



# Challenge Poverty Week 2023: An overview of our key policy asks



## What is Challenge Poverty Week?

Challenge Poverty Week was launched by the Poverty Alliance in 2013. We wanted to highlight the injustice of poverty in Scotland, and to show that collective action based on justice and compassion can create solutions. The week is an opportunity to raise your voice against poverty and unite with others in calling for a just and equal Scotland. Each year, hundreds of organisations in Scotland do just that, including elected representatives, charities and NGOs, local authorities, faith groups, businesses, school and colleges, trade unions, professional bodies and more. This year, Challenge Poverty Week will take place between the 2<sup>nd</sup> and 8<sup>th</sup> of October.

## 1. Introduction

Too many people across Scotland, including 250,000 children, are having their life chances restricted by the injustice of preventable poverty. The latest poverty and inequality statistics show that poverty remains far too high in Scotland. Covid-19 and the ongoing cost of living crisis have contributed to a rising tide of poverty as people struggle to access adequate incomes that would enable them to live a dignified life. The inadequacies of our social security system and structural issues in our labour market have been further illuminated by these dual crises. As the climate emergency continues to have a disproportionate impact on people living on low incomes, the negative trends around poverty look set to continue. It's never been more important to raise our collective voices against poverty.

Every year, Challenge Poverty Week places emphasis on a number of key policy asks that will help us to free people from the grip of poverty. These policies are designed to turn our shared values of justice and compassion into action, and to highlight to our politicians what action is required to build a Scotland free from poverty. This year, our policy asks were developed in collaboration with a short life working group with representation from public

bodies, the private sector, and a variety of third sector organisations.<sup>1</sup> We would like to thank these organisations for their participation in this process.

Ahead of Challenge Poverty Week and the Programme for Government, we are calling for substantive action to ensure Scotland is a place where: we support our communities and volunteers; we have safe, secure and sustainable homes; we all have enough to live a decent and dignified life; we can all get where we need to go; and no one goes hungry. In placing emphasis on food, housing and transport, our policy asks are focused on meeting people's basic needs, and realising the human rights of people in Scotland. It's time to build a fairer, greener Scotland where everyone has access to an adequate income that allows for a dignified and decent life.

## 2. Poverty in Scotland

Poverty interacts with, and has far-reaching consequences for, Scotland's national outcomes. The injustice of poverty is not only bad for individuals, but for our economy too, stifling economic benefits, and contributing to negative health and wellbeing outcomes. We cannot realise Scotland's ambitions of a just transition and a wellbeing economy without action to tackle poverty and inequality.

Financial insecurity and poverty are key drivers of poor mental health, and we are particularly concerned about the impact of the cost of living crisis on our collective wellbeing. Research from the Mental Health Foundation has shown that people struggling to pay their rent or mortgage, feed their families, or cover essential bills are at higher risk of developing mental health problems including anxiety and depression. Figures from March 2023 show that almost half (49%) of Scottish adults reported that their mental health is being negatively impacted by the cost of living crisis and 13% said that their mental health is being negatively impacted to a large extent.<sup>2</sup> A recent report by the Cross Party Group on Poverty in the Scottish Parliament also highlighted that poverty-related stigma is extensive and deep-rooted in Scotland. This stigma continues to manifest in several reinforcing ways, impacting people's mental health and wellbeing; erecting barriers to accessing support; restricting

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<sup>1</sup> The membership of the short life working group included: Age Scotland, abrdn, Christians Against Poverty, Church of Scotland, Glasgow Disability Alliance, Inverclyde Council, Lanarkshire Rape Crisis, The Larder, LIFT Edinburgh, Marie Curie, The Ripple Project, STAR Project, Station House Media Unit, and Stop Climate Chaos Scotland. Please note the policy asks and content of the accompanying briefings may not reflect the organisational views of each member of the working group.

<sup>2</sup> Mental Health Foundation (2023) *Latest figures show those most impacted by cost-of-living crisis experience the most mental distress* available at <https://www.mentalhealth.org.uk/scotland/explore-mental-health/blogs/latest-figures-show-those-most-impacted-cost-living-crisis-experience-most-mental-distress>

educational attainment; and influencing the design and resourcing of policies that can tackle poverty.<sup>3</sup>

The risk of poverty continues to be disproportionately high for particular groups including disabled people; women; Black and minority ethnic people; and single parents, over 90% of whom are women. However, despite this evidence, the needs and experiences of particular groups often remain an afterthought in policymaking. For example, despite concerning evidence relating to disabled people's poverty - including data from the Joseph Rowntree Foundation which found a significantly greater risk of deep poverty in households where someone is disabled - there remains a lack of concentrated action to address these trends. Equalities considerations should be mainstreamed into policymaking and service design if we are to build a fairer, more equal Scotland that doesn't leave anyone behind. We have embedded equalities analysis within our policy briefings, and urge the Scottish Government to adopt robust equality impact assessment processes in the design of the Programme for Government. This approach is critical to realising the potential of the priority families approach, as outlined in the Tackling Child Poverty Delivery Plan.

### **3. Using our taxation powers to raise the revenue needed to tackle poverty**

As outlined in our policy asks, tackling poverty in Scotland requires greater investment in our social security safety net and the public services that we all rely on, but that are a vital lifeline for people on low incomes. Utilising Scotland's powers over taxation is a critical tool in building a fairer Scotland and raising the revenue needed for this investment. The Scottish Social Attitudes Survey found that there is public support for changes to taxation, with nearly two-thirds of people in Scotland supporting increased taxation and spending on health, education and social security. Similarly, 68% said that income should be redistributed from the better-off to those who are less well-off.<sup>4</sup>

We have welcomed the First Minister's commitment to considering the introduction of wealth taxes and a new income tax band in Scotland. In addition to these changes, we urge the Scottish Government to deliver on the long-awaited fundamental reform of our unjust system of council tax. Analysis for the Scottish Trade Union Congress concluded that the Scottish Government could raise £3.3bn by 2026 utilising their current powers over

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<sup>3</sup> Cross Party Group on Poverty (2023) *An inquiry into poverty-related stigma in Scotland: Key findings and recommendations* available at <https://www.povertyalliance.org/wp-content/uploads/2023/03/Summary-briefing-of-the-inquiry-into-stigma-CPG-on-Poverty.pdf>

<sup>4</sup> Scottish Government (2022) *Scottish Social Attitudes Survey 2021-22* available at <https://www.gov.scot/publications/scottish-social-attitudes-2021-22/pages/5/>

taxation.<sup>5</sup> Research by IPPR Scotland also found that the First Minister's proposal to introduce a new tax band would raise an additional £257 million.<sup>6</sup> Poverty and the climate crisis are the two biggest, and interlinked, challenges facing Scotland today. Fair tax reform should target wealth, while also making polluters pay, so that Scotland can invest in the actions needed to deliver a wellbeing economy for people and planet.<sup>7</sup> The just transition should also ensure that the benefits of Scotland's abundance of renewable energy finds its way into our most deprived communities.

The Scottish Government must explore opportunities to harness Scotland's wealth to tackle poverty, utilising Scotland's powers over taxation to raise the revenue necessary to invest in our public services and social security safety net.

#### **4. What are we asking for, and how do we get there?**

This briefing provides an overview of our key policy asks, and the action that is required to achieve that ambition. More detail on the individual asks can be found in the accompanying policy briefings on the Poverty Alliance website. Our policy asks for Challenge Poverty Week 2023 are:

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<sup>5</sup> STUC (2023) *Options for increasing taxes in Scotland to fund investment in public services* available at [https://stuc.org.uk/files/Reports/Scotland\\_Demands\\_Better\\_Fairer\\_Taxes\\_for\\_a\\_Fairer\\_%20Future.pdf](https://stuc.org.uk/files/Reports/Scotland_Demands_Better_Fairer_Taxes_for_a_Fairer_%20Future.pdf)

<sup>6</sup> IPPR Scotland (2023) 'Humza Yousaf's tax pledge could help to lift 20000 children out of poverty' available at <https://www.ippr.org/news-and-media/press-releases/humza-yousaf-s-tax-pledge-could-help-to-lift-20-000-children-out-of-poverty-leading-think-tank-finds>

<sup>7</sup> Oxfam (2022) *Time to Tax* available at [https://oxfamapps.org/scotland/wp-content/uploads/2022/12/Time-to-Tax\\_Briefing-paper\\_Oxfam-Scotland\\_December-2022.pdf](https://oxfamapps.org/scotland/wp-content/uploads/2022/12/Time-to-Tax_Briefing-paper_Oxfam-Scotland_December-2022.pdf)

## **Monday: A Scotland where we value our communities and volunteers**

### **What are we calling for?**

**Introduce fair and sustainable funding of three years or more for the third sector.**

### **How do we get there?**

**To do this, the Scottish Government must provide funding for community and voluntary organisations that is:**

- **Fair and recognises the value of the third sector.**
- **Longer-term, guaranteeing income of three years or more.**
- **Sustainable, including awards that cover inflation-based uplifts and full costs that include core operating costs.**
- **Accommodating of paying staff at least the Real Living Wage.**
- **Accessible through providing proportionate, and consistent approaches to applications and reporting.**

## **Tuesday: A Scotland where we have safe, secure, and sustainable homes**

### **What are we calling for?**

**Ensure that everyone has access to a safe, secure and sustainable home that meets their needs.**

### **How do we get there?**

- **Adequately fund the delivery of new social homes through the Affordable Housing Supply Programme to meet a target of delivering 38,500 social homes by 2026.**
- **Implement a homelessness prevention duty on public bodies and ensure that public bodies are funded to meet that duty.**
- **Adequately fund, and advertise, support to improve energy efficiency in the home, including offering grants for energy efficiency measures for those on the lowest incomes, disabled people and those living with long-term or terminal illnesses.**

## **Wednesday: A Scotland where we all have enough to live a decent and dignified life**

### **What are we calling for?**

**The Scottish Government should ensure that everyone has access to an adequate income by taking the steps needed to deliver a Minimum Income Guarantee.**

### **How do we get there?**

**We believe that the Scottish Government should take initial steps to deliver a Minimum Income Guarantee including action to:**

- **Accelerate the review of the adequacy of disability assistance to address the issues of additional costs facing disabled people, people living with long term conditions and terminally ill people.**
- **Increase the funded childcare entitlement and encourage greater uptake of funded hours.**
- **Review the council tax reduction and water rates discount for households with a view to taking significantly greater numbers of low-income families out of paying these charges.**
- **Ensure that the Minimum Income Guarantee is not undermined by public sector debt recovery.**

## **Thursday: A Scotland where we can all get where we need to go**

### **What are we calling for?**

**Improve the affordability and accessibility of public transport so all of us have the same freedoms to access essential services, employment and leisure.**

### **How do we get there?**

- **Expanding concessionary travel to under 25s, people in receipt of low-income and disability benefits, unpaid carers, students and modern apprentices, and asylum seekers.**
- **Integrate our transport systems and expand concessionary travel to include all modes of transport including rail, ferry and tram.**
- **Ensure local authority funding enables the design of public transport services and routes which meet the needs of local people.**

## **Friday: A Scotland where no one goes hungry**

### **What are we calling for?**

**Ensure people have dignified access to good quality, healthy and sustainable food.**

### **How do we get there?**

- **Improve dignified and 'cash first' food insecurity responses, including boosting the value and administrative responsiveness of the Scottish Welfare Fund.**
- **Support wellbeing through community food approaches, including community growing; community food hubs; community larders and meals.**
- **Supermarkets should commit to setting the lowest prices, including cutting prices, on key basic food items, including pasta, bread and milk to reduce the costs of essentials.**

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