

Agenda Item	3
Report No	HC/16/26

THE HIGHLAND COUNCIL

Meeting: The Highland Council

Date: 25 June 2026

Report Title: Highland Poverty and Equality Commission – Final Report

Report By: Assistant Chief Executive - Place

1. Purpose/Executive Summary

- 1.1 As part of the Budget setting process for 2025/26, the Council agreed to set up a Highland Poverty and Equality Commission. The aim was to consider, improve and crucially accelerate the collective approach to tackling poverty in Highland.
- 1.2 It was agreed that the Commission would be independent, comprising of 12 Commissioners that would hear evidence from communities, public and private sector partners in order to:
 - 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
 - Address causes, consequences and responses to poverty across Highland's diverse communities.
- 1.3 The Commission first met in August 2025 and over the past 10 months have focused their work around 6 key themes, essential to addressing and tackling poverty. Alongside this, the Commission have heard from service providers within communities – both public and third sector - to understand local experiences of poverty, from young people and from those with direct lived experience of poverty.
- 1.4 This paper provides the background and context to the Commission's work and the activity that has taken place to develop their conclusions. The paper introduces the Commission's final report "Essential Elements", which outlines a series of 'Calls to Action' for partners locally and nationally to address the challenge of poverty in Highland.

2. Recommendations

2.1 The Council is asked to:

- **Note** the work of the Highland Poverty and Equality Commission and the final report from the Commission which accompanies this report;
- **Agree** that a Workshop be arranged in August involving Members and Senior Officers, to which the Co-Chairs of the Commission be invited, to discuss in more detail the rationale behind these calls for action and explore potential solutions; and
- **Note** that a further report setting out the implications and early actions for implementation will be considered at the next meeting of the Council.

3. Implications

3.1 Resource

There are no specific Resource arising from this report at this time. The Council agreed a budget of £0.3m for the Commission. To date, the total spend has been just under £0.085m. The spend has included costs of venue hire, travel and accommodation expenses for Commissioners, as well as specific contracted pieces of work to deliver the Lived Experience Panel, Youth Experience Panel and work on data modelling.

3.2 Legal

There are no specific legal implications arising from this report.

3.3 Risk

With the Commissioning completing its work, it is incumbent on the Council and its partners to consider the findings and Calls to Action from the Commission and identify potential solutions.

3.4 Health and Safety (risks arising from changes to plant, equipment, process, or people)

There are no specific Health and Safety implications arising from this report.

3.5 Gaelic

There are no specific implications for the Gaelic Language Plan.

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 This is an update report and therefore an impact assessment is not required however, the actions and solutions identified to respond to the calls to actions will be subject to assessment for impact and will be included in the report to the next Council meeting.

5. Background

5.1 In March 2025, as part of the Highland Council's Budget setting approach, it was agreed to establish a Poverty and Equality Commission. The aim was to consider, improve and crucially accelerate the collective approach to tackling poverty in Highland.

5.2 The focus for the Commission was on 'what works' which included both direct mitigation measures alongside changes to how services are provided and delivered to develop preventative and early intervention approaches and integrated services.

The aims and tasks given to the Commission were to:

- 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, and
- Address causes, consequences and responses to poverty across Highland's diverse communities.

5.3 The Commission was chaired by Jim McCormack and Maggie Cunningham and comprised five individuals from business, housing, education and 3rd sector and five elected Members of Highland Council.

6. Approach to Gathering Evidence

6.1 At the Council meeting on 18 September, the Co-Chairs of the Commission provided Members with an update on their approach to gathering evidence, based on six thematic areas of focus:

- Access (transport, digital and service provision)
- Housing
- Ways of Working Across Services
- Fair Work
- Early Years and Education
- Financial Security

6.2 The Commission developed an inclusive approach to gathering evidence. They established monthly Sounding Board sessions which considered each theme in turn. These Sounding Boards were led by two Commissioners and enabled a range of stakeholders across the Highlands to engage with the work of the Commission. The Commissioners would then meet as a full Commission at locations across Highlands to consider the findings from these Sounding Boards.

6.3 The Commission also undertook an extensive outreach programme, meeting with a wide range of community groups and partners across the Highlands to better understand the experience of poverty across communities. Details of these engagements are set out in an appendix to the Commission's report. The Commission also engaged with the Highland Community Planning Partnership and undertook a workshop with elected Members.

6.4 The Commission also established an experience panel, designed to ensure people with experience of living on a low income were involved in helping to shape the Commission's findings and conclusions and ensure that the Commission's calls for action were realistic, relevant, and effective. Working through Youth Highland, the Commission also engaged with a representative group of young people, to ensure that their voices and opinions would inform the Commission's findings.

7. Next Steps

7.1 It is proposed that a further report setting out the implications and initial solutions for implementing the calls of action be prepared which would then be considered at the next meeting of the Council.

7.2 To inform that report, it is proposed that a Workshop, with Members and Senior Officers, be arranged in August, to which the Co-Chairs of the Commission be invited, to discuss the rationale behind the calls for action in more detail and to explore potential solutions.

Designation: Chief Executive

Date: 20 May 2026

Author: Gordon Morrison, Policy Manager

Alison Clark, Chief Officer – Housing and Communities

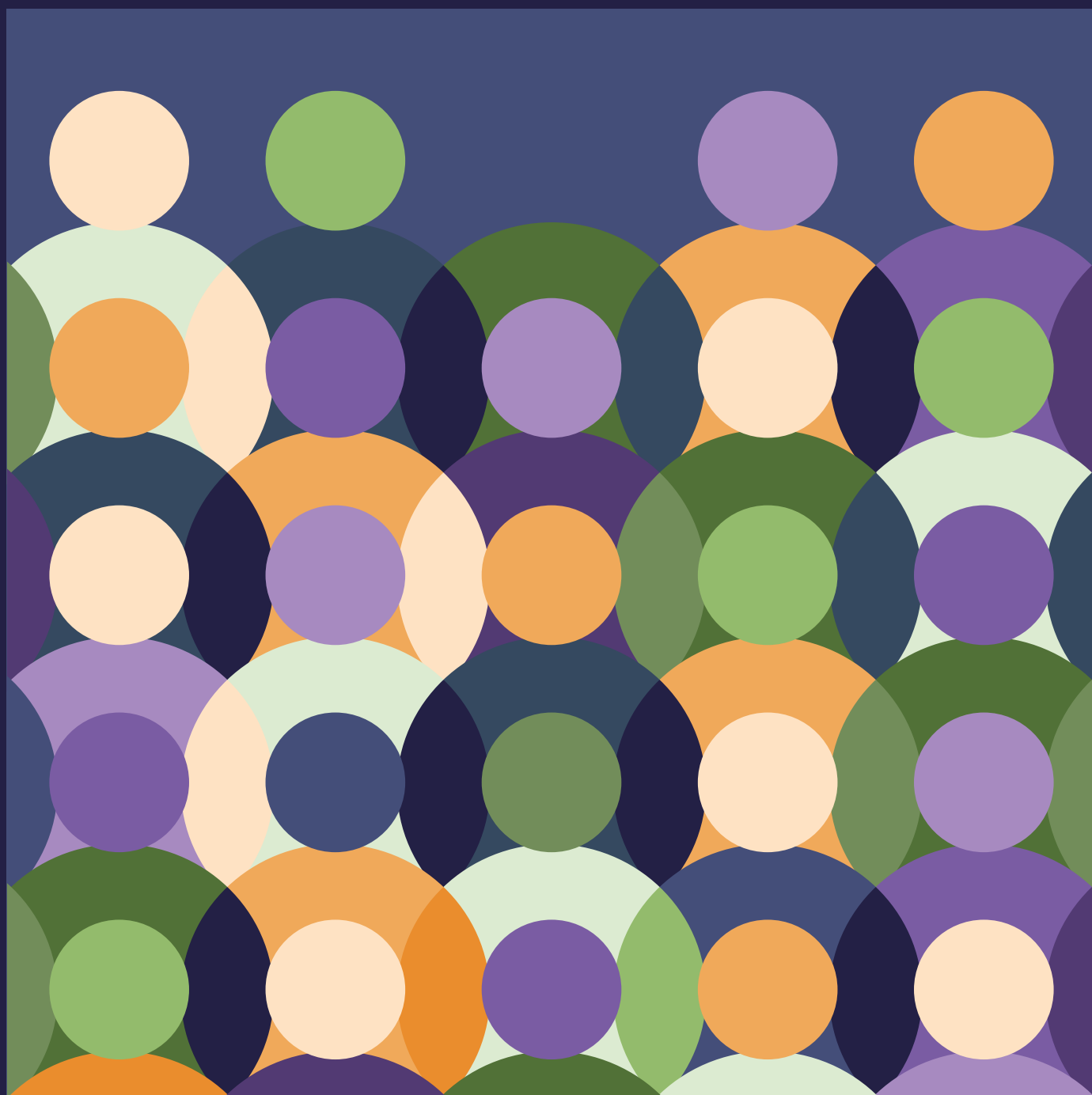
Associated Paper: Highland Poverty and Equality Commission – Final Report



ESSENTIAL ELEMENTS

CALLS TO ACTION REPORT TACKLING POVERTY IN HIGHLAND

JUNE 2026



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ESSENTIAL ELEMENTS

Foreword from the co-Chairs

Jim McCormick
Maggie Cunningham

We are pleased to present this final report, Essential Elements, from the independent Highland Poverty and Equality Commission. While we cannot do justice in full to all we have seen, heard and learned over nine months from August 2025 – May 2026, we hope we have been able to present a clear view of the landscape.

Drawing on 26 outreach visits in 14 locations across the Highlands, eight Commission meetings, six hybrid Sounding Board sessions (one for each of the themes we identified) and various stakeholder conversations in between, we share our key findings and Calls to Action in these pages. The six themes span three broad areas: People, Place and Prospects.

We are also publishing three companion reports by partners we have worked with in recent months, reflecting the views of Experience Panel members, youth voices and the case for data mobilisation. We thank Involve, Youth Highland, DataKind UK and everyone who contributed to their work. We believe many of the 'how to' insights to prevent and reduce poverty are to be found in their reports. We refer to their findings but encourage reading their reports in full.

We start with our stance: poverty and related forms of inequality across Highland today are real, damaging and costly, but can be resolved. We recognise the exhaustion and erosion of hope after years of austerity followed by the pandemic, impacts of Brexit and the cost-of-living crisis which is far from over. We have heard echoes of fatalism – that there is an “aye been” belief, that things cannot really improve. The conclusion we have reached is different.

Poverty is not gravity. It is not a force of nature that cannot be changed. We have seen in our past, and still see today in some neighbouring societies, that poverty can be reduced substantially. It is true that strong forces create headwinds against progress. These require more decisive action by governments at various levels. We have resisted the temptation to lay all responsibility at the door of Holyrood and Westminster. While some of our calls to action will only succeed with greater collaboration between Ministers, we see great potential to use the total resources of Highland more effectively in the years ahead. We need to get it right within the region as well as advocate for solutions elsewhere.

What sustains our hope are the bright spots we have encountered. These are often community anchors of many shapes and sizes, building the connections in everyday life that enable us to live better lives. They often do this against the odds and despite the systems they sit within. Without falling into the trap of optimism bias, Highland's greatest strengths lie in its community assets – driven by people who care deeply about the issues we cover in this report. The support offered by community groups and third sector organisations – by volunteers and staff – is often the most trusted and fragile at the same time. We cannot afford to take this support for granted.



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Flexible, multi-year funding to those working upstream can deliver the prevention benefits that save time, money and hardship later. At the same time, there is a risk of duplication and competition between communities, often driven by short-term funding imperatives. To drive down poverty sustainably, we should focus on changing how money flows. At the heart of our thematic Calls to Action is a cultural challenge: to accelerate true collaboration between sectors, pool funding, manage risks collectively, share data and share power by co-designing solutions alongside people and places with first-hand experience.

Highland is not starting from scratch. There is huge scope to maximise the poverty-reducing impact of frameworks already in place. In terms of collaboration, bright spots include: the All In Highland employability consortium, Workforce North, the Council/Citizens Advice contract for money advice, the Highland Housing Register and how Highland plans to keep The Promise by 2030. The new Caithness Futures Fund, hosted by Foundation Scotland, is a promising example of how community benefit funds from renewable energy can be pooled to support the wider area. There is clear impetus behind Whole Family Support at national and regional level, but more to do to ensure more of the funding flows to small and mid-sized organisations rooted in local communities. We see great potential to apply similar approaches to other areas including school/youthwork partnering. We encourage partners to take a holistic focus on what is working well and what needs to improve, and to apply the learning to further areas of collaboration.

The Social Value Charter provides Highland with a mechanism to achieve long-term gains from the concentration of investment into renewable energy, construction, skills and apprenticeships, and related housing development. Driven by SSEN's grid network transformation, Inverness & Cromarty Firth Green Freeport and multiple supply partners, Highland has a golden opportunity to create a pathway to inclusive growth which

benefits people in poverty and mitigates the risk of depopulation in the north and west of the region. Opportunities only flow in this direction if it is the clear intent written into planning and resourcing decisions underpinned by trusted working relationships and clear accountability. Our report is titled Essential Elements because we see the building blocks to live free from poverty as just that: the minimum we need for dignity and community cohesion. It evokes a sense of how the elements shape the Highland landscape in all its diversity. During our work, we heard about the impact of severe storms, extreme winter weather, flooding and wildfires. We need to do more to generate climate resilience benefits for Highland communities through energy, transport and housing.

With this report, the Commission's work concludes. We pass the baton to The Highland Council and the wider Community Planning Partnership, and to all those we have found common ground with. Our Calls to Action are more than recommendations. We see them as the real-world changes required for Highland to have significantly less poverty and related inequality by 2030. We invite decision-makers to give their initial response by the end of 2026 ahead of the budget and local election cycle.

Finally, we wish to thank fellow Commissioners for their commitment and candour – and not least, their shared belief that our work will make a difference. Coming from different sectors, backgrounds and parts of the Highlands, it has been a truly collegiate endeavour. This report reflects the creative flair of the design team at Dynam. None of this would have been possible without the excellent support we have had throughout, provided with care and patience by the secretariat team of Alison Clark and Gordon Morrison enabled by Council Chief Executive Derek Brown.

Maggie Cunningham and Jim McCormick
June 2026

ESSENTIAL ELEMENTS

Introduction

The Highland Poverty Commission was established as an independent commission by The Highland Council in August 2025 with a clear and urgent remit: to strengthen and accelerate our collective efforts to tackle poverty across the Highlands.

From the outset, the Commission has focused on identifying practical strategies and actions that can make a meaningful difference to people's lives. Over the past year, we have sought to understand both the causes and consequences of poverty across Highland's diverse communities, recognising that poverty is experienced differently depending on geography, circumstance and opportunity.

To guide our inquiry, we developed an extensive programme of engagement and evidence gathering designed to reach as many communities and stakeholders as possible within the time available.

We identified six priority themes which formed the framework for our work:



Ways of Working



Financial Security



Access



Housing



Early Years and Education



Fair Work

To provide a clear structure, the themes are grouped under three interconnected headings in the report: **People, Place and Prospects**. We also paid particular attention to a number of cross-cutting issues, including climate risks, equality, diversity and inclusion.

The report is a **Call to Action** across all the themes, highlighting the need for fast responses and the potential for positive impact. It also contains **Bright Spots** from across the Highlands where we witnessed strong collaboration and inspiring interventions, which have the potential to be rolled out across the region and modified for specific community needs.

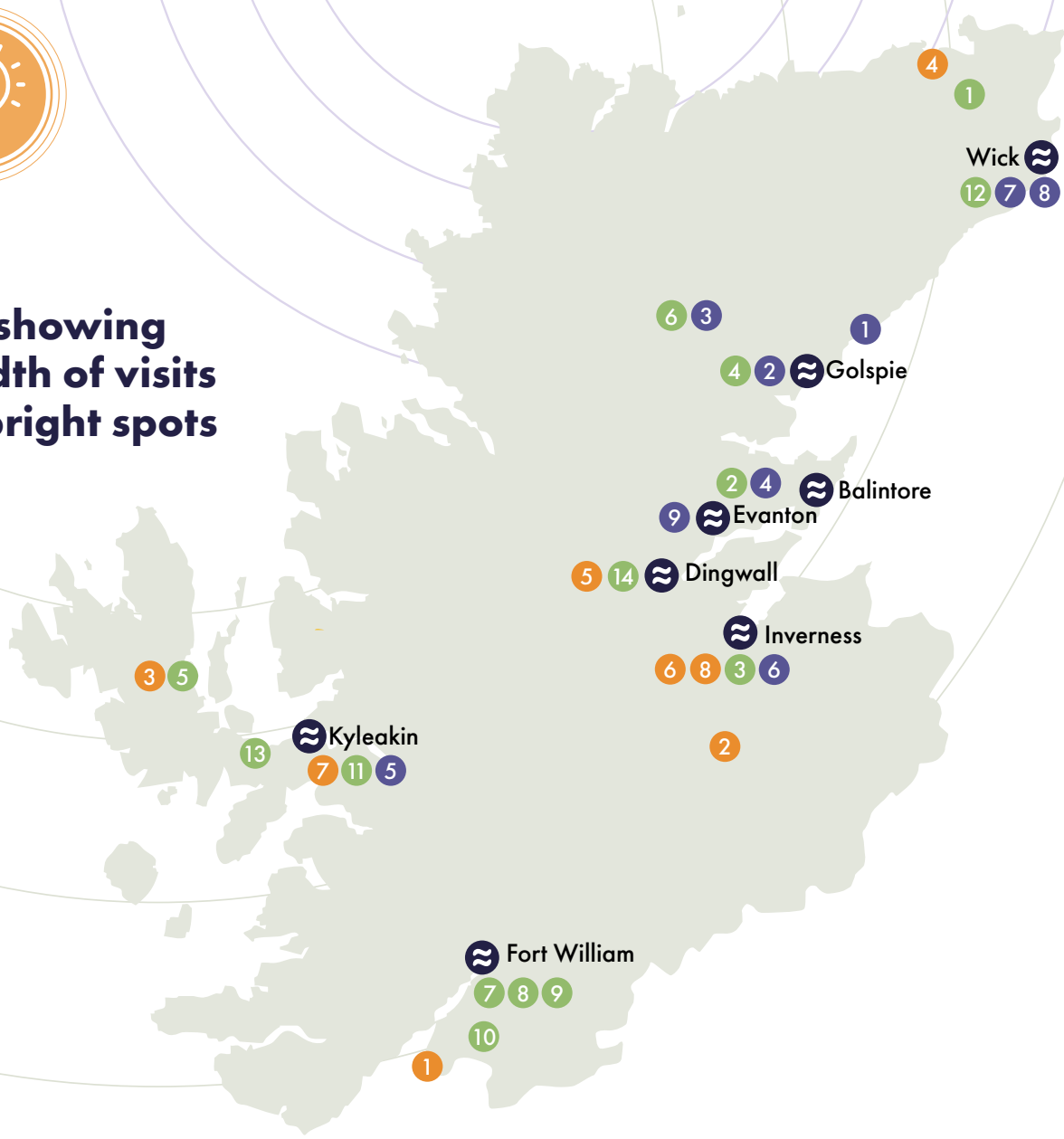
A key part of our approach was the establishment of monthly Sounding Board sessions focused on each

of the themes. Hosted by two Commission members and delivered as hybrid events, these sessions enabled stakeholders from across the Highlands to contribute their knowledge, experiences and perspectives. Following each session, the full Commission reviewed the findings, helping us build a deeper understanding of the challenges facing communities throughout the region.

Alongside these discussions, we held monthly evidence sessions with senior representatives from the public, third and business sectors. These sessions took place across the Highlands – **Balintore, Fort William, Kyleakin, Golspie, Evanton, Wick, Inverness** and **Dingwall**, ensuring that our work reflected the experiences of both urban and rural communities. We also engaged with community based organisations dedicated to poverty alleviation as part of our visits.



Map showing breadth of visits and bright spots



Evidence sessions

Bright Spots (People)

- 1 Allenergy
- 2 Am Fasgadh
- 3 Skye and Lochalsh CAB
- 4 Caithness CAB
- 5 Connecting Carers
- 6 Inverness Foodstuffs
- 7 Living Hope, Skye and Lochalsh
- 8 New Start Highland

Bright Spots (Place)

- 1 Caithness Housing-Social Work pilot
- 2 East Ross Housing team (Alness Office)
- 3 Discussion with Albyn Housing
- 4 Go Golspie
- 5 Skye and Lochalsh CVO
- 6 Lairg and District Learning Centre
- 7 Care Lochaber
- 8 Lochaber Hope
- 9 Voluntary Action Lochaber
- 10 Kinlochleven Community Trust
- 11 Kyleakin Connections
- 12 Pulteneytown People's Project
- 13 Broadford and Strath Community Company
- 14 Youth Highland

Bright Spots (Prospects)

- 1 Adult Learning Coordinator, Brora
- 2 Tykes Young Carers, Golspie
- 3 Lairg and District Learning Centre
- 4 The Place Youth Club, Alness
- 5 Lochalsh Youth Community Trust
- 6 Dalneigh Primary School, Inverness
- 7 Home-Start Caithness
- 8 Wick Job Centre
- 9 Employer and Council input to meeting in Evanton

Central to our evidence gathering was the commissioning of a Poverty Lived Experience Panel. Meeting over six sessions, panel members considered each of our themes and tested the validity of our emerging Calls to Action. Their insights, challenges and expertise have been invaluable in underpinning the Calls to Action. We are grateful to all participants for the generosity with which they shared their experiences and perspectives. These sessions were delivered by **Involve**, the UK's leading public participation charity.

We commissioned **Youth Highland** to undertake a region-wide consultation with young people during May 2026. Through online surveys, focus groups and participatory workshops to consider the themes and emerging Calls to Action. We are grateful to more than 450 young people aged between 12 and 25 who contributed to this work. While their involvement revealed a generation that is ambitious, capable and hopeful about its future, it also highlighted significant concerns about whether the social, economic and civic conditions in the Highlands will allow young people to realise their potential. Four consistent elements emerged from this work:

1. Rural inequality continues to shape opportunities and life chances for young people across the Highlands.
2. Housing affordability and insecurity are major concerns affecting young people's aspirations and future plans.
3. Young people are increasingly anxious about their future financial security and prospects.
4. Many feel that decisions affecting their lives are made without their meaningful involvement.

These findings echo a broader message heard repeatedly throughout our inquiry. Across all themes and among many individuals and communities experiencing vulnerability, there is a strong sense of not being heard, understood or meaningfully involved in decisions that affect their lives. The Commission believes this is both a significant challenge and a great opportunity. One of our Calls to Action is that people experiencing poverty have an equal voice in the policies, services and decisions that shape their futures.



First meeting of Highland Poverty and Equalities Commission in Balintore. August 2025. Commissioners not in the photo Cllr Kate Willis, James Cook, Maureen Knight.

Recognising the importance of robust evidence in tackling poverty effectively, we also commissioned **DataKind UK** to assess the availability and effective use of data across public services in the Highlands. Their analysis highlights some excellent work already underway and significant opportunities to improve how data is shared, understood and applied to support better outcomes. Among the essential elements for ensuring accurate data and its effective use, Dataset has underpinned our Call to Action a cross-sector working group involving the Council and Community Planning Partners to define priority use cases and then invest in appropriate new data tools or systems. It also stresses the importance of exploring alternatives to the Scottish Index of Multiple Deprivation (SIMD) which does not identify poverty in rural areas effectively.

Through interviews with leaders from the public and third sectors, the co-chairs identified a strong foundation for leadership and a shared commitment to positive change. Across sectors, there is a growing consensus around a common vision for the future—one that can only be realised through coordinated action and collective leadership. Achieving this vision across all our themes will require the public, private and third sectors to work together as equal partners, aligning priorities, sharing responsibility and mobilising resources to deliver tangible outcomes for people, places and prospects. The strength of these partnerships will be critical in turning ambition into action and ensuring long-term success.

Taken together, the evidence gathered throughout this inquiry presents a compelling and consistent picture. Poverty in the Highlands is shaped by unique rural, economic and social challenges, but it is not inevitable. The Commission has heard clear Calls for Action from those with lived experience of poverty, communities, young people and practitioners. This report sets out the actions we believe are the essential elements to accelerate progress and create a Highlands where everyone has the opportunity to thrive.

The Commission members are:

Jim McCormick (co-chair), Chief Executive, The Robertson Trust; **Maggie Cunningham** (co-chair) Chair Kyle & Lochalsh Community Trust; **James Cook**, Headteacher, Cawdor Primary School; **James Dunbar**, Chief Executive, New Start Highland; **Cllr Richard Gale**; **Cllr Marianne Hutchison**; **Maureen Knight**, Interim Chief Executive, Albyn Housing Association; **Cllr Andrew MacKintosh**; **Calum MacPherson**, former Chief Executive, Inverness and Cromarty Firth Freeport; **Liz Richardson**, The Poverty Alliance; **Cllr Maureen Ross**; **Cllr Kate Willis**.

Mobilising data to reduce poverty

We have worked with DataKind UK on an initial project to understand more about the datasets on poverty and related inequality in Highland. There are some gaps and lags in data. The limitations of the Scottish Index of Multiple Deprivation are especially clear for Highland, other than for service access.

Nonetheless, the DataKind UK findings – which we are publishing as one of three companion reports – point to many strengths in the data available. The challenges lie in sharing data within organisations and between sectors and mobilising the data to drive better solutions for people and place in poverty (and those at risk).

We have sampled data available from the [Local Government Benchmarking Framework](#) and [Public Health Scotland Child Poverty Prevention Dashboard](#) to offer an interim dashboard by which progress in Highland could be gauged over time. We welcome Highland Council publishing [benchmarking indicators](#) and NHS Highland Public Health Director's [latest annual](#) report with a focus on poverty underpinning health inequalities. We invite Community Planning Partnership data experts and other key stakeholders to collaborate to go further and focus in on a targeted set of measures to drive faster progress. We believe making this will improve accountability to communities and enable better funding decisions over time.

The dashboard shows the latest data we found mapped to the themes we are using for our calls to action. It uses a simple red, amber, green (RAG) rating to compare Highland with Scotland as a whole, and to show the trend in the last 3-5 years. Green shows the current position is better than Scotland or moving in the right direction. Amber shows the position is below Scotland

as a whole but within 5% or where the trend is broadly stable/flat. Red shows the position is more than 5% worse than Scotland or where the trend is in the wrong direction. The picture is highly uneven across the other themes we are using for our calls to action.

First, we would like to see partners in Highland develop further survey measures on the **culture of public services** – for example, levels of trust in public services using alternatives to SIMD like households eligible for free school meals, income bands and equalities to ensure the experiences of disabled people, racialised communities and care-experienced people are understood.

Financial security is at the heart of tackling poverty. The limitations of relying on headline indicators is especially clear on this theme. Child poverty in Highland is marginally below the Scottish rate, affecting just over one in five children. If we look at the binding child poverty targets set by Holyrood by the end of this decade, neither Highland nor Scotland are on track. Looking at trends without targets has limited value. Uptake of the Scottish Child Payment is high and rising relative to other benefits but is 4% lower than Scotland overall. Boosting payment of child maintenance agreements is a focused way to improve financial security in lone parent households, around 6000 of whom are in receipt of Universal Credit (almost one in three households in receipt of UC).

Measure	Latest data	Trend over last 3-5yrs	Relative to Scotland
FINANCIAL SECURITY			
Child poverty rate	■	■	0.9%
Scottish Child Payment take-up rate	■	●	4%
Child maintenance agreements in place not being paid	■	■	0.2%
Fuel poverty	▲	▲	23%
Scottish Welfare Fund expenditure	▲	▲	Higher underspend
ACCESS			
Superfast broadband coverage	▲	●	10%
HOUSING			
Families with children/pregnant women in temporary accommodation	●	●	80 ⁴⁹⁴⁰ Scotland
Average time for non-emergency repairs for council tenants	●	■	2-3 ^{days} shorter
Arrears as share of rent due for council tenants	●	■	2%
Share of rent due lost through council housing voids	●	■	0.8%
Council housing meeting Scottish Housing Quality Standard	▲	▲	24%
Council housing meeting energy efficiency standards	▲	■	11%
EARLY YEARS AND EDUCATION			
Proportion of eligible 2YOs in early learning & childcare	▲	▲	8%
Children in primary 1, 4, 7 achieving literacy standard	■	●	5%
Children in primary 1, 4, 7 achieving numeracy standard	▲	●	6%
Literacy gap for primary 1, 4, 7 by SIMD	■	●	3%
Numeracy gap for P1, 4, 7 by SIMD	▲	●	6%
Children from SIMD1 with 5+ awards at level 5	▲	▲	20%
Children from SIMD1 attainment tariff total	▲	▲	192 ^{points} lower
Looked-after children with more than 1 placement per year	▲	■	9%
School attendance for looked-after children	■	▲	4%
School exclusion rate for looked-after children	▲	■	Double
Child protection re-registrations within 18 months	■	■	4%
Participation rate for 16-19 year olds	●	●	2%
FAIR WORK			
Proportion of children in poverty in a working household	▲	▲	6%
People at least on the real living wage	●	■	1.4%
Median gross weekly pay	■	●	1.6%
Claimant rate for working age people	●	●	0.8%
Claimant rate for 16-24 year olds	●	■	1.1%
Unemployed people assisted into work by council programmes	■	●	3%
Share of Council procurement spent on local enterprises	●	●	22%

Highland's Citizens Advice Contract generates a powerful return on investment in terms of income maximisation and debt reduction. However, a sizeable underspend on crisis and care grants in the Scottish Welfare Fund does not seem to tally with other evidence of need identified by Citizens Advice and foodbanks. This suggests there is more to do to raise awareness and respond to deep poverty working with networks on the ground. A major concern is the exceptionally high rate of fuel poverty (and extreme fuel poverty) which is double the Scottish rate and the most acute area of divergence. It is trending steadily in the wrong direction. Driving investment to improve housing quality and energy efficiency standards gaps will see contribute to more households experiencing affordable warmth but we recognise the weight of energy prices as a major driver here.

On **Access**, superfast broadband access is being extended but too gradually. A significant gap remains with the rest of Scotland. On transport and public service access, we see a need for more and better data. We have not explored SIMD indicators in detail but address various ways to improve transport and mobile outreach services in our calls to action. Drawing on the Scotland's Rural Voice report (Diffley Partnership, 2025), we see that rural Scots – though not focused solely on Highland – emphasise that public services and infrastructure are struggling and need investment. Four in five (80%) agree that there has been a lack of investment in infrastructure, such as housing, roads and public transport in rural Scotland, while only one in seven (15%) agree that public services are meeting the needs of rural communities.

On **Housing**, the picture is again mixed. There is a severe shortage of social housing, with numbers mirroring the number of second homes and holiday lets. This leads to a large waiting list and long delays, although Highland has managed to cut the number of children in temporary accommodation and prevent the alarming rise in homeless families seen in other parts of Scotland. For the current council housing stock, positives include relatively better than average non-emergency repair times, rent arrears and voids. However, Highland council housing is lagging Scotland significantly on quality and energy efficiency standards.

For **Early Years and Education**, most indicators shown are red. These span the early years, primary age numeracy standards/gap and attainment at level 5 by SIMD (noting the limitations) and the number of placements and rate of school exclusions for looked-after children. These are high priority areas for Highland to improve and indeed we can see some of the latest trends are in the right direction, for example numeracy standards/gap. The same is true for primary age literacy standards/gap where Highland is improving and the gap with Scotland overall narrowing. The participation rate in education, training or work for 16-19 year-olds is both better than for Scotland and improving, although there are no grounds for complacency in light of clear evidence on national trends linked to growing mental distress experienced by young people.

For **Fair Work**, the picture is more positive. The unemployment claimant rate is lower than for Scotland overall and more people are paid the real living wage rate. A much higher rate of Council procurement going to local enterprises could underpin wider Community Wealth Building. Gross weekly pay is a bit below Scotland but has been trending upwards. However, our biggest concern is in-work poverty. More than seven in ten Highland children in poverty are in a family where at least one adult is working. While this is not distinct to Highland, the rate is higher than for Scotland and going in the wrong direction. We believe this is strongly related to working hours not just wage rates – the adequacy, security and predictability of working hours across the year.

Calls to Action

We have shaped our Calls to Action around three broad areas of People, Place and Prospects and two themes within each. Drawing on the insights we have gathered, we identify key areas where progress needs to be made in order to tackle poverty and inequality across Highland.

People

Transforming culture and ways of working

- Build shared leadership and accountability
- Deliver services around outcomes
- Create an evidence-led culture
- Put people at the centre
- Strengthen place-based collaboration
- Develop a culture of collective learning
- Sustain change through shared investment

Financial Security

- Coordinate efforts to raise awareness and take-up of financial support
- Take action to address – cost-of-living pressures

Place

Access

- Expand Highland Hubs
- Collaborate to improve public transport
- Boost Digital Access

Housing

- Increase the provision of affordable, accessible housing
- Accelerate home energy efficiency
- Enhance support to sustain tenancies

Prospects

Early Years and Education

- Grow high quality, place-based early learning and childcare (ELC)
- Tackle costs of the school day and take a whole family approach
- Reduce the poverty-related attainment gap
- Improve career guidance with quality and equity

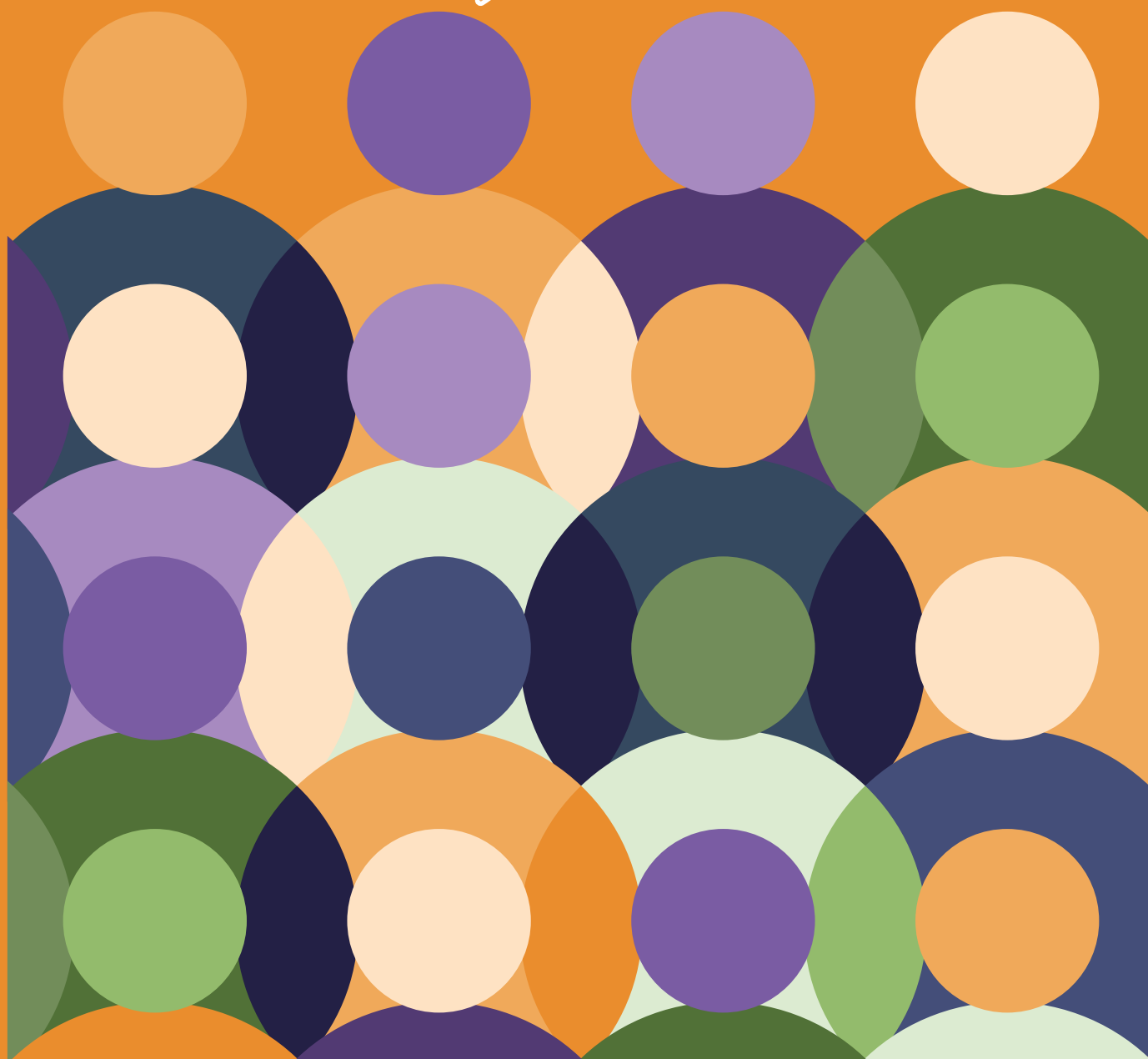
Fair Work

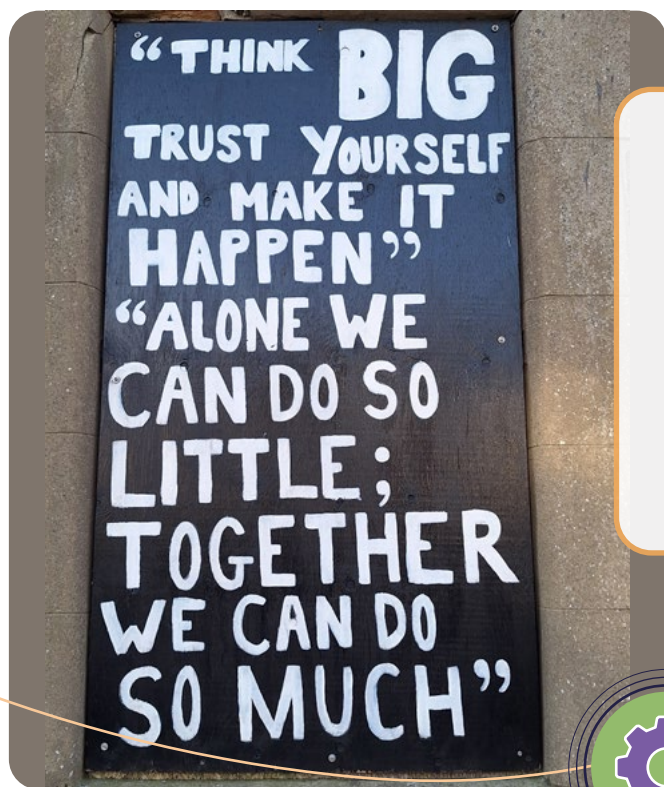
- Remove barriers and boost opportunities to secure fair work
- Build structured pathways into growth sectors
- Enhance security, reward and progression through fair work

People



People with lived experience should help shape and deliver services alongside trained professionals, ensuring support recipients receive holistic, person-centred support.





Create a dedicated outreach team that works across the Highlands to help volunteers and communities establish and run local hubs.



Transforming Culture and Ways of Working

Effectively addressing poverty in the Highlands requires more than individual initiatives or service improvements; it demands a fundamental transformation in how organisations work together, make decisions, share resources, and engage with communities. Poverty reduction and prevention must become a shared responsibility across all sectors, supported by a culture of collaboration, trust, and collective leadership.

The following calls to action form a connected framework for change, creating the conditions for prevention, early intervention, and long-term poverty reduction. Together, they aim to foster an environment in which people can live with dignity, security, and opportunity. Achieving this ambition will require courageous leadership, meaningful partnership, and sustained commitment from all sectors of society.

Build shared leadership and accountability:

Strong collaboration is the foundation of effective poverty reduction. The Community Planning Partnership (CPP) must recognise the third sector and community organisations as integral partners in leadership, planning, decision-making, and service delivery. Their close relationships with communities, ability to identify emerging need, and experience of delivering flexible, person-centred support make them essential contributors to achieving shared outcomes.

The CPP and its partners should commit to a shared vision of poverty prevention and reduction, clarify roles and responsibilities, and strengthen collective accountability for outcomes. This should include creating the conditions for third sector and community organisations to participate as equal partners in shaping priorities, influencing decisions, and evaluating impact. Throughout the Commission's work, including evidence from Experience Panel members, we have heard the need for better coordination, communication, and collaboration among partners.



Transparency must be at the centre of data sharing, ensuring individuals understand what data is being shared, with whom, and for what purpose. This supports informed consent and protects against inappropriate use of personal information.

Progress should be measured through robust and transparent systems that focus on current outcomes rather than assuming that historic activities, plans and strategies should be enough to generate impact. By monitoring indicators such as access to employment, healthcare, education, financial security, and wellbeing for low-income households, partners can better understand the impact of their collective efforts and respond more effectively to emerging challenges.

Regular reflection and appraisal should be at the heart of the collaboration culture, incorporating feedback from people with direct experience and creating opportunities to learn, adapt, and improve. By embedding transparency and continuous learning, partners can build trust and sustain momentum for change.

Deliver services around outcomes

Tackling poverty requires a move away from measuring services by outputs and towards measuring success through the outcomes people experience. Commissioning, funding, and service co-design should be centred on improving stability, wellbeing, opportunity, resilience, and take-up of essential support.

As key members of the CPP, third sector and community organisations bring expertise, trust, innovation, and local knowledge critical to achieving these outcomes. Funding and commissioning arrangements should therefore support genuine collaborative working, recognising the sector's strategic contribution as well as its delivery role.

Flexible, multi-year funding for third sector and community organisations will strengthen collaboration with the public sector and drive long-term planning. This helps to create the confidence and capacity required to develop preventative approaches, respond to changing needs, and deliver sustainable impact. Shared investment and risk management approaches will further align resources behind shared goals and maximise collective impact.

Create an evidence-led culture

Effective action depends on a shared understanding of needs and goals. Partners should, together, develop reliable approaches to evidence gathering, data sharing and analysis reflecting the realities of poverty across Highland.

The research undertaken for the Commission by DataKind UK identifies limitations in existing data sources, particularly in rural areas. Measures such as the Scottish Index of Multiple Deprivation do not accurately identify disadvantaged households in dispersed communities, nor adequately capture the experiences of people facing in-work poverty. Addressing these gaps must be a priority if resources are to be directed effectively. Before investing in new systems or tools, partners should agree a clear set of priority use cases and intended outcomes. Without a shared purpose, investment risks being driven by broad ambitions that cannot be evaluated properly.

Alongside this, building greater data literacy across organisations will help ensure that evidence is understood, trusted, and used consistently in decision-making. A stronger evidence base will enable more targeted solutions, improve accountability, and support continuous learning about what works for whom, embedding equality duties.

Put people at the centre

People with lived experience of poverty must be involved as partners in shaping support, services and solutions. Their insights should inform decisions from the outset through meaningful co-production and ongoing engagement. Co-production is not simply consultation. It is a commitment to sharing power and ensuring that those directly affected by poverty influence the design, delivery, and evaluation of services. Participatory decision-making approaches, like those facilitated by Involve and Youth Highland, will help shape support to address people's needs and goals.

A consistent message from Experience Panel members and young people has been the desire to be heard, understood, and treated with dignity. Embedding lived experience within governance, planning, and service design processes will help create more effective, accessible, and responsive support systems while strengthening trust between communities and institutions.

Strengthen place-based collaboration

The diversity of Highland communities requires approaches that are rooted in place and shaped by local circumstances. Building stronger connections between public bodies, third-sector organisations, community groups, and local residents will support the sharing of knowledge, innovation, and effective practice.

Community organisations often act as trusted anchors within local areas, identifying emerging issues and responding quickly to needs. Their contribution should be recognised as a core part of the local partnership landscape and an essential element of prevention and early intervention.



Stronger communication and coordination between Council teams and partner organisations are needed, as engagement and referrals from social workers, NHS staff and other professionals do not consistently lead to effective action.

New models of collaboration would provide opportunities to test different approaches, demonstrate impact, and generate learning that can be adapted by other places. Areas such as housing and social work support, school/third sector partnering, adult and children's social care, whole family support, and community asset ownership offer real scope to increase collective impact.

Successful models already exist across the Highlands. For example, Skye and Lochalsh Council for Voluntary Organisations, Easter Ross Health Group, and Flip of the Coin demonstrate the potential of locally-led partnerships to deliver innovative and effective solutions. We identify many more of these bright spots in this report. These examples should inspire further development across the region.

Develop a culture of collective learning

Transforming outcomes requires a culture that encourages shared learning, mutual support and a commitment to transparency in what's working, what's not and why. Investment in collective learning and development is needed to underpin this, building know-how on shifting the wider system and confidence to work across organisational boundaries. This will strengthen relationships and reduce duplication of effort.

A commitment to shared principles and values, combined with local flexibility, will enable partners to respond well to emerging challenges while maintaining a consistent focus on reducing poverty and inequality. Continuous learning should be viewed not as an additional task but as a core element of effective collaboration.

Sustain change through shared investment

Long-term poverty reduction requires funding and investment models that reflect the shared responsibility of partners and the interconnected nature of the challenges we face. An increase in pooled funding and shared decision-making will help align resources, reduce fragmentation, support more ambitious prevention initiatives and foster shared accountability. This is more likely to attract additional sources of funding (e.g. from grant-makers) and create the stability required for long-term transformation.

In summary

Drawing on the Commission's case studies, the findings of the Experience Panel, and wider evidence on fair funding, we believe this culture and ways of working framework provides the foundation for transforming how organisations and sectors should collaborate to reduce and prevent poverty and inequality in the Highlands.

Ultimately, the journey is not just about writing plans, forming strategies or developing services. It demands a deeper cultural shift. We will know this is happening through the shifts in funding, presence of previously unheard voices, power-sharing, data-sharing and dignity experienced by every individual. Our thematic Calls to Action that follow stand or fall on the strength of collective commitment to these principles. In essence, our call is for leadership qualities at all levels to ensure an equitable, resilient, and inclusive future for the Highlands where everyone can thrive free of poverty.



Keep accurate records of support provided to ensure better coordination and prevent people from having to retell their story multiple times.

Financial Security

Improving financial security in Highlands is central to reducing poverty, due to the higher costs associated with rural living, heating, transport and limited access to services. Long-term investment is needed in advice and support to raise incomes through fair work and social security uptake, to reduce debt and ease essential living costs.

Coordinate efforts to raise awareness and take-up of financial support

A root cause of financial insecurity is the design of Universal Credit (UC). The system has the advantage of enabling people to increase hours and wages while benefits income tapers off, but we have found employers and people claiming UC unsure who is better off in work – not surprising when a five-week wait for the first UC payment tips people into poverty or into arrears from the start by taking an advance payment. It is a significant reason for the growth in food bank use. Our calls to action focus on Highland decision-makers, but UK reform is required to fix the flaws in UC. We have heard how Job Centre staff flex services to people claiming UC based on geography, including via mobile outreach and phone appointments where in-person attendance is difficult.

But we have also heard the call from Experience Panel members for clearer guidance when moving into work, to explain income gaps, debt, first wage timing and how work affects Universal Credit. People need to understand what will happen financially before and during the transition into work.

We encourage closer coordination and increased use of DWP's Flexible Support Fund and the Scottish Job Start Payment to reduce transition into work costs (e.g. travel, special clothing, equipment). We want to see existing UC flexibilities called Scottish Choices – offering more frequent payments and rent paid direct to housing providers – promoted and take-up levels boosted. There is a striking lack of awareness about these simple ways to reduce risks and we call on DWP and the Scottish Government to improve transparency and communication.

Our other calls to action will help to ease some of the cost, time and stress experienced in seeking support, especially by low-income households, including Highland Hubs, bringing mobile services to rural areas and expanding wraparound childcare and holiday provision. Key design principles are to embed money advice and family support in the places people go and trust,

23,000+ people

Were served by Highland's Council's Citizens Advice partnership in 2024-25

e.g. GP surgeries, nurseries and schools, and to target support around during key life transitions. We saw this model in action in various places including Inverness Foodstuffs in their two lunch clubs. Services from the Council, NHS and CAB are available in one place, removing friction for people who often face deep poverty.

It is ironic that the 'Tell Us Once' service offers integrated support across multiple services at the point of bereavement, but our systems struggle to achieve this in everyday life. Building on discovery work for the Commission by DataKind UK, we are asking partners in Highland to explore further steps towards automating social security payments where there is gateway eligibility through a qualifying benefit. Given financial support comes from the Highland Council, Social Security Scotland and DWP, we need to break new ground in data-sharing between these levels of government with citizen consent. The views of Experience Panel members on the scope and limits for further data-sharing are set out in the companion report from Involve.

Highland Council's Welfare Support team and Citizens Advice partnership served over 23,000 people in 2024-25. This led to £27.7M of financial gains mostly through benefit payments that had not been claimed or received, and £12.1M in debt management. Few other areas of funding generate a return on investment of 17 times. It is therefore a high priority for further funding. It is both a powerful example of collaboration and a sobering reminder of how far we have to go to ensure social security provides a secure platform for all who are eligible. We heard first-hand from Skye and Lochalsh CAB and Caithness CAB about how their services are flexed to meet the needs of people living in remote areas with limited digital and transport access. For example, home visiting brings support to people in small towns and villages distant from Thurso and Wick.

When it comes to managing money, there are major inequalities. Young people involved with Youth Highland's

consultation for the Commission spoke of exclusion from social activities, divisions between peers and reduced confidence and wellbeing. They spoke of feeling "scared of money." They want to see more activities with reduced cost or free in more locations, and to be involved in designing types of financial support and to access information they can trust. Financial education matters but we need to act with care when it comes to adding to the school curriculum. We are not convinced that a small dose of financial education in primary school has lasting benefits, but we do want to see hands-on learning opportunities in secondary school and in community-based learning, co-designed with young people and families. We recognise how online gambling and credit at extortionate interest rates are often targeted on low-income households.

We encourage the Council to consult with low-income households on its communication and scheduling of payments such as Council Tax. For example, if families could choose to switch the two-month Council tax payment holiday in December and January, they may be better able to manage higher winter costs.

Take action to address cost-of-living pressures

The most acute area of divergence between Highland and Scotland as a whole is fuel poverty. This affects almost half of the region's households while one in three are living in extreme fuel poverty. Citizens Advice Scotland reported the average energy debt brought to CABs was £2,300 ahead of last winter and almost one in three people seen by a CAB for energy support needed a fuel voucher. The rise in energy prices, felt most by those who do not have gas heating, is the major driver of the recent surge. Significant investment to

Explore alternative energy pricing models to ensure communities generating renewable energy can benefit from lower energy costs.

Make information on emergency financial support clearer and easier to access by clearly explaining what support is available, who is eligible, and how to apply.

generate electricity from renewables needs to translate into savings for households and businesses through a combination of delinking electricity from gas prices and investment in grid infrastructure to create local supply linkages and reduce transmission costs. Urgent, coordinated action is needed before the autumn and winter arrive at UK, Scottish and regional level.

We welcome the new Fuel Poverty Working Group established by the Highland Council and think it needs to be a long-term endeavour given the scale of the challenge. We call for a focus on localised fuel support schemes and engagement with energy companies to adapt their communications and approach to fuel debt for households in financial hardship. In addition, Experience Panel members call on Highland Council and energy suppliers to collaborate to provide Easy Access information about tariffs, including the difference between gas and off-gas tariffs. This would help to ease confusion and stress, by increasing understanding about current tariffs, other options available and where to go for advice before arrears spiral.

Other cost pressures can be eased for families with children through local and regional action. Even families otherwise coping find holiday periods financially stressful. Increased childcare costs along with disruption to work patterns can lead to increased costs and reduced incomes. School premises and grounds should be made available for use by community groups throughout the year. Similarly, a further expansion of wrap-around childcare via breakfast clubs and after-school care would reduce costs. We welcome the Council's payments to families in receipt of free school meals during holiday periods and invite partners to look at additional cash-first approaches, as piloted successfully by a growing number of foodbanks to reduce the repeat need for emergency food. Experience Panel members voiced support for increased access to essential household items and furniture, such as cookers, fridge freezers and washing machines, either through a new or existing schemes.

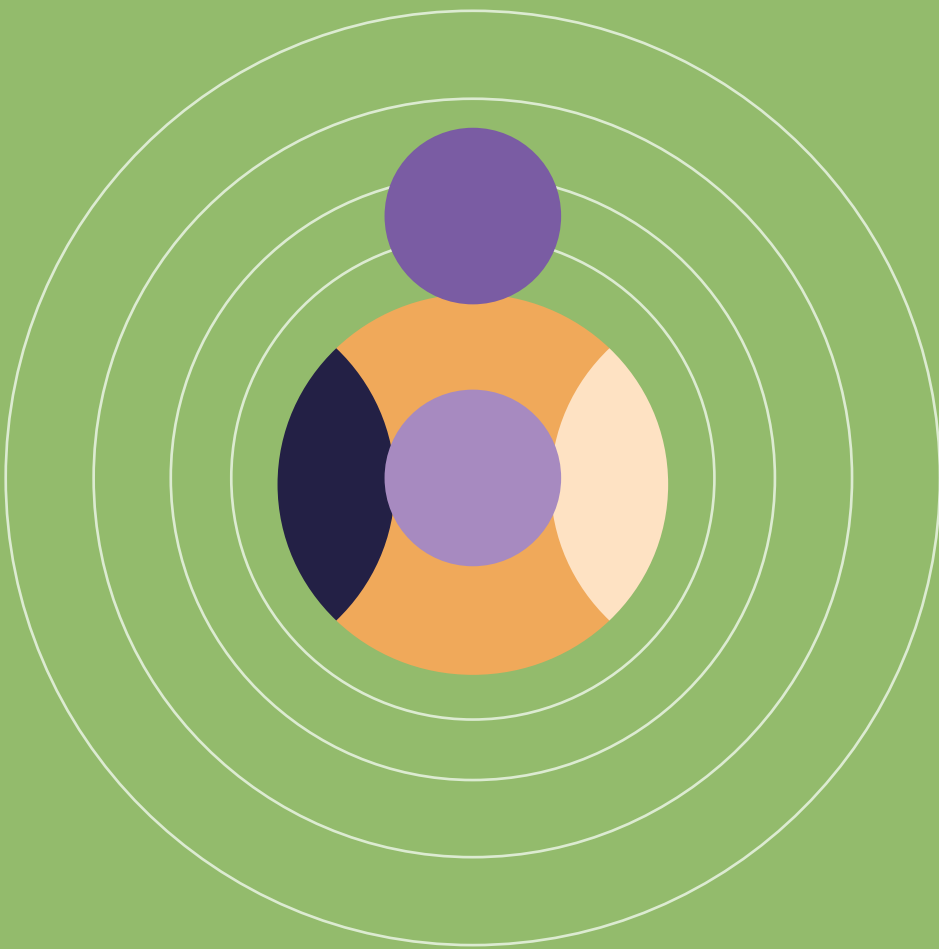
Finally, we see potential in communities organising together to reduce costs. Challenges associated with living in rural and remote areas are often exacerbated by low density and higher costs of service provision. Cooperative models are one way to respond. For example, many areas depend on bottled gas for heating and cooking. Arranging delivery of individual orders is expensive. A fuel co-operative may be able to negotiate access a larger, cheaper delivery to a local storage area. This could reduce costs to individual users. Transport co-operatives may find it easier to fund community transport or shared car leasing. We encourage HIE, Highland TSI and the Council to explore the advice and capacity-building support needed to set up co-operatives and maintain a register of such community assets.



Bright Spots

- **ALLenergy**
- **Am Fasgadh**
- **Skye and Lochalsh CAB**
- **Caithness CAB**
- **Connecting Carers**
- **Inverness Foodstuffs**
- **Living Hope, Skye and Lochalsh**
- **New Start Highland**

Place





Ensure communities are well connected, with easy access between homes, workplaces and local amenities.



Housing

Addressing housing need is fundamental to tackling poverty and inequality. We recognise the pressures of limited supply, rising costs and distinct challenges for rural and remote communities. A shortage of affordable homes for rent has increased insecurity and displaced residents due to second homes and short-term lets. A further 800 children in the region are pulled into poverty solely due to housing costs. Young people consulted by Youth Highland identified housing as an urgent concern. They expressed anxiety about ever being able to secure a home in Highland, holding back their transition to adulthood. Many believe they will have to leave due to housing pressures.

The condition of housing is a critical issue: a significant number of homes are affected by poor energy efficiency, dampness and high heating costs, leading to a shocking rate of fuel poverty. This impacts on health, wellbeing and children's development. Ensuring access to warm, affordable housing is key to reducing poverty-related inequalities.

Improved tenancy sustainment flows from upstream financial advice and wraparound support to help tenants stay in their homes and prevent eviction or homelessness. By investing more in good quality housing supply, improving current stock standards and strengthening support to enable people to live well in their tenancies, underpinned by focused long-term collaboration, we will create the conditions for lower poverty and inequality.

Increase the provision of affordable, accessible housing:

We welcome commitments in place via the Highland Housing Challenge Partnership Action Plan, but there is a pressing need to go further and faster – not only to build more homes but to ensure delivery of integrated services and build “strong community environments” in the words of the young people consulted by Youth Highland. We have seen how good housing needs to be close to public transport, childcare, schools and primary care. Young people focused on the link with jobs, by expanding opportunities to earn enough to afford a home of their own. Place-making like this demands a new level of ambition on investment and collaboration.

Housing planners, providers, community housing/development trusts and third sector partners should explore cost and risk pooling models to cut development costs in rural and remote areas, including compulsory land purchase where needed to reverse depopulation. They should collaborate to create key worker tenancies to enable jobs offers to be taken up. We welcome the housing commitments made through the Highland Social Value Charter, while recognising there is currently no mechanism to give certainty that pledges made will be achieved in full. On a 'spend to save' basis, bringing empty homes back into use will contribute to reduced need for temporary accommodation. We recommend a resource assessment is made in the next year to ensure significant progress is achieved.

Beyond the current baseline, Council Tax revenues from second homes should be skewed further towards improving social housing. Participatory planning and use of community benefit clauses to strengthen local construction would give people confidence to move faster.

The Housing Revenue Account (HRA) model is unduly restrictive for councils and burdensome for tenants. We do not expect the cost of schools or roads to fall only on direct service users yet this narrow approach is applied to social housing. We need the Scottish Government to deliver greater flexibility in housing finance, putting less reliance on the HRA. This would enable new build costs to

Ensure social housing rents remain affordable for people in work, so employment is not undermined by housing costs.

Future-proof energy installations to ensure solar panels, air source heat pumps and other technologies are well planned, properly maintained and provide long-term benefits to residents.

be met partly from general capital expenditure and housing improvements to be accelerated while maintaining affordable rents. To ease affordability pressures and offer predictability for working tenants, we think it is right to start moving towards social rents pegged to a combined measure of inflation (CPI) and local wages although we recognise a transition period will be needed.

We have heard concerns from social housing providers about the cumulative impact of Net Zero and Energy Efficiency requirements on their ability to supply the number of homes they have committed to. Some Highland developments have delivered one-third fewer homes than planned due to regulations (e.g. EV charging points and sprinklers in new social homes) increasing costs which are not being met fully by the Affordable Housing Supply Programme. A new housing finance deal with the Scottish Government is needed to get social housing supply back on track alongside a long-term uplift in both public and private housing investment.

Highland will need maximum flexibility to deliver a range of affordable housing types and sizes and to meet accessibility duties. This should include new approaches to high quality modular housing learning from the quality standards achieved despite harsh climate conditions in the Nordic countries, to ease housing shortages especially in areas of high/seasonal demand. We believe significant

Prioritise improving connections between homes, workplaces and amenities in rural areas, where support and services are often most limited.



gains in construction time and modest cost reductions can be achieved. Greater collaboration between housing providers is needed on active sourcing, construction innovation and capacity in the region. The adaptive reuse of vacant/under-used buildings and land, including public sector assets, empty shops and offices, should also play a bigger role.

Accelerate home energy efficiency

The data dashboard shows Highland Council housing lagging behind Scotland overall on stock quality and energy standards. Combined with energy wholesale and distribution costs, fuel poverty levels have increased significantly. Turning the tide will involve: joining forces at national and regional levels to integrate funding streams to drive strategic home improvement projects at scale and with greater pace; Highland Council and housing partners undertaking joint procurement to control costs and accelerate home improvements; and taking a holistic approach of repair first, fabric second, heat systems third to improve insulation. Ongoing advice and maintenance are needed to realise the full benefits. We want to see stronger accountability for progress towards halving the number of households lacking affordable warmth across all housing tenures.

Enhance support to sustain tenancies

The case for early, integrated support for tenants is clear. We have heard from the Council's Housing team in Alness and from Albyn Housing of the human and economic benefits from proactive support, not least for those starting a new unfurnished tenancy. Getting this right will reduce the major risk of being set up to fail especially after a homeless application. It is an investment in prevention. The Caithness model of combining housing, health and

social care support on a targeted basis is a bright spot – but its status still as a pilot, years after being established, tells us of a systemic need to adapt and apply successful working principles across the region.

Early signs of payment difficulty should be seen as 'amber flags' of strain by all housing providers. These should trigger rapid engagement to ensure tenants can access the full range of eligible financial support and advice. Further improvements in communication approaches should be informed by tenant feedback. Our collaboration principle applies here too: the Highland Housing Register model of shared working should be extended to tenancy support, workforce development, a common approach to customer engagement, greater consistency in how services are experienced across organisations. We call on housing providers to jointly fund a consortium to identify trusted partners who can provide specialist support rather than assuming this is best delivered in-house e.g. for care-leavers, people in recovery, those fleeing domestic abuse and people returning from prison.



Bright Spots

- Caithness Housing-Social Work pilot
- East Ross Housing team (Alness Office)
- Discussion with Albyn Housing

Ensure strong cooperation and communication between organisations. Bringing services together in one place can be highly effective, and hubs should build on existing examples of good practice.



Access

Additional pressures associated with rural living include higher transport costs, limited choices which constrain access to public services, and digital connectivity which continues to lag. Young people taking part in Youth Highland's consultation said limited, unreliable and unsafe bus services create barriers to participation. This leads to isolation, a lack of belonging, restricted access to opportunities and rural/urban inequalities as well as greater impact on equality groups. Addressing these Access issues will play a key role in reducing barriers, and connecting people with high-quality opportunities, particularly for people on low incomes in rural areas.

Expand Highland Hubs

Our focus on improving ways of working is rooted in delivering better integrated support and services. We want to reduce the pillar-to-post friction experienced by too many people by embedding a 'no wrong door' approach by default. We have seen how Hubs in different communities can offer more of the support people need under one roof. This may be a community-owned facility, as run by Pulteneytown People's Project

in Wick and Lochaber Hope (New Connections) in Fort William or led by the Council or NHS with other public and third sector partners taking space in the same building, as we visited in Portree. We are encouraged by Highland Investment Programme plans to develop Points of Delivery and a Future Operating Model for the Council. We agree with Experience Panel members who want to see better communication and coordination between service providers to maximise same-day appointments.

While there may be tangible savings to the public purse from shared Hubs, we need to guard against these being a force for centralisation. We want to see Hubs of many types and sizes serving Highland's diverse geography, expressing our core principles of co-design and collaboration. A related design principle is to reflect Highland's diverse population including young carers and people with learning disabilities. Young people involved in Youth Highland's consultation emphasised the need to invest in community infrastructure including safe spaces for youth-led activities. It is about who and how well we offer support, as well as where.

Experience Panel members stressed the need to make service information truly accessible, not assuming that online information is the only or best form of access. People want to feel confident that the information they access can be trusted and is accurate. Information sharing standards would see libraries (physical and mobile), GP surgeries, High Life Highland centres, community centres, Housing and other Council offices take a coordinated approach. Removing stigma and upholding confidentiality are key principles. Bringing money advice into everyday spaces – e.g. money advisers and specialist link workers based in GP surgeries, libraries and schools – is a proven approach that should be embedded fully.

Like Experience Panel members, we are encouraged by the scope to create mobile as well as physical Hubs. The Council's move to retrofit a bus to create a moving Hub bringing more services to people is a promising start. Following evaluation of the first phase of this work, we call on the Council and its partners to expand the reach of mobile services with a larger fleet of vehicles offering greater resilience especially for remote areas.

Success for Highland Hubs will show up in truly accessible support delivered by confident, capable staff and volunteers, experienced with dignity, ensuring people feel respected without having to share their story multiple times over.

Across housing, transport, social security and more broadly, Community Planning Partners are duty-bearers with responsibility to meet needs by upholding social and economic rights and enabling people to achieve goals. We see Hubs as one way to improve outcomes for people and places facing poverty and inequality.

Services should coordinate appointments to make hubs more convenient, reducing the need for people to travel back and forth on different days.



Take a realistic, place-based approach to service provision, recognising existing assets, local challenges, and the needs of people working early, late or weekend shifts.



Care Lochaber car share

Collaborate to improve public transport

Highland Council operates its own bus service in Caithness, Dingwall, Beauly, Nairn and Easter Ross as well as Inverness. While there is still a need to improve urban connectivity and reliability – e.g. to align with travel to work and study – the main access challenges lie in remote and rural areas. Young people consulted would prioritise improvements to public transport reliability, safety, and coverage. Here, we call on the Council and Highland TSI to coordinate an expansion of Community Transport, spanning Car Clubs and demand-responsive services like dial-a-bus alongside mini-buses. Car Clubs, as in East Sutherland, can enable retained drivers paid at the living wage to increase access to Hubs and to work, study and after-school activities. The dial-a-bus service could boost utilisation of school buses between pick-ups and during evenings, weekends and holidays. Linking with NHS Highland, take-up of appointments from remote areas can also be expanded by maximising the use of vehicles and sharing costs as happens currently in Tongue.

Building on Scotland's new Tackling Child Poverty Delivery Plan, this call to action should link employers and Job Centre Plus in response to shift patterns. We have heard examples from other areas of employers sponsoring vehicles and covering costs to ensure staff can get safely to/from early and late shifts. We see strong potential for cost-sharing.

Even with these improvements, there is more to do. Concessionary cards should be accepted on Community Transport. This will need a Section 22 permit, giving access to national funding by default and more resilient cost-sharing the costs. We welcome commitments to roll-out the £2 bus fare cap but caution that the benefits need to target residents rather than being open to all visitors. Gaps in connectivity with scheduled public transport need to be filled e.g. a regular bus service linking Portmahomack to Tain for early morning and evening ScotRail services would widen access to job opportunities. Driver training and vehicle repairs and maintenance could be pooled by Community Transport providers having access to Council workshops.

As noted for Hubs, better access to transport information in community venues is essential if disabled people, residents of remote areas and those with limited digital access are to benefit from these improvements. Updated timetables should be readily available from bus stations and interchanges, with live service information displayed. Physical access to public transport should be improved through a mix of better vehicle/kerb design, use of ramps and driver assistance to disabled passengers and families with prams, backed by consistent staff training.



Boost Digital Access

Digital access is one of the essential elements to reduce poverty and inequality across Highland. This has improved but continues to lag in parts of the region. Progress forged during the pandemic shows what can be done, but we recognise that momentum has slowed, leadership has weakened and funding declined since then. Our Calls to Action involve faster connectivity, reduced household costs and increased support to boost skills and confidence.

National action is necessary to accelerate completion of the R100 programme, bringing high speed digital access to all of the Highlands. Planning consent should prioritise upgrades to the 5G cellular network. Council and High Life Highland Hubs and other community-based facilities are well-placed to expand access to secure wifi, IT and printing services, and to host wraparound digital inclusion support. Local and national organisations offering this kind of support include Mhor Collective, Red Chair Highland and Ability Net. We have heard of the inter-generational digital support offered by Lairg & District Learning Centre and in Fortrose and Ullapool schools via Getting to know your Techno.

This kind of infrastructure is often upheld by volunteers. We must will the means as well as the ends to achieve equity in digital inclusion. We see real potential in closer collaboration between digital service providers and community groups targeted towards areas with lower access. Availability of support does not lead to uptake by itself. We have heard consistently about the value many people place on posters, flyers and newsletters.

These remain a trusted way to find out about the opportunities available locally. To strengthen user confidence, inclusive communication, Easy Read and BSL tools need to be embedded in all public service websites. We are encouraged by the Council's improved website accessibility rating and mobile accessibility, with viewers now able to translate the site and read it out aloud.

We see these as anti-poverty actions because people facing digital access barriers often have lower incomes, higher costs and fewer choices.

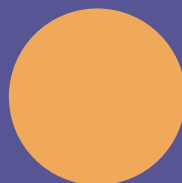
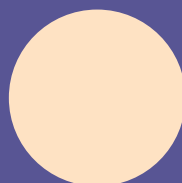
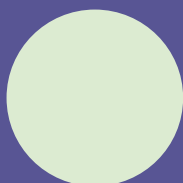
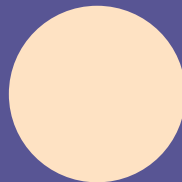


Bright Spots

- Broadford and Strath Community Company
- Care Lochaber
- Go Golspie
- Kinlochleven Community Trust
- Kyleakin Connections
- Lairg and District Learning Centre
- Lochaber Hope
- Pulteneytown People's Project
- Skye and Lochalsh CVO
- Voluntary Action Lochaber

Prospects

Community-led groups need sustainable, long-term funding rather than short-term project support. Family learning is most effective when it is rooted in communities, with trusted spaces where people feel a sense of belonging and are encouraged to participate.





Invest in local community spaces where family learning, children's activities and informal support can happen.



Early Years and Education

Tackling poverty and inequality means preventing risks and hardships from occurring, as well as reducing them now. For some families of pre-school children, this begins with the essential work of the Home Start network in Caithness and other areas, rooted in volunteer and peer support. By boosting the prospects of children, young people and families from the earliest stages of life, Highland will more effectively grasp the challenges we have seen and heard about. Drawing on all we have seen, heard and thought about together, we make four Calls to Action:

Grow high quality, place-based early learning and childcare (ELC)

High quality, place-based Early Learning and Childcare (ELC) needs to be expanded in order to meet the needs of children, families and communities. Planned with care and flexibility, this will increase opportunities for parents to take up training and employment and to increase their hours and earnings at the right stage. We see strong potential through community engagement in NW Sutherland and pilot programmes like the Work and Play Club developed by Urram and the Ardnamurchan Childcare Action Group supported by CALA. To go further, the Care Inspectorate and Scottish Government should make common cause with Highland Council and ELC providers in the third and independent sectors to enable more flexible and proportionate routes to increase the supply of childminders and multi-skilled care practitioners in response to distinct geographic needs. We see this as the surest route to prevent the unintended consequence of statutory requirements holding back the support services needed by families in rural and remote areas.



"I tell every pupil on the day they leave for High School that they can be anything they want to be."

Jim McCormick, co-chair visiting Dalneigh Primary School in Inverness with Rhona MacCormick, Headteacher.

Increase childcare provision, particularly in rural areas, so families can access the free childcare hours they are entitled to.



Tackle costs of the school day and take a whole family approach

We want to see all Highland schools engage with the Child Poverty Action Group's (CPAG) toolkit and training, to develop policy and practices detailing their approach to reduce or eliminate the cost of the school day. We heard at Dalneigh Primary School in Inverness how effectively this can be done, along with partners like Inverness Caley Community Trust, who run breakfast clubs, community programmes and sport sessions. To enable this, Highland Council should include measurable actions within the Education and Learning Improvement Plan, with support for all head teachers to share and scale-up effective approaches in their community.

We see this as linked, rather than separate, to how schools are well-placed to build on the foundations of Whole Family working to provide holistic and relational support to families within community settings, free from stigma. All families in Highland should have access to meaningful family support to tackle financial hardship. Highland is well placed to support community-based initiatives around growing and cooking, energy advice and household finances offered by anchor organisations. We call for a test and learn approach in 2026-27 starting in three areas of disadvantage (remote, rural and urban) with the intention to adapt what works for people in different places. To enable this, school buildings and kitchens should be opened throughout the year – not restricted to term-time. The Parental Involvement and Engagement strategy should be revised to drive collaboration between the adult learning team and local community organisations in response to diverse family

needs and goals. Modest funding will reap substantial gains but it must be long-term and flexible in order to build trust and sustain local capacity.

We see considerable potential for High Life Highland and NHS Highland to partner with local community organisations to offer accessible, family-focused support. We see lasting potential to develop Hubs – both community-owned and public service assets – offering integrated, poverty-proofed support including childcare, youth work, adult learning and money advice under one roof. We believe this way of working can drive core cost savings, co-ordinated input and genuine collaboration rooted in respect. Such models can be adapted to work in smaller communities, not only urban areas – as long as local third sector organisations which provide vital services to children, young people, and families have the security of multi-year, flexible resourcing. We see powerful community cohesion, public health and economic benefits arising.

Reducing the poverty-related attainment gap

On various educational indicators, Highland has been lagging behind the Scottish average while at the same time making progress in literacy and numeracy. We want to see all children and young people thrive in education through the best pathways and settings.

Youth Highland consulted over 200 young people across the region, 29 of whom co-developed calls to action on the same themes as the Commission. Attitudes toward education were mixed but often critical.

Strengthen life skills education in schools to give young people the knowledge and confidence to manage everyday life and reduce the risk of future poverty.



Positive experiences were linked to supportive teachers, personal encouragement and clear pathways. However, many reported a lack of safety (citing examples of bullying, racism and misogyny); a lack of support for mental health and individual needs; rigid systems that do not reflect real-life skills; and a sense of exclusion from decisions about their own learning.

Our central focus is on the poverty-related attainment gap reducing at a faster pace, in line with or better than the virtual comparator on all measures. How we go about achieving this needs to reflect the cultural challenge in young people's calls to:

- Redesign the education system with young people as partners
- Strengthen responses to bullying and abuse of power
- Provide mental health and wellbeing support
- Deliver personalised learning and diverse teaching styles
- Ensure schools teach life skills, not just exams

Experience Panel members also focused on creating stronger bridges between schools and youth work partners which provide important opportunities and experiences for young people.

Our central focus is on the poverty-related attainment gap reducing at a faster pace, in line with or better than the virtual comparator on all measures. To enable this, and in keeping with the aims set out above, we call on Highland Council to establish short term (by June 2027) and medium term (by June 2029) progress outcomes, measures, and actions within its Education and Learning Improvement Plan, with firm commitments to:

- Ensure all ELC settings and primary schools embed Emerging Literacy and Emerging Mathematics through a programme of professional learning and development.
- Extend the Highland Literacy progression to Third and Fourth Level of Broad General Education, with professional learning on literacy across learning in S1-S3 for all secondary teachers.
- Establish a coherent curriculum pathway for all schools to effectively teach literacy and numeracy in Highland, based on research of what works, and supported through resources and both universal and targeted professional learning.
- Embed a policy to learning and teaching rooted in research-informed principles of high-quality learning and teaching in all Highland schools, supporting schools through professional learning in direct instruction and co-operative learning, and quality assured through robust consistent approaches.
- Review Additional Support for Learning provision in all Highland schools to prioritise the reduction of the poverty-related attainment gap, agreeing on and resourcing the research-informed approaches to improve literacy, numeracy and health & wellbeing for children and young people.
- Revise the senior phase in all Highland secondary schools to deliver curriculum pathways which meet the needs of all young people. Each school should be equipped to deliver a curriculum which maximises SCQF level accreditation for all young people, meeting their community's needs through progress into further education, higher education, and employment. To enable this, partnership with further and higher education, employers, and organisations which provide curriculum access through digital platforms will be essential.

Consider the individual needs of children within learning environments by moving away from one-size-fits-all approaches and creating more flexible settings. This could include quiet spaces, active learning areas, and tailored support for neurodivergent children. Children should be appropriately involved in discussions about their needs, support and any diagnoses.



Improve career guidance with quality and equity

Related to the previous call to action, every young person in Highland should receive high quality career guidance advances opportunities for growth and progression. Experiences should be rooted in equity, tackling gender segmentation and outdated assumptions which hold back too many young people from low-income backgrounds, including those who are care-experienced or disabled. My Future Highland, the long-term programme to improve employment and skills, should be underpinned by a charter and evaluation plan co-designed with young people and employers, reshaping the support available through broad general education and senior phases, and into sustained positive destinations.



Bright Spots

- **Adult Learning Coordinator, Brora**
- **Calman Trust, Inverness**
- **Dalneigh Primary School, Inverness**
- **Home-Start Caithness**
- **Lairg and District Learning Centre**
- **Lochalsh Youth Community Trust**
- **The Place Youth Club, Alness**
- **Tykes Young Carers, Golspie**
- **Youth Highland**



Visit to New Start Highland



Make work financially worthwhile by addressing the combined impact of low pay, insecure hours, transport, childcare, housing and energy costs, alongside benefit reductions.



Fair Work

Key challenges in Highland are centred around opportunities to access fair work which is secure, rewarding and improves prospects. Fair work is particularly important to the region where geographic isolation, higher living costs and a reliance on seasonal and economically fragile sectors exacerbate inequalities and lead to higher rates of in-work poverty than in Scotland overall. It is clear from young people’s involvement that the main issue is not motivation to work and gain skills but a lack of accessible opportunities locally including limited apprenticeships and entry-level jobs. They identify ‘opportunity inequality’ behind a disconnect between education and work.

Embedding fair work practices will ensure that jobs contribute more to economic resilience and financial security across Highland. For rural communities, fair work also supports workforce stability and cuts the risk of depopulation by enabling people to live and work sustainably in the area.

Remove barriers and boost opportunities to secure fair work

Transport and childcare have been consistently to the fore in on our visits and sounding board conversations on fair work. We believe that a sustained commitment to co-designing more effective solutions will move us forward. This will involve participation by parents and carers, especially in rural communities, frontline staff, employers and third sector organisations with a focus on combined transport and childcare interventions to increase access to jobs and training – for example, employer-backed transport and car-sharing taking shift patterns into account, fuller use of existing vehicles, mobile childcare models serving remote communities, shared childcare/co-working facilities and flexible childcare aligned with training offers and employer recruitment (including holiday cover).

If the third sector is relied on to provide employment support, funding needs to be longer term. Short-term funding can make support feel temporary, inconsistent or like a tick-box exercise rather than individualised help.



For people and places facing multiple other barriers, including housing instability, health conditions, skill gaps, digital access and recent work experience, we are calling on Highland to commit to a whole-person Routes to Fair Work service delivering fully integrated employability support underpinned by the co-design standards and a continuous feedback loop to drive improvement. Experience Panel members stressed the value of person-centred support reflecting individual needs – recognising that people need different stepping stones into work, depending on confidence, skills, experience, health, location, digital skills, caring responsibilities and the type of work being sought.

Recognising the increase in health-related work barriers, we are also calling for a targeted 'ready to return' approach using adapted co-design principles. This would combine mental health, recovery (including pathways for substance recovery) and employability support for people who want to become ready to return to work grounded in lived experience and trauma-informed practices.

We want to see improved digital access and simpler application/recruitment processes, while recognising face-to-face and telephone-based engagement has an enduring value. Experience Panel members have pointed to ways in which Job Centres, Colleges and employers can reduce digital exclusion and remove friction from online applications, paving the way for user testing by people with limited digital access and confidence.

Build structured pathways into growth sectors

Removing these barriers, improving targeted support and reducing friction are supply-side measures to increase access to opportunities for more people across the Highlands. But they will not be enough on their own. We need to build clearly structured pathways into growth sectors like renewable energy, care and construction, with reliable routes from education, unemployment, inactivity and under-employment into secure jobs with prospects. For this to succeed, we need employers in these sectors to collaborate and design pre-employment training, wraparound support, guaranteed interviews and in-work support, which should often be provided by specialist third sector organisations serving as intermediaries. Young people told us of their priority to see apprenticeships and entry-level opportunities expanded.

We also need to stabilise and strengthen the community infrastructure to underpin local delivery capacity. The balance of service design, delivery and funding needs to shift decisively towards collaborative end-to-end models building on the All In Highland consortium. Who commissions, delivers and gauges progress needs to be determined on the basis of experience, capability, trust and the quality of relationships, with the clear intent of resourcing for long-term outcomes. We see public sector procurement as a catalyst for person-centred delivery of fair work goals. The Council's Community Benefits from Procurement policy covers many core elements of fair work. It should go further, serving as a foundation for Highland's approach to inclusive growth across the Community Planning Partnership. We call for reporting to focus on outcomes and impacts on in-work poverty.

Personalise employment support around people's interests and aspirations, not just available vacancies, helping them build towards meaningful and sustainable career opportunities.



Enhance security, reward and progression through fair work

To maximise the contribution of fair work to reducing poverty and inequality, we are calling for the cascade of sectoral improvement plans, negotiated with employer networks. These should set standards and targets to go further on real living wage accreditation, adoption of living hours/pension standards, investment in staff training and job security via promotion of annualised and guaranteed-hour contracts to mitigate the risks for businesses and employees of seasonal demand. We have seen how this can be done well in the hospitality and tourism sector. To spring the trap of in-work poverty, we believe a new progression service should be designed with Workforce North including upskilling/re-training support and careers advice for those who are stuck in persistent low pay or jobs with poor prospects.



Bright Spots

- Wick Job Centre
- Employer and Council input to meeting in Evanton
- Sounding Board inputs
- Work Force North

Conclusion

Our findings and Calls to Action are shaped around the building blocks we think are essential for Highland to move onto a pathway of steady reduction on poverty and inequality.

While we have not conducted modelling analysis to identify the net costs and benefits of the various actions we believe are required, we are confident that the combined impact of taking these actions will be significant and sustained. We see these as an integrated set of action which should not be cherry-picked.

Since our work began, we have seen trends pulling in different directions. For example, the removal of the two-child limit in UK social security is likely to mean up to 1,000 children and 1,500 families across Highland being lifted out of poverty. At the same time, around 800 children and young people are still living in poverty solely due to the housing costs their parents have to bear. Meanwhile, fuel poverty has risen in an alarming way and in-work poverty explains 70% of child poverty experiences. It is plain to see that only action on multiple fronts will turn the tide.

We are reporting back to Highland Council as our sponsoring agency, but our Calls to Action are made more widely to decision-makers in all sectors across the region, and in some examples to the Scottish and UK Governments. The degree of time and resources involved will vary:

- In many cases, the actions required to drive progress have a modest cost attached – the investment of time and capacity-building for collaboration and to reduce the poverty-related attainment gap, to achieve greater data-sharing and automated take-up of key payments for eligible households and to move further towards Highland Hubs and pooled funding models are among them.
- Greater utilisation of existing assets will involve additional costs but the benefits will be seen in prevention and community cohesion – school premises sitting empty for weeks of the year and transport being available for wider use at off-peak times are good examples. Repurposing buses to support increased mobile services to rural communities is a promising move for Highland.
- On a spend to save basis, there are very good returns on investment from the Council's welfare advice and Citizens Advice partnership – more than £17 goes back into people's pockets in higher incomes and reduced debt for every £1 spent.
- Giving people more flexibility and choice across the year need not lead to added net costs – for example, opting for Universal Credit payment flexibilities, being able to take the two-month Council Tax holiday when costs are highest in the year, and switching to annualised contracts in seasonal sectors of the economy to help smooth out earnings.
- Major infrastructure improvements are needed and these will come at significant cost although these should be shared between the public purse at local and national level with developer contributions – there is no route to housing affordability in Highland without boosting the supply of social housing through effective place-making activity, and the coverage of high-speed digital services needs to be completed.
- Finally, changes in legislation will be required to ease restrictions on housing finance, enable community transport providers to offer concessionary travel and to remove the design flaws from UK social security that tip people into arrears at the start of their claim.

The Commission's work now concludes with two final Calls to Action. First, we are asking Highland Council, in collaboration with the CPP and others, to coordinate their response through a single progress report by June 2027 with an interim response sooner. Second, we want to pass the baton to people and places with direct experience of the issues we have set out in this report. As we have seen done effectively in other parts of Scotland, we encourage third sector partners to support a network of citizens to gauge progress, deepen accountability and continue in the spirit of the Experience Panel members and youth-led voices who have enriched our understanding of how change should happen.

Further Reading



All In Highland model:

[Enable Works Expands Award-Winning 'All In' Model to the Highlands | Enable](#)

Citizens Advice Scotland:

[The Energy Brief: Evidence and insight from Citizens Advice Scotland Volume 5 \(Nov 2025\) and Election Insights: Public Debt \(Feb 2026\)](#)

Connecting Carers:

[Hidden in Plain Sight: The impact of the caring role on unpaid carers with disabilities and/or long-term health conditions in Highland \(Feb 2026\)](#)

Diffley Partnership:

[Scotland's Rural Voice \(Dec 2025\)](#)

Childcare:

[Highland Community Planning Partnership Update \(June 2026\)](#)

The Highland Council:

[Annual Report on Citizens Advice Contract \(August 2025\)](#)

The Highland Council:

[Workforce North Co-Investment Fund \(March 2026\)](#)

Highland Third Sector Interface:

[Poverty in Highland: Experiences of the Third Sector \(Jan 2026\)](#)

Skye and Lochalsh Citizens Advice Bureau:

[Food for Thought: Food Security in Rural Areas \(March 2026\)](#)



Companion Reports

The Commission is publishing three Companion Reports by partners we have worked with to strengthen our insights. We encourage these to be read in tandem with our main report:

DataKind UK

The role of data to accelerate poverty prevention and reduction in Highland, June 2026

Involve

Highland Poverty Commission Lived Experience Workshops, April-June 2026

Youth Highland

Young People's Experiences of Poverty and Equality in Highland, May 2026

We are especially grateful to Dulcie Vouden and Kye Lockwood (DataKind UK), Paul Hirmis and Louise MacAllister (Involve), Clair Wallace and colleagues (Youth Highland) and all who completed surveys, took part in interviews, focus group sessions, Experience Panel workshops and a youth-led engagement event at The Place, Alness – very often giving up time on Saturdays to contribute to the Commission's work.

Thank you all very much | Mòran taing

ESSENTIAL ELEMENTS





ESSENTIAL ELEMENTS

CALLS TO ACTION REPORT TACKLING POVERTY IN HIGHLAND

JUNE 2026
