



## SURF 2021 MANIFESTO PROCESS: POVERTY & INEQUALITY

### ABOUT THIS PAPER

SURF is **consulting** with its **members** and **wider contacts** to prepare a **2021 Manifesto for Community Regeneration**. The 2021 Manifesto will set out what SURF's network thinks the **Scottish Government** should be **doing differently** to better support the regeneration of socially and economically challenged places over the next term of the Scottish Parliament.

SURF's consultation process is structured around **13 key themes**. This briefing paper concerns one of these themes: **poverty and inequality**. Briefing papers are circulated to SURF consultees with relevant knowledge and experience with a view to sharing helpful background information on the process and theme in advance of consultations. Please click the following links to **learn more** about: [What is SURF?](#) How will the [2021 Manifesto be developed?](#)

### SUGGESTED QUESTIONS

During the coronavirus crisis, **SURF policy and research staff** will be consulting via telephone calls, video interviews, and by requesting email submissions. **SURF is grateful to all participants for their time.**

The **following questions** will be used to structure interviews and submissions. They are **optional** and participants may answer as many or as few as they wish. **General comments and views** relevant to the theme are also very welcome.

1. The Scottish Government has taken a range of actions to reduce poverty, including those highlighted below. Do you think these actions are having, or will have, the desired impact?
2. Do you think the Scottish Government should be doing more to address poverty?
3. Are there any particular groups in society that you think are particularly exposed to poverty challenges and which require additional support that is not currently available?
4. A number of studies have shown that poorer people are likely to be worst affected by the impacts of climate change. What do you think needs to be done to prepare for this?
5. How can the Scottish Government best utilise its new social security agency to reduce poverty?
6. The Scottish Government has stated that rising inequality is one of the most important challenges we face as a society. In your view, how well is it responding to this challenge?
7. There has been a debate in the SURF network comparing the effectiveness of nationwide policy measures that are designed to alleviate poverty with targeted place-based approaches. Do you have any views on this?
8. Among other actions, the Scottish Government has made £350m available to councils, charities and community groups to help them support people most in need of support over the next three months. Do you have any views on its current response to the COVID-19 situation?
9. Accepting that the COVID-19 situation is still unfolding, what measures do you think the Scottish Government should be putting in place to ease the longer term economic, health and/or social impacts?
10. Do you have any other views or suggestions on what the Scottish Government could be doing differently in the future to reduce poverty and inequality in Scotland?

## MANIFESTO FOCUS

Some **general information** for participants:

- SURF intends to **record interviews**, for internal use only in supporting the taking of summary notes. Permission to record will be requested at the start of each interview and recording will only take place where active consent is given.
- All individual responses will be **anonymised** in the Manifesto. With permission, SURF intends to publish a list of consultees in the final presentation, noting that inclusion of an individual or organisation does not necessarily imply their agreement with the presented policy recommendations.
- SURF's 2021 Manifesto is **targeted at the Scottish Government** that will be formed after the 2021 Scottish elections. Policy recommendations must be **practical** for the Scottish Government to progress or deliver within its powers and resources over the 2021-2026 Parliamentary term;
- SURF's overall objective is to **improve the lives and opportunities of people living in Scotland's socially and economically challenged places**.
- The consultation process will run while the **COVID-19 pandemic** is unfolding. The long-term implications for Scotland's economy and society are likely to be significant. SURF would like to learn more about views on these implications and two of our ten questions are specific to COVID-19.

## POVERTY & INEQUALITY IN SCOTLAND: AN OVERVIEW

### Rising Poverty & Inequality

One fifth of Scotland's population lives in poverty. Relative poverty levels have increased since 2009-12.<sup>i</sup> After 20 years of decline, poverty rates for children and pensioners are now rising. Poverty amongst people of working age has remained steady over the past 20 years, but there are some significant exceptions. Men under the age of 25, for example, are most likely to be facing destitution.<sup>ii</sup>

The Scottish Government and poverty analysts such as the Joseph Rowntree Foundation and the United Nations' Special Rapporteur on Poverty state that the principle cause of this reversal has been the implementation of austerity policies by successive Westminster governments.<sup>i ii iii</sup> These include changes to welfare policy: the benefit cap, the two child limit, the implementation of universal credit, and the enhanced use of punitive sanctions. There have been particularly negative consequences for those on low incomes, people who are in and out of employment, large and lone parent families, and on levels of child poverty.<sup>iv v vi</sup>

Income inequality in Scotland has also been rising. In 2015-18, the wealthiest 10% of the population had 27% more income than the poorest 40% combined. This compares to 24% more income of the top ten percent in the previous three year period.<sup>vii</sup>

### Unequal Outcomes

Specific groups are at higher risk of being in poverty. Poverty is gendered, with women more likely to be in poverty than men. This is most acute in the case of lone parent families, which are most likely to be single women.<sup>viii</sup> If a family includes an individual with a disability, the family are significantly more likely to experience poverty and food insecurity.<sup>ix</sup>

Poverty in Scotland also has a clear racial dimension. 35% of minority ethnic people in Scotland live in poverty compared to 18% of white British people.<sup>vii</sup> A 2011 study found that ethnic minorities experience discrimination and additional difficulties in accessing services, housing and employment in Scotland.<sup>x</sup>

### Spatial Dimensions

The recently published Scottish Index of Multiple Deprivation 2020<sup>xi</sup> (SIMD) demonstrated that poverty in Scotland has a clear spatial dimension, with stark inequalities between places. However, this does not reflect

the full reality of poverty in Scotland, as two thirds of those on low incomes live outwith areas of concentrated deprivation and there remains no robust evidence showing 'area effects' as a determinant of poverty.<sup>xi xii</sup>

Nevertheless, people in areas of concentrated deprivation are most likely to experience conditions that limit their opportunities. Additionally, people in more dispersed rural areas experience poverty in different ways, with higher living costs, a smaller supply of jobs, and more barriers in accessing services.<sup>xiii</sup>

### **Selected Policy Responses: Fairer Scotland**

In the current Scottish Parliament term (2016-21), the Scottish Government has implemented a series of policies on tackling poverty.

In 2016, Naomi Eisenstadt, the Scottish Government's then Independent Advisor on Poverty and Inequality, delivered a '*Shifting the Curve*' report to the First Minister.<sup>xiv</sup> The report set out a range of policy recommendations, including welfare reform, addressing in-work poverty, and improving housing affordability. The Scottish Government agreed to implement all of the recommendations. Its 2016 *Fairer Scotland Action Plan*<sup>xv</sup> subsequently outlined a range of interventions focussed on four main policy areas – early years, the labour market, older age and child poverty.

A key outcome was the creation of a socio-economic duty, obliging public bodies to prove that they have considered how they can reduce inequalities when making strategic decisions. The Action Plan also committed the Scottish Government to the passing of a Child Poverty Act. This became law in 2017 and set statutory targets towards reducing child poverty by 2030; a delivery Plan outlining the concrete steps being taken towards achieving these targets was published in 2018.<sup>xvi</sup>

### **Selected Policy Responses: Social Security**

The Scottish Government received new devolved powers over welfare and benefits, and created a new agency, Social Security Scotland, in 2018. While the majority of the welfare system remains under UK Government control, this agency administers a number of benefits<sup>xvii</sup> and provides face-to-face support with the goal of helping people access the benefits they are entitled to. The Social Security (Scotland) Act 2018 commits the agency, which has yet to reach full capacity, to the designing and running a social security system which fights poverty and emphasises dignity.<sup>xviii</sup>

The Scottish Government has also introduced the Scottish Child Payment, which will be administered by Social Security Scotland. Families with children under six are set to receive their first payment of £10 per week per child by the end of 2020. The objective is to directly reduce relative child poverty by 3% when fully rolled out, while also helping families access other services during its implementation. Although as the Joseph Rowntree Foundation and have noted, this reduction alone will not meet the statutory targets set out in the Child Poverty Act.<sup>ii</sup>

Progress updates have been published, but it has been difficult to gain a clear understanding of whether the interventions listed above are working. A recent letter<sup>xix</sup> from the Poverty and Inequality Commission to the Scottish Government, in response to the recent progress report, noted the lack of hard data against which to measure success, calling for a better framework to understand and measure practical impact.

SURF would welcome members' and contacts' views on these policy measures and others, and the extent to which they are perceived as having, or are likely to have on the future, a meaningful impact in reducing poverty and inequality in Scotland.

## SURF CONTACT

SURF Research Assistant, Christopher Murray, is coordinating the consultation responses.

Participants can contact Christopher on:

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Interviews will be carried out by Christopher and by SURF Policy Manager, Derek Rankine.

### **End of briefing paper**

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