

Covid Recovery Strategy: For a fairer future

Fairer Scotland Duty Assessment – Summary

October 2021

FAIRER SCOTLAND DUTY ASSESSMENT – SUMMARY

<p>Title of Strategy</p>	<p>Covid Recovery Strategy: For a fairer future</p>
<p>Summary of aims and expected outcomes of strategy, proposal, programme or policy</p>	<p>This strategy sets out how the Scottish Government will ensure Scotland’s recovery from the impacts of COVID-19, by working collectively towards a genuine renewal and resilience that improves the lives of everyone in society. We know the impacts of the pandemic have not been felt equally – in fact, COVID-19 has worsened many of the pre-existing structural inequalities. The Strategy will address these inequality gaps – it will help us take targeted steps to recover and renew from Covid, while advancing equality and inclusion and embedding human rights. This strategy is driven by a clear vision for what we want to achieve and the way we want to do it. It is informed by a range of engagement activity with people and communities across Scotland and organisations from all sectors to understand the sort of recovery they want.</p> <p>The vision for the strategy is that, by working together, we will:</p> <ul style="list-style-type: none"> • Address the systemic inequalities made worse by Covid • Make progress towards a wellbeing economy • Accelerate inclusive person-centred public services. <p>To achieve this, we will focus on actions within three key outcomes to deliver:</p> <ul style="list-style-type: none"> • Financial security for low income families • Wellbeing of Children and Young People • Good, green jobs and fair work. <p>We will ensure services are centred around the people who use them, because we will also ensure people are involved as deeply as possible at every stage of designing and delivering those services, and the approach we take are intensively targeted at those in the most need.</p>
<p>Summary of evidence</p>	<p>The Covid Recovery Strategy aims to address the impacts of the COVID-19 pandemic on Scotland, including its impacts on the inequalities experienced by disadvantaged groups. This assessment therefore focuses on evidence of inequalities, experienced by socio-economically</p>

disadvantaged groups, that have been introduced or worsened by the pandemic.

Those living in the most deprived areas have been more likely to die from COVID-19 than those living in the least deprived areas. By 31 July 2021 the rate of deaths in Scotland involving COVID-19 in the most deprived quintile (326 per 100,000 population) was 2.4 times the rate in the least deprived quintile (137 per 100,000 population). The size of this gap has widened from 2.1 to 2.4 across the period of the pandemic, and is greater than the deprivation gap of 1.9 in all-causes mortality.¹ By May 2021, an estimated 1 million people in the UK self-reported being affected by long COVID: those from more deprived backgrounds appear to be at particular risk.²

Higher levels of anxiety and loneliness are reported by those with lower household incomes than by those with higher incomes.³ Children in single-adult households have experienced poorer emotional wellbeing.⁴ In February 2021, women with a lower household income were more likely to report that their mental health had got worse over the course of the pandemic (64% of women with a household income of less than £19,999 said this, compared to 55% of women with a household income of £40,000 and above).⁵

Analysis for the European Commission found that pupils from less socio-economically advantaged backgrounds are likely to experience a larger decline in learning compared to their more advantaged counterparts, with the suggestion that such increased inequality may persist over time (Pietro et al, 2020). The impact of school closures on education was felt unequally across income groups, with children from poorer backgrounds engaging less actively with teachers and school services, having less space to work in. Two thirds of disadvantaged pupils were unable to work during the first lockdown. In January 2021, 40% of children in middle class homes are reported to be doing over 5 hours a day, compared to 26% of those in working class households. The financial impact of remote learning

¹ [Deaths involving coronavirus \(COVID-19\) in Scotland, Report \(nrsotland.gov.uk\)](https://nrsotland.gov.uk)

² [Unequal pandemic, fairer recovery | The Health Foundation](#)

³ [Coronavirus \(COVID-19\) impact on wellbeing: wave 3 - survey summary - gov.scot \(www.gov.scot\)](https://www.gov.scot)

⁴ [COVID-19 Early years resilience and impact survey \(CEYRIS\) \(1\) - Publications - Public Health Scotland](#)

⁵ [Close-the-Gap-and-Engender-Joint-briefing-on-the-impact-of-COVID-19-on-womens-wellbeing-mental-health-and-financial-security.pdf](#). Analysis of survey data on the impacts of COVID-19 on women's wellbeing, mental health, and financial security in Scotland, gathered in February 2021 from 509 adults in Scotland and a booster sample of 401 Black and minority ethnic (BME) adults.

has been particularly challenging for low-income families, particularly with regard to access to digital technology.^{6,7}

While labour market impacts of the pandemic are continuing to emerge, evidence suggests that there are unequal impacts, with effects being felt disproportionately for a number of groups, including those in precarious employment and lone parents.⁸

Due to the nature of the crisis, customer facing businesses – e.g. the hospitality industry – have often been most impacted by restrictions. Among the million UK workers left on furlough in May, workers aged 18-34-years were more likely to have been furloughed from jobs in hospitality and other sectors heavily affected by Covid-19 restrictions than older workers.⁹ The sectors most affected have the highest share of employment of 16-24 year olds and this group has therefore been impacted disproportionately. For instance, in 2019 36% of workers in the tourism sector (which includes substantial portions of Accommodation & Food Services) and 26% of the retail sector workforce were aged 16-24, compared to 12% overall for Scotland. Around 63% of the workforce in retail, and 44% of the tourism workforce, were in part-time positions. Over 45% of the workforce in Accommodation and Food Services (45.4%) were employed in 'low skilled' occupations in 2019, compared with 10.8% of the workforce in the Scottish economy overall. The sectors most affected are also those with higher than average share of employees earning less than the real living wage with by far the highest share of employees earning below the real living wage is in Accommodation & Food at around two thirds of employees. Since they are employed in these industries in large numbers, relatively low earners in the UK have been particularly impacted by job losses, reduced hours and pay, and periods out of work.¹⁰ In Scotland, employment fell by 5.1 percentage points among those with no qualifications between 2019 and 2020, compared with a fall of 0.1 percentage point among those qualified to degree level or higher.¹¹

⁶ [Cost_of_Learning_in_Lockdown_2021_Scotland_findings.pdf \(cpag.org.uk\)](#)

⁷ 'Covid Conversations': experiences of the pandemic in Scotland - gov.scot ([www.gov.scot](#))

⁸ <https://nationalperformance.gov.scot/scotlands-wellbeing-impact-covid-19-chapter-4-communities-poverty-human-rights>

⁹ The beginning of the end • Resolution Foundation

¹⁰ Low Pay Britain 2021 • Resolution Foundation, Long Covid in the labour market • Resolution Foundation

¹¹ Labour market monthly briefing: August 2021 - gov.scot ([www.gov.scot](#))

As well as impacts on these inequalities, the pandemic has amplified socio-economic disadvantage itself. The impact on low income households has been profound. The poorest groups were already least resilient; many households went into the crisis already financially struggling, with 34% of households in 2016-18 not holding enough savings to cover basic living costs for three months, and this figure rose to 55% in the 10% of households with the lowest income.¹² By June 2020, UK households in the lowest fifth of incomes had seen a more substantial decline than other groups from their pre-COVID earnings; those working in 'shutdown' sectors were already almost twice as likely to be in poverty.¹³ Lower income households in the UK were found twice as likely to have increased their debt during the pandemic compared to higher income households, and were 50% less likely to be saving.¹⁴ Scotland saw a 108% rise in the number of emergency food parcels distributed in July 2020 compared with July 2019,¹⁵ and one in five households in Scotland with dependent children reported that they were "in serious financial difficulty".¹⁶

In an October 2020 survey of young people and families in Scotland who were reliant on social security, two thirds said they were in a worse financial position than they were pre-pandemic, and half said their debt was greater.¹⁷ In December 2020, 13% of adults surveyed in Scotland were 'very' or 'extremely' concerned that they wouldn't be able to pay bills, have a job, or be able to provide for their household in one month's time.¹⁸ From Feb 2020 to June 2021, UK individuals with the lowest fifth of incomes were likelier to have seen savings fall (32 per cent) than rise (12 per cent); whereas savings fell for only 10 per cent of higher-income individuals and rose for 46 per cent of that group. Despite household incomes recovering in preceding months, income and spending pressures throughout the crisis had led to increasing levels of debt for 13 per cent of UK individuals – rising to 21 per cent for those in the second lowest income quintile.¹⁹

¹² [Wealth in Scotland 2006-2018 \(data.gov.scot\)](https://data.gov.scot)

¹³ [COVID-19 and inequalities | Inequality: the IFS Deaton Review](#)

¹⁴ [Rainy-Days.pdf \(resolutionfoundation.org\)](#)

¹⁵ [IFAN Scotland Independent Food Bank Food Parcel Distribution Report_FEB_JULY_19_20_8.9.20.\(1\).pdf \(strikinglycdn.com\) Sep 2020](#)

¹⁶ <https://www.ippr.org/blog/covid-19-how-are-families-with-children-faring-so-far>

¹⁷ [Poverty-and-the-Impact-of-Coronavirus-on-Young-People-and-Families.pdf \(includem.org\) Oct 202](#)

¹⁸ [Coronavirus \(COVID-19\): framework for decision making - assessing the four harms - gov.scot \(www.gov.scot\)](#)

¹⁹ [The Living Standards Audit 2021 • Resolution Foundation](#)

	<p>The above evidence highlights a number of key impacts of the pandemic on the pattern of socio-economic disadvantage in Scotland:</p> <ul style="list-style-type: none"> • People in the most deprived areas are more likely to have died from COVID-19; families in those areas are more likely to have suffered bereavement due to COVID-19. • There have been greater negative impacts on the mental health of low income households than on higher income ones, particularly among women • Covid-19 has had greater impacts on the learning and attainment of children from poorer backgrounds, and low-income families have been more challenged by financial and other demands of home schooling. • There have been greater negative impacts on incomes and employment for low earners and those in unstable employment. • Low-income households have experienced more negative impacts on their financial security, and are more likely to have seen their debts increase, than higher income households.
<p>Summary of assessment findings</p>	<p>The Covid Recovery Strategy has been shaped by consideration of the evidence for the unequal impacts of the pandemic in Scotland.</p> <p>It will prioritise actions that directly address an increase in socio-economic disadvantage as a result of the pandemic by improving financial security for low income households. These actions include: expansion of funded early learning and childcare and design of wraparound childcare; investment in the Parental Employability Support Fund and No One Left Behind; roll out and expansion of the Scottish Child Payment; free school meals; and implementation of a second Benefit Take-up Strategy.</p> <p>The Strategy will mitigate increased inequality in employment and pay by prioritising actions to create good, green jobs. These actions include: investment in the Young Person’s Guarantee and adult upskilling and retraining opportunities; creating a new Digital Skills Pipeline; and progressing our vision of Scotland as a Fair Work Nation.</p> <p>Actions to improve the wellbeing of children and young people will also benefit the disproportionate numbers of those experiencing poverty, for whom the mental health</p>

	<p>impact of the pandemic have been worse. These actions include: investment in a Whole Family Wellbeing Fund; investment in CAMHS; providing summer 2022 and 2023 offers; and continue free bike pilots.</p> <p>The Strategy’s focus on transforming public services is also strongly oriented towards improving the experiences of households and individuals on low incomes. We are renewing our commitment to taking a person centred and whole system approach to Covid recovery, and changing to enable government, public, private, third and voluntary sectors to work together more effectively. This will involve designing services by taking into account lived experience. People who help us design and deliver policies and services will get practical support to do that.</p>
<p>Sign off</p>	<p>Name: Clare Hicks</p> <p>Job title: Deputy Director, Covid Recovery</p>



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