

Outer Hebrides Local Child Poverty Action Report 2019-20

Delivery Update

October 2020



Comhairle nan Eilean Siar



Outer Hebrides

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Introduction

The Outer Hebrides Local Child Poverty Action Report (LCPAR) and multi-agency anti-poverty strategy was approved by the board of NHS Western Isles, Comhairle nan Eilean Siar and the Outer Hebrides Community Planning Partnership in the Autumn of 2019 and implementation of the plan subsequently commenced.

The full 2019-20 Action Plan and Strategy can be accessed [here](#).

There is a requirement to report annually on progress and plan for the year ahead. The Action Plan is being reviewed and updated by partner agencies, a process that has been delayed by Covid-19. This interim delivery report has been prepared for the Scottish Government and will seek approval through NHS Western Isles, CNES and the OHCPP ahead of a full update of the plan in 2021.

The Child Poverty (Scotland) Act 2017 does not necessitate Local Child Poverty Action Reports (LCPARs) to be produced by a certain date. The Act requires that they are produced '*as soon as reasonably practicable after the end of each reporting year*'. The Scottish Government has recognised that local governance arrangements have been suspended or focused on other action, and so a delay to publication is expected. Our anticipated date of publication is November 2020.

Covid-19

The impact of Covid-19 on the delivery priorities for the 2019-20 plan has been considerable in terms of the needs of our communities, families and individuals as well as the service priorities for the Comhairle, Health Board and all our community partners. Services and businesses have been significantly disrupted and have had to adapt to new ways of working and meeting rapidly changing and developing needs of our community. This delivery update will consider the impact of Covid-19, look retrospectively at the action plan and any new or adapted actions for the future.

Abbreviations used in this report:

CAB – Citizens Advice Bureau

CNES – Comhairle nan Eilean Siar

HHP – Hebridean Housing Partnership

LCPAR – Local Child Poverty Action Report

NHSWI – NHS Western Isles (Health Board)

OHCPP – Outer Hebrides Community Planning Partnership

TIG – Tighean Innse Gall

Covid-19: The Current Response

The impact of Covid-19 on matters relating to poverty in the Western isles is believed to be significant. Whilst we continue to operate in the climate of Covid-19 restrictions at the time of writing, the presence of reliable data on this impact over time is difficult but a range of information and anecdotal evidence from core and partner services indicates that the communities of the Western Isles have been adversely affected in terms of increased risks of poverty in a manner significantly disproportionate to the actual presence of the virus in our community.

At the local level, tackling child poverty and mitigating the impact of poverty on families has been central in the initial response to the pandemic. Just a few examples of our shared work include:

- Ensuring our most vulnerable children have been supported through emergency childcare and free school meals;
- New mechanisms to deliver food in communities being established at pace;
- Providing families with energy, money and welfare rights advice, access to crisis grants, replacement essential home appliances such as fridges, cookers and support to sustain tenancies.

Much of this has been built on the strong foundations and extensive work undertaken to tackle child poverty to date and the strong working partnerships formed through our work on the LCPAR meant that a strong collaborative response was possible.

Our shared focus on the key drivers of poverty, income from employment, costs of living and income from social security and benefits in kind will remain as important as we move beyond the initial response phase.

Covid-19: Recent Challenges and Impact

- **Impact on the Western Isles**

The economy of the Outer Hebrides has been severely impacted by the Covid-19 pandemic. The impact of the resulting lockdowns and social distancing measures will reverberate through the local economy for many years. The effect on the islands has been particularly challenging because of the nature of the islands economy, with a significant number of people whose income is dependent on tourism and primary industries (including food and drink production, aquaculture, and fishing), the majority of whom are small businesses and/or self-employed.

The pandemic has demonstrated the extent to which the communities are resilient and the ability of public agencies and community organisations to work together to support individuals, especially the vulnerable, through the pandemic. However, it has also shown how the economic base is reliant on a small number of sectors, and the level of our dependence on external transport links for food and drink, and for access to markets.

The pandemic has also demonstrated the capacity of local communities and businesses to adapt and innovate, be this in terms of community groups mobilising to support the vulnerable, or businesses adopting digital channels to get their products to market.

The islands are fortunate that the public sector still accounts for an estimated 50% of the economy, which has been key in addressing the pandemic and will be critical in the recovery phase.

- **Income from Employment**

One of the key impacts of lockdown and other effects of Covid 19 is on employment. The impacts may be due to (a) decline in quantity of work, either hours (intensive margin) or employment (extensive margin); (b) decline in wages, which is unlikely for salaried workers in the short-run but may occur over time due to furloughs or wage-cuts by some employers to avoid layoffs; (c) decline in income of self-employed, due to reduction of economic activity (sales, production) due to fall in demand and disruptions in supply of inputs, or due to mobility restrictions, particularly for those engaged in seasonal work.

There has also been significant uptake of the UK Government's Coronavirus Job Retention Scheme and its Self-Employment Income Support Scheme. Around 3,100 residents, or 24% of the working age population, in the Outer Hebrides were furloughed at 21st Aug 2020. In addition to this, 700 individuals in the islands had made claims to the Self-Employment Income Support Scheme, with the claims amounting to an estimated total value of £1.7m

<https://www.gov.uk/government/collections/hmrc-coronavirus-covid-19-statistics>

Applications for Universal Credit in the Outer Hebrides had initially increased threefold (*from 350 to 870*) as a result of COVID-19. Over the recent months the number of applicants in receipt of Universal Credit had reduced to 830 as people return to work following the easing of lockdown restrictions. It remains unclear what impact the extension of the furlough scheme and changes to Universal Credit will have on the Outer Hebrides. Youth employment and employment for those aged 50 years plus, had been identified as areas where gaining employment could be challenging in the future. It was noted that poverty, mental health and addictions had been identified as key areas affecting employment and employment opportunities across the Outer Hebrides.

- **Costs of Living and Benefits in kind**

COVID-19 had impacted on service delivery within the Financial Inclusion Service. There is no scope for face-to-face interactions with clients as per Government Guidelines. New referrals into the service were lower than anticipated, with existing clients being supported via telephone, mail and email. A formal offer of funding has been submitted to the Citizens Advice Bureau in order to deliver a Financial Welfare Service in support of the Financial Inclusion Service. This was delayed as a result of COVID-19.

Citizens Advice Bureau (CAB), offices in Barra, Uist and Harris had been temporarily closed as a result of COVID-19. The Lewis based office remained open during the pandemic. There has been close working with, and promotion of, the national CAB advice helpline. The helpline had been used for dealing with routine enquiries, and had allowed officers in the Outer Hebrides to deal with more complex and longer term issues affecting members of the community. There is evidence of people entering debt as they have used up saving through the pandemic, with others using pensions funds

earlier than planned. Financial gain figures of £450,000 had been achieved for clients across the Outer Hebrides in the past 6 months. It was noted that benefits, debt and fuel poverty had been identified as key areas affecting people across the Outer Hebrides.

Social Security Scotland are continuing to promote the range of benefits and grants available and have seen real uptake in the School Age Payment and Best Start Foods. The Job Start Payment have recently been launched which will support young people with the costs of starting a new job. Child Winter Heating Allowance and Scottish Child Payment are the most recent benefits and are being promoted throughout the area. Social Security Scotland have paid out over £165,000 in the Western Isles which has contributed towards many families across the islands. (This includes Carers allowance Supplement, Best Start Grants/Best Start Foods, Funeral Support Payment, and Young Carer Grant)

Hebridean Housing Partnership (HHP) contacted 1600 HHP households following COVID-19. 85% of households reported being unaffected, with 15% (220 households) affected in terms of debt, mental health/isolation, food supply and/or fuel poverty. The impact of COVID-19 in terms of fuel poverty and debt is likely to be more long-term as the Winter months approach and uncertainty remains over business security and employment.

Rent arrears for tenants has significantly increased since October 2018 when Universal Credit was fully rolled out. In addition the number of households transitioning to UC as a result of the pandemic has increased substantially which places further strain on household finances.

Tighean Innse Gall (TIG), Citizens Advice Bureau and the Financial Inclusion Service held weekly partnership meetings following the outbreak of the COVID-19 pandemic. Glusad Comhla/Moving Together Project had previously been developed, reintroduced and enhanced to act during the crisis, whereby if a client provides permission, one service can refer/ promote services offered by partners. An awareness raising promotion of this service is due to be launched across social media, print media and local radio channels. A collaborative funding bid to procure replacement white goods for members of the community who would otherwise be unable to afford to had been successful. £10k of funding had been allocated by TIG with allied energy efficiency advice to 36 households across the Outer Hebrides within one month. That funding round has now closed, but that further applications would be made to other sources. A new bid for fuel vouchers has been submitted. It is recognised that there could be an ongoing, long-term need for this or similar type of service.

There is an expectation that fuel poverty would increase as winter approaches, and that awareness raising materials to highlight fuel advisory services and supports were being produced with partner agencies. Fuel vouchers are periodically (subject to fresh redress applications by the team) available to support people in need and who seek advice and support.

There may also be an impact on non-working income due to redirection of government funding (nationally & locally) as governments respond to mitigate the impacts of the shock or decrease as fiscal constraints force the Government to choose between existing social protection and health care.

- **Food Availability & Distribution**

Practical action on food distribution has been a major focus. There are a number of strands that have been working together to increase the quantity and distribution of food to those most in need. This includes Fareshare, Foodbanks, Food boxes and Fresh supplies, Shielding and Community Groups. The Caring For People Group as part of Resilience Planning has been coordinating a range of responses to the pandemic and supported organisations and businesses with practical support (e.g. seconding staff), funding and advice. The demand for food parcels has been significant from families with children. A mapping exercise has been carried out identifying local food distribution networks.

Supermarkets and other food outlets have worked well to manage access to supplies following some initial shortages, largely caused by consumer behaviour. Local retailers increased their online presence / ordering facilities and provision of deliveries to provide extra support to the elderly and shielded. A number of restaurants started offering ready or frozen meals and takeout facilities.

The public, community and third sector have mobilised extremely quickly and proactively, with good levels of co-ordination evident, around provision of food within the community. The Comhairle sought to ensure a comprehensive support system and established and promoted a dedicated helpline and referral system for individuals on the islands who are looking for support, while also gathering information on and co-ordinating volunteer support available. Prior to any external funding being put in place, a large number of community groups established pools of volunteers to support with shopping for the elderly, vulnerable or those in self-isolation. A number of community bodies have accessed HIE's Supporting Communities Fund to further deliver throughout their respective communities.

The food support for those shielding ended at the 31st July while many of the community group funding from Scottish Government ended at 30th September. Proactive communication is ongoing to try and reduce stigma and encourage those in need of food or other support to access what is available.

The Anti-Poverty Working Group is establishing longer term plans to address the anticipated need.

- **Impact on Education Services**

The closure of schools due to the Covid-19 lockdown presented some significant challenges and CNES, as the education authority, introduces a number of policies and procedures with the specific consideration of their impact on known and developing circumstances of children experiencing poverty.

This work included:

- **Free School Meals:** Provision of a continuous payment of a financial allowance to families with children entitled to free school meals. The families of up to 400 children received this payment throughout the fourth term and the summer holidays, making a total of £40,634 distributed to local families via FSM direct payments. There has been an increase overall in the uptake of Free School meal entitlement in the region of 10% between March and August 2020. That number has subsequently levelled out and returned closer to typical figures.

- **Fuel poverty advice:** The flyer which outlined collaboration of services such as The Energy Advisory Service (TIG) energy efficiency advice and liaison with energy suppliers was sent to all recipients of free school meals
- **Clothing Grants:** The council has encouraged the uptake of clothing grants by all who are eligible. Forms have all been moved online to increase accessibility and information has been provided to schools to encourage applications.
- **Childcare:** The Council provided access to childcare for the children of key workers and vulnerable pupils continually from 23rd March to 7th August. An important part of this provision was the inclusion of access to children most in need of support, including those experiencing poverty. At the childcare hubs, a hot meal was provided every day, meaning a double-benefit to those attending who were in receipt of free school meals by accessing
- **Access to IT:** During the period of Covid-19 closures, the council established a lending service for laptops and internet connectivity equipment to ensure that families without the means to access these resources wouldn't go without as the nation moved to online learning. Over the period March to June 2020, over 500 devices were issued to children and families across the Western Isles. Through access to government funding, provision is being made for the allocation of laptops to all secondary pupils.
- **Period Poverty:** The closure of schools resulted in challenges in retaining access to free sanitary products. This was especially impactful at this time as other means of accessing them from shops etc. was also restricted. From April, the council commenced a regular postal distribution of sanitary products to all girls registered in secondary and upper primary.
- **Food:** Education Attainment Apprentices were tasked with providing family support instead of the work they regularly undertook in schools. This included distribution of food parcels from the fare share scheme and the purchasing of some food via a small number of direct grants.
- **Transport:** As pupils began to return to school, there was pressure to reduce the usage of school transport to increase capacity for physical distancing. The council has provided financial support to eligible families undertaking home-school transport themselves to assist with the reduction in capacity on school buses.
- **Uniform:** Schools have been encouraged to relax requirements of school uniform policies as pupils returned from lockdown to allow families more flexibility and choice to be able to access the most affordable option to equip children for

In addition to all the measures above, the education service has been working to ensure that the return to schools in August presents families with no additional costs, though provision of resources like face coverings and the arrangements for cashless meal payment. This position is under continuous review.

- **Impact on NHS**

Health Services moved swiftly to enhancing service capacity and bracing for the appearance of cases. There was wide service reorganisation on an unprecedented scale and complexity associated with the pandemic. The present objective is to continue to recover and renew as many patient services as possible while maintaining Covid surge capacity and support for staff.

Health Visiting, Children's Services and the Education Department have been actively supporting the most vulnerable families and children. Services are being remobilised to identify ways of working and contact with families.

Recent statistics on best start Grants; Pregnancy and Baby Payment, Early Learning Payment, School age payments are now above the Scottish average, Foods is slightly below. Our Breastfeeding rates are above the Scottish average. The information to assess the most recent impact of Covid is awaited. The Financial Inclusion structures and procedures are in place for Maternity and Health Visiting, electronic recording is being introduced for referrals.

Prior to March, 20 businesses had signed up locally to the Breastfeeding Friendly Scotland scheme to promote, support and protect breastfeeding.

The NHS is working with Education and Children's services on the updated guidance for early learning, childcare settings and schools food regulations to give children more access to nutritious food.

The planned Get Heard Scotland (GHS) workshops were placed on hold as, due to restrictions, members of the community were unable to participate in the necessary workshops and staff time was taken up with supporting the community during lockdown. Therefore, a timetable will be in place by the middle of December 2020, with a view to running GHS workshops/sessions throughout the 2 socially deprived areas of Stornoway West and North Uist. This consultation process will draw on support from partner agencies, namely CAB and Community Learning and Development, with all results fed back to Poverty Alliance Scotland. It is anticipated that a variety of consultation approaches will be utilised including the use of the Zoom platform, telephone interviews and workshops when permitted. The aim is to provide data from as diverse a pool of people as possible and from as many as possible (50 by the end of March 2021), to gain insight into the issues important to them.

- **Impact on Partner Agencies and Community Services**

Many agencies such as CAB, TIG, HHP and DWP have seen an increase in the number of clients with employment, financial and fuel poverty concerns. There has been capacity within these organisations to address these issues though services were delivered in new and innovative ways. Other Third Sector and Community Agencies have managed to secure funding to support individuals and families. Additional resources have been secured to extend the Financial Inclusion Services and Fuel Poverty initiatives. Referral systems for multi-agency working with individuals are in place and more regularly utilised. Estimates of ongoing need and feedback from clients are being assessed as part of the Anti-Poverty Action Plan.

- **Impact on Business**

The COVID-19 pandemic had impacted on the majority of sectors across the Outer Hebrides, particularly tourism, hospitality and retail. The earliest and largest impacts have been more likely to occur in the service sector, in industries such as transport, retail sales, entertainment, tourism, and personal services, rather than in the public, professional, ICT, and financial services. Over time,

however, secondary impacts (due to forward and backward linkages across agencies and falling demand) are likely to spread to other parts of the local economy resulting in more people becoming poorer over time.

Key sectors for the Outer Hebrides of fisheries, aquaculture, and food & drink (when seen in the context of tourism along with export of products) are outward facing and dependent on transport connectivity. Therefore, in a situation where connectivity has reduced and access to markets severely affected through national and global lockdowns, there has been a substantial impact and limited scope for these sectors to be able to mitigate this.

The interventions available through UK and Scottish Government provided a temporary and essential lifeline for many businesses and individuals in the islands, including those operating in these sectors.

As of 8th Sep 2020, Comhairle nan Eilean Siar had awarded 876 grants to the value of £9.18m from the Scottish Government's Coronavirus Business Support Fund.¹ By July the Comhairle has also approved 29 applications so far through the Newly Self Employed Hardship Scheme.

The Comhairle has developed its own Local Business Support Scheme for those businesses that have been unable to access other government assistance

An Economic Forum for the Outer Hebrides has been established in order to aid recovery and renewal across communities A revised Corporate Strategy for Comhairle nan Eilean Siar has been submitted to the Comhairle on 11 August 2020. Community, economy and climate change had had been identified as key areas of focus within the Strategy.

A main challenge is to make sure that poverty, sustainability and wellbeing are central to the recovery process. This will be assisted by Fairer Scotland and Inequality Impact assessments.

¹ <https://www.gov.scot/publications/coronavirus-covid-19-business-support-fund-grant-statistics/>

Progress – Income from Employment

to include any measures implemented from the 19-20 plan.... +Data

Update graphics for children in poverty, gross weekly earnings

**Number of children in poverty
in the Outer Hebrides*
(after housing costs)**

Outer Hebrides 19.5%

**Percentage of children in poverty in
2019*
(after housing costs)**

Scotland 24%

The estimate for Child Poverty in the Outer Hebrides LCPAR **was 14%**. This estimate has since been updated by a more comprehensive survey from Loughborough University on behalf of the End Child Poverty commission. This estimate brings together a greater range of household income and cost information. The estimate for the Outer Hebrides has risen to 19.5%. An increase of 2.2% over a five year period. The estimate for Scotland as a whole remained the same at 24%. The number of children affected has risen from 768 to 847.

** Modelled data from www.endchildpoverty.org.uk based on demographic analysis. Does not represent direct count of children in poverty in the identified area, nor does it include those aged 16-19 in full time secondary education.*

Median full-time gross weekly earnings (2018)

**£ Outer Hebrides
£475.70**

**£ Scotland
£563.20**

Median full-time gross weekly earnings (2020)

**£ Outer Hebrides
£562.00**

**£ Scotland
£595.00**

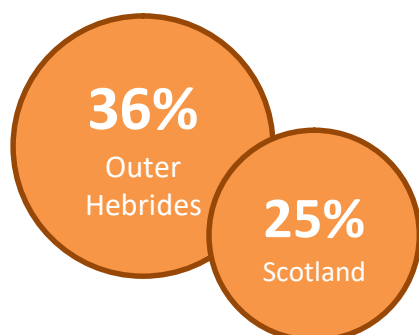
Gross Weekly Earnings for Full Time Workers have grown in the Outer Hebrides by £106.30 in the last two years. The corresponding increase for Scotland was £32.80. The gap between earnings in

the Outer Hebrides and Scotland as a whole has therefore reduced with full time workers now earning £33 00 less than the national average when the gap was previously £87.50

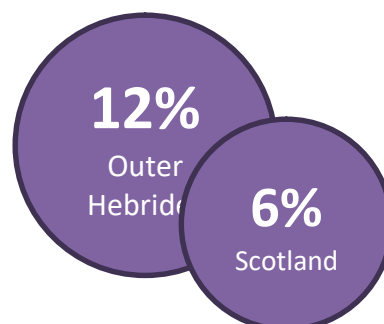
Hourly Pay has shown a similar progression, rising in the Outer Hebrides from £12.41 in 2018 to £14.60 in 2020, whereas Scotland raised form £14.35 in 2018 to £15.18 in 2020. The gap has therefore reduced from £2.19 to £0.83.

Progress – Cost of Living

Total percentage of homes experiencing fuel poverty (2016-18)



Percentage of family homes experiencing extreme fuel poverty (2016-18)



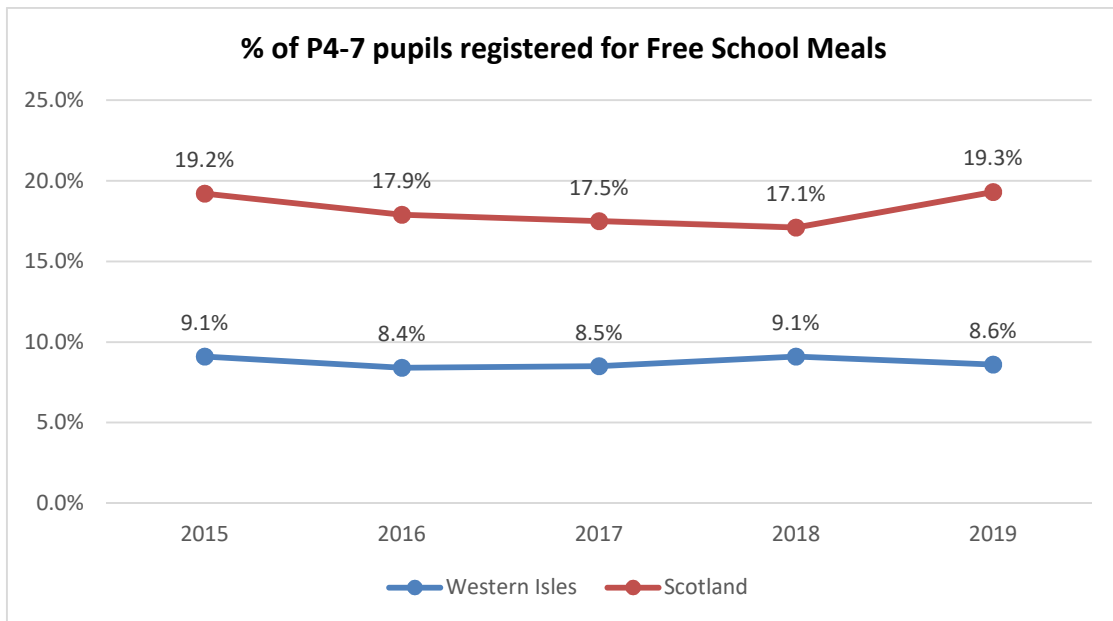
The Scottish Government introduced a new definition of Fuel Poverty in 2019, along with a new methodology for calculating if a household is in Fuel Poverty. The threshold is still if a household spends more than 10% of its income on fuel costs, but the various costs taken in to account have changed.

As a result it is not possible to provide a meaningful year on year trend analysis.

The most recent Scottish Government figures (Scottish House Condition Survey 2016-2018: Published 2020) show that 36% of all households in the Outer Hebrides are in Fuel Poverty (approximately 3000 houses). This is the highest figure in Scotland. The Scottish average figure for Fuel Poverty is 25%.

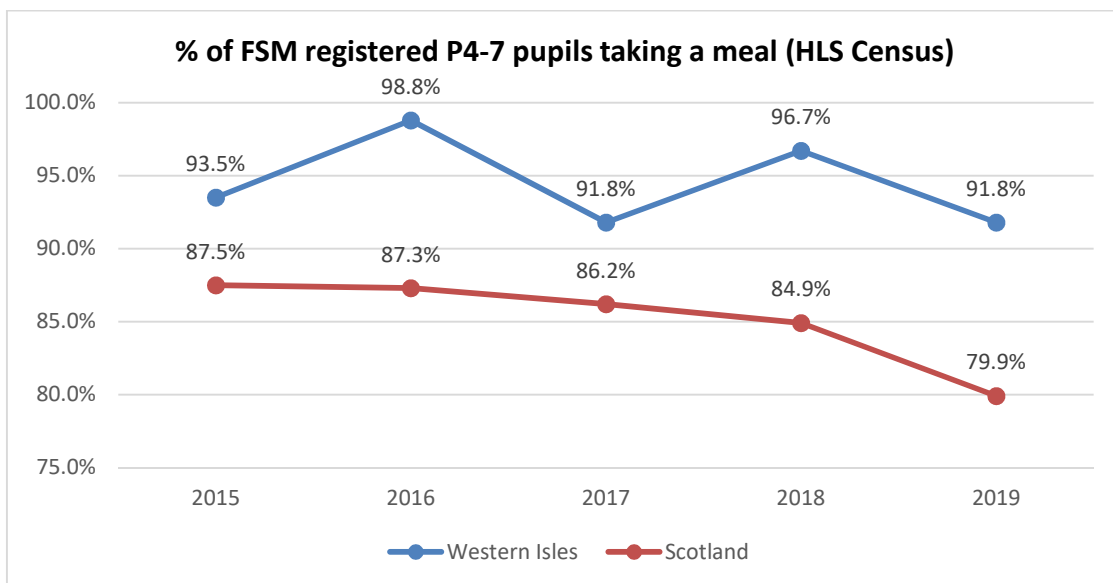
The statistics also show that 23% of households in the Outer Hebrides are in Extreme Fuel Poverty (spending more than 20% of income on fuel costs). Again, this is the highest figure in Scotland. The Scottish Average is 12%.

Progress – Income from Social Security & Benefits in Kind



FSM uptake in the western Isles stayed relatively stable in 2019 with a slight 0.5% reduction in update rate but this is in the context of an increase of 2.2% nationally. It is expected that 2020 data will evidence an increase in FSM uptake due to the impact of Covid-19 and anecdotal data suggests this. It cannot be confirmed until the release of the national annualised data.

Interestingly, the graph below documents the rate of meal uptake by those registered for Free School meals. It demonstrates that, whilst the overall uptake of entitlement is lower than the national rate (above) the actual number of meals being taken by those entitled to FSM in the Western Isles is higher than that seen nationally and, although there is some fluctuation, is relatively stable compared to a consistently declining trend in the rest of Scotland.



Priorities for 2020-21

It is expected that both the direct and indirect impact of Covid-19 on our community will, in part, shape the priorities for the 2020-21 action plan. Other factors that will also feed into the shaping of the next plan will be feedback received from local and national stakeholders, projects to be carried forward from last year and uptake of new policy initiatives.

- **Lived Experience**

An important element that is to be included in the 2020-21 plan that didn't feature strongly last year is the capturing of the real and practical lived experience of children and adults in poverty within our own community. It forms an important basis for the approaches and prioritisation in the plan and will contextualise some of the issues being experienced within our diverse island community that can be different from other areas.

The Get Heard campaign was paused during lockdown and we are working with Poverty Alliance Scotland and the local Third Sector to make sure the voices of those with lived experience of poverty are included within our future plans. This will also include the capturing of case study information from work already undertaken in the past year. Social security Scotland will be an important partner in maximising benefits to those in need.

- **Target Groups**

There have already been other service impacts in relation to transport, on children and youth suffering schooling interruption, adults suffering employment loss, and the elderly who may be at a higher risk of severe health outcomes. Women, of course, have specific vulnerabilities, since (a) school closures and elderly care tend to burden time use of women; (b) women may be more exposed to the consequences of covid due to larger share of women in health and service sectors; (c) some of the service/care sectors most affected by the economic shock have higher concentrations of female employment.

The vulnerable, at least in the short-run, are more likely to be engaged in: (a) self-low income employment rather than salaried employment; and (b) the informal rather than the formal sector, as both these groups are less likely to be affiliated to social security systems.

- **Fuel Poverty**

As the winter months approach, there is a clear priority for the first six months of the plan to reference a focus on mitigating fuel poverty. With a potent combination of increased costs of some fuel and energy, combined with families dealing with reduced or lost income, it is reasonable to forecast that a greater number of families will experience the effects of fuel poverty during the winter of 2020-21 and the plan will need to document the actions available to address this, likely focussing on CnES ESF fuel poverty work led by TIG, along with measures available through Home Energy Efficiency Programme Scotland: Area Based Scheme (delivered by TIG on behalf of CnES).

- **Food Sustainability & Healthy Eating**

The Healthy Living Programme aimed at local community stores will be promoted as well as 'Grow your own' grants within locality priority areas.

We will develop online solutions to improve the skills of pregnant women and low income families around a healthy diet through providing cooking on a budget demonstrations across the islands and develop the Healthy Hebridean Kids project as an online programme.

Best Star Foods uptake will be increased.

- **Transport Access and Infrastructure**

In a rural community, access to suitable transport is a critical element of poverty reduction and influences all three of the national drivers of poverty. Current and projected cuts in public services will impact on the availability of readily-accessible transport in some communities and the plan will need to address options for how access to employment, education, shopping and leisure can be maintained.

- **Housing Strategy**

The Comhairle's Housing Strategy to develop family sized social housing in rural areas across the Outer Hebrides could enhance poverty levels due to greater transport costs and distances to facilities and larger supermarkets. In discussion, it was recognised that there is a need for improved infrastructure in rural areas and co-ordination across partner agencies.

- **Flexible working**

The TSI Partnership has previously suggested a need to look at encouraging more job-share opportunities, flexible, and home working and additional support for people with caring responsibilities etc as a means of retaining/helping get people into work to alleviate poverty and we aim to enable that in the Strategy going forward

There is a need to further explore apprenticeship opportunities in terms of upcoming care and repair work, in recognition that youth employment opportunities could be limited due to the COVID-19 pandemic. It is recognised that awareness raising materials could be circulated to all pupils, parents and carers through Education, Skills and Children's Services.