

The Highland Council

Agenda Item	6
Report No	HC/05/25

Committee: Highland Council

Date: 27 March 2025

Report Title: Establishing a Poverty and Equality Commission

Report By: Chief Executive

1. Purpose/Executive Summary

- 1.1 As part of the Council's Budget setting process, it was agreed that investment would be provided to progress a Poverty and Equality Commission for Highland.
- 1.2 This report provides an update on early work to establish the Commission and sets out next steps for progressing this.

2. Recommendations

- 2.1 Members are asked to:
 - i. Note the background and rationale for establishing a Poverty and Equality Commission
 - ii. Note the early work undertaken to establish the Commission
 - iii. Note that an update report on progress will be considered at the June meeting of the Council.

3. Implications

- 3.1 Resource – a budget of £0.3m has been agreed to support the work of the Commission. As the report details, the Commissioners and Chair will be unpaid positions, with the budget being utilised to fund evidence gathering and support the work of the Commission.
- 3.2 Legal – there are no anticipated legal implications.
- 3.4 Risk – the Commission will be managed utilising project management methodology, setting out the proposed aims, delivery mechanisms, timescales and risks. This will support managing and mitigating any risks arising. At this early stage, the initial risks

relate to the timely establishment of the Commission and identifying Commissioners willing and available to participate.

3.5 Health and Safety (risks arising from changes to plant, equipment, process, or people) – there are no identified health and safety implications at this stage.

3.6 Gaelic – there are no Gaelic implications.

4. Impacts

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children’s Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

4.3. An Integrated Impact Assessment screening has been undertaken on establishing a Poverty and Equality Commission. The conclusions have been subject to the relevant Manager Review and Approval.

4.4 The screening process has concluded that there are anticipated positive impacts as a result of establishing the Commission. The investment has the potential to have a positive impact on disabled, older people, lone parent families and an overall positive socio-economic impact across communities in Highland. There is a specific aim to identify ways to tackle rural poverty therefore anticipated positive impacts on rural communities. Members are asked to consider the summary in **Appendix 1** to support the decision making process.

Impact Assessment Area	Conclusion of Screening
Equality	<ul style="list-style-type: none"> • Age - Children and Young People – positive • Age – Older adults - positive • Disability – Positive
Socio-economic	Positive
Human Rights	Positive
Children’s Rights and Well-being	Positive
Island and Mainland Rural	Positive
Climate Change	No impact
Data Rights	Impact to be managed

5. Background and Context

5.1 There is a strong commitment in Highland to address poverty and inequality within individual agencies and across the Community Planning Partnership. The Council's Programme contains a priority outcome and a series of supporting commitments:

A Fair and Caring Highland: Working together to improve quality of life and opportunities for Highland People

The vision for the Community Planning Partnership through its Highland Outcome Improvement Plan is:

"Maximise opportunities and tackle inequality to build a thriving Highlands for all."

5.2 Poverty in Highland takes many forms and is experienced in different ways. Poverty can be viewed through the lens of low or no income, of lack of income for shelter, food or essentials but is at heart where people are facing insecurity and difficult choices because of their financial circumstances. Poverty is not confined to those out of work and changes in circumstance and life events can take people both in and out of poverty. Currently in Highland:

- 7,355 or 20% of children in Highland live in low income households, before housing costs¹
- 9,776 or 23.2% of children in Highland live in poverty after housing costs²
- 8,700 households were on the Highland Housing Register at 28 Feb 2025
- 22,916 people are classed as income deprived as per the Scottish Index of Multiple Deprivation – 76% live outwith the 20% most deprived datazones
- 11,061 working age people in Highland are classed as employment deprived (Scottish Index of Multiple Deprivation 2020)
- 66.2% of children living in poverty (before housing costs) live in a household with at least one adult working³
- 11,975 children in Highland living in low-income families already receiving qualifying benefits receive the Scottish Child Payment⁴
- 26,500 residents were supported by the Council's welfare support team and citizens advice bureau during 23/24, resulting in £26.8m of financial gains for clients and presenting with debt of over £9.5m⁵
- £70m estimated of unclaimed benefits in the Highland area, including £6.9m unclaimed pension credits affecting 3,000 people⁶
- A third of households are living in fuel poverty in Highland, with 22% living in extreme fuel poverty⁷

5.3 Rural and island life characteristics are recognised as potential compounders of the main drivers of poverty. Income from work and earnings can be seasonal and unpredictable, and living costs can be higher with high levels of fuel poverty, higher prices for goods, and unaffordable housing. Lower take-up of welfare entitlements and wider support can be an issue in more rural and remote areas.

- 5.4 Remoteness from services and facilities is an important factor in relation to considering poverty and deprivation in Highland with access challenges compounding other disadvantages. In remote and rural areas, low incomes of people are exacerbated by additional costs. This includes more expensive food and clothing, more expensive household goods, increased home energy costs and the costs of transport as shown in work on the Minimum Income Standard for Remote Rural Scotland. This highlights that for people living in rural areas of Scotland, a minimum acceptable standard of living typically requires between a tenth and a third more household spending than in urban parts of the UK.
- 5.5 Evidence from the literature highlights that people living in rural areas experience deprivation differently from those living in towns and cities. Particular issues in rural areas include:
- Less accessible key services including health and social care, childcare and high speed digital networks
 - Higher consumption of fuel for heating and transport
 - 33% of households in Highland experience fuel poverty (average for Scotland is 24%)
 - Reduced opportunities to earn adequate and sustainable income
 - Higher cost of living impacted by prices for basic essential supplies
 - Limited frequency and coverage of public transport.
- 5.6 The Council and its partners – both public and community - already provide a range of services and have targeted actions in place to tackle and mitigate the causes and consequences of poverty. The Council's Delivery Plan contains a series of actions to support families and communities across the Highland area including developing the Family First approach, transforming adult social care, developing our approach to affordable housing, establishing our integrated community POD approach, delivering community transport solutions and developing innovative and creative childcare solutions. In addition, work through the Integrated Children's Services Plan, the Child Poverty Action Plan and the Partnership Poverty Reduction Delivery group, all support and contribute towards addressing and mitigating the causes and consequences of poverty and inequality in Highland.
- 5.7 Despite the actions taken by agencies and communities, levels of poverty and inequality in Highland continue to be challenging, directly affecting families and communities across the area. It is for this reason a Commission for Poverty and Equality was proposed. The aim is to accelerate our approach to tackling poverty by identifying direct actions to shape service delivery, improve early intervention and develop integrated approaches to tackling poverty and inequality in Highland.

6. Establishing a Poverty and Equality Commission

- 6.1 As part of the Council's Budget setting approach, it was agreed to establish a Poverty and Equality Commission. The aim is to consider, improve and crucially accelerate our collective approach to tackling poverty in Highland. As noted in the report to Council on 6 March 2025, the focus of any Commission is proposed to be on 'what

works' and this should include both direct mitigation measures alongside changes to how we provide and deliver services in order to develop preventative and early intervention approaches and integrated services.

6.2 **Membership**

It is proposed that the total membership of the Commission is 11, including a Chair. Half of the membership is proposed to be elected Members and will include the Council Leader. It is proposed the 4 remaining elected Member representatives will be agreed by the Convener, Council Leader and Leader of Opposition. Representation will take into account the different communities and challenges they face across Highland.

It is proposed the final 5 members of the Commission are identified from public sector partner organisations, third sector or community representatives. This will include at least one member from NHS Highland and one from Highland Third Sector Interface which represents third sector organisations in Highland.

It is proposed that non-elected Member Commission members are agreed between the Convener, Council Leader, Leader of the Opposition and the Commission Chair, once appointed.

All Commission members will be voluntary and unpaid.

6.3 **Chair**

The Chair of the Commission will be independent and an expert in the field of the Commission. This is in line with the previous Commission on Highland Democracy. The appointment of a Chair will be agreed between the Convener, Council Leader and Leader of the Opposition. Once confirmed, this would be shared with Members. The Chair will be an unpaid position, but expenses related to the work of the Commission would be paid.

6.4 **Proposed Aims**

As noted at 6.5 the scope of the Commission will be considered and agreed at the first meeting. However, at this early stage, draft aims include:

- Identify sustainable solutions and actions to tackle and address rural poverty
- Identify direct actions to shape integrated service delivery in order to address poverty
- Improve early intervention approaches to prevent poverty
- Develop integrated approaches to supporting people and tackling poverty and inequality in Highland.

6.5 **Agreeing the Scope and Methodology**

It will be for the first meeting of the Commission to agree the scope of the Commission and evidence gathering approaches to be deployed. The options and scope will be discussed with the Convener, Leader, Leader of the Opposition, partners and the Commission Chair in the coming weeks to develop a proposal. It should be noted that a key strand of any work will need to be hearing the voices of

the people of Highland on the barriers, challenges and opportunities across our communities.

6.6 ***Reporting***

The Commission will report directly to Council, providing recommendations for action, change and transformation. Updates will also be provided to the Community Planning Partnership Board, recognising that a collective cross-partnership approach is likely to be required in order to transform our approach to tackling poverty across Highland communities.

7. **Next Steps**

7.1 In line with the steps outlined in section 6, an update on progress to establish the Commission will be presented to the Council meeting in June.

Designation: Chief Executive

Date: 14 March 2025

Author: Alison Clark, Chief Officer, Housing and Communities

Appendices: Appendix 1 – Integrated Impact Assessment
Appendix 2 - References

Integrated impact Screening Summary

The following provides a summary of the screening undertaken on the proposal to establish a Highland Poverty and Equalities Commission.

Equality, Poverty and Human Rights

The aim of the Commission would be to accelerate the approach to tackling poverty in Highland by identifying direct actions to shape service delivery, improve early intervention and develop integrated approaches to tackling poverty and inequality. Older people, people with disabilities and lone parents, a high proportion of which are women, are all more likely to experience poverty. The Commission therefore has the potential to have a positive impact on these groups.

The aim of the Commission is to identify strategies, actions and approaches to both mitigate and prevent poverty in Highland. This has the potential to have a positive impact upon people's finances, upon their prospects and upon communities particularly impacted by poverty across the area. This would affect all vulnerable groups more at risk of poverty.

Children's Rights and Wellbeing

The screening has noted a potential positive impact on Article 3: *You are working in the best interests of the child* and Article 27: *Children have a standard of living that is good enough to meet their physical and social needs and support their development*. The Commission will seek solutions, actions and service change in order to prevent and mitigate poverty in Highland. This will seek to improve the lives of children and their families across Highland communities.

Rural and Island

Poverty is experienced in different ways in rural and island areas in Highland from urban communities. Understanding and addressing rural poverty is proposed to be a key consideration as part of the work of the Commission. This has the potential to have a positive impact upon people living in rural and island communities.

Data protection

A full impact assessment is not required at this time, but an appropriate assessment will be required once the methodology for gathering data as part of the Commission has been identified.

References

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- ¹ 2022/23 DWP/HMRC children in low-income families local measure (Relative poverty before housing costs)
- ² End Child Poverty Coalition estimates of child poverty rates after housing costs (2024)
- ³ 2022/23 DWP/HMRC children in low-income families local measure (Relative poverty before housing costs)
- ⁴ Social Security Scotland Statistics 31-3-24 www.socialsecurity.gov.scot/asset-storage/production/downloads/Social-Security-Scotland-Scottish-Child-Payment-Statistics-to-31-March-2024-Tables-53303282712.xlsx
- ⁵ Annual Report on Citizens Advice Bureau Contact www.highland.gov.uk/download/meetings/id/83835/12_annual_report_on_citizens_advice_bureau_contract
- ⁶ [Report: Missing out 2024 - Policy in Practice](#)
- ⁷ Scottish House Condition Survey: Local Authority Analysis 2017-2019 [Extreme Fuel Poverty - Scottish House Condition Survey: Local Authority Analysis 2017-2019 - gov.scot](#)