

ABERDEEN CITY COUNCIL

COMMITTEE	Anti-Poverty and Inequality
DATE	11 January 2023
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Update on Current Initiatives including Women's Experiences of the Cost-of-Living Crisis
REPORT NUMBER	CUS/23/015
DIRECTOR	Andy MacDonald
CHIEF OFFICER	Derek McGowan
REPORT AUTHOR	Paul Tytler
TERMS OF REFERENCE	1.1, 1.9, 1.10, 1.12

1. PURPOSE OF REPORT

- 1.1 To provide an update to the Committee on ongoing initiatives in relation to stigma and discrimination for those experiencing poverty; health and wellbeing of those experiencing poverty, and credit unions and fair and affordable banking and advice services.
- 1.2 To advise the Committee of a report issued by the Poverty Alliance and Scottish Women's Budget Group on Women's Experiences of the Cost-of-Living Crisis.

2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Notes the ongoing initiatives in relation to stigma and discrimination for those experiencing poverty; health and wellbeing of those experiencing poverty, and credit unions and fair and affordable banking and advice services;
- 2.2. Notes the content of the Poverty Alliance and Scottish Women's Budget Group on Women's Experiences of the Cost-of-Living Crisis report issued in November 2022; and
- 2.3 Instructs the Chief Officer – Early Intervention and Community Empowerment to further promote the Scottish Welfare Fund and financial wellbeing support through social media to increase awareness.

3. CURRENT SITUATION

Stigma and discrimination

- 3.1 The [Equality Outcomes and Mainstreaming Report 2021- 2025](#) describes the Council's overall approach to delivering equality outcomes and mainstreaming equalities across the Council and through its work.

- 3.2 Grampian Regional Equality Council (GREC) produced a report in December 2021 entitled How Fair is North East Scotland. The full report is available [here](#), but the report highlighted the following in respect of discrimination:

‘It is difficult to find existing data to build a clear picture of the social bridges, bonds and links that support integration across diverse communities. More research is required in this area, especially in light of Brexit and Covid-19. What is available shows a consistently high proportion of ethnic minorities who feel that North East Scotland is a welcoming place, and who feel they are part of their local communities. A decrease in this sentiment has taken place over the last few years, which is likely to be associated with the implementation of Brexit.’

- 3.3 The report further highlighted concerns about community safety as follows:

‘Evidence in this area reflects the ongoing pervasiveness of racism and xenophobia. In 2020, the number of reported prejudice and hate crime incidents in Grampian reached its highest level in the last six years, with the majority of these incidents related to race/ethnicity. The figures are likely to be much higher due to under-reporting. Covid-19 led to a rise in prejudice against Chinese and East Asian communities, along with an increase in gender-based abuse.’

- 3.4 Although these issues of stigma and discrimination will not solely affect people in Aberdeen (given the area of operation of GREC) nor those experiencing poverty, the report further highlights:

‘Problems in this area are most prevalent in deprived areas, but overall, ethnic minorities in Grampian live with less secure tenure than the Scottish/British population, and levels of over-crowding are noteworthy. There are consistent gaps in data on homelessness and ethnicity at a local level, and more research is required to get a clearer picture.’

Since the research was conducted in 2021, many families of refugees and asylum seekers have moved to Aberdeen and will be part of further research to update the position.

- 3.5 The Population Needs Assessment 2021 showed Aberdeen City has a diverse population. Recent figures (year ending June 2020) from National Records of Scotland estimate that 24.7% of the City’s population was born outside the UK (compared to 9.8% for Scotland). Of those, it is estimated that 41.1% are from EU countries and 58.9% from non-EU countries (compared to 50% for both groups in the year to end December 2019). The estimated proportion of those born outside the UK has fluctuated in the last few years, from 24% in the year ending June 2017, down to 19% in year ending June in both 2018 and 2019, before rising again to 24.7% in the year to end June 2020. At the time of the 2011 Census, Aberdeen City had the third highest proportion of non-white ethnic minority people in Scotland at 15.6%. This was more than double the Scotland rate at 7.6%. The results of Scotland’s Census 2021 will begin to be reported during 2023.

- 3.6 The University of Aberdeen are researching the impacts of stigma on health and wellbeing. Dr John Bone, Coordinator, Just Transitions Lab at the University has highlighted the latest thinking on epigenetics, which is the study of how behaviours and environment can cause changes that affect the way genes work:

‘One issue that’s not understood by policymakers is that stigma, and the chronic anxiety and insecurity associated with this, may well have effects that go beyond the widely acknowledged impacts on mental health - while they’re severe enough.

Chronic stress, including that imposed by low socio-economic status, may impact on physical health through epigenetic effects. This an emerging area that’s shedding further light on health disparities associated with poverty and inequality. While most policymakers tend to think that poor health amongst the economically marginalised is a consequence of poor diet and lifestyle factors, this seems to be only one part of the story. Emotional stress, as well as environmental factors, is now thought to impact on the expression of genes, without altering DNA, increasing vulnerability to ill health and lowering life expectancy. In addition, health effects experienced by one generation, while potentially reversible if conditions change, can be passed onto succeeding generations, including vulnerability to stress, illness and psychopathologies. This means that some of the negative health effects of poverty and inequality are not just transmitted intergenerationally through sharing the same socio-economic environment but may also be heritable. Stress can also affect people’s capacity to think clearly, leading to a tendency towards more impulsive, emotion driven thinking and behaviours with a range of social consequences.’

Health and Wellbeing

- 3.7 Research into the health and wellbeing impacts of those experiencing poverty is described below.
- 3.8 [Fuel poverty: review of evidence on existing interventions in Scotland](#) by Neza Javornik and Phil Mackie is an update in 2022 on a fuel poverty literature review carried out in 2016. The report identifies the health impacts of fuel poverty:

‘Living in a cold, damp home is associated with physical and mental health problems. Heating our homes adequately, or worry that we can afford to do so, affects health and wellbeing. Sometimes, like with respiratory problems, these can be directly related to the cold and damp environment. In some cases, the effects are more indirect, as with a loss of mental wellbeing.

Fuel poverty is one of the mechanisms by which social, economic or environmental determinants of health creates and sustains inequalities that can lead to poor health.'

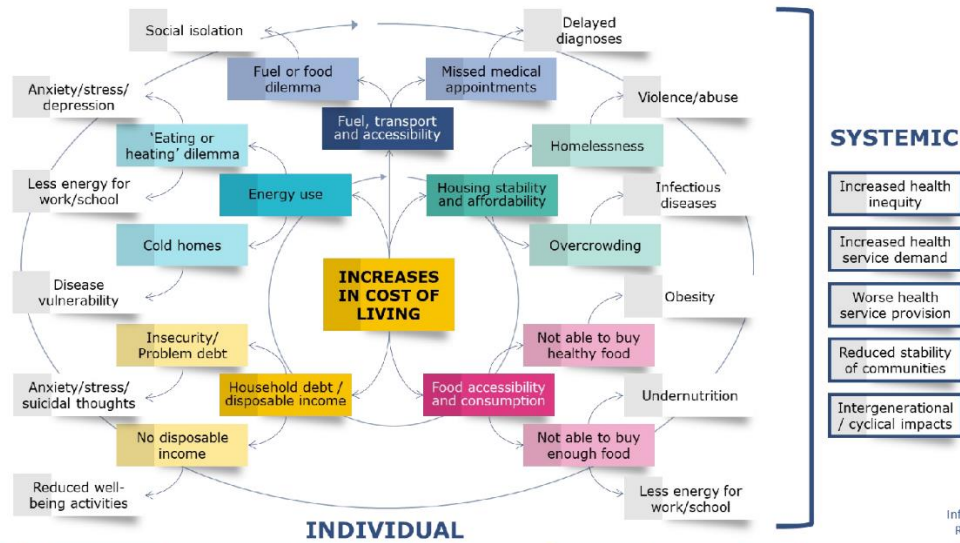
3.9 The report reviews recommendations originally made in 2016 and concludes that the main change in respect of the following recommendations is the urgency with which they need to be addressed. Although the recommendations below are made from a public health perspective, they have relevance across Council front line services:

- Advise/remind the NHS and wider partners on the links between fuel poverty, cold homes and ill-health.
- Explore how approaches to the delivery of the local NHS as an anchor institution could be a vehicle for addressing fuel poverty.
- Explore how best to align efforts within the national and local systems to tackle fuel poverty with investment in climate change and green jobs.
- Work with local community planning/resilience partnerships and wider partners to identify who and where those most vulnerable to fuel poverty reside within NHS Board areas, exploring the use of data and intelligence systems to support this.
- Work with partners to explore the barriers to participation in current measures and scope to extend the reach to those most in need by encouraging increased partnership with trusted sources of information and support based on lived experience input.
- Work to realise the potential for fuel poverty and cold home-related activities to be delivered as part of other health improvement/health promotion activities.
- Explore how best to minimise potential barriers to health service professional engagement with issues related to fuel poverty.
- Explore the feasibility and potential benefits of developing training for frontline staff to support their understanding of fuel poverty and the prevention of its health consequences.
- Provide specialist public health advice and guidance on monitoring and evaluating interventions and measures and to be an advocate for the inclusion of evaluation in fuel poverty interventions to better determine what works.
- Link with fuel poverty leads across local and national whole-system public health organisations to share experiences and knowledge of local measures and activities to address fuel poverty.

3.10 Aberdeen City Council, working with partners and third sector organisation has focussed on tackling fuel poverty through a range of funding and support submitted in The Anti-Poverty and Inequality Update paper presented to the Committee on 23rd November 2022 (CUS/22/250). These supports will impact on the actions above and will be reviewed when progress on that paper is updated,

3.11 Research in 2022 by Public Health Wales identified the public health impacts of the increases in the cost of living and these are seen to be wide ranging.

How does cost of living link to health?



Infographic developed by Manon Roberts & Louisa Petchey, PHW

Cost of living: A public health issue



- 3.12 The information illustrated above shows how different aspects of poverty affect health and increase demand on health services. The Anti-Poverty and Inequality Update paper presented to the Committee on 23rd November 2022 (CUS/22/250) illustrated where the Council is supporting poverty in areas identified above including energy use, food accessibility, earnings and income.
- 3.13 In October 2022, Aberdeen City Council was awarded funding of £5million over 5 years to establish a Health Determinants Research Collaboration (HDRC) in partnership with NHS Grampian, The University of Aberdeen and Robert Gordon University (RGU), funded by the National Institute for Health and Care Research (NIHR).
- 3.14 National Institute for Health and Care Research (NIHCR) Health Determinants Research Collaborations enable local authorities to become more research-active, embedding a culture of evidence-based decision making. Research within the collaboration will focus on determining what can be done to address the wider drivers of population health and health inequalities of groups and areas within the city. The outcomes of the HDRC which will be reported to Council and Community Planning Aberdeen, will support future decision making and identify improvements in driving factors affecting the health and wellbeing for the residents of Aberdeen.

Credit Unions, affordable banking and advice services

- 3.15 There are now two credit unions in Aberdeen: St Machar Credit Union and Grampian Credit Union. Credit Unions operate through a 'common bond' which identifies the scope of their operations which can be eg geographic, people working for the same employer etc.

- 3.16 Financial Inclusion for Scotland was launched in September 2022 with the aim of enabling better financial inclusion in Scotland by supporting those who find it difficult to access fair or affordable financial services, such as free banking, affordable credit and money management services. It is managed by Social Investment Scotland.
- 3.17 The Council previously explored the potential for a Community Development Finance Initiative (CDFI) to support accessible finance in the City at a time when payday lenders were particularly prevalent. Early development work was undertaken but no initiative established, due to the complexities of the Council promoting and potentially acting as a financial services provider. At the time there was a third Credit Union based in Torry which supported communities across the City (and the North east). North East Scotland Credit Union (NESCU) went into administration on the 27 February 2018 and ceased trading. Administrators confirmed that all NESCU's investments were covered under the Financial Services Compensation Scheme (FSCS) and all cash was protected. This had no impact on the other credit unions, which all operate as separate entities.
- 3.18 The Committee will be familiar with the work of the Council's Financial Inclusion Team and in particular recent improvement work undertaken by the team in supporting benefits uptake. The team works closely with other money and debt advice providers across the City, including Citizen's Advice, Cfine's Safe team and other community and third sector groups who may be able to provide first level advice and support. The FIT team can support clients at all levels of need.

Women's Experiences of the Cost-of-Living Crisis in Scotland

- 3.19 The Poverty Alliance and Scottish Women's Budget Group published a report in November 2022 [Women's Experiences of the Cost-of-Living Crisis in Scotland](#). Key findings include:

"Women are more likely to be poor, have lower levels of savings and wealth, and are less able to find suitable work or increase their hours if they're in work often due to caring responsibilities that fall disproportionately on women."

Sarah

Sarah is a parent and works full-time in a role providing advice and support to people in the community. In October, she was concerned about managing her existing debts and rising energy costs, particularly as she lives in an old house with poor insulation. She is no longer able to afford to go out places and see family or friends. Her interview highlighted the challenges for people in low-paid work during the crisis. She is not entitled to benefits or support with the cost of living.

Sarah said: "And I was thinking, 'How can I... how can I keep my daughter, how can I keep warm? What if I have to go to work and then come home and freeze my ass off every night. And I was, I honestly got to the point where I was thinking, 'What's the point of living?' You were going into shops, the prices were

going up so much, and it was like, 'Well I work so God damn hard, I get no help. I'm helping people get help, do you know what I mean? But yet I can't access any help myself?'.”

- 3.20 The report makes two recommendations relevant to local authorities. The first one is Recommendation 14 which is to

“Provide longer-term funding for third sector, community organisations who provide critical financial wellbeing advice and support to women in local areas.”

- 3.21 In terms of recommendation 14, the Council's Financial Inclusion team has been successful in securing additional funding to increase the size of the team and the services that can be provided. The issue of longer term funding has been recognised and work has been undertaken through the Fairer Aberdeen Fund to try and provide stability for successful organisations over a three year funding cycle. Other funding arrangements do however, depend on an annual budget cycle.

- 3.22 The second recommendation the report makes, that is relevant to local authorities, is Recommendation 15 which is to

“Increase awareness of support available at a local level for people struggling during the crisis including the Scottish Welfare Fund and local authority financial wellbeing services”

- 3.22 As for recommendation 15, effective communication of information to reach all groups remains a challenge and work continues in trying to distribute relevant information widely, to ensure it reaches vulnerable people. In addition, work continues to ensure automatic enrolment for eg free school meals where entitlement is established, thereby improving access and simplifying processes. It is recommended that the Chief Officer Early Intervention and Community Empowerment undertakes further work to promote awareness of Scottish Welfare Fund and financial advice services through social media.

- 3.23 The Working in Partnership policy statement from the Council administration includes ‘...with the first remit of a Citizens’ Assembly being to advise the Council on what’s needed to tackle gender inequality in Aberdeen’. This work will be further developed in light of the Citizen Assemblies paper at this Committee.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no financial implications arising from this report.

5. LEGAL IMPLICATIONS

5.1 There are no legal implications arising from this report

6. ENVIRONMENTAL IMPLICATIONS

6.1 There are no environmental implications arising from this report.

7. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	No significant risks identified	n/a	n/a	n/a
Compliance	No significant risks identified	n/a	n/a	n/a
Operational	No significant risks identified	n/a	n/a	n/a
Financial	No significant risks identified	n/a	n/a	n/a
Reputational	No significant risks identified	n/a	n/a	n/a
Environment / Climate	No significant risks identified	n/a	n/a	n/a

***Note – if there are inconsistencies between the target risk level and the risk appetite level set, please provide rationale for your proposals.**

8. OUTCOMES

<u>COUNCIL DELIVERY PLAN 2022-2023</u>	
	Impact of Report
Aberdeen City Council Policy Statement	There are no proposals in this report

<u>Working in Partnership for Aberdeen</u>	
Prosperous Economy Stretch Outcomes	There are no proposals in this report
Prosperous People Stretch Outcomes	There are no proposals in this report
Prosperous Place Stretch Outcomes	There are no proposals in this report
Regional and City Strategies	There are no proposals in this report

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	Full impact assessment not required
Data Protection Impact Assessment	Not required
Other	None

10. BACKGROUND PAPERS

- 10.1 CUS/22/250 Anti-Poverty and Inequality Update
- 10.2 Cunliffe, V. T. (2016). The epigenetic impacts of social stress: how does social adversity become biologically embedded?. *Epigenomics*, 8(12), 1653-1669.
- 10.3 Zannas A. S. (2019). Epigenetics as a key link between psychosocial stress and aging: concepts, evidence, mechanisms. *Dialogues in clinical neuroscience*, 21(4), 389–396.
- 10.4 Lacal, I., & Ventura, R. (2018). Epigenetic inheritance: concepts, mechanisms and perspectives. *Frontiers in molecular neuroscience*, 292.
- 10.5 Bone, J. (2021). Neoliberal precarity and primalization: A biosocial perspective on the age of insecurity, injustice, and unreason. *The British Journal of Sociology*, 72(4), 1030-1045.

11. APPENDICES

- 11.1 None

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