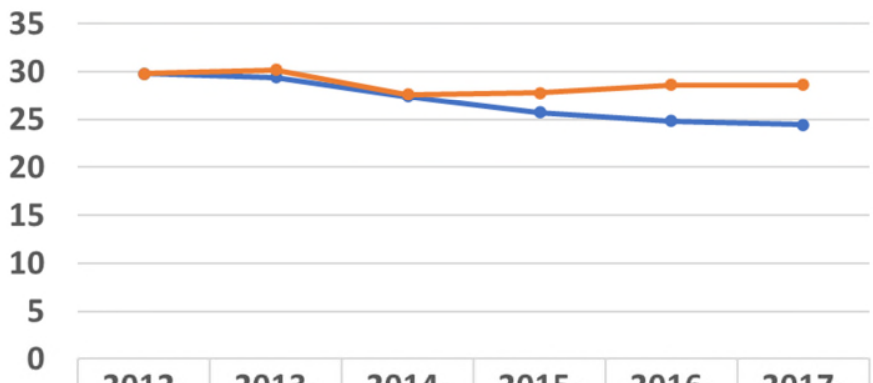
Definitions of all these terms, and exclusions to what is counted as income, are set out in the Fuel Poverty (Scotland) Act 2019.

The Fuel Poverty (Scotland) Act 2019 also set targets to eradicate fuel poverty. The 2040 targets are that:

- no more than 5% of households in Scotland would be in fuel poverty
- no more than 1% of households in Scotland would be in extreme fuel poverty
- the median fuel poverty gap of households in Scotland in fuel poverty would be no more than £250 at 2015 prices (adjusted to take account of changes in the value of money).

Tools for measuring this well-legislated aspect of poverty are currently very poor. Estimates of fuel poverty rates are available up to 2019 for Local Authority areas. The Covid-19 pandemic forced temporary changes in the way that the SHCS was gathered, meaning that 2020 and 2021 data are missing for Council Areas and that the Council Area measure for fuel poverty will not return to normal until after the 2022-24 three-year averages are produced, which will be in 2026.

**Percentage of households living in "fuel poverty", up to 2019**



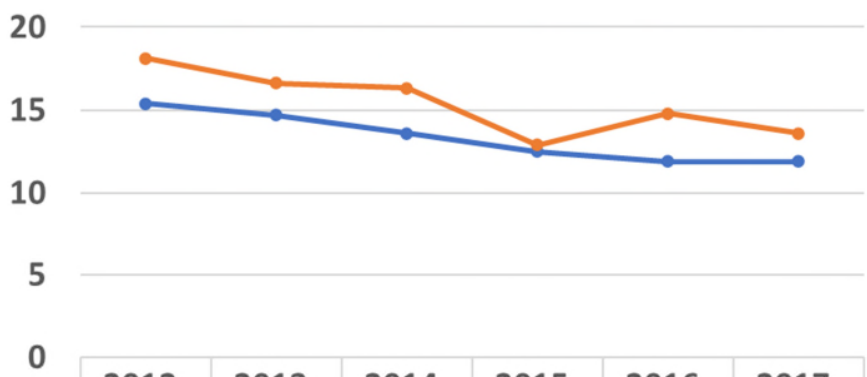
	2012-2014	2013-2015	2014-2016	2015-2017	2016-2018	2017-2019
Scotland	29.8	29.4	27.4	25.7	24.8	24.4
Scottish Borders	29.8	30.2	27.6	27.8	28.6	28.6

The chart above shows that fuel poverty in Scotland was gradually decreasing up to 2019, but it remains higher in Scottish Borders. There has not been any change since the previous set of figures.

**Extreme fuel poverty**

Extreme fuel poverty follows the same definition as fuel poverty except that a household would have to spend more than 20% of its adjusted net income (after housing costs) on total fuel costs to maintain a satisfactory heating regime, rather than 10%. To the statistics, extreme fuel poverty is a subset of fuel poverty and is not mutually exclusive.

**Percentage of Households in Extreme fuel poverty**



	2012-2014	2013-2015	2014-2016	2015-2017	2016-2018	2017-2019
Scotland	15.4	14.7	13.6	12.5	11.9	11.9
Scottish Borders	18.1	16.6	16.3	12.9	14.8	13.6

The previous chart showed that 28.6% of Scottish Borders households are estimated to be in fuel poverty. Just under half of these are estimated to be in extreme fuel poverty, according to the most recently available figures. Extreme fuel poverty is estimated to affect 13.6% of households in Scottish Borders, although this



does seem to be coming down since the previous set of figures.

### **The 2021 and 2022 Scottish updates on fuel poverty**

The 2021 SHCS update found that 19.6% of households in Scotland were estimated to be in fuel poverty, but that was very likely to be an underestimate. The initial observations from the 2022 data show that the fuel poverty rate has risen to 31% in Scotland, which is a more credible increase on the 24.6% 2019 revised figure for Scotland. We would expect the rate in Scottish Borders to be about 4 percentage points above the Scottish average, meaning that it could now be as high as 35% in Scottish Borders.

The median fuel poverty gap for fuel poor households was estimated to be £690 in 2021 but is likely to be higher now. This is the additional annual amount that the average fuel-poor householder would need to bring them out of fuel poverty.

Respondents were more likely to be fuel poor if they:

- Lived in the social rented sector
- Used electricity as their primary heating fuel
- Had a prepayment meter
- Lived in a property with a low energy efficiency rating
- Had a low income

Some of these correlations might seem obvious, but it is stressed in the SHCS that low income is not the only cause of fuel poverty.

The 2022 initial observations showed that the long-term trend in energy efficiency of housing stock continues to show improvement, as do the levels of critical disrepair observed for the survey.

The Borders Housing Network have allocated over five thousand vouchers since 2021. In 2023/24, a total of 2,122 vouchers helped 2,789 adults and 1,332 children.

<b>Year</b>	<b>Number</b>	<b>People</b>	<b>Cost</b>
2021/22	1,026	2,034	£52,793
2022/23	2,247	4,251	£101,990
2023/24	2,122	4,121	£100,939
<b>Total</b>	<b>5,395</b>	<b>10,406</b>	<b>£255,722</b>

## Income from social security and benefits in kind

Issues around social security benefits for families with children are listed as the third driver of child poverty. The Children in Low-Income Families indicator shows that most families are already living in at least relative poverty to qualify for welfare benefits. Official Statistics around use and take-up of welfare benefits fall into two categories:

1. Families who qualify for benefits and are supported by social security to meet their basic needs
2. Families who fall through the gaps in the social security system or receive inadequate support, and are in crisis

Families living in crisis due to insufficient social security support tend to be undocumented and are therefore very difficult to measure. These figures tend to present in different ways, such as food insecurity and foodbank use, housing insecurity and homelessness, chaotic lifestyles, crisis grants and mental and physical health problems.

Universal Credit (UC) is a single payment for each household to help with living costs for those on a low income or out of work. It is replacing six benefits, commonly referred to as the legacy benefits:

- Income-based Jobseeker's Allowance
- Income-related Employment and Support Allowance
- Income Support
- Working Tax Credit
- Child Tax Credit
- Housing Benefit

Support for housing costs, children and childcare costs are integrated into Universal Credit. It also provides additions for people with a disability, health condition or caring responsibilities which may prevent them from working.

Claimants are at risk of not receiving the correct amount of Universal Credit, or being refused UC, if their circumstances or household income change frequently, or their living situation is unstable, or if they are not able to produce the correct paperwork, or if they are sanctioned or deducted for any reason. These households who fall through the safety net are then at risk of severe poverty, which is insufficiently documented, and which can manifest itself in other ways, such as debt, food bank use, homelessness, mental health problems, substance misuse and crime.

Although there is almost certainly a level of under-claiming due to households stumbling over the claims process or still awaiting transfer from legacy benefits, the statistics for Households receiving Universal Credit provides an insight into priority families in relative poverty.



### a) Households receiving Universal Credit

The table below shows the number and proportion of households in the Scottish Borders receiving Universal Credit compared to Scotland. Overall, the Scottish Borders has a lower proportion of households receiving UC (13.8%) compared to 17.1% for Scotland. In the Scottish Borders there were 3,233 households claiming the 'Child Entitlement' or 5.8% compared to 6.9% for Scotland.

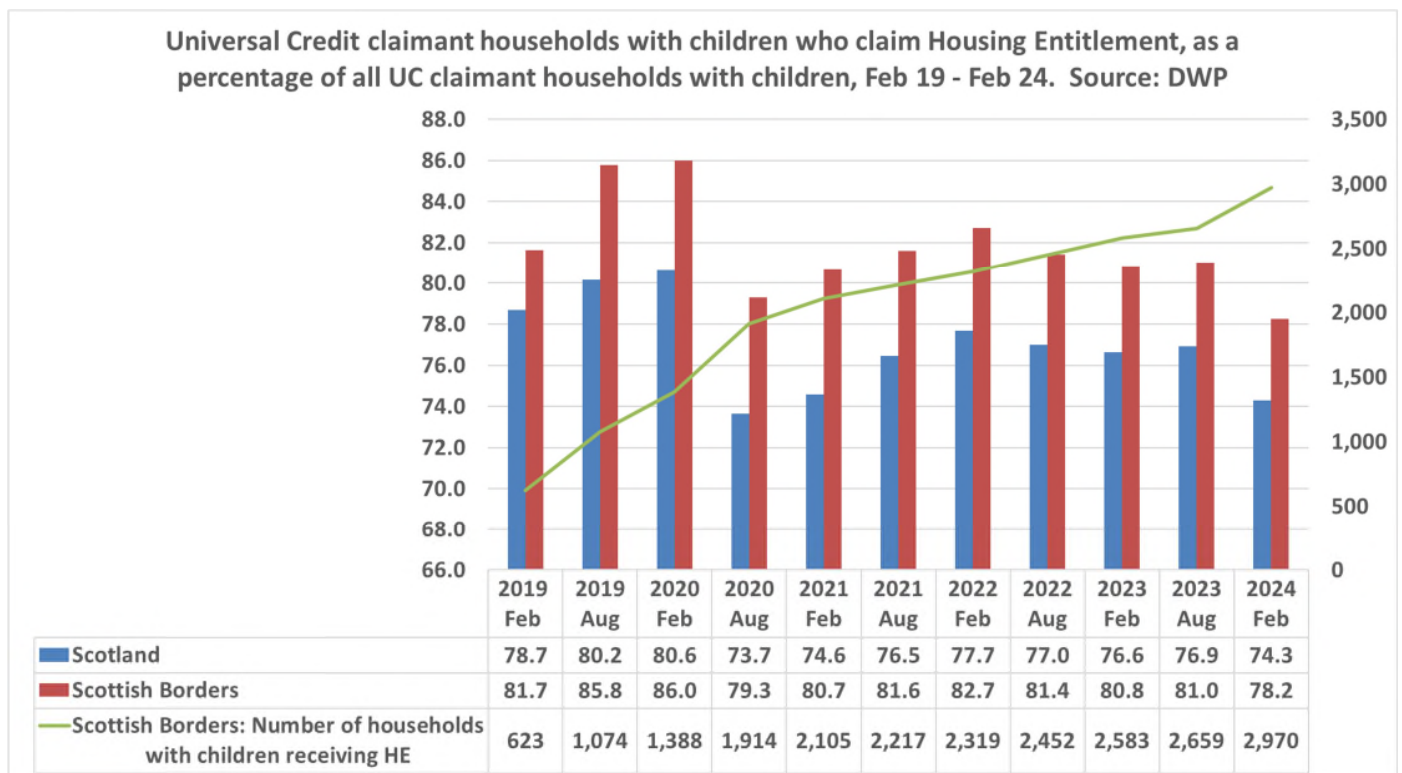
Universal Credit Households November 2023 (provisional figures)	Scottish Borders No of Households	% of All Occupied Households	
		Scottish Borders	Scotland
All Occupied Households	55,858	100	100
All Universal Credit Households (UCH)	7,709	13.8	17.1
UCH with Children	3,427	6.1	4.6
UCH claiming Child Entitlement	3,233	5.8	6.9
UCH Lone Parent	2,390	4.3	5.5
UCH with 3+ Children	686	1.2	1.4
UCH with Child Under Age 1	263	0.5	0.5
UCH with Children - Child Disability Entitlement	348	0.6	0.9
UCH with Children - Adult limited capacity for work entitlement	566	1.0	1.3
UCH with children - adult carer entitlement	505	0.9	1.2
UCH with children with a UC entitlement due to disability or incapacity of a family member	1419	2.5	3.4

Source: DWP/NRS

## b) Households with Children who claim the Housing Entitlement of Universal Credit

The chart below indicates that the majority of households with children who interact with the Universal Credit system need help with their housing costs, and that housing unaffordability is affecting households with children in the Scottish Borders more than on average for Scotland. As of February 2024, 78.2% of all Universal Credit-claiming households with children, or 2,970 households in Scottish Borders, claim the entitlement formerly known as Housing Benefit.

The numbers below do not provide a full picture of housing insecurity. Housing Benefit is still in operation for some categories of claimant, and people who live in hostels or temporary accommodation are not eligible to apply for help with their housing costs. Applicants to Universal Credit must provide documentary proof of their housing costs. This means that the applicant must have paid their first instalment of costs for the housing before they are able to apply for welfare benefits, to be paid in retrospect, which is very difficult for families already in financial and housing insecurity to do. There is inevitably an unknown number of undocumented families who are unable to claim help with their housing costs and are at risk of homelessness.



## c) Food insecurity

### Foodbanks and community food redistribution outlets

Information available on the [SBC website](#) indicates that there are 31 **food redistribution outlets** in the Scottish Borders in 2024, including: food banks, FareShare providers, Early Years Centres, Community cafes and food larders.

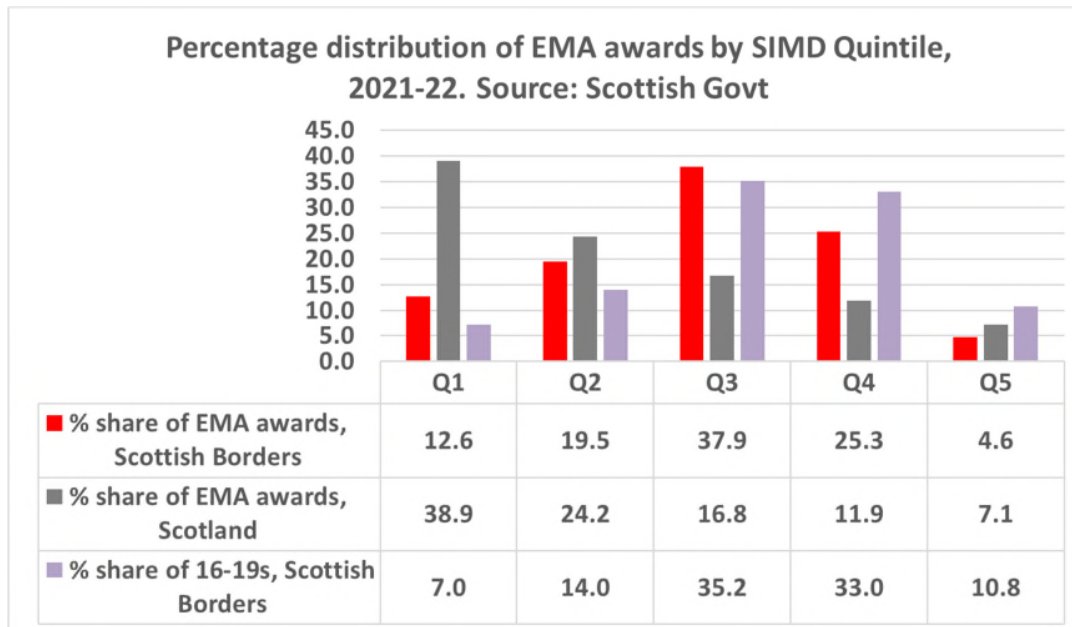
The locations were:

- 11 in Berwickshire
- 3 in Cheviot
- 7 in Eildon
- 3 in Teviot & Liddesdale
- 7 in Tweeddale

**d) Education Maintenance Allowance**

Education Maintenance Allowance (EMA) is a UK Government benefit of £30 per week, paid to eligible students aged 16-19 from low-income households, who choose to continue with their education, in an attempt to close the deprivation attainment gap between the most-deprived and the less-deprived areas.

According to the SBC SEEMIS Management Information System, there were 239 pupils receiving EMA in the 2023-24 academic year.



Scottish Government information breaks EMA awards down by Local Authority and SIMD Quintile. The graph above shows that 7% of 16- to 19-year-olds live in Quintile 1, the most-deprived 20% of neighbourhoods in Scotland. Senior pupils from Quintile 1 neighbourhoods in Scottish Borders are proportionally somewhat more reliant on EMA to remain in education (12.6% of all claimants) than pupils in Quintile 5.

This is, in fact, a much lower proportion than on average for Scotland: if it was in line with Scotland, we would expect 39% of EMA recipients to be living in Quintile 1 neighbourhoods. It indicates that take-up of the education incentive is somewhat lower than expected in Scottish Borders’ most deprived neighbourhoods: either they do not qualify for it, or, more likely, they choose not to stay on in education despite the incentive. This is concerning, as there is already an education outcomes deprivation gap in Scottish Borders, which EMA was designed to address.

Interestingly, take-up of EMA is well above Scottish average in Quintiles 3 and 4 in Scottish Borders, meaning that more students from neighbourhoods with average and below-average deprivation live in low-income households and are eligible (and keen) to take up EMA in order to stay on at school. This means that senior school pupils’ futures are being impacted by low household incomes throughout a wider demographic group in Scottish Borders, and this impact is not confined to pupils from the more deprived areas.

**e) Free School Meals** are available to all P1-5 children in the Scottish Borders, regardless of circumstances. A separate means-tested Scottish Government-funded scheme of free school meals for P6-S6 pupils is available to eligible households and is administered by the Local Authority.

According to the SBC SEEMIS Management Information System, there were 2,066 pupils receiving means-tested Free School Meals in the 2023-24 academic year, or 14.7% of the school roll.

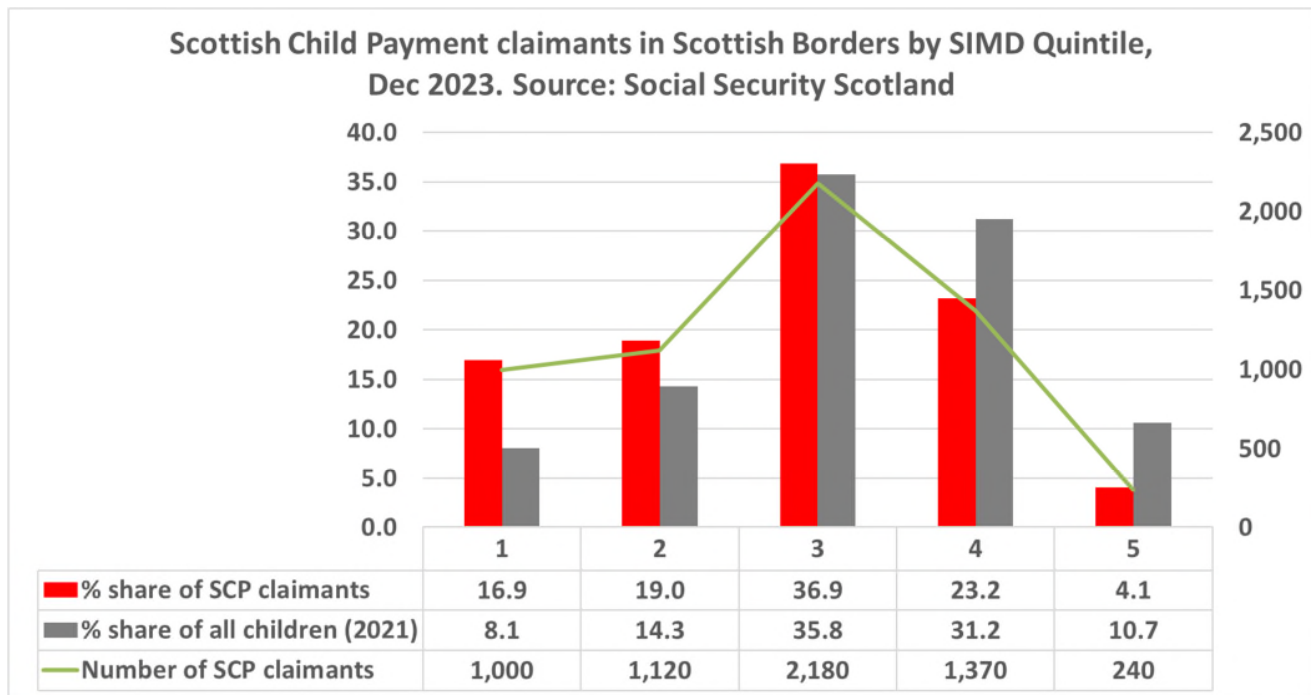
**f) School Clothing Grant** - in 2023-24 this was an annual payment £120-£150 per pupil to assist with the cost of school clothing and footwear. According to the SBC SEEMIS Management Information System, there were 2,453 pupils receiving Clothing Grant in the 2023-24 academic year, or 17.3% of the school roll.

**g) Scottish Child Payment**

The Scottish Child Payment is a Scottish Government top-up benefit for households with children that was introduced in February 2021. Initially the weekly payment of £10 was awarded to families claiming universal credit with children aged 0-5.

Since December 2022, the weekly payment was increased to £25 per week and expanded to all children aged 0-15. The first set of Official Statistics for this new benefit are shown below.

In total, there were 5,910 claimants of Scottish Child Payment in Scottish Borders in December 2023.



The grey bars in the chart above show the distribution of the child population in Scottish Borders by SIMD Deprivation Quintile. 8.1% of children in Scottish Borders live in the most-deprived Quintile, i.e., the most-deprived 20% in Scotland – these include Langlee, Burnfoot, other parts of Hawick and Galashiels, and parts of Selkirk. The red bars show that a disproportionate share of Scottish Child Payment recipients (16.1%, or 1,000 claimants) live in these neighbourhoods.

10.7% of children live in the least-deprived Quintile, such as the southern part of Peebles, Innerleithen and Lauder, but only 4.1% of SCP claimants live in these areas. Nevertheless, there are still 240 claimants, which shows that there is evidence of child poverty in the most affluent areas.

The largest cohort of SCP claimants live in Quintiles 3 and 4 (average or below-average deprivation), which is where the majority of all Scottish Borders children live. This shows that there is child poverty wherever there are children. However, as expected, there is a concentration of child poverty in the areas of highest Multiple Deprivation.

## Priority Groups

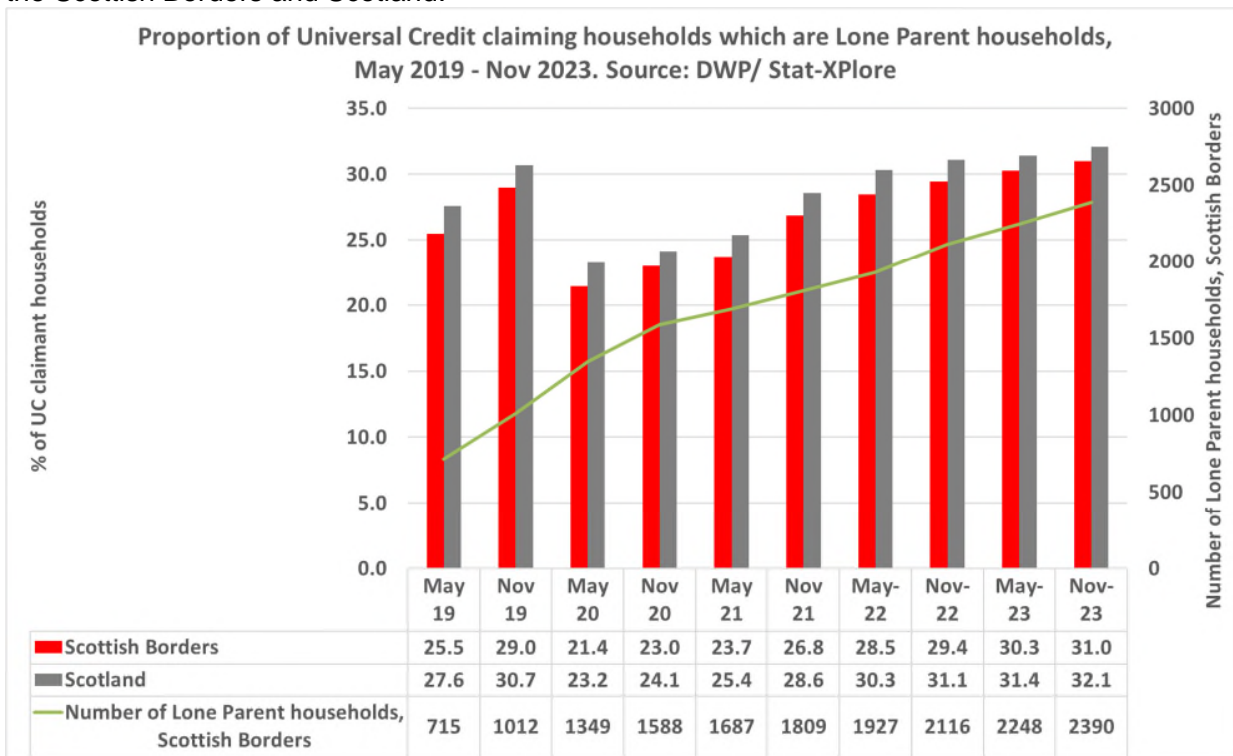
This section provides context on the priority groups identified in ['Best Start, Bright Futures'](#) and profile information on child population. According to [Public Health Scotland](#), more than 8 out of 10 children in relative poverty in Scotland are in at least one of these priority groups:

1. lone-parent families
2. a household where someone is disabled
3. families with three or more children
4. minority ethnic families
5. families with a child under one year old
6. families where the mother is under 25 years of age.

### Priority Group 1: Lone Parents

#### a) Lone Parents claiming Universal Credit

The chart below shows that 31% of Universal Credit claiming households were Lone Parent Households in the Scottish Borders, in November 2023. This is equivalent to 2,390 households. The proportion has always been below the Scottish average, but it is increasing, indicating that more Lone Parent households which were previously managing without Universal Credit are now finding themselves in financial difficulties due to the cost-of-living crisis. The numbers of Lone Parent Households claiming Universal Credit is also increasing, in the Scottish Borders and Scotland.



## Priority Group 2: Disabled

Households where the householder or a family member has a disability are more at risk of poverty in a number of ways:

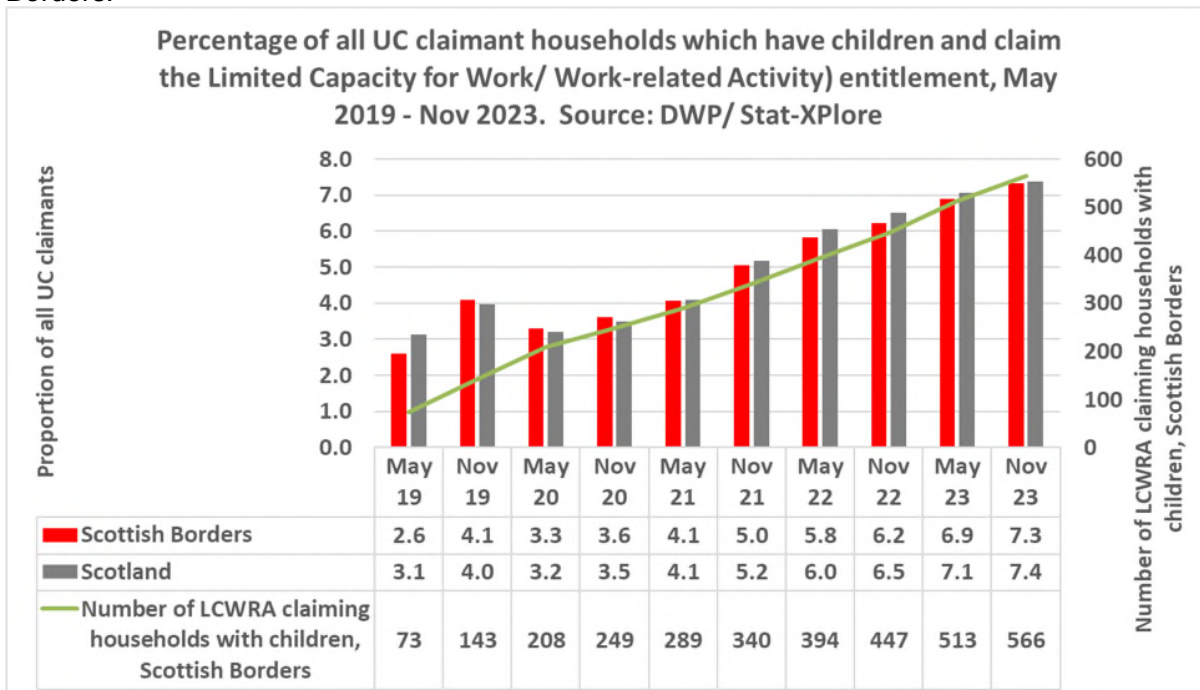
- Difficulty in accessing suitable, well-paid work and reduced work capacity due to the disability
- Difficulty in accessing well-paid work with suitable hours, due to unpaid caring responsibilities towards a disabled family member
- Additional costs incurred directly or indirectly by the disability

### a) Universal Credit – Claiming households with children that claim the limited capacity for work element

The chart below shows the numbers and percentages of households with children where an adult has been awarded the limited capability for work/ work related activity (LCW(RA)) entitlement of Universal Credit. 7.3% of Scottish Borders UC-claiming households are families with dependent children who receive this entitlement, similar to the Scottish average and showing a similar trend. The number of awards and the proportion of households with children who receive it is steadily increasing, indicating both:

- a steady increase in the number of parents who are being diagnosed with a work-limiting health condition since the pandemic and are struggling to cope financially
- an increase in the proportion of adults with a work-limiting illness who are struggling financially, who had been managing better before the pandemic.

In November 2023, there were 566 family households with children claiming this entitlement in the Scottish Borders.





## b) Young Carers

According to information from [Social Security Scotland](#), Young Carer Grant is a payment that can be applied for annually by young carers aged 16, 17, and 18 who care for someone normally paid a qualifying disability benefit. The payment is a flat rate of £326.65 that can be applied for once a year.

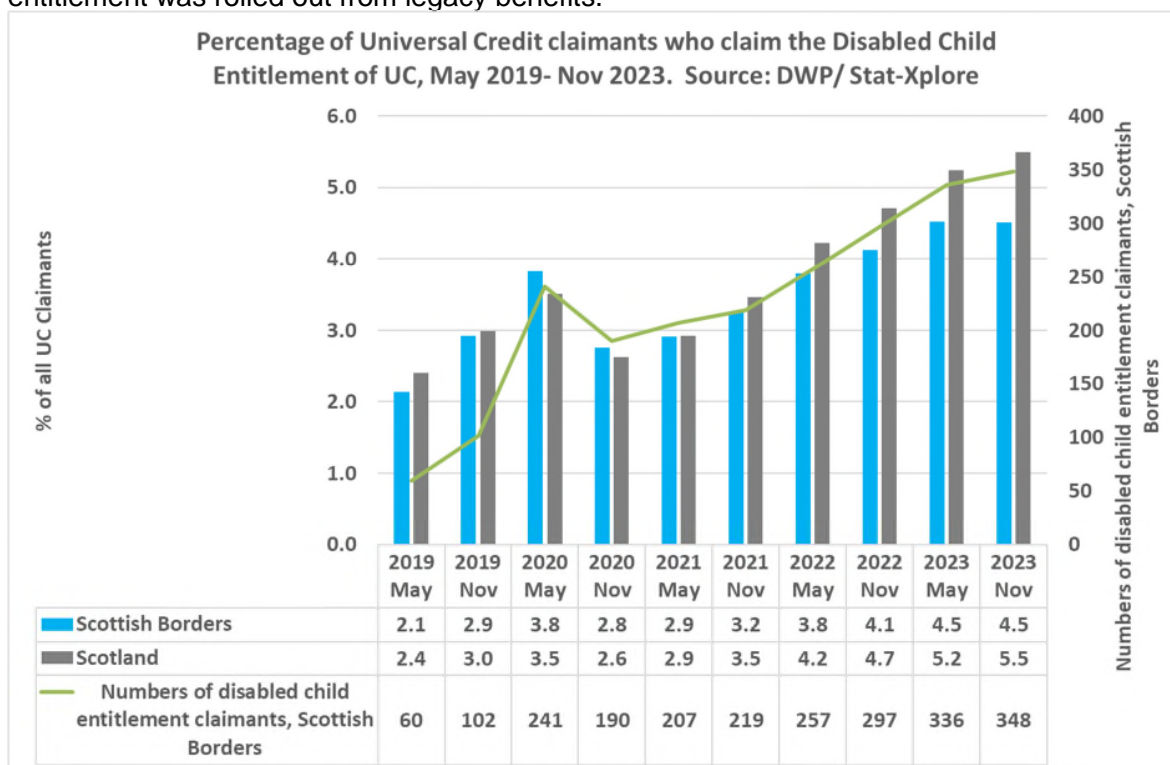
The payment is in acknowledgement of the young person's carer role and is intended to help them access life opportunities that are the norm for many other young people. Young carers can spend this money as they choose. On 1 April 2022, the value of payment for Young Carer Grant was updated from £308.15 to £326.65.

In the 2022-23 financial year, there were 15 applications for Young Carer Grant in Scottish Borders, representing 1% of all applications received in Scotland. By contrast, 15% of all Scottish applications were received in Glasgow City, and the urban Local Authority areas account for the highest share of applications. Applications from rural Council areas are generally fairly low. Of the 15 applications received in Scottish Borders, 54% of them were approved.

According to the SBC SEEMIS Management Information System, there were 93 Young Carers in Scottish Borders schools in the 2023-24 academic year. This means that the majority of Young Carers in the region either do not, or are not able to, apply for Young Carer Grant.

## c) Universal Credit - Claiming households with children that have a disabled child

The chart below shows that the percentage of UC-claiming households with children that claim the Disabled Child element affects an estimated 348 households in the Scottish Borders, who are already living in relative poverty. The numbers of Disabled Child Entitlement claiming families have steadily increased, since the entitlement was rolled out from legacy benefits.



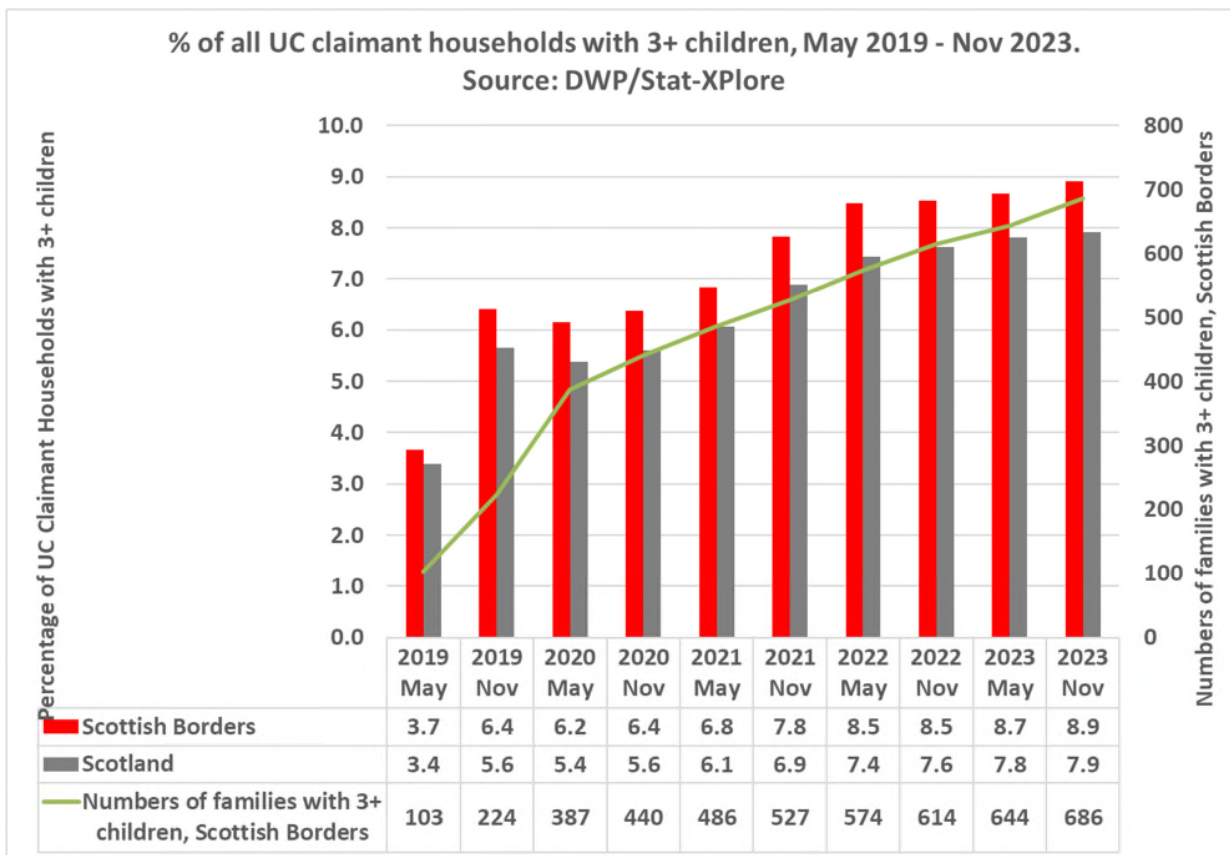
### Priority Group 3: Households with 3 or more children

According to Public Health Scotland, 12% of all families in Scotland have three or more children. They are more at risk of being affected by child poverty because:

- they are disproportionately affected by the two-child Child Benefit policy and the benefits cap, which ensures no household receives more in welfare benefits than the average wage
- they face higher costs of living, even before the current crisis
- they are more likely to report they do not manage well financially and are more likely to be living in overcrowded conditions

#### a) Universal Credit claimants with 3+ children

The chart below shows that the proportion of all UC claimant households that have three or more children, is increasing, although the numbers are fairly small. Only 686 households were in this category in November 2023. This is a small proportion of families but is increasingly represented in the Universal Credit statistics. This indicates again that families who were able to manage financially before the pandemic and the cost-of-living crisis are now finding themselves needing to claim Universal Credit in order to get by. The proportion of larger families in the Universal Credit statistics is consistently larger in Scottish Borders than in Scotland, due to lower household earnings in the region.





## Priority Group 4: Minority ethnic families

According to recent [Scottish Government information](#), minority ethnic adults make up 12% of the population in Scotland. Minority ethnic people are more likely to suffer from poverty and child poverty because:

- they are more likely to live in a larger family with younger parents, which are also priority groups for child poverty
- they face additional barriers applying for, and working in, the better-paid jobs, despite often outperforming their White British peers at school
- as a consequence, they are more likely to be forced into low-paid work with irregular hours, which is contrary to a healthy family work-life balance
- they are also more likely to live with housing insecurity and higher rents in the private rented sector

There is very little information about the correlation between minority ethnic households and child poverty in the Scottish Borders. The uptake of Universal Credit is recorded by age and gender, but not by ethnic group.

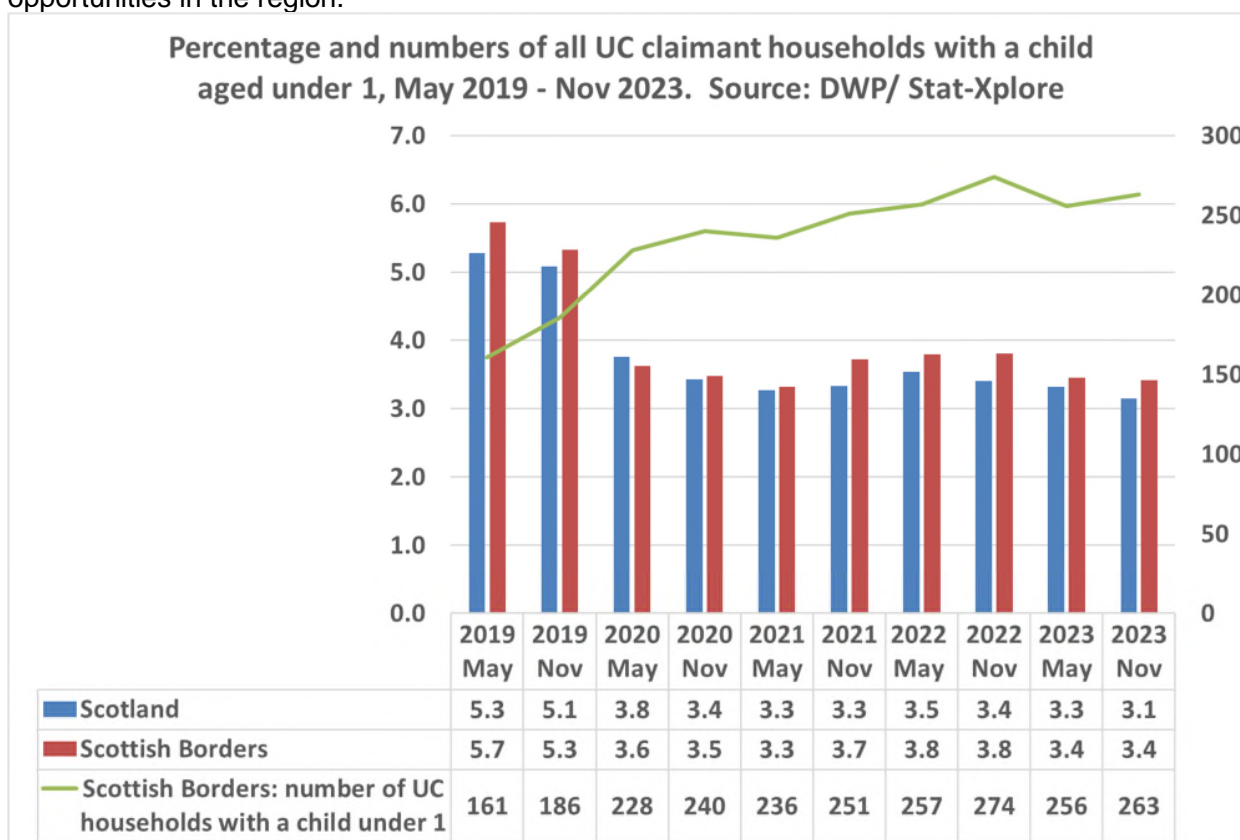
## Priority Group 5: Youngest child aged under 1

Families with a child under 1 are more at risk of child poverty, due to the income deprivation caused by at least one of the parents taking maternity or paternity leave for up to a year.

National Registers of Scotland estimated that there were 847 births in Scottish Borders in 2022. The birth rate is decreasing in the region, which is a warning marker for the future sustainability of the population. If couples are putting off having children due to financial concerns, then this will exacerbate the long-term sustainability issue even more.

### a) Universal Credit – families with children under 1

The chart below shows that there were 263 families with babies under 1 claiming Universal Credit in November 2023, which is about 31% of all recorded births in 2022 (the most recently available figure). The number of families claiming help with costs has increased in the Scottish Borders, despite the flat birth rate in the region. However, the proportion of UC claimant households that had children under 1 dropped sharply at the start of the pandemic, due to the system being swamped with larger numbers of other claimant types. Since the end of the pandemic and the start of the cost-of-living crisis, the proportion of claimants with a new baby has been higher in Scottish Borders than the average for Scotland, reflecting the lower wages and lack of job opportunities in the region.



## Priority Group 6: Mothers aged under 25

According to [Scottish Government information](#), mothers aged under 25 are a diverse, relatively small and shrinking group but are more likely to live in a low income household, and more likely to live in a deprived area than older parents, for a number of reasons including:

- Less financial security and fewer savings
- Lower earnings from work, and being trapped in a cycle of in-work poverty
- Housing insecurity – less likely to afford own home and more likely to still be living with parents or in

unsuitable conditions

- A higher likelihood of also being in another priority group, e.g., lone parents, child aged under 1, disabled household member, which undermines their ability to work their way out of poverty even more.

These issues are magnified the younger the mother. Parents aged under 20 are more vulnerable than parents aged 20 to 24. The journey out of poverty for a young, disadvantaged parent is complex, and requires a lot of support from public services and welfare support.

Figures are provided by DWP on the age of individual claimants of Universal Credit, but it does not link them to which entitlements of UC they claim or whether they have children. The stats on Households claiming Universal Credit do not give information on the age of the claimant who is claiming on behalf of the child.