



# **Poverty and Inequality Commission Annual Report 2019-2020**

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## Forward from the Chair



The current, statutory, Poverty and Inequality Commission only fully came into being last July with the appointment of eight new Commissioners to join myself as Chair. The nine Commission members bring together a formidable range and blend of skills and experience - direct lived, campaigning, researching and influencing.

From the outset we have been determined to build on the substantial work done by our predecessors in the non-statutory Commission. In that task we've been greatly aided by the skills and experience of our secretariat who, because of their work for the previous Commission, have also brought much needed continuity to our work. To that end our first publication, on Housing and Wealth

Inequality, was a report compiled by the previous Commission. We also built on our predecessors' work on Poverty and Transport in our response to the consultation on the National Transport Strategy.

The context in which the Commission was working last year was one where child poverty was slowly but inexorably rising. It was also predicted to rise even further in the coming years because of ongoing cuts to UK social security benefits. Therefore, the Commission warmly welcomed Scottish Government's proposals for a Scottish Child Payment to provide an extra £10 a week for each school aged child in low income households. CPAG described the Scottish Child Payment as "a game changer" and indeed it was a strong indicator of the Scottish Government's determination to tackle child poverty.

However, the Scottish Child Payment, on its own, was never going to be sufficient to halt the rise in child poverty, far less reduce it. Thus the Commission was in the process of drawing up a strategic programme of work to provide the best advice and recommendations possible to Scottish Government to aid their efforts in reducing poverty. That was before COVID-19 came along and changed everything.

As our annual report covers the period to the end of March 2020 most of the work in it pre-dates the coronavirus crisis. It is important to acknowledge here, however, the impact that the crisis is having on poverty and inequality. Figures from the National Records of Scotland show that death rates from COVID-19 among people living in the 20% most deprived areas of Scotland are over twice as high as death rates in our least deprived areas. As others have said, we may all be in the same storm but we are not all in the same boat. The current emergency has provided us with a stark reminder that a combination of low pay, the stress of struggling on a low income and poor quality, over-crowded housing take a huge toll on people's health leaving them vulnerable to infection.

The negative economic impacts of COVID-19 are as unequally shared as its negative health impacts. According to research by the IPPR think-tank 300,000 Scots families, nearly half of all those with children, are currently struggling

financially, with one in five in serious difficulties. Hundreds of thousands of Scots workers are now unemployed or on reduced hours and pay.

Yet what the COVID-19 emergency has also shown is that poverty and its consequences are not inevitable. They can be tackled. The UK Government has found over £300 billion to tackle the emergency and Scottish Government has poured £350 million into food security and community well-being, providing a lifeline to those who are struggling. Millions have been furloughed on 80% pay; the homeless have been housed; hundreds of thousands of older and disabled people and children who had lost their free school meals have been fed and 80,000 Scots carers are to receive an additional £230 payment.

Our annual report looks back over the work we have carried out during the Commission's first nine months. We also acknowledge how much has changed due to the COVID-19 emergency and start to look ahead to the Commission's role over the coming year. While circumstances may have changed the fundamental issues of poverty and inequality remain and once the immediate crisis has passed we must redesign our economy to make sure it works for everyone. We will set out our future work in more detail in our forthcoming strategic plan.

**Bill Scott**  
**Chair, Poverty and Inequality Commission**

## About us

The Poverty and Inequality Commission was established through the Child Poverty (Scotland) Act 2017 and came into being on 1 July 2019. It is an advisory non-departmental public body which provides independent advice and scrutiny to Scottish Ministers on poverty and inequality. It replaces the previous non-statutory Poverty and Inequality Commission which came to an end on 30 June 2019.

The Commission's role is to:

- Advise Scottish Ministers on any matter relating to poverty or inequality in Scotland, including the impact of policies and the use of resources in reducing poverty and inequality
- Monitor progress in reducing poverty and inequality in Scotland
- Promote the reduction of poverty and inequality in Scotland

We sometimes call these three different types of work that we do: advice, scrutiny and advocacy.

The Commission has specific responsibilities in relation to child poverty where it:

- Provides advice to Ministers on Child Poverty Delivery Plans
- Comments on annual progress towards the targets and what further progress is needed to meet the targets.

The Commission responds to requests for advice from Scottish Ministers, but also develops its own work programme to scrutinise progress and to promote the importance of particular issues in reducing poverty and inequality.

In order to do its work the Commission can gather evidence, carry out research, and publish reports.

## Our principles

The following principles set out how we will work as a Commission. We will be:

### **Courageous and honest**

- Say what is right, not what is easy
- Drive progress and change by providing constructive challenge

### **Evidence-based**

- Use evidence, from statistics and from people's testimony, to inform, scrutinise and monitor progress

### **Listening and accessible**

- Be visible, accessible and available
- Listen to those who wish to be heard, especially those with expertise and direct lived experience of poverty and inequality

### **Promoting dignity and respect**

- Tackle the stigma and discrimination associated with poverty

### **Vocal**

- Speak up for and amplify the voices of people who are not often heard

### **Person-centred**

- Keep people, their lives, their potential, and their individuality at the centre of what we do

## **Our work between July 2019 and March 2020**

This first annual report covers the Commission's work from when it was set up in July 2019 until March 2020. It covers the three things the Commission is set up to do: advice, scrutiny and advocacy.

### **Advice**

#### **Local Child Poverty Action Reports**

We received our first request for advice from Scottish Ministers in July 2019. The Child Poverty Act includes an annual local reporting duty where local authorities and health boards need to report on what they are doing and plan to do to reduce child poverty. The first of the Local Child Poverty Reports were due to be published by each local authority on 30 June 2019.

As this was the first year of the reports, the Cabinet Secretary for Communities and Local Government asked the Commission to review the Local Child Poverty Action Reports. The Commission reviewed a sample of the reports and published its findings in November 2019. Overall, we were impressed with the quantity and range of actions included in the reports and saw some examples of truly excellent work. However, we also found that many of the reports had gaps in the information they provided or did not provide a coherent narrative around how the plans were developed and how they would be evaluated. We highlighted that the following things would be particularly important to get right in future reports:

- The involvement of people with lived experience in a meaningful way
- The action plans – taking actions that we know work and explaining how they will be evaluated
- Leadership

The findings of the Commission's review can be downloaded here: [Review of the Local Child Poverty Action Reports](#)

## Scrutiny

### Fairer Scotland Action Plan: Progress report 2019

In December 2019 the Scottish Government published a progress report on the *Fairer Scotland Action Plan*, which also looked at progress on the recommendations of the two reports of the Scottish Government's Independent Advisor on Poverty and Inequality, *Shifting the Curve* and *Life Chances of Young People*. After reviewing the report the Commission wrote to the Cabinet Secretary for Communities and Local Government, noting that it felt there was a lack of hard data in the progress report and little of the views of people with direct lived experience of poverty. This made it difficult for the Commission to assess if the actions, policies, strategies and investment discussed had actually made the difference to people's lives which both the Government and the Commission wanted to see. The Commission offered its support to the Scottish Government in developing a systematic and meaningful approach to fully evidencing impact and outcomes for its work on poverty and inequality.

### Child poverty progress

The Scottish Government is required to consult the Commission when preparing its annual report on progress towards meeting the child poverty targets and implementing the Child Poverty Delivery Plan. Scottish Ministers have to consult the Commission on:

- the progress made during the reporting year towards meeting the child poverty targets
- whether it appears to the Commission that such progress is sufficient to meet the child poverty targets
- what further progress the Commission considers is required to meet the child poverty targets

While the Child Poverty Delivery Plan progress report has been delayed by the coronavirus outbreak, the Commission had started its initial work on assessing progress in March. It had agreed to focus on the following areas:

- Housing
- Scottish Child Payment
- Early Learning and Childcare and Out of School Care
- Income maximisation and Best Start Grant
- Monitoring and evaluation
- Employment support
- Innovation Fund

The Commission had undertaken a series of scrutiny meetings with Scottish Government officials before lockdown and will resume its scrutiny when it receives progress updates from the Scottish Government.

## **Advocacy**

### **Housing Wealth Inequality**

In July 2019 we published a report on Housing Wealth Inequality that had been commissioned by the previous non-statutory Poverty and Inequality Commission. The Commission's report captured the main findings from two connected pieces of research on housing wealth inequality in Scotland: data analysis produced by the Resolution Foundation, and an international evidence review conducted by researchers at the University of Glasgow, representing the UK Collaborative Centre for Housing Evidence and Policy. The report found that housing wealth had grown far faster than incomes in recent years and started to explore the implications of housing wealth inequality for Scotland. You can read the report here:

<https://povertyinequality.scot/publication/the-poverty-and-inequality-commission-have-published-research-on-housing-wealth-inequality/>

### **Health inequalities**

In November we jointly hosted an event on health inequalities with the Scottish Public Health Network (ScotPHN), supported by the Scottish Government. The primary speaker was Professor Sir Michael Marmot, leading expert on health inequalities. The seminar was aimed at Scotland's leaders, senior decision makers and heads of service to discuss and identify Scotland's response to the growing health inequality crisis in our country. You can find the slides from the event here:

<https://www.scotphn.net/resources/poverty-and-health-inequalities-summit-4th-november/poverty-and-health-inequalities-summit-4th-november/>

### **Transport**

We followed up the recommendations from the previous Poverty and Inequality Commission's report on Transport and Poverty by responding to the consultation on the National Transport Strategy and engaging with Transport Scotland and Scottish Ministers. The Commission met with the Cabinet Secretary for Transport, Infrastructure and Connectivity to discuss the report. You can find our response to the National Transport Strategy consultation here:

<https://povertyinequality.scot/wp-content/uploads/2019/10/National-Transport-Strategy-Consultation-response-17-Oct.pdf>

### **Free School Meals**

We commissioned Glasgow Caledonian University to carry out some research on free school meal uptake and set up a working group to consider issues around free school meals. This group met once and agreed to focus on uptake of school meals, breakfast club provision and debt. This work has now been put on hold due to the coronavirus crisis.

## **Responses to consultations and inquiries**

We responded to the Scottish Parliament Social Security Committee inquiry into benefit take-up, and looked at what the Commission could do to promote take up of pension credit in particular.

We also responded to the UK Parliament's Scottish Affairs Select Committee's Inquiry on Welfare Policy in Scotland.

## **Developing the Commission's Strategic Plan**

As part of the Commission's year one exploratory work, the Commission identified a number of areas that might form longer term priorities for the Commission. The Commission invited a range of speakers to come along to 'evidence sessions' to help identify the specific areas of work where the Commission could add most value.

The Commission held three expert roundtable discussions on:

- Taxes and Benefits – how can Scottish tax powers be used to reduce poverty and inequality?
- Wellbeing Economy – Should Scotland be moving from a commitment to inclusive growth to a wellbeing economy? And if so how?
- Labour Market and in-work poverty – What are the levers in Scotland to address in-work poverty?

These evidence sessions will help inform the Commission's strategic plan.

## **Research**

As part of our advocacy work we commissioned research to support the Commission to take forward its future work:

### ***Intersectional Inequalities***

Intersectionality describes the relationship between overlapping social identities and protected characteristics. It recognises that people represent more than one category of protected characteristics, for example, a disabled woman, or a Muslim older person. We commissioned IPPR Scotland to conduct an evidence review on intersectional inequalities, looking at what is known about intersectional inequalities in Scotland, and what data and evidence is available in Scotland to support the Commission in taking an intersectional approach to poverty and inequality. This work is due to be completed in summer 2020.

### ***Guidance on involving people with lived experience of poverty in the Commission's work***

We want to make sure that people with lived experience of poverty are involved in the Commission's work. We commissioned the Poverty Alliance to co-producing guidance for the Commission with people with lived experience, on how the Commission should be involving people with lived experience in its work. This work has been delayed because of the coronavirus crisis but will be completed later in the year.

## **Our response to the coronavirus crisis and our plans for the coming year**

In mid to late March the Commission's work began to change significantly as a result of the coronavirus crisis. Some work had to be put on hold and the Commission's Public Meeting, which was due to take place in May, was cancelled. Even at this early stage, it quickly became clear that the response to the crisis and the subsequent approach to recovery would need to be a major focus for the Commission over the coming months.

The Commission set up a COVID-19 working group to focus on the immediate response to the crisis and wrote to the Cabinet Secretary for Communities and Local Government offering the Commission's support wherever possible with the response to COVID-19.

Since April the Commission has published a briefing in response to evidence of a rise in food insecurity due to the COVID-19 pandemic and has carried out a survey about food insecurity with community organisations. The Commission has also submitted evidence to the Scottish Government's Advisory Group on Economic Recovery. The briefing, survey report and evidence can be found here:

<https://povertyinequality.scot/publications/>

The Commission's forthcoming strategic plan will set out how the Commission intends to respond to the coronavirus crisis in the longer term.

## Financial Summary

The Poverty and Inequality Commission had a budget of £234,000 for 2019-2020. The Commission's budget is held by the Scottish Government and the Commission is not required to produce audited accounts. The table below provides a summary of the money that was spent on behalf of the Commission between 1 July 2019 and 31 March 2020.

<b>Budget – July 2019 to March 2020</b>	
Staff costs	£122,000
Commissioner fees & travel expenses	£26,000
Commission meetings and events (including support with costs for people to attend)	£8,000
Research	£59,000
Communications & IT	£6,000
Administration, training and other costs	£3,000
<b>Total</b>	<b>£224,000</b>

## **Membership of the Commission**

There are nine members of the Commission who were all appointed through a public appointments process. They are:

### **Bill Scott (Chair)**

Bill is Senior Policy Advisor at Inclusion Scotland and serves on a number of Scottish Government Social Security/Welfare Reform reference and scrutiny groups.

### **Morag Treanor (Deputy Chair)**

Morag is Professor of Child and Family Inequalities at Heriot-Watt University and a member of the Advisory Board for the Child Poverty Action Group.

### **Linda Bamford**

Linda is Convenor of the Mobility and Access Committee for Scotland and previously worked for NHS Scotland.

### **Yvonne Blake**

Yvonne is an anti-poverty campaigner, co-founder of Roots to Return and of Migrants Organising for Rights and Empowerment, and a member of the Unity Centre.

### **Alex Cobham**

Alex is Chief Executive of the Tax Justice Network.

### **Lindsay Graham**

Lindsay is an independent policy advisor with a particular interest in tackling food insecurity.

### **Katie Schmuecker**

Katie is Head of Policy and Partnerships at the Joseph Rowntree Foundation.

### **Shona Stephen**

Shona is Chief Executive of Queens Cross Housing Association.

### **Douglas White**

Douglas is Head of Advocacy at the Carnegie UK Trust.