Scottish Policy Forum

Focus on the future

STAGE 2 CONSULTATION PAPER

Early years

Scottish Labour

1. The importance of early years

Positive experiences in the early years – Save the Children's definition of early years is the **stage from pregnancy to age two**, often referred to as the first 1001 days[i] - directly affect the rapid brain development in children and have a lifelong impact on their wellbeing. Brain development in infancy is a determinant of future outcomes throughout a child's life and is why support in the earliest stages can have the biggest impact on improving outcomes when it comes to tackling child poverty[ii].

Early years is a 'critical period,' a window of opportunity where if brain function and capacity has not developed properly, it could be lost forever[iii]. This is the critical period where brain growth, social skills and emotional regulation begin to take shape and if language skills and emotional regulation are not sufficiently developed, these will have a profound effect upon children's attainment and behaviour at nursery and school, and ultimately their life chances as adults. Currently additional support needs are not getting picked up until children go into nursery.

In order for children's brains to reach their full capacity during this critical period, in addition to healthy nutrition, babies from birth require cognitive stimulation and communication, along with on-going emotional security, and for their main caregiver(s) to identify their needs and to give the affection required to establish secure attachment. A lack of adequate stimulation and nurture in the early years also increases the risk of children's delayed progression through the Stages of Cognitive Development[iv].

2. The impact of poverty in early years

The impact of poverty is most acutely felt in early years and can have a greater negative impact on a child's outcomes than at any other point in their life[v]. It means that many children start nursery significantly behind their peers and in many cases never catch up, with the gap only intensifying as time goes on.

Public Health Scotland's latest statistics found that at 27-30 months, the proportion of children recorded as having a developmental concern is 2.7

times higher among children living in the most deprived areas (27%) than those in the least deprived areas (10%). This "absolute difference of 17 percentage points is the widest gap between the most and least deprived areas observed across the 10 years of reporting"[vi].

Public Health Scotland data shows there is a clear deprivation gradient. This has an on-going impact: **"children from more deprived areas, are more likely to have an Additional (educational) Support Need identified whilst in nursery or primary school, and are less likely to have achieved the Curriculum for Excellence early level by the end of P1"[vii]**. Education Scotland backs this up: "data tells us that children who are impacted by poverty are disproportionately represented in the numbers of children who are identified as having additional support needs at school and early years settings"[viii].

Audit Scotland also recently reported that 40 per cent of Scottish pupils – or 285,000 children – receive additional support learning (ASL) and that current attainment measures show a wide gap in outcomes for pupils receiving ASL and other pupils[ix]. The report talks about the strong correlation between deprivation and additional support needs, with just under half (46 per cent) of pupils from the most deprived areas receiving ASL compared to just over a quarter (27 per cent) in the least deprived areas.

In Scotland infant mortality rates in the most deprived areas were 2.6 times the rate in the least deprived areas. Children living in poverty are significantly more likely to suffer from acute and long-term illness, more likely to require hospital admission and 72% more likely than other children to be diagnosed with a long term illness[x].

The social and economic disadvantages created by poverty can undermine the ability of children to succeed in school and in life.

Investing in early childhood development and targeting families in poverty will result in better education, health, social and economic outcomes (the Heckman Curve). Addressing child poverty in early years is much more effective and less expensive than trying to mitigate the negative impacts in

later years, such as poor mental health, school absences, disruptive behaviour and the education attainment gap[xi].

3. Impact on public services

Back in 2011 the Christie Commission warned that both budgets and provision would buckle under the strain of demand for public services unless reform and a radical change of culture took place. "The demand for public services is set to increase dramatically over the medium term – partly because of demographic changes, but also **because of our failure up to now to tackle the causes of disadvantage and vulnerability, with the result that huge sums have to be expended dealing with their consequences**[xii]**"**.

We are witnessing those consequences today across every sector in Scotland, including in the NHS, our schools, and in prisons, where high levels of money are spent tackling what Christie refers to as 'failure demand', demand which could have been avoided if earlier preventative measures had been taken.

Audit Scotland reported that councils spent an identifiable £926m on education spending on ASL in 2022/23 and that figure doesn't include ASL provided by mainstream classroom teachers and relevant spending in other services[xiii]. Save the Children report that over £1.4bn a year is spent addressing consequences of poverty in schools[xiv].

Research by IPPR and JRF suggests that £2.3bn of health boards' budgets in Scotland are directed annually towards responding to the impacts of poverty, in addition to the amount spent via primary care trying to respond to health inequalities[xv].

Spending money on the consequences rather than on the causes, will eventually be unaffordable – if it isn't already. This approach not only comes at a high cost for our public services, but also comes with a high human cost. Unless Scotland tackles the deep rooted social and economic inequalities and deprivation in our communities, then the demands on services will only continue and the life chances of those young people will be at a disadvantage to those of their peers.

The Christie Commission reported that 40 per cent of all spending on public services is accounted for by interventions that could have been avoided by prioritising a preventative approach[xvi]. Reactive approaches are also much more heavily resource intensive and represent a lost opportunity to have a more transformative impact.

4. Current Scottish Government measures

Currently the Scottish Government provides a weekly Scottish Child Payment of £26.40 for every eligible child under the age of sixteen. All three and four year olds in Scotland are entitled to 1,140 hours of free childcare per year, and some two year olds also qualify for the same number of hours if they are looked after by a local authority, looked after by a kinship carer or the parent(s) receive certain benefits.

Best Start Grants recognise the additional financial pressures of having a baby, which includes the Pregnancy and Baby Payment of over £700 which helps to cover the costs of things like cots, prams and baby clothes. Best Start Foods is offered to eligible mothers from pregnancy until their child turns three and assists with buying healthy foods such as milk and fruit.

There is also the universal Baby Box which is given free to all babies which includes a changing mat, bath towel and clothes. Bookbug, which is also universal, provides books and resources from birth to help families read and sing together[xvii].

The Scottish Government announced in December 2024 that it intends to mitigate the impacts of the two child cap in Scotland and effectively scrap it from 2026-27 onwards.

The First Minister also has his mission to *eradicate* child poverty.

However, despite all this Save the Children reports that in Scotland 34% of families with a baby live in poverty and that "not enough is being done to target help and support for this group[xviii]".

5. Potential measures to take

I. Political will to prioritise early intervention

A Scottish Labour government should make early intervention and prevention a key political priority immediately after the Scottish Parliament elections, especially in families with a baby aged under one. Not only is it a socially just thing to do, it is also the most economical way to lower child poverty rates and the negative impacts that come from it[xix].

This will require the buy in from the First Minister and the Shadow Cabinet who need to lead from the front. "When prevention has been most successful it has been because senior politicians – both nationally and locally – have focused government's attention to it. Without political prioritisation, it is unlikely that other measures will be able to make a meaningful shift to prevention[xx]." Sure Start led to better health and education outcomes for children, but it took the Prime Minister Tony Blair and his Chancellor Gordon Brown working together to drive this successful flagship policy through the Treasury and government, and required their on-going commitment when the initial evaluations of Sure Start showed mixed short-term results[xxi].

We only have to look at the continual growth of demand on public services "to recognise that there is no alternative: if we do not manage to effect a shift to preventative action, increasing 'failure demand' will swamp our public services' capacity to achieve outcomes[xxii]'. Investing in early years is part of that prevention work, it is an upstream intervention that will reduce demand on public services in the long-term and have a positive impact on the lives of children born into poverty.

II. Targeted intervention

Early intervention works best when it is targeted[xxiii]. People who experience high levels of multiple deprivation also experience a number of negative outcomes that are inextricably interlinked[xxiv]. This perpetuates both generational and geographical inequalities. There is currently not enough targeted intervention for priority families. "Providing the same kind of inputs to everyone, without thinking of differentiation, will always result in

inequality of outcomes[xxv]". A tailored approach is more expensive initially but will bring cost savings in the long term.

III. Place

Place also has to be considered. The most acute levels of deprivation tend to be highly localised and people frequently live in families and communities where poor outcomes are mutually reinforcing, reflecting the significant spatial dimension to inequalities[xxvi]. It is in these areas where targeted intervention needs to be focussed.

Rural areas tend to face higher costs of living and have worse access to services. It means that many important facilities, services and opportunities are less accessible. Consideration should be given to how these services can be delivered in these areas, e.g. peripatetic teams rather than centres which people have to go to.

"Creating a focus on the needs of a particular place or a group of people, rather than the funding streams of individual organisations, can be an effective way to target attention[xxvii]".

IV. Mothers and caregivers aged under 25

One Parent Families Scotland state that 55% of children with mothers under 25 in Scotland are in poverty – more than double the overall rate of child poverty[xxviii]. Families where the caregivers are aged under 25 are more likely to experience deeper levels of poverty due to additional disadvantages[xxix]. It is clear that this is a group that needs additional support.

Such support could include more targeted antenatal care for young mothers and other caregivers. Another area would be to provide targeted support to increase the opportunities for young caregivers to be able to take up affordable training that works around their childcare.

V. Employment

82% of low-income households with a baby are in employment, which is a stark reminder of how much low pay contributes to the poverty rate in early years[xxx]. The UK Labour Government's New Deal for Working People will deliver the greatest uplift in workers' rights for a generation which will

hopefully make a significant difference. In Scotland, more work needs to be done by the Scottish Government to work with and incentivise employers to introduce measures like flexible working that will allow caregivers to balance employment with young children.

VI. Claiming eligible benefits

A Scottish Labour government should consider automating as much benefit access as possible and carry out a promotional campaign that targets parents on low incomes to ensure that they know what benefits they are entitled to and to help them access them. For instance, whilst 77% of those eligible were estimated to have taken up the Best Start Food payments (which help with healthy foods like milk and fruit), almost 1 in 4 eligible people had not claimed Best Start Foods[xxxi].

VII. Scottish Child Payment

Anas Sarwar, the Scottish Labour leader, has promised that a Scottish Labour government will maintain the Scottish Child Payment. Children experience better outcomes when social security is invested in the early years[xxxii].

VIII. Two child cap

The two child cap means that parents across the UK cannot claim child tax credit or universal credit for more than two children. Scottish Labour will continue to press the UK Labour Government to scrap the two child benefit cap. Anas Sarwar, the Scottish Labour Leader, has given his support for the two child benefit cap to be lifted in Scotland.

IX. Child maintenance

Although child maintenance is reserved, there is more that can be done in Scotland to ensure children get the maintenance that they are due. Fife Gingerbread highlight that if child maintenance was paid as it should be, it would take a significant tranche of kids out of poverty[xxxiii]. Yet many caregivers do not know how to access the child maintenance system due to lack of information. Even organisations which provide advice to caregivers about maximising their income do not routinely ask about child

maintenance. A Scottish Labour government would look to ensure that appropriate staff are trained in child maintenance.

It is hard for mothers and other caregivers to access legal support for complex child maintenance cases which involve tribunals, appeals or abuse[xxxiv]. The child maintenance call centre is not equipped to deal with such cases and CABs do not pick up complex cases. A Scottish Labour government should look at whether it is feasible to establish a dozen or so practitioners around Scotland who are skilled to help in these types of complex cases.

X. Public services

Alongside increasing family income, public services are also crucial in mitigating the impact of poverty and creating a fairer society[xxxv]. One of the key achievements of Sure Start was the creation of an intervention specifically aimed at disadvantaged families living in poor areas that everybody wanted.

XI. Health visitors

Health visitors are incredibly important in early years and are able to identify early on any difficulties with hearing, speech and language, along with other developmental delays. Small interventions at an early stage can have large results. Health visitors carry out reviews at different ages of young children and Public Health Scotland figures indicate that overall coverage has declined slightly at each review stage over recent years[xxxvi]. Scottish Labour will work towards every child getting checked by their health visitor to allow for any additional support needs to be picked up as early as possible.

A Scottish Labour government will invest in health visitors in the most deprived areas. Health visitors should be equipped to signpost parents to the services that meet their needs and the needs of their children[xxxvii]. The Scottish Policy Forum Stage 2 paper on Mental Health paper also suggests health visitor-delivered screening for perinatal depression in women.

XII. Playgroups

Playgroups are important to mothers and other caregivers as it allows them to get out, find connections, support and advice in a space where they can take their children to play for little cost. The positive connections and relationships in these groups are invaluable in these early years. The Salvation Army has seen an increase in the number of playgroups that it runs and reports high attendance in most groups and states that parent/toddler groups are an area of growth for them as thousands attend their playgroups every week[xxxviii]. This shows that there is demand for playgroups.

Scottish Labour should look to promote more playgroups in areas of high deprivation and to explore how this can be facilitated through measures such as local authorities providing free hire of venues for playgroups, as well as working with third sector and faith organisations to run playgroups.

XIII. Access to activities

Play is important to the development and well-being of babies. Scottish Labour should explore options that increase access to activities such as green spaces and swimming[xxxix]. This might include caregivers on the lowest incomes who have children aged under 2 getting a free pass to the local swimming pool.

XIV. Mental health

Children First state that "too often the adults around babies, children and young people are in a state of overwhelm, exhausted and at a loss to know how to address the challenges they face[xl]". Inspiring Scotland also highlights the importance of supporting parental mental health from pregnancy[xli]. Antenatal care and health visitors should flag up the importance of good mental health and be able to signpost caregivers in low income families to support in their local area.

The Scottish Policy Forum Stage 2 paper on Mental Health also suggests a number of interventions that could be made in pregnancy and post-birth to help parents and prevent child mental ill health.

6. Conclusion

Investing in early years is the most effective way of tackling child poverty and of addressing other issues such as the attainment gap and health inequalities. A Scottish Labour government should make early years a political priority with the First Minister leading on it with buy in across the Cabinet. Along with early intervention, targeted support is an imperative if Scotland is to shift the dial on child poverty. If we provide the same measures to everyone, then inevitably those who face deep rooted social and economic inequalities will not have the same outcomes as those who don't face those challenges. Government needs to look at the differentiation and target support.

QUESTIONS

1. Given the evidence about the efficacy of investing in early years, what can government do to ensure that this is made an area of priority spend despite the pressure to react to acute needs? How can the culture shift be made with the public as well as with government and the civil service?

2. The Fraser of Allander Institute states: "the extent to which an increased childcare offer for young children would reduce child poverty is both limited and costly. Targeted offers that prioritise low-income households are likely to provide more cost-effective reductions in child poverty"[xlii]. If nursery provision is expanded, should it be to households on low incomes who have a 1 or 2 year old?

3. What are other measures can be taken in early years that will be both a social good and reduce demand on public services?

SUBMISSIONS

This paper draws out areas that we wish to seek specific evidence and opinions on and we hope to encourage submissions that focus on these questions. However, we welcome responses that are not raised explicitly in the paper.

Submissions should be sent to: **scottishpolicyforum@labour.org.uk**

Please give your name, organisation name (if relevant) and a contact email address.

The deadline for submissions is Saturday 28 June 2025.

Thank you.

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[i] Save the Children (14 August 2023), Better for Babies: Ending Poverty Among Families with Babies, see footnote 4
[ii] Save the Children (14 August 2023), Better for Babies: Ending Poverty Among Families with Babies
[iii] Doidge, N. (2008) *The Brain That Changes Itself,* Penguin Books, London
[iv] Piaget, J. (1964) 'Part I: Cognitive development in children: Piaget development and learning', *Journal of Research in Science Teaching*, 2(3), pp. 176–186.
[v] Save the Children (January 2025) Submission to Scottish Labour's Scottish Policy Forum
[vi] Public Health Scotland (23 April 2024) Early Child Development Statistics Scotland 2022/23
[vii] Public Health Scotland (23 April 2024) Early Child Development Statistics Scotland 2022/23
[viii] Education Scotland (29 February 2024) Interconnections between poverty and additional support needs | Resources | Education Scotland
[ix] Audit Scotland (February 2025) Briefing: Additional Support for Learning
[x] Royal College of Paediatrics and Child Health (Modified 8 August 2024) Child health inequalities driven by child poverty in the UK – position statement
[xi] [xi] Save the Children (14 August 2023), Better for Babies: Ending Poverty Among Families with Babies
[xii] Christie Commission (29 June 2011) Commission on the future delivery of public services
[xiii] Audit Scotland (February 2025) Briefing: Additional Support for Learning
[xiv] Save the Children (January 2025) Submission to Scottish Labour's Scottish Policy Forum
[xv] Save the Children (January 2025) Submission to Scottish Labour's Scottish Policy Forum
[xvi] Christie Commission (29 June 2011) Commission on the future delivery of public services
[xvii] [xvii] Save the Children (14 August 2023), Better for Babies: Ending Poverty Among Families with Babies
[xviii] Audit Scotland (February 2025) Briefing: Additional Support for Learning
[xix] Save the Children (January 2025) Submission to Scottish Labour's Scottish Policy Forum
[xx] Institute for Government (May 2024) A preventative approach to public services
[xxi] Institute for Government (May 2024) A preventative approach to public services
[xxii] Christie Commission (29 June 2011) Commission on the future delivery of public services

[xxiii] Save the Children (14 August 2023), Better for Babies: Ending Poverty Among Families with Babies
[xxiv] Christie Commission (29 June 2011) Commission on the future delivery of public services
[xxv] Naomi Eisenstadt (July 2017) The Life Changes of Young People in Scotland: A report to the First Minister, July 2017
[xxvi] Christie Commission (29 June 2011) Commission on the future delivery of public services
[xxvii] Christie Commission (29 June 2011) Commission on the future delivery of public services
[xxviii] One Parent Families Scotland (updated 10/3/25) End Young Parent Poverty: Top up the Scottish Child Payment
[xxix] Save the Children (14 August 2023), Better for Babies: Ending Poverty Among Families with Babies
[xxx] Save the Children (January 2025) Submission to Scottish Labour's Scottish Policy Forum
[xxxi] Scottish Government (29 July 2022) Evaluation of Best Start Foods
[xxxii] Save the Children (January 2025) Submission to Scottish Labour's Scottish Policy Forum
[xxxiii] Fife Gingerbread (January 2025) Submission to Scottish Labour's Scottish Policy Forum
[xxxiv] Fife Gingerbread (January 2025) Submission to Scottish Labour's Scottish Policy Forum
[xxxv] Naomi Eisenstadt, (January 2016) Shifting the Curve: A report to the First Minister
[xxxvi] Public Health Scotland (20 February 2024) Child health pre-school review coverage
[xxxvii] Save the Children (January 2025) Submission to Scottish Labour's Scottish Policy Forum
[xxxviii] The Salvation Army (February 2025) Submission to Scottish Labour's Scottish Policy Forum
[xxxix] Save the Children (January 2025) Submission to Scottish Labour's Scottish Policy Forum
[xl] Children First (January 2025) Submission to Scottish Labour's Scottish Policy Forum
[xli] Inspiring Scotland (January 2025) Submission to Scottish Labour's Scottish Policy Forum
[xlii] Fraser of Allander Institute (10 May 2024) Would increasing Scotland's childcare offer help to meet the child poverty targets?

Scottish Labour

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