
Listening to the lived experience of poverty in Scotland

Income, expenditure and wealth: an evidence review

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Main Messages

The Poverty and Inequality Commission asked Policy Scotland to review recent evidence of the views and experiences of those who live with poverty and inequality in Scotland. In turn we asked John McKendrick and Julie Brown of Glasgow Caledonian University to draw together key findings from that evidence relating to wealth, household income and household expenditure. A summary of the key findings is provided here under six headings:

What did we know (*from writing about living with poverty*) when we started?

- Testimony is a powerful tool for showing what it is like to experience poverty.
- The effects of living on a low income extend far beyond not being able to afford goods and services. Low income has a negative impact on well-being and relationships.
- The impact of managing life on a low income (household expenditure) has been the main focus of writing and other forms of expression about what it is like to experience poverty.
- Those with lived experience use a wide range of everyday strategies to manage life on a low and fragile income.
- People experiencing poverty share the same hopes and aspirations as those who don't. The lack of income available to achieve them is the main difference.

Wealth: learning from those without

- In writing about what it is like to live in poverty there is limited reference to wealth or the wealthy.
- There is little evidence that people who live in poverty engage directly with 'the wealthy', although some people living in poverty have the view that 'the wealthy' have hostile attitudes towards them.
- Few people living in poverty are able to draw on personal or family assets to lessen its effects.
- Without the safety-net of personal wealth, many people experiencing poverty are not well placed to cope with unexpected, but necessary everyday expense.

Household Income: learning from the experience of those living with poverty

- Household income, or the lack of it, used to be the starting point (or assumed starting point) for writing on what it's like to live with poverty. More recent writing has focused on income insecurities and the inadequacies of money earned through paid work.
- There is a widespread belief that if you live in poorer neighbourhoods and/or you are part of certain population groups, you will be less likely to get decent paid work.
- Access to income is not always straightforward for people living with poverty:

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- 1) For the lower paid, fixed costs such as childcare and school uniforms are reported as claiming a higher share of earned income. The value of the income of those on benefits is often undermined owing to the costs incurred in accessing social security.
 - 2) Accessing social security is described by many people as both too complicated and adversely affecting their dignity. For the vast number of people who have shared their experience of it, moving to Universal Credit has weakened the 'security' of social security.
 - 3) For those who are able to rely on it, family is an important source of support (in kind and monetary terms) that lessens the impact of inadequate household income. Although financial support may be provided, more often than not, the vital contribution families make is in-kind support that permits income to be earned or provision of support that would otherwise be unaffordable (e.g. childcare).
- Although income wards off destitution, the way in which those who live with poverty access income is reported as being increasingly less secure. It stigmatises people, it isn't dignified and it's stressful.
 - The stress of uncertain income presents particular problems for certain groups. Welfare Reform has impacted on those living with disability, thanks to changing entitlement and income levels. Homeless populations and kinship carers also experience particular challenges.

Household Expenditure: Learning from the experience of those living with poverty

- Low income living is not synonymous with receiving social security; a growing proportion of people in Scotland are experiencing 'in work' poverty. The consequences of this are far-ranging and extend beyond the low paid worker, for example, with emerging evidence of increased rent arrears, debt, unpaid council tax and rising arrears for utility bills
- Being unable to meet basic needs was often reported by those living in poverty, extending beyond what might be considered by some as 'unnecessary consumption'. Those who live in poverty have learnt to accept missing out on many things other people take for granted as a part of everyday life.
- Although previous research showed how a wide range of coping strategies were used by people living in poverty, recent writing makes it clear that those strategies are 'forced' on people. Increasingly, coping involves crisis management, rather than careful management.
- The limited financial means of people living with poverty is placed under further stress by the poverty premium – the extent to which those living with, or at risk of, poverty face higher costs for everyday items from energy charges to transport costs.
- There's a feeling and some evidence that while collective community endeavours to lessen the impact of poverty have ramped up in recent years (e.g. food banks), local service provision cuts as a result of austerity mean there are fewer low or no cost community leisure services, especially in poorer areas.

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- Many families living in poverty report difficulties in accessing or using low or supposedly no-cost services, e.g. swimming lessons or music tuition for their children.

Critical reflections on the lived experience evidence base

- Scotland has gathered plenty of information that explores the views and experiences of those living with poverty and inequality.
- The lived experience of poverty is being used in different ways to write about poverty in Scotland. It seems that much of what is written from experience is tangential, i.e. used to illustrate a point, rather than attempting to explain or increase understanding of the key issues related to poverty.
- Resilience or coping is a strong theme that underlies much writing on what it is like to live with poverty.
- As the lived experience of poverty is shared more widely, it is possible it will have a greater influence on anti-poverty policy and practice. However, it is uncertain what impact on policy makers engaging with lived experience might have.

What needs to happen now?

- The process through which we access the lived experience of poverty needs to be properly considered and assessed, so that we can be assured of the nature and quality of the evidence.
- We need to understand better who engages with writing on the lived experience of poverty and how they do this.
- We need to work out how the wider public and key decision-makers both receive and respond to information about what it is like to live with poverty.
 - If the lived experience of poverty impacts favourably on opinion and understanding, then we need to better understand what triggers this positive attitude change so that future work can encourage others to think likewise.
 - On the other hand, if it is found that the lived experience of poverty either has no impact or impacts badly on opinion and understanding, then we need to work out why no positive attitude change results so that when we share what it is like to live with poverty in the future, its impact can be more progressive.
- We need to better explain how recommendations for anti-poverty interventions (practice, policy and strategy) in Scotland connect with and follow from research of the lived experience of poverty
 - Those putting in place changes to anti-poverty strategy, policy and practice should specify how, and the extent to which, these changes have been shaped by learning from what it is like to live with poverty.

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- Those writing reports that draw directly on the lived experience of poverty should make it clear what experiences they are responding to and how these experiences have shaped the conclusions they reach.
- We need to broaden our understanding of the lived experience of poverty beyond those issues highlighted in the published literature on the themes of wealth, household income and household expenditure
 - Stigma and stress were two themes strongly linked with the lived experience of poverty. As well as issues of wealth, income and expenditure, wellbeing is a significant issue that it would be worth exploring in more depth.
 - More generally, there would be merit in bringing together information that assists understanding of the lived experience of poverty beyond the issues of wealth, income and expenditure that have been the main focus of this report.
 - The evidence base should be broadened beyond readily accessible verbal and written testimony and the published literature that were the main resources for this report.
 - It would be worth exploring how the lived experience of poverty is shared and received through other ways, such as social media, the arts and mass media.
 - There would also be merit in bringing together the readily accessible knowledge of the lived experience of poverty that is reported through national surveys.

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