



Poverty and Inequality Commission Annual Report 2020-2021

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Foreword from Chair



This is the second Annual Report I have contributed to as the Chair of the Poverty and Inequality Commission and it covers a period of unprecedented challenge and uncertainty in Scotland, and indeed the world. The Commission published its first Annual Report in the early days of the COVID-19 pandemic and over the last year it has become clear that the challenges we face in reducing poverty in Scotland have significantly increased as result of COVID-19. Therefore the work to reduce it has become even more vital.

Our annual report looks back over the work we have carried out during the past 12 months, which has, of course, in many ways been shaped by the pandemic. In April last year the Commission established a COVID-19 working group to focus on immediate responses to the crisis. We published a number of rapid briefings that identified emerging issues and made recommendations about action that was needed in response. As we look towards recovery we are aware that we have not yet seen the full impact of the pandemic on employment, debt and inequality and that further action may be needed to mitigate those impacts in the longer term.

While a significant part of our work has been focused on the immediate response to COVID-19, the Commission has also continued to take the longer view of what is needed to address the poverty and inequalities that existed in Scotland before the pandemic. Inequalities which in many cases have been exacerbated by it. The Strategic Plan that we published this year set out the vision and priorities that will guide our work over the next three years. Our Strategic Plan sets out how the Commission will advise, support and challenge partners to embed the commitment to tackling poverty and inequality and translate it into action.

This year I am very pleased that we published guidance, co-produced with experts by experience, by the Poverty Alliance and Scottish Poverty and Inequality Research Unit. This guidance looked at how we should deliver on our commitment to make sure that experts by experience – people with lived experience of poverty – are at the heart of our work to reduce poverty and inequality. The Commission is committed to amplifying the voices of experts by experience and will establish an experts by experience panel to work in partnership with the Commission this year. The panel will be involved in developing advice to Scottish Government in partnership with the Commission.

Part of the Commission's core role is to advise on and scrutinise progress towards meeting the child poverty targets. We prepared a report for Scottish Government scrutinising progress towards the child poverty targets during 2019-2020 and made recommendations about what further action was needed. In this coming year we will again scrutinise progress, but we will also advise the Scottish Government on what it

should include in its next Child Poverty Delivery Plan in 2022 in order to reach the child poverty targets by 2030.

Early on in the pandemic we were asked by Scottish Government to form the Addressing Low Income Policy Circle. This Circle developed proposals and recommendations to tackle and reduce poverty in Scotland, for consideration by the Social Renewal Advisory Board and, following this, by Scottish Ministers. I was pleased that the Commission was able to work with the Social Renewal Advisory Board in its work to identify transformational ideas on how to deliver real change. Change that is vitally needed as Scotland embarks on its journey of renewal after the pandemic. The Commission looks forward to working with all partners to ensure that the route out of the pandemic is one that reduces poverty and inequality and allows everyone in Scotland to live with dignity, fulfil their potential and thrive.

This report tries to capture the wide range of work that has been undertaken by the Commission this year. It is a year that has been extremely challenging, but also a year that has shown the extraordinary things that can be achieved when there is a sense of urgency, and all partners work together. We must apply this same sense of urgency and partnership to eradicating poverty and inequality in Scotland.

Many partners have contributed to the Commission's work over the last year, providing knowledge, insight and challenge. I am particularly grateful to the experts by experience, whose generosity in sharing their expertise and experiences has shaped so much of the Commission's thinking and recommendations. I'd also like to thank those who joined with the Commission as members of, and contributors to, the work of the Addressing Low Income Policy Circle. We look forward to working closely with all our partners over the coming year.

Bill Scott
Chair, Poverty and Inequality Commission

1. About us

The Poverty and Inequality Commission was established from 1 July 2019. It is an advisory non-departmental public body which provides independent advice and scrutiny to Scottish Ministers on poverty and inequality.

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.

2. Our Vision, Mission and Principles

Our Vision

The Commission wants to see a Scotland where no-one lives in poverty, or is diminished by inequality, and everyone is able to live with dignity and thrive.

Our Mission

We will work to strengthen policy, legislation, and practice to reduce poverty and inequality in Scotland, by engaging with experts by experience, advising Scottish Ministers, scrutinising progress, and advocating for action.

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

3. Our Strategic Priorities

We published our first Strategic Plan in January 2021. In our Strategic Plan we have identified one overarching priority and four strategic priorities that will drive the Commission’s work in the period up to the end of March 2023. Each of these priorities is inter-related. Our overarching priority is to amplify the voices of experts by experience – people with lived experience of poverty and inequality – and this should be seen as central to all the strategic priorities.



Under each strategic priority we set out what the Commission plans to do in order to deliver it and how we will know if we are making progress. In future years we will use our Annual Report to report on progress against our strategic priorities.

You can find our Strategic Plan on our website.¹

¹ <https://povertyinequality.scot/wp-content/uploads/2021/02/Poverty-and-Inequality-Commission-Strategic-Plan-2020-2023.pdf>

4. Our work between April 2020 and March 2021

This second annual report covers the Commission's work from April 2020 until March 2021. The Commission's work was adapted substantially in order to respond to the pandemic. This involved setting up a working group to look at the immediate issues relating to the impact of COVID-19. We were asked by Scottish Government to form the Addressing Low Income policy circle to provide recommendations on reducing poverty in Scotland to the Social Renewal Advisory Board. The Commission had to put on hold some previously planned work. The report covers the three things the Commission is set up to do: advice, scrutiny and advocacy.

4.1 COVID-19 Response

In March 2020 we set up a working group to look at short term responses to COVID-19 and we published a number of rapid briefings in the first half of the year. Our initial work focused on emergency food aid and ensuring people had dignified access to food during the pandemic. We then focussed on the Scottish Welfare Fund, arguably the next most important Scottish Government policy to prevent people in poverty being pulled under during the pandemic.

Covid 19 and Food Insecurity

At the start of the public health crisis the Commission published a rapid briefing on Food Insecurity in response to evidence of a rise in food insecurity due to the COVID-19 pandemic. The Commission reviewed emerging evidence about Covid-related food insecurity and reached out to organisations at the front line of responding to the food crisis to hear about their experiences. The briefing included a number of recommendations for Scottish Government, to build on existing action in response to the crisis. The briefing and recommendations can be read here: <https://povertyinequality.scot/publication/covid-19-food-insecurity-briefing/#more-882>

Given the rapidly evolving situation, the Commission decided to follow up on its briefing on food insecurity a couple months later to see what the current situation was locally. The Scottish Poverty and Inequality Research Unit (SPIRU) carried out a survey of community organisations across Scotland and commissioners visited community projects speaking to workers and volunteers. The findings of the survey are published here along with the Commission's response and recommendations. <https://povertyinequality.scot/publication/local-action-to-tackle-food-insecurity-during-the-coronavirus-crisis/>

Free school meal provision during the COVID-19 crisis

The Commission's working group on responses to COVID-19 published a briefing paper on free school meal provision during COVID-19. The briefing paper examined what was happening around free school meal provision two months into school closures. It looked at analyses of the different approaches taken by local authorities,

considered the views of people with direct lived experience of poverty, and outlined what this meant for the upcoming school holidays. The briefing can be found here: <https://povertyinequality.scot/publication/free-school-meal-provision-during-the-covid-19-crisis/>

The Commission had commissioned the Scottish Poverty Inequality Research Unit (SPIRU) to undertake research to further understand the role of free school meals as an anti-poverty action in Scotland and to identify and share good practice and learning around providing free school meals. This research was put on hold due to COVID-19 and the research was reshaped to take account of the pandemic. Examples were drawn from across Scotland, with good practice shared by educational and catering professionals. Read the findings of the report here: <https://povertyinequality.scot/publication/tackling-food-insecurity-in-schools-case-studies-of-strengthening-free-school-meal-provision-in-scotland/>

Scottish Welfare Fund Briefing

The Commission examined the most recent published data on applications and expenditure of the Scottish Welfare Fund and carried out analysis on the 32 local authority websites to find out how easy or difficult was to navigate to find information on the Scottish Welfare Fund and to apply for the fund. The Commission [wrote to the Cabinet Secretary for Social Security and Older People](#) and based on the analysis we published a briefing paper on the use of the Scottish Welfare Fund during COVID-19 which made a number of recommendations to support the Scottish Welfare Fund to operate more effectively. You can read the briefing here: <https://povertyinequality.scot/publication/poverty-and-inequality-commission-scottish-welfare-fund-briefing/>

4.2 Advice to Scottish Government on reducing poverty and inequality

The Poverty and Inequality Commission response to the Advisory Group on Economic Recovery

The Scottish Government set up an Advisory Group on Economic Recovery to provide expert advice on Scotland's economic recovery once the immediate emergency, created by coronavirus, had subsided. The Advisory Group wrote to the Poverty and Inequality Commission asking the Commission for its views on a number of questions relating to recovery. The Commission made the case that addressing poverty and inequality had to be at the heart of economic recovery, and that Scotland should be bold, innovative and ambitious, and rebuild in a way that addresses the structural inequalities that exist within our economy. The Commission's response is published here: <https://povertyinequality.scot/publication/the-poverty-and-inequality-commissions-response-to-the-advisory-group-on-economic-recovery/>

Addressing low Income Policy Circle report to the Social Renewal Advisory Board

We were asked by Scottish Government to form the Addressing Low Income Policy Circle to develop proposals and recommendations to tackle and reduce poverty in Scotland, for consideration by the Social Renewal Advisory Board and following this by Scottish Ministers. Policy circle members included existing members of the Poverty and Inequality Commission, supplemented by Social Renewal Advisory Board members and the co-chair of the Scottish Leaders Forum action group on child poverty. The policy circle focused on addressing low income through employment. As part of its work the Addressing Low Income Policy Circle undertook deliberative workshops with, and heard directly from, experts by experience. The Addressing Low Income Policy Circle submitted its report to the Social Renewal Advisory Board. Read the report here:

<https://povertyinequality.scot/publication/the-addressing-low-income-policy-circle-report-to-the-social-renewal-advisory-board/>

The Social Renewal Advisory Board report *[If not now, when?](#)*² was published on the 21 January 2021 and contains the proposals made by the Addressing Low Income Policy Circle. Bill Scott, Chair of the Commission and Lindsay Graham, Commissioner, were members of the Advisory Board.

Other advice

Members of the Commission contributed to various Scottish Government stakeholder groups over the past year, including:

- Transport Scotland's Transport Transition Plan National Advisory Group
- Transport Scotland's Transport Equalities Network
- National Transport Strategy Delivery Board
- Scottish Government Employability Senior Leaders Group

4.3 Scrutiny of progress in reducing poverty and inequality

Poverty and Inequality Commission – Child Poverty Delivery Plan Scrutiny 2019-2020 report

The Child Poverty Act requires the Scottish Government to consult the Poverty and Inequality Commission annually on progress towards the child poverty targets in order to inform the Scottish Government's Child Poverty Delivery Plan progress report. The Commission prepared a report for Scottish Government scrutinising progress towards the child poverty targets during 2019-2020. The Commission's scrutiny focused on the areas that the Commission identified as potentially having the greatest impact on the child poverty targets, or where significant investment was being made. These were:

² [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](#)

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

While Scotland was in lockdown by the time the Commission completed its report and it was clear that COVID-19 was going to have a huge impact on those experiencing poverty, this scrutiny was necessarily backward looking, focusing on the progress that had been made over the previous year.

Our report set out the Commission's views 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

We set out 7 recommendations to Scottish Government which can be found here:

<https://povertyinequality.scot/publication/poverty-and-inequality-commission-child-poverty-delivery-plan-scrutiny-2019-2020-report/>

The Scottish Government's progress report can be found here:

<https://www.gov.scot/publications/tackling-child-poverty-delivery-plan-second-year-progress-report-2019-20/>

4.4 Promoting the reduction of poverty and inequality in Scotland

Involving Experts by Experience Guidance

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 work with experts by experience to co-produce guidance for how experts by experience should be involved in shaping and informing the Commission's work. The guidance outlines how experts by experience want to be involved in decision making, highlights the importance of creating genuine channels of influence and also provides practical steps on how to achieve this. This work had been delayed because of the coronavirus but has now been completed. Read the guidance here:

<https://povertyinequality.scot/publication/guidance-for-the-poverty-and-inequality-commission-involving-experts-by-experience/>

The guidance was informed by a rapid review of the academic literature on co-production involving experts with experience of poverty that was carried out by the Scottish Poverty and Inequality Research Unit (SPIRU). The review can be found

here: <https://povertyinequality.scot/publication/rapid-review-of-academic-literature-on-co-production-involving-experts-with-experience-of-poverty/>

The Commission is committed to implementing the guidance and this is reflected in our overarching strategic principle to amplify the voices of experts by experience, which is central to our work. As part of taking this forward in we are setting up a panel of experts by experience to work with the Commission.

Child Poverty Modelling

We have provided grant funding for modelling by the Fraser of Allander Institute, which modelled ways of reaching the interim and final child poverty targets using social security, employment and action on housing costs. The modelling will be published shortly and will inform the Commission's advice on the next Scottish Government child poverty delivery plan.

Intersectionality

Experience of poverty cannot be disentangled from other inequalities that shape society in Scotland and the Commission commissioned IPPR Scotland to undertake analysis and research on intersectionality in Scottish policy making in relation to poverty and inequality. As well as reviewing existing research, policy and practice, the research heard directly from experts by experience who have direct experience on intersecting inequalities in Scotland and from policy experts from the third sector and academia to get their perspective on how intersecting inequalities are understood in Scotland. The research makes recommendations as to how the Poverty and Inequality Commission can put an intersectional approach into practice in its own work and the Commission is working to ensure it takes an intersectional approach. The research and recommendations can be read here:

<https://povertyinequality.scot/publication/intersectionality-revealing-the-realities-of-poverty-and-inequality-in-scotland/>

Unpaid carers

In our work as the Addressing Low Income Policy Circle we heard from unpaid carers about some of the challenges they faced around work and income. The proposals made by the Social Renewal Advisory Board reflect the need for unpaid carers to be provided with a higher level of income that better reflects the value of the care they provide. We had a follow-up discussion to explore what more the Commission might do in relation to unpaid carers and poverty, and the Commission plans to hold a roundtable discussion with carers organisations later in 2021 to explore issues such as the impact of the earnings limit on unpaid carers.

4.5 Expert input

During the past year the Commission is grateful to have heard from a range of experts. This has included experts by experience who have contributed to our Addressing Low Income Policy Circle and our forthcoming child poverty scrutiny

work and community organisations who shared their experiences in relation to food insecurity. The Commission also had various expert discussions on topics including:

- Medium to long term impacts of COVID-19 on poverty and inequality
- The impact of austerity and welfare reform on work to support families facing multiple adversities
- Ethnicity and Poverty in Scotland.
- The impacts of EU Exit on people experiencing poverty and inequality
- Motability Scheme in Scotland
- The impact of the pandemic on housing debt and look at what further action may be needed to prevent this sweeping more people into poverty and homelessness.

5. Financial Summary

The Poverty and Inequality Commission had a budget of £297,000 for 2020-2021. 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 April 2020 and 31 March 2021.

Budget – April 2020 to March 2021	£297,000
Staff costs	£152,804
Commissioner fees & travel expenses	£34,550
Commission meetings and events (including support with costs for people to attend)	£50
Research	£61,192
Communications & IT	£11,658
Administration, training and other costs	£6,840
Total	£267,094

6. Our Work Programme for 2021-2022

Our work programme for the next year will focus on three core areas.

Advice on the next Child Poverty Delivery Plan

The Scottish Government is due to publish its next Child Poverty Delivery Plan in March 2022. The Delivery Plan should set out what actions the Scottish Government is going to take to meet its targets to reduce child poverty. The Child Poverty Act says that the Scottish Government must consult the Commission on the measures it plans to include in the Delivery Plan.

The Commission is planning a programme of work to look at what will be needed to meet the interim and final child poverty targets, focusing on the key areas of work and earnings, social security, and housing. This will form a major part of the Commission's work over the next few months from the publication of this annual report. We will be working with experts by experience, and with a range of other experts, to do this.

Working with experts by experience

Amplifying the voices of experts by experience is the strategic priority that runs throughout the Commission's work. We want to make sure that experts by experience are part of identifying issues, developing and designing solutions, and looking at what progress is being made. As part of this we are setting up a new panel of experts by experience to be partners in the Commission's work. The panel will be set up over summer 2021 and the first piece of work it will work on with the Commission is our child poverty advice. This is a new way of working for the Commission and is being part-funded by the Joseph Rowntree Foundation as an example of how a public body can work with experts by experience.

Annual scrutiny report

The Commission will produce an overview report later in 2021 that will bring together evidence on Scotland's performance in reducing poverty and inequality. It will be informed by experts by experience and will include analysis and scrutiny of policies and funding decisions. The report will make recommendations on what more the Commission thinks needs to be done to reduce poverty and inequality in Scotland.

7. 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.