

With just over eight months until Scotland decides, enhanced childcare moving to the heart of the debate is a good thing

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The Scottish government has announced plans to extend free childcare and school meals to all children. With the independence referendum in Scotland approaching, **Jim McCormick** says both campaigns can reduce child poverty by boosting the country's childcare provision.



Two new policy announcements in Scotland, free school meals and childcare for the under-3s, answered some of the concerns about the risk of slipping behind in these areas. Matching a policy already announced for England, the Scottish Government will use its extra grant allocation to extend free school meals to all children in Primary 1-3 by next January.

So what about the wider prospects for childcare, now the hot social policy topic in the independence debate? JRF's [new briefing](#) on child poverty in Scotland by the New Policy Institute shows falling poverty levels has been achieved by reduced in-work poverty, with more couple households working. An indication behind this success is access to childcare, as well as better pay and access to transport.

Table 1: How the falls in poverty can be attributed to changes in the poverty rate and composition of work

	Due to in-work poverty rate	Due to workless poverty rate	Due to share of families in work	Overall difference in poverty
10-year change in Scotland	-3.8%	-3.7%	-2.5%	-9.9%
10-year change in England	-0.8%	-3.6%	-1.2%	-5.7%

Note: Figures have been rounded up or down so may not add up to the total

November's independence White Paper – largely an election manifesto for 2016 – [talks](#) of “transformational change” in childcare as an essential part of the economic infrastructure. In the meantime, the latest policy announcement offers some progress for families of two year olds. Free part-time childcare will be extended to workless families from August and doubled next year to reach just over 15,000 toddlers. Combined, this would see Scotland offering the biggest package of pre-school childcare in the UK (if it stays in the UK). Even so, provision for two year olds would still be lagging, reaching about 27% of the age group compared with a substantially higher target in England and an alternative approach – area-based targeting in disadvantaged places – in Wales.

Couldn't Scotland do more, within current powers and budgets? Up to a point. Money to extend free school meals in England isn't ring-fenced when the extra grant comes to the devolved governments. So it could all be spent on improving childcare. Or reducing the attainment gap in schools. Free school meals can take some pressure off hard-pressed families who might be on the margins of poverty but aren't otherwise eligible. To echo the language of the latest child poverty annual report in Scotland, such measures help people's 'pockets', while [good quality and flexible childcare](#) can improve the 'prospects' of children as well as helping parents get or keep jobs. Doing a bit of both seems reasonable and evaluating their anti-poverty impact is essential. We should note they involve a mix of universal and targeted support at different ages, even if political rhetoric often suggests it has to be one or the other.

The notable trend is that transforming childcare is regarded by the SNP as conditional on a 'Yes' vote in the referendum but viewed as something that could be done now by their opponents. Neither case is proven. While

further progress can be made within current powers and budgets, bringing down the eye-watering costs faced by many families would require the switch to a supply-side framework plus the power to use tax credits (and in time [Universal Credit](#)) very differently from the UK coalition's [plan](#). While independence is the route on offer to gain these powers, alternative plans for fuller devolution could emerge. The SNP's objection to going much further is that almost 90% of new tax revenues from increased employment among parents – especially mothers – would flow to the UK Treasury, rather than retained in Scotland. Serious fiscal devolution on the tax side would thus be required as well. With just over eight months until Scotland decides, enhanced childcare moving to the [heart of the debate](#) must be a good thing for whatever follows.

Note: This article gives the views of the author, and not the position of the British Politics and Policy blog, nor of the London School of Economics. Please read our [comments policy](#) before posting.

About the Author

Jim McCormick is Scotland adviser to the Joseph Rowntree Foundation. He tweets [@JimMcCormick16](#)

