THE IMPACTS OF COVID-19 ON EQUALITY IN SCOTLAND

EXECUTIVE SUMMARY

Purpose

This paper reviews emerging evidence on the impact of the COVID-19 crisis on equality across several key domains: health, economic, education, safety and security, social and wellbeing, housing, digital, and environmental. With Brexit on the horizon, the paper also considers the projected impacts of Brexit on equality and how these interact with COVID-19 impacts.

The paper is organised thematically and each section begins with a discussion of pre-existing inequalities, followed by a discussion on the impact of COVID-19 on inequalities, then concludes with a discussion of the impact of Brexit and other potential future impacts on inequalities. This thematic structuring should therefore allow readers to easily navigate directly to areas/topics of interest. However, it should be noted that many inequalities are interrelated – health inequalities exacerbate social and economic inequalities, for example, while societal and economic inequalities could impact on inequalities in physical and mental health and wellbeing.

The paper aims to be a useful reference document for policymakers thinking about the equality and Fairer Scotland impacts of their policies, as well as to help inform the various recovery and renewal work being undertaken.

Key findings

It is now clear from emerging evidence that the impacts of the COVID-19 crisis arising from the direct and indirect effects of contracting the illness, as well as the lockdown measures put in place to control spread of the virus, are significant and unequal. While the pandemic and lockdown initially resulted in a twin public health and economic crisis, its effects transcend far beyond health and economics, with some impacts potentially having long term consequences.

Before the pandemic hit, there was already an inequality crisis across many domains such as income, wealth, living standards, labour market participation, health, education and life chances (chances of achieving positive outcomes and avoiding negative outcomes throughout the course of your life). Emerging evidence suggests that COVID-19 has exacerbated many of these pre-existing inequalities and exposed the vulnerability of some population groups to adverse shocks. The crisis has also drawn out more harshly the effect of deprivation as a spatial focus for multiple inequalities and poor outcomes.

Many experts suggest that without appropriate Government intervention, the COVID-19 outbreak is likely to widen inequality in the short, medium and long-term. In the short and medium term, many are concerned about health inequalities, with evidence pointing to some groups being disproportionately more likely to be infected with the virus and to experience poor health outcomes, including in some cases death. There are also concerns about the widening of economic inequalities, as

some groups have been more affected by unemployment and reduced income. These effects are coming at a time when many households are still recovering from the harsh effects of the 2008 financial crisis and many years of austerity following the crisis, which left many households in challenging financial circumstances. In the longer term, there are concerns about the effect of the COVID-19 outbreak and ensuing lockdown measures on a range of life chances and future prospects or opportunities. Evidence suggests that some groups are more likely to experience negative effects in many different areas of their life, including in employment, future career prospects, educational opportunities, social outcomes and health and wellbeing.

In spite of its negative impacts, this crisis also presents some opportunities for positive change. For example, the increased acceptability and large scale roll out of remote working could be especially helpful for parents' employment. Currently women are the primary care-givers.

Despite the health and economic crisis presented by COVID-19, the UK has proceeded with Brexit preparations. While Brexit has already impacted negatively on the UK economy and living standards (e.g. the post-referendum inflation spike which held back the growth of real incomes), more adverse impacts are expected post-transition. It is anticipated that it will have socioeconomic and legal impacts, among others, and that these may disproportionately affect some population groups such as those on low incomes, older people and disabled people. Thus, its effects will layer on top of COVID-19 impacts, with huge implications for some population groups who could be negatively impacted by both drivers, such as those on low incomes. The combination of pre-exiting inequalities, layered with the impacts of COVID-19 and Brexit, could potentially result in challenging legacies of inequality if action is not taken. The ability of the Government to address these will be largely dependent on political will across reserved, devolved and local powers and the state of public finances.

Drawing on multiple evidence sources, we anticipate that the following groups will be disproportionately impacted by COVID-19 and Brexit:

<u>Socio-economically disadvantaged</u> people are more likely to experience poorer mental and physical wellbeing, lower life satisfaction, and feelings of loneliness, all of which either have already been impacted by COVID or are likely to be impacted by an economic downturn and increased poverty. Age-standardised death rates for COVID-19 have been twice as high for people living in the 20% most-deprived areas compared to the 20% least deprived areas. Delays in preventative services, diagnosis and treatment is likely to have long-term adverse impacts for many and these will continue to emerge for some time. It seems likely that health inequalities could widen going forwards.

Socio-economic disadvantage remains a key driver of poor attainment and evidence is pointing to the pandemic being highly likely to widen pre-existing educational inequalities, with children from better-off families spending more time on home learning and enjoying access to more resources. Adults in the most deprived areas and those with lower incomes are less likely to use the internet or to have home internet access. For many people who previously had internet access outside their

homes this may no longer be available, at a time when this is more important than ever. The further digital technology develops – and this may well be sped up by the pandemic – the more difficult it may be for those who do not use it to 'catch up'. Digital inequalities are also likely to continue to be impacted by other inequalities, such as in income and education (as well as impacting on them).

People on low incomes or who are unemployed and seeking work are more likely to be in the social rented sector. While the ban on evictions offers some temporary protection, paying missed rent back in the future may be challenging. The number of people at risk of homelessness could increase with the economic impacts of Brexit and COVID-19. People on lower incomes or living in more deprived areas often face worse impacts from air pollution and flooding, and face the greatest challenge in adapting to climate change. While the pandemic has brought about reductions in air pollution it is unclear whether we will see increased or decreased commitment to tackling climate change going forwards.

People living in the most deprived areas and households on low incomes were least likely to be managing well financially before the crisis. Women, especially single women and those that are lone parents, minority ethnic households and disabled people are all more likely to live in poverty. IFS analysis suggests that those working in 'shutdown' sectors were already almost twice as likely to be in poverty. Despite unprecedented government fiscal interventions to support household incomes, the economic recession is already resulting in unprecedented levels of financial distress and hardship, particularly for those experiencing socio-economic disadvantage. This is exacerbated by already high economic inequalities. There will also be many families that will now find themselves pushed into poverty or at risk of it. Brexit may also result in job losses in specific low-paid or low-skilled sectors. In a vicious cycle, reductions in disposable income can also reduce people's access to the resources needed to seek higher-quality employment, undertake training, pay for childcare, or start a business. Any price rises resulting from a no-trade-deal Brexit will also disproportionately impact poorer households. Where there are increases in unemployment or reductions in income, fuel poverty is also likely to rise.

While the disproportionate impact of this economic crisis is falling on those with lower earnings, many higher-income households are saving money. In addition, some commentators have argued that the large-scale government intervention designed to support household incomes and businesses will likely widen inequalities between the working poor and the asset-owning wealthy. Compounded by Brexit, the adverse economic impacts of the COVID-19 pandemic may very well lead to greater wealth and income inequality going forwards.

Children and younger people appear to have taken the hardest hit to their mental health during the pandemic, and this is likely to be further worsened by unemployment and missed education. Home learning appears to be most challenging for children and young people experiencing socio-economic disadvantage, and missed education risks creating a cohort of pupils who carry disadvantage throughout their lives. Any increase in poverty may also lead to widening educational inequalities going forwards. The long-term implications of Brexit on the higher education sector are currently unknown, but anecdotal evidence

suggests that the sector is already experiencing a negative impact regarding collaboration in EU research projects and staff mobility.

Younger households were already more likely to be financially vulnerable or in debt before the pandemic. Younger people were less likely to be in employment, and for those who were, this was less likely to be secure. This, in combination with the fact that young people are more likely to be working in hard-hit sectors and in jobs more susceptible to automation, mean that they are especially vulnerable to unemployment and long-term employment 'scarring'. Rises in unemployment levels and falls in employment levels have been larger for those aged 16-24 than any other age group, although claimant count rises for young people have been very similar to overall changes. Those leaving education or training this summer are also likely to be particularly badly affected and Brexit may further weaken younger people's job prospects. COVID-19 is already impacting young people's income and ability to afford housing and other essentials, and child poverty may rise due to a combination of job losses, rising living costs and the continued freeze on children's benefits and tax credits. It seems clear that without significant intervention, a long COVID-19 recovery risks worsening economic generational inequality. This is likely to be exacerbated by current younger and future generations being the ones to face the environmental and economic consequences of environmental degradation and/or efforts to combat this.

Older people continue to be at far higher risk of death from COVID-19. Missed healthcare could have long-term impacts for many older people, who are more likely to be in poor health, and the as-yet largely unknown long-term effects of contracting COVID-19 are also likely to disproportionately affect them. Any medication shortages as well as the predicted recruitment crisis in the NHS and social care sector resulting from Brexit will particularly affect older people. While loneliness (a subjective feeling) has risen across the population, older people appear to be at similar or lower risk of this compared to younger people. Older people may, however, be at greater risk of social isolation (an objective lack of social relationships or meeting socially) since they are more likely to be shielding and less likely to use online communication.

<u>Disabled people</u> are experiencing higher death rates from COVID-19 according to data from England and Wales. Similar data is not currently available for Scotland. There is evidence that more disabled people in Great Britain are having their access to healthcare and treatment for non-coronavirus-related issues affected by COVID-19, and have had new or worsening health problems, which will have long-term impacts for many. Disabled people have faced disruptions to social care and the recruitment crisis in the NHS and social care sector resulting from Brexit will also particularly affect them. People with a long-term condition were significantly more likely to experience loneliness and social isolation before the pandemic, and many disabled people have been worried about becoming acutely isolated at this time.

Concerns have been raised about the impact of school closures on families with a disabled child, and that these might contribute to widening the disability attainment gap. It is anticipated that COVID-19 could impact disabled people's employment due to their higher share of employment in some shutdown sectors (e.g. distribution, hotels and restaurants); previous recessions have had a disproportionate negative impact on their labour market outcomes. Overall, disabled people are far less likely

to be employed and may be less likely to have access to 'fair work'. However, if more jobs and education continue to be available at either a partly or fully work-at-home basis, this may make them more viable for some disabled people. Disabled people are more likely to experience poverty and may be disproportionately impacted by the loss of social security coordination across EU countries.

People of minority ethnicities are experiencing the economic effects of this crisis harder, evidence suggests. They are more likely to work in some 'shut down' sectors, particularly hospitality, and less likely to have savings to rely on. Previous economic recessions have disproportionately impacted minority ethnic employment, and this may be repeated, with profound implications on future living standards and overall income and wealth equality. Adults of visible minority ethnicities are less likely to be employed than White adults – this is especially true for women – and may also be less likely to have access to 'fair work'. Any rise in the cost of living will affect asylum seekers disproportionately as they are not allowed to work while their application is being processed. On the other hand, as certain ethnic minorities are more likely to be key workers, any increase to key workers' pay or removal of the health surcharge will benefit them and could also help reduce gender inequality.

Deaths amongst people in the South Asian ethnic group in Scotland have been almost twice as likely to involve COVID-19 as deaths in the White ethnic group. There have been reports of an increase in hate crime in the UK against people perceived to be of Chinese, South Asian or East Asian ethnicities since the start of the COVID-19 pandemic, and research suggests that since the referendum many young Eastern European school pupils living in Scotland and England have experienced racism and xenophobic attacks. Disruption to schooling may have a particularly negative effect on Gypsy/Travellers, and further exacerbate the considerable inequalities in educational outcomes that they already experience.

<u>Women</u> are experiencing significant mental health impacts from the pandemic and women in the UK continue to be more lonely than men. They are far more likely to report experiencing domestic abuse, as are younger people (16-24), and those living in the most deprived areas. Data from England and Wales also suggests that women of Mixed ethnicity, disabled women and those who lived in a single-parent household are more likely to report experiencing domestic abuse. There are indications that domestic abuse may be rising and/or intensifying during the pandemic, which will have significant negative impacts on health, social, housing, education and employment outcomes in many cases. There are reports of women entering or re-entering prostitution and commercial sexual exploitation as a result of current economic challenges. Women with the visa condition of 'no recourse to public funds' may be even more vulnerable to domestic abuse and this visa condition can make it difficult to access refuge accommodation. Language barriers, being of a minority ethnicity, being disabled and having complex needs can also make finding refuge accommodation harder.

A huge amount of research post-lockdown anticipated that adverse labour market effects ensuing from lockdown measures would have a disproportionate longer term impact on women for a number of reasons. First, women account for higher employment shares in many 'shut down' sectors and those that are employed are more likely to work part-time, less likely to be in secure employment, earn less on

average than men and are less likely to be eligible for sick pay, hence, a reduction in income due to job losses or furloughing may be particularly harmful. Women are also more likely to have caring responsibilities which may make it hard to maintain or take on employment. Evidence suggests that with school and nursery closures, housework and childcare has fallen more on women than men. While early labour market evidence suggests that so far, men have seen greater levels of inactivity, greater rates of furlough and reduction in hours worked, it is likely that women may still face larger negative labour market outcomes long term.

Women are also the vast majority of **lone parents** who, before COVID, were much more likely to be in debt and/or financially vulnerable. Evidence suggests that they are one of the groups on which the economic effects of this crisis are falling disproportionately. Households with only one earner are more exposed to the impacts of earnings reductions or losses and lone parents may be less likely to have someone to share childcare with, making paid work harder. Many more lone parents may be pushed into poverty in coming years. Half of single parent households are in the social rented sector, and while the ban on evictions offers some temporary protection, paying back missed rent may be very difficult for many. Lone parents are also more likely to live in more deprived areas.

Post-Brexit, any roll-back in EU-derived employment protections for pregnant and part-time workers could adversely affect the capacity of pregnant women and mothers to stay in/enter the labour market. Around twice as many jobs held by women than men may be at risk of automation. If policies aimed at economic recovery and job stimulation are focused on 'green' sectors, based on current occupational segregation these may benefit men more than women. Periods of part-time employment or unemployment have long-term effects on pay and progression, and overall the fallout from the COVID-19 pandemic as well as Brexit may put pressure on both the gender employment gap and the gender pay gap in coming years. Women are more likely to live in poverty and more may be pushed into poverty, which in turn has negative impacts on outcomes in a range of areas.

From a more positive angle, UK data shows that while women have continued to spend more time than men on housework/unpaid work and childcare during COVID, the gender gap in time use has narrowed. Changes in social norms, employment flexibility and home working may affect the gender pay and employment gaps positively. As women are more likely to be key workers, any increase to their pay or removal of the health surcharge (for those affected) will also benefit them.

<u>Men</u> were twice as likely as women to have been admitted into the ICU with confirmed COVID-19 as of the end of June 2020, and age-standardised death rates (which are adjusted for the age-structure of the population) were 45% higher for men than for women.

While in the population as a whole women are more likely to work in many shutdown sectors, across many minority ethnic groups, men are actually more likely to work in shut-down sectors than women. IFS research on the exposure of different workers to potential Brexit trade barriers has found that males with GCSE qualifications or below are more likely than women and more highly educated men to work in

industries at extreme risk of facing new trade barriers with the EU post-Brexit. These tend to be older men with skills specific to their occupation who, history suggests, may struggle to find equally well-paid work if their current employment were to disappear.

While women are expected to face larger negative labour market outcomes longer term, early labour market evidence suggests that so far, men have seen greater levels of inactivity, greater rates of furlough and reduction in hours worked, which has impacted on their employment income. This immediate impact on males could be due to women being partly insulated from job losses through higher employment in education and health & social care and high rates of job losses in male dominated sectors such as construction. However, this may be temporary, as women could still face larger impacts longer term through being over-represented in part-time and insecure work. Ending of the two government employment support schemes could lead to more job losses in some shutdown sectors where women's employment dominates. A sustained weaker labour market may also result in women being more vulnerable than men to job losses longer term, as well as making it more challenging to find employment.

A succinct summary of key impacts by population group is also available at Annex A.

An intersectional approach is essential. It is important to note that many of these groups overlap, for example women, disabled people and those of many minority ethnicities are all more likely to be low earners; there are more older women than men; minority ethnic people are younger than the White population on average; and the vast majority of lone parents are women. Emerging evidence strongly suggests that COVID-19 is exacerbating pre-existing inequalities therefore it is vital that COVID-19 response, recovery and renewal efforts take account of overlapping disadvantage.

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Introduction

This paper sets out the impacts that the COVID-19 pandemic has already had on equality in Scotland, and the impacts that it is likely to have on equality in the future, in the absence of significant policy changes. It also considers the potentially significant effects that the UK's exit from the EU could have on equality, and how these interact with the impacts of COVID. This paper builds on two others recently published by Scottish Government, which look at the ways in which particular groups of people are disproportionately affected by the coronavirus pandemic in economic economic and in health and social terms.

Since its onset in January 2020 in the UK, the COVID-19 pandemic, and the physical distancing and lockdown measures that have been introduced in order to minimise its spread, have been affecting our wellbeing and our social and economic lives intensely. Confirmed positive cases peaked in Scotland in mid-April and restrictions have been gradually lifting since the end of May.¹ Under Scotland's Routemap for how the country will ease restrictions, some business and services will not reopen until later phases which may be many months or longer in commencing, and there may also be a need for fluctuating levels of restrictions until a vaccine is developed (which may well not be until autumn 2021 or later). ² In this case, many of the impacts seen so far could continue for some time, and new ones will also begin to emerge.

Pre-existing, structural inequalities mean that the impacts of the pandemic are falling unevenly across the population, with some groups of people particularly badly affected. The pandemic has also highlighted many pre-existing inequalities - from who does what work, to digital inequalities and the impact of characteristics such as ethnicity on health outcomes – as well as magnifying the importance of others, such as homeworking and access to green space. There is potential for the impacts of COVID-19 to continue reinforcing and exacerbating existing inequalities going forwards. This was seen after the 2008 financial crash which, in combination with the austerity that followed it, meant that inequalities had already been widening in the decade before the pandemic hit and many households left in an insecure position.³ At the same time, COVID-19 may also represent an opportunity to promote equality in other areas. It is important to understand the observed and projected impacts as early as possible so that governments can work to mitigate against or promote them as appropriate. Potential measures to promote equality and address some of the existing, emerging and potential future inequalities of the pandemic are outside of the scope of this paper. However, many of the sources referenced here discuss these and can be followed for further reading.

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¹ https://beta.isdscotland.org/find-publications-and-data/population-health/covid-19/covid-19-statistical-report/

https://www.imperial.ac.uk/media/imperial-college/medicine/sph/ide/gida-fellowships/Imperial-College-COVID19-NPI-modelling-16-03-2020.pdf

³ https://www.ifs.org.uk/inequality/covid-19-and-inequalities/; https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/totalwealthingreatbritain/april2016tomarch2018#trends-in-total-wealth-inequality-ingreat-britain

Despite the COVID-19 pandemic, the UK has been continuing its preparations to leave the EU by the end of 2020. COVID-19 has on the whole had a huge negative impact on the UK economy and households, and Brexit will layer on top of those impacts. Both the UK Government and EU have now ruled out an extension to the Brexit transitional period, hence October is expected to be the latest point that a trade deal could be done to allow implementation and ratification before the end of the year. If the UK and the EU fail to reach an agreement before the end of the transition period, then from 1 January 2021 onwards each side will lose preferential access to the other's market and trade will be governed by the World Trade Organization's (WTO's) most-favoured nation market access commitments. This means that tariffs will be charged on imports, goods trade will be subject to customs checks, producers may face different regulatory barriers in the UK and the EU, and many sectors or firms will lose market access.

While the final trade relationship between the UK and the EU has yet to be determined, at the moment it would appear that the 'deal' and 'no deal' scenarios are converging as the UK's position now seems focused on a less ambitious deal involving checks on some goods at the UK-EU border. Despite rejecting an extension of the transition period (and legislating to this effect), the UK Government has said it will not be able to implement full post-Brexit border controls on goods entering from the EU until July 2021. Regardless of the final trade deal reached, Brexit will impact existing inequalities and will have socioeconomic and legal impacts, as well as specific impacts, for equality groups.

This paper is structured thematically and covers impacts in eight different areas: health, economy, education, safety and security, social and wellbeing, housing, digital and the environment. These areas can be mapped onto the <u>four areas of harm from COVID-19</u> identified by Scottish Government: COVID-19 health harms, non-COVID-19 health harms, economic harms, and harms to our broader way of living and society. It is important to note that many of these inequalities are interrelated – health inequalities exacerbate social and economic inequalities, for example, just as societal and economic inequalities impact on inequalities in physical and mental health and wellbeing.

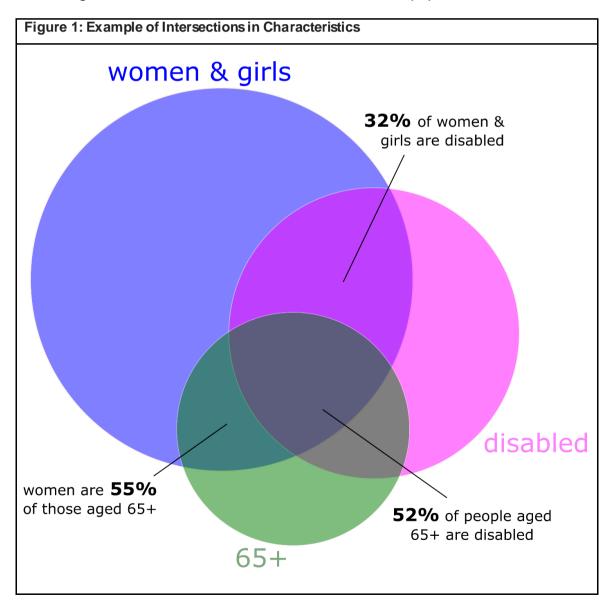
Within each section, we first look briefly at inequalities that that existed before the pandemic and what initial data is suggesting the impact of COVID-19 has been so far. We then discuss what the impacts of the crisis on existing inequalities may be going forwards. While much of this looks at impacts that are likely to play out in the short and medium term (the next 5 years or so), long term and intergenerational impacts are also considered. This is important as the evidence highlights that many impacts of the pandemic may be long-term and in some cases take some time to emerge.

Before looking at each of these eight areas, the paper sets out a brief summary of how different groups of people in the population intersect. At the end of the paper, the key inequalities for different groups of people are summarised.

How do different groups of people intersect?

While data on inequality often focuses on only one characteristic at a time, such as inequalities between men and women, it is important to remember that many people will be disadvantaged by more than one of their characteristics. A woman of Pakistani ethnicity who is in a lower income decile, for example, is likely to experience disadvantage because of her gender, race and income. It is also important therefore to understand how some groups of people in Scotland are more likely to fall into other groups as well – such as the fact that lone parents are far more likely to be women and to live in deprived areas. Given that on average, women earn less than men and households in more deprived areas are less likely to manage well financially, and that many lone parent households will rely on only one income, we can see how it is important to consider where different inequalities are more likely to overlap.

Below are further examples of some key intersections to bear in mind while considering the evidence that is set out in the rest of this paper.



Women:

- Are older, on average (21% of women are aged 65+, compared to 17% of men. 2019)4
- Are more likely than men to be **disabled** (36% vs 30% of men, 2018, those $16+)^5$
- Are far more likely to be **lone parents** (87% were women in 2011)⁶
- Single female pensioners are more likely to be in relative poverty than single male pensioners (18% vs 15% in 2016-19, after housing costs)⁷

Older people:

Are more likely to be **disabled** (49% of those aged 65-74 and 56% of those aged 75+, compared to between 19% and 39% of those in vounger age groups, 2018)8

Disabled people:

- Are more likely to be **women** (36% of women are disabled vs 30% of men. 2018, those 16+)9
- Households with a disabled member are more likely to be in relative poverty (23% vs 17% for those without a disabled member, after housing costs, 2016-19)10

People of visible ethnic minorities:

- Are vounger, on average¹¹
- Are more likely to be in **relative poverty** (in 2014-19, 39% of people in the 'Asian or Asian British' ethnic groups and 38% for 'Mixed, Black or Black British and Other' ethnic groups were in relative poverty after housing costs, compared to 25% of the 'White - Other' ethnic group and 18% of the 'White -British' ethnic group).¹²

Lone parents:

- Are **women**, in the majority (87% were women in 2011)¹³
- Are more likely to live in **deprived areas** (in 2011, lone parent households made up 20% of households in the most deprived areas compared to 6% in the least deprived areas).14
- Are more likely to be in **relative poverty** (38% of people in single parent families were in poverty in 2016/17 - 2018/19, compared to 17% of people in two-parent families)¹⁵

⁴ https://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-

theme/population/population-estimates/mid-year-population-estimates/mid-2019

⁵ https://www.gov.scot/publications/scottish-health-survey-2018-supplementary-tables/

⁶ https://www.scotlandscensus.gov.uk/documents/analytical_reports/HH%20report.pdf

⁷ https://www.gov.scot/publications/poverty-income-inequality-scotland-2016-19/pages/4/

⁸ https://www.gov.scot/publications/scottish-health-survey-2018-supplementary-tables/

⁹ https://www.gov.scot/publications/scottish-health-survey-2018-supplementary-tables/

¹⁰ https://www.gov.scot/publications/poverty-income-inequality-scotland-2016-19/pages/4/

¹¹https://www.webarchive.org.uk/wayback/archive/20170401135822/http://www.gov.scot/Publications/ 2014/10/8378/3 12 Lui

https://www.gov.scot/publications/poverty-income-inequality-scotland-2016-19/pages/4/

https://www.scotlandscensus.gov.uk/documents/analytical_reports/HH%20report.pdf

¹⁴ https://www.scotlandscensus.gov.uk/documents/analytical_reports/HH%20report.pdf

¹⁵ Poverty and Income Inequality in Scotland, 2016 – 2019: Supplementary poverty tables

1. Health

Evidence that some groups of people are at much higher risk of contracting COVID-19 and of suffering serious health impacts or death as a result have brought health inequalities into sharp focus since the pandemic began. Many are predicting that COVID will lead to an increase in health inequalities, particularly for those experiencing socio-economic disadvantage.¹⁶

1.1 Pre-existing health inequalities

Prior to the pandemic, a wide range of health inequalities already existed across the Scottish population, including¹⁷:

- Those living in the most areas in Scotland have shorter life expectancy and are also expected to life fewer years in good health. Life expectancy continues to be somewhat higher for women, but healthy life expectancy is similar for men and women – meaning that women are expected to live longer in poor health.¹⁸
- Older people less likely than younger people to report being in good or very good health (57% for those aged 75+ in 2018, compared to 85% of those aged 16-24), while a substantially lower proportion of disabled adults (40%) reported good or very good health compared with non-disabled adults (90%).¹⁹
- Women are more likely to have limiting long-term conditions (36% vs 30% of men in 2018).
- Mental health and wellbeing continues to be clearly linked to deprivation as well as age. In 2018, 26% of adults living in the most deprived areas scored a GHQ-12 score²⁰ of four or more (indicative of a possible psychiatric disorder). This compares to 14% of adults in the least deprived areas. A far higher proportion of younger than older people scored a GHQ-12 score of 4 or more (24% of those aged 16-24 compared to 13% of those aged 75+).
- In 2018, adults in the most deprived areas were more likely to have very low activity levels than those in the least deprived areas (32% compared to 12% respectively). Those with a limiting long-term condition were also more likely to have very low levels of physical activity (35%) than those with no long-term condition (12%). Women are less likely than men to meet guidelines for the recommended amount of physical activity (70% of men vs 62% of women in 2018).
- In 2018, adults living in the most deprived areas continued to be around three times more likely to smoke than those in the least deprived areas (32% and 9% respectively).

¹⁶ https://www.health.org.uk/news-and-comment/blogs/emerging-evidence-on-health-inequalities-and-covid-19-may-2020; https://www.bmi.com/content/369/bmj.m1557

https://www.nrscotland.gov.uk/files/statistics/healthy-life-expectancy/15-17/healthy-le-15-17-pub.pdf

¹⁷ Data in this section is from the Scottish Health Survey 2018, unless stated otherwise. https://www.gov.scot/publications/scottish-health-survey-2018-volume-1-main-report/

https://www.gov.scot/publications/scottish-health-survey-2018-supplementary-tables/

²⁰ General Health Questionnaire 12 (GHQ-12) is a standard measure of mental distress and mental ill-health consisting of 12 questions on concentration abilities. sleeping patterns, self-esteem, stress, despair, depression and confidence in the previous few weeks.

Evidence has repeatedly shown that the most deprived areas see higher prevalence rates of many health conditions such as alcohol-related harms, cardiovascular conditions, heart disease and diabetes, along with experiencing poorer mental wellbeing.²¹ Prevalence of some health conditions is known to be higher in certain ethnic groups, for example Type 2 diabetes is 6 times more likely in people of South Asian descent and type 2 diabetes 3 times more likely in African and Afro-Caribbean people²². Non-white ethnic groups in Scotland have lower rates of common cancers but Indian and Pakistani populations have higher rates of cardiovascular disease.²³

1.2 Impact of COVID-19 on health inequalities so far

1.2.1 Direct health impacts from COVID-19

Contraction rates

As of 29 June 2020, 28% percent of confirmed cases of COVID-19 were among the 15-44 age group; 33% among the 45-64 age group and 38% in those aged 65 years and over. 24 Almost two thirds (62%) of confirmed cases were in women of any age and 38% were in men, while among those aged 15-44, more than twice as many women as men have been confirmed as having COVID-19. There are likely to be a number of reasons behind this difference, including the testing of NHS and care home staff who are predominately women.

While there is no evidence of an overall trend by deprivation, the highest proportion of confirmed cases (24%) was accounted for by those living in the 20% most deprived areas. One reason might be that is more difficult to socially isolate in overcrowded social housing²⁵. But it is also the case that those living in the most deprived neighbourhoods are more likely to be in poor health than those living in less deprived areas of the country. On top of that, people in less deprived areas are more likely to have jobs where they can work at home, while people living in more deprived areas are more likely to be employed as key workers and those who have to travel to work are more at risk of infection.

There is some evidence from other parts of the UK and internationally that individuals identifying as Black are more likely to test positive for COVID-19 than those identifying as White.²⁶

https://www.sciencedirect.com/science/article/pii/S2468266718300689#bib18

²¹ https://www.gov.scot/publications/equality-fairer-scotland-budget-statement-scottish-budget-2020-21/pages/12/#f-11

²¹ https://www.diabetes.co.uk/references.html#1

https://beta.isdscotland.org/find-publications-and-data/population-health/covid-19/covid-19-

statistical-report/
²⁵ Social sector dwellings (4%) were more likely to be overcrowded than private sector dwellings (1%) - https://www.gov.scot/collections/scottish-house-condition-survey/

²⁶ https://www.gov.uk/government/publications/covid-19-understanding-the-impact-on-bamecommunities; https://www.thelancet.com/journals/eclinm/article/PIIS2589-5370(20)30148-6/fulltext

ICU and mortality rates

More than twice as many men (373) as women (148) had been admitted to ICU with confirmed COVID-19 in Scotland up to 28 June 2020.27 Four fifths (83%) of all those admitted to ICU were aged between 45 and 74.

As of 28 June, more than three quarters (77%) of all deaths involving COVID-19 were of people aged 75 or over.²⁸ Almost half (47%) were in care homes. Just under 50% were men (2.069) and just over 50% were women (2.086). However, agestandardised death rates, which are adjusted for the age-structure of the population, were 45% higher for men than for women (367 vs 253 per 100,000 population for deaths occurring in March – May).

Age-standardised rates for deaths involving COVID-19 were highest in West Dunbartonshire (March-May), closely followed by Midlothian, Glasgow City and Inverclyde.²⁹ Dumfries and Galloway, Moray and Highland had the lowest rates (in addition to Orkney and Shetland whose numbers were too low to calculate rates) and Na h-Eileanan Siar where there were no deaths. Age-standardised death rates for COVID-19 were twice as high for people living in the 20% most-deprived areas compared to the 20% least deprived areas in Scotland from March - May 2020 (118.9 compared to 57.6 deaths per 100,000 people).30 Data from England and Wales similarly shows that deaths involving COVID-19 are much higher in more deprived areas.31 The workforce that has been actively employed since lockdown measures were introduced includes many roles that are characterised by low and/or unstable income, which is likely to significantly increase the chances of infection.³² While not all people living in deprived areas will be on low incomes, they are more likely to be.³³ As noted above, people living in the most deprived areas are also more likely to be in poor health and to have many long-term conditions.

Provisional analysis from ONS indicated that, based on people's disability status recorded in the 2011 Census and after adjusting for region, population density, socio-demographic and household characteristics, the relative difference in mortality rates between disabled and non-disabled people was 2.4 times higher for females and 1.9 times higher for males in England and Wales.34 It is likely that this is an underestimate and that death rates for disabled people may be higher given that many people will have become disabled since 2011. In addition, a higher proportion of adults in Scotland were disabled in 2018 (33%) compared to 2011 (28%).35 Disabled people may be at increased risk of infection due to difficulties implementing

²⁷ https://beta.isdscotland.org/find-publications-and-data/population-health/covid-19/covid-19statistical-report/

28 https://www.nrscotland.gov.uk/covid19stats

https://www.nrscotland.gov.uk/files/statistics/covid19/covid-deaths-report-week-24.pdf

³⁰ See link here: https://www.nrscotland.gov.uk/files//statistics/covid19/covid-deaths-report-week-

³¹ https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/deaths/bulletins/ deaths involving covid 19 by local areas and deprivation/deaths occurring between 1 march and 17 april

³² https://www.irf.org.uk/data/non-decent-housing-and-overcrowding

³³ file:///C:/Users/U443628/Downloads/scottish-index-multiple-deprivation-2020.pdf

³⁴ https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/deaths/articles/c oronaviruscovid19relateddeathsbydisabilitystatusenglandandwales/2marchto15may2020

³⁵ Unpublished analysis of the Scottish Health Survey.

measures to reduce transmission³⁶, as well as more likely to suffer from pre-existing health conditions that are associated with worse outcomes among those infected by COVID-19.

In Scotland, deaths from 12 March – 14 June 2020 amongst people in the South Asian ethnic group were almost twice as likely to involve COVID-19 as deaths in the White ethnic group, after accounting for age group, sex, area-level deprivation and urban rural classification.³⁷ The South Asian ethnic group includes those who identified themselves on the 2011 Census as Bangladeshi, Bangladeshi Scottish, Bangladeshi British, Indian, Indian Scottish, Indian British, Pakistani, Pakistani Scottish or Pakistani British. Reliable analysis was not possible for those of other minority ethnicities due to the low number of completed records for deaths involving COVID-19. Occupational, socio-economic and health inequalities may all be contributing factors.38 Research conducted in England and Wales has found that migrants, most of whom are of minority ethnicities, have faced barriers in accessing healthcare during the pandemic.³⁹ These include policies such as charging and data sharing enacted as part of the 'hostile environment' as well as fear, mistrust, language barriers and digital exclusion.

Analysis of deaths involving COVID-19 among working-age people (16-64) in England and Wales up to 20 April showed that men working in the lowest skilled occupations had the highest rate of death, with 21.4 deaths per 100,000 males (compared to 9.9 deaths per 100,000 for working-age men and 5.2 deaths per 100,000 working-age women overall). Men working as security guards had one of the highest death rates (45.7 per 100,000) and both men and women working in social care, a group including care workers and home carers, both had significantly raised rates of death involving COVID-19 (23.4 deaths per 100,000 males and 9.6 deaths per 100,000 females). Healthcare workers were not found to have higher rates of death. It should be noted that this analysis does not prove conclusively that the observed rates of death involving COVID-19 are necessarily caused by differences in occupational exposure, since it adjusted for sex and age but not for other factors such as ethnic group and place of residence.

If lessons learnt so far do not result in an improved response in future, then the same groups of people who have seen higher death rates so far are likely to do so again, should there be further waves of the pandemic.

While the workers employed in health and social care (and other essential services) are not likely to lose their jobs in the middle of the pandemic, their direct exposure to the virus and possible lack of social protection make them vulnerable. On the other hand, those workers in less essential occupations or working in shutdown sectors who are performing less essential tasks for the coronavirus response face an

³⁶ https://www.who.int/who-documents-detail/disability-considerations-during-the-COVID-19-outbreak

³⁷ https://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-bv-theme/vital-

events/deaths/deaths-background-information/ethnicity-of-the-deceased-person#covid https://www.ifs.org.uk/uploads/Are-some-ethnic-groups-more-vulnerable-to%20COVID-19-thanothers-V2-IFS-Briefing-Note.pdf; https://discoversociety.org/2020/04/15/covid-19-racism-and-healthoutcomes/

⁹ https://neweconomics.org/2020/06/migrants-access-to-healthcare-during-the-coronavirus-crisis

increased risk of losing their jobs as companies struggle with the economic effects of the crisis.

1.2.2 Indirect health impacts

Access to healthcare

Despite the NHS remaining open for those who need urgent care, figures indicate that patients are delaying seeing their GP during the pandemic and there has been a drop in urgent suspected cancer referrals, and a reduction in families bringing children for immunisation.⁴⁰ This will impact on those most at risk, including older and disabled people who are more likely to be in poor health, women who are more likely to have long-term conditions and those living in the most deprived areas who have higher prevalence rates of many health conditions. Particularly large decreases in the number of children using services has been seen.41

There are also likely to be negative health impacts from delays to preventative and non-urgent care such as some screening services and planned surgery. 42 Excess death figures are already indicating that Scotland has been experiencing excess mortality, not all of which had COVID-19 as an underlying cause.⁴³ Around a quarter (24%) of adults in Great Britain say that their access to healthcare and treatment for non-coronavirus related issues is being affected by COVID-19, with disabled people much more likely to agree with this (37%) than non-disabled people (19%).44 Disabled people were also more likely to say that they had new or worsening health problems (14%, compared to 2% of non-disabled people: 14-24 May 2020). Women are also more likely than men to say that their access to healthcare and treatment for non-coronavirus (COVID-19) related issues is being affected (30% vs 18%, 25-28 June).45 Research conducted by the Fawcett Society similarly found that women in the UK expressed slightly more concern than men overall about access to NHS treatment and medicine during the pandemic, and also that adults of visible minority ethnicities were more likely than White adults to 'strongly agree' that access to non-COVID-19 medical treatment was a concern.⁴⁶ Figures from Understanding Society show that a higher proportion of respondents in Scotland (73%) compared to England (61%), Wales (71%) or Northern Ireland (62%) have had their planned treatments cancelled by the NHS.47

⁴⁰ https://www.gov.scot/news/urgent-medical-help-still-available/

https://scotland.shinyapps.io/phs-covid-wider-impact/

https://scotland.shinyapps.io/phs-covid-wider-impact/;

https://www.understandingsociety.ac.uk/sites/default/files/downloads/general/ukhls briefingnote covi d health final.pdf

43 https://beta.isdscotland.org/find-publications-and-data/population-health/covid-19/covid-19-weekly-

⁴⁴https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/disability/datasets/coro navirusandthesocialimpactsondisabledpeopleingreatbritainmav2020

⁴⁵https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/bul letins/coronavirus and the social impacts on great britain/3 july 2020

⁴⁶ https://www.fawcettsociety.org.uk/coronavirus-impact-on-bame-women

⁴⁷https://www.understandingsociety.ac.uk/sites/default/files/downloads/general/ukhls_briefingnote_co_ vid health final.pdf

Access to social care

The Coronavirus Act 2020 allowed local authorities to dispense with particular assessment duties in relation to adult social care, carer support and children's services where 'complying would not be practical or would cause unnecessary delay in providing support to any person'.48 This was intended to allow councils to prioritise care for those most at risk in the event of services becoming overwhelmed by increased demand or staff absences. Many disabled people in particular have faced disruptions to social care arrangements due to care staff being redeployed to work on COVID-19, reported lack of personal protective equipment for carers, and family members being unable to provide unpaid care due to themselves being ill or isolating.

Mental health

A number of different sources show that the pandemic has had a negative impact on many people's mental health, especially young adults and women (and young women in particular), who had poorer mental health beforehand.⁴⁹ Mental health inequalities have therefore widened overall.⁵⁰ ONS data shows that just under half of adults in Great Britain (45%) said that the COVID-19 outbreak was affecting their well-being (for example, boredom, loneliness, anxiety and stress) at the end of June.⁵¹ Adults of working age (16-69) were more likely to agree with this than those aged 70+ (48% vs 31%), while women were more likely to say that their wellbeing was being affected than men (53% vs 37%). Of those who said that coronavirus was affecting their wellbeing, a third (30%) said that it was making their mental health worse, with those aged 16-69 more likely to say this than those aged 70+ (33% vs 10%).52 Understanding Society has also found higher levels of psychological distress among women than men, while lpsos MORI surveys conducted during the lockdown found that women were more likely than men in Britain to have been finding it harder to stay positive day-to-day, compared with before the outbreak.53 Other analysis of this data finds that the impact of COVID-19 on mental health is concentrated in vounger age groups among men, whereas women of all ages were negatively affected.54

Adults in the UK who have, or who expect to, experience negative financial impacts from the pandemic also appear to be experiencing higher levels of anxiety, lower happiness and other negative mental health effects.55

⁴⁸ https://www.gov.scot/publications/coronavirus-covid-19-changes-social-care-assessments/pages/2/

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3614940&download=yes; https://www.ifs.org.uk/publications/14874; http://www.oecd.org/coronavirus/policy-responses/youthand-covid-19-response-recovery-and-resilience-c40e61c6/ https://www.ifs.org.uk/publications/14874

⁵¹https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/bul letins/coronavirusandthesocialimpactsongreatbritain/3july2020
52 This could partly be because older people may be less likely to use the term 'mental health'.

⁵³https://www.understandingsociety.ac.uk/sites/default/files/downloads/general/ukhls_briefingnote_co_ vid health final.pdf: https://www.ipsos.com/sites/default/files/ct/news/documents/2020-05/fawcett society presentation.pdf?platform=hootsuite

⁵⁴ https://www.ifs.org.uk/publications/14874

https://www.mentalhealth.org.uk/sites/default/files/MHF-covid-19-inequality-mental-healthbriefing.pdf;

https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/bulletins/personalandeconomicwell beingintheuk/may2020

Evidence suggests increased use of domestic abuse helplines and websites in England and Wales since the onset of the COVID-19 pandemic and the restrictions imposed, as well as escalations in abuse, and although in Scotland referral rates for many organisations decreased initially, many services anticipate an increase in reporting and referrals once lockdown restrictions begin to be relaxed (see section 4.2). Domestic abuse often has a number of negative impacts on the mental health of those experiencing it, which can include low self-esteem, anxiety or panic attacks, depression, fear, difficulty sleeping/nightmares, self-harm and suicide attempts. It can also significantly negatively impact the mental health of children who are exposed to it.56 Many domestic abuse services reported that service users with preexisting mental health conditions have been negatively affected, with anxiety and depression being exacerbated by isolation and living with domestic abuse.⁵⁷ There are also reports of high levels of anxiety for victims over the potential release of imprisoned perpetrators.⁵⁸ Low self-esteem was the most commonly reported of these in 2017-18 (especially by women).⁵⁹ Women, younger people (16-24) and those living in more deprived areas are all more likely to report experiencing domestic abuse, as are those of mixed ethnicity, disabled people and those living in a single-parent household according to data from England and Wales. 60

1.3 Future impacts on health inequalities

Long-term health impacts of COVID-19

The longer term health impacts of contracting COVID-19 are as yet largely unknown, but there are emerging concerns around many ongoing conditions including cardiorespiratory, glucometabolic and neuropsychiatric complications.⁶¹ Longer term impacts are likely to exacerbate health inequalities for older people and those living in the most deprived areas, who have been found to be at higher risk of contracting COVID-19 so far (while women account for a higher proportion of positive cases than men, it is not yet clear if this is due to higher contraction rates or to testing patterns). As of 5 July 2020, 18,300 people in Scotland had tested positive for COVID-19, with 524 COVID-19 patients being admitted into ICU.62

Access to healthcare

Delays in accessing healthcare are likely to continue to some extent in the short term as the virus remains a risk and as healthcare providers deal with a backlog. As of the end of June, only 58% of adults aged 18-75 in Great Britain said that they would be

⁵⁶ https://capmh.biomedcentral.com/articles/10.1186/s13034-020-00329-3

https://www.gov.scot/publications/domestic-abuse-forms-violence-against-women-girls-vawgduring-covid-19-lockdown-period-30-3-20-22-05-20/pages/3/

⁵⁸ https://www.gov.scot/publications/domestic-abuse-forms-violence-against-women-girls-vawgduring-covid-19-lockdown-period-30-3-20-22-05-20/pages/3/

⁵⁹ https://www.gov.scot/publications/scottish-crime-justice-survey-2017-18-mainfindings/pages/13/# 9.3 Partner Abuse

⁶⁰ See section 4.1

⁶¹ https://www.thelancet.com/pdfs/journals/lanpsy/PIIS2215-0366(20)30168-1.pdf; https://europepmc.org/article/med/32515393; https://www.bbc.co.uk/news/53193835

⁶² https://beta.isdscotland.org/find-publications-and-data/population-health/covid-19/covid-19statistical-report/

comfortable going to their GP for non-coronavirus related issues. 63 Adverse impacts from delays in preventative services, diagnosis and treatment are likely to continue to emerge for some time and, as noted above, may particularly impact older and disabled people, children, women and those experiencing socio-economic deprivation and exacerbate existing health inequalities.

Mental health

Mental health impacts upon physical health, so worsening mental health during the pandemic indicates future indirect impacts on health (and other areas).⁶⁴ Social isolation is associated with anxiety, depression, self-harm, and suicide attempts across the lifespan; an increase in social isolation during the pandemic and lockdown could have serious mental health consequences for those affected. 65 There have been reports of negative mental health impacts for healthcare workers on the frontline of the pandemic.66 These may have lasting effects if treatment and support is not provided.⁶⁷ Healthcare workers are disproportionately likely to be women and those of visible minority ethnicities are also more likely to be working in healthcare - 77% of those working in Human health activities in Scotland in 2018-19 were women, and 7% were of a visible (non-White) minority ethnicity.68

Healthy behaviours

Data from Understanding Society suggests that there has been an overall reduction in risky alcohol use within the UK during the pandemic, particularly among men and young people (16-34).69 This may have positive health impacts, especially if patterns are maintained. On the other hand, the survey also found indication that fewer young people may be achieving recommended physical activity levels, which may have a negative effect on health. An assessment led by the Children and Young People's Commissioner Scotland also warned that 'limited access to outdoor space and services closures are likely to have reduced children and young people's physical activity' and given that many children were already at risk of obesity before the pandemic, 'this reduction in physical activity could have increased medium- and long-term implications for children and young people's physical health'.⁷⁰

An online survey conducted by Ipsos MORI during April 2020 found that women were somewhat more likely than men in Britain to say that they had been exercising more since the lockdown began (29% vs 21%).71

Impacts of safety and security

⁶³ https://www.ipsos.com/ipsos-mori/en-uk/how-comfortable-are-britons-returning-normal-coronavirusconcern-rises-again

⁶⁴ https://www.ifs.org.uk/publications/14874

⁶⁵ https://www.thelancet.com/pdfs/journals/lanpsy/PIIS2215-0366(20)30168-1.pdf;

https://www.bmj.com/content/bmj/369/bmj.m1557.full.pdf

⁶⁶ https://www.medrxiv.org/content/10.1101/2020.04.16.20067801v1;

https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2763229;

https://www.nature.com/articles/s41581-020-0314-5

⁶⁷ https://www.bmi.com/content/368/bmi.m1211

⁶⁸ Annual Population Survey, ONS, April 2018 - March 2019.

⁶⁹https://www.understandingsociety.ac.uk/sites/default/files/downloads/general/ukhls_briefingnote_co_ vid health final.pdf

70 https://cypcs.org.uk/coronavirus/independent-impact-assessment/#

⁷¹ https://www.ipsos.com/sites/default/files/ct/news/documents/2020-

^{05/}fawcett society presentation.pdf?platform=hootsuite

For children and young people, there is an increased risk of online sexual exploitation during the pandemic, which, along with child abuse, may be more challenging to identify and prevent during lockdown due to reduced interaction with services.⁷² These can have serious negative long-term health impacts.

Economic impacts on health

Women account for the majority of employment in many of the sectors reopening during Phase 2 of restriction lifting in Scotland and in which many roles are public-facing, such as Retail trade, except vehicles (60% women), Accommodation (58%) and Food and beverage service activities (53%).⁷³ A slightly higher proportion of disabled people (21.2%) than non-disabled people (18.6%) in employment in 2018 were working in Distribution, hotels and restaurants,⁷⁴ while those who identified as 'Asian' were more likely than those of other ethnic groups to be working in both 'Wholesale and retail trade; repair of motor vehicles and motorcycles' and 'Accommodation and food service' at the time of the last Census in 2011.⁷⁵ Almost a quarter of 'Asian' men in employment worked in the Accommodation and food service industry (23%, compared to just 5% of employed 'White' men). While protective measures are widely being put in place, the risk of both contracting and spreading infection could increase for these people as they return to public-facing roles⁷⁶.

Before the pandemic there had been a significant drop in the number of EU nationals coming to the UK and an increase in EU8 nationals leaving the UK. EU nationals leaving the UK has compounded a recruitment crisis in the NHS and the social care sector, adversely affecting people who use these services such as disabled people, older people, people with long-term illnesses, pregnant women and many others. Continuing staff shortages in homecare workers may force some older people into returning to residential homes or result in them losing their ability to live independently⁷⁷.

Economic downturn resulting from the pandemic is also likely to have a significant negative impact on the mental (as well as physical) health of those affected, including the children of people experiencing unemployment, unstable employment or financial difficulties.⁷⁸ This is likely to disproportionately affect low-income and otherwise socio-economically disadvantaged families, as well as those with preexisting mental health conditions. Given that younger people were already more likely to have poor mental health and are now at particular risk of unemployment, the

⁷⁴ Annual Population Survey 2018. See: <u>Disabled People and the Labour Market in Scotland: 2018</u>.

⁷² https://capmh.biomedcentral.com/articles/10.1186/s13034-020-00329-3

⁷³ Annual Population Survey, Jan-Dec 2019, ONS

⁷⁵ Of those aged 16 to 74 who were in employment the week before the census. 'Asian' includes those who identified as Asian, Asian Scottish or Asian British. Note that the numbers for some groups are fairly small. Scotland's Census 2011 - National Records of Scotland. *Table DC6216SC - Industry by ethnic group by sex.* Available at: https://www.scotlandscensus.gov.uk/ods-web/standard-outputs.html

⁷⁶ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/8 95922/S0540 Managing infection risk in high contact occupations.pdf

⁷⁷ https://www.gov.scot/publications/social-equality-impacts-brexit/

https://www.thelancet.com/pdfs/journals/lanpsy/PIIS2215-0366(20)30168-1.pdf: https://capmh.biomedcentral.com/articles/10.1186/s13034-020-00329-3; https://www.bmj.com/content/bmj/369/bmj.m1557.full.pdf

inequality in mental health outcomes between young people and older adults could be expected to worsen. Research conducted in England has also shown that self-harm is more common among people who face poverty and disadvantage, and that this seems to be particularly the case for women.⁷⁹

There is evidence that incidence of both domestic abuse and child abuse can rise during economic recessions, which could further extend the negative health impacts for women and children noted above.⁸⁰

Technological impacts

Technology use can have positive impacts on physical and mental health.81 It is not yet clear whether or not the COVID pandemic will, in the longer term, lead to widening or narrowing of digital inequalities, but either way this will have an impact for health inequalities. Greater use of video consultations could better enable access to healthcare for some, as well as reducing the need for face-to-face and the risk of COVID-19 spread in the present climate while maintaining high standards of care.82 Reviews of the Near Me service suggest that both patients and staff have benefited from the use of video consultations, that many older patients have embraced the technology, and that it had improved equity of access for patients experiencing travel and/or mobility problems due to frailty and multi-morbidity as well as for patients with fear or anxiety engaging with clinical services.83 The use of video consultations also risks excluding those with low digital literacy and confidence, and/or limited access to the technology, however; at present, as section 7 sets out, older adults, those with lower household incomes, those living in the most deprived areas and those living in social rented housing are all less likely to use the internet. The Chair of the Royal College of General Practitioners has also noted that careful thought will be required to ensure that those with literacy issues, learning disabilities, mental health issues, visual or hearing impairments, English as a second language, cognitive impairments or frailty are not disadvantaged by this type of access to healthcare.84 Face-to-face consultations remain important for patients who are unable to use video (or phone) consultations effectively.85

Brexit

Brexit is already known to have impacted on some people's mental wellbeing and prospects of potential exit without a trade deal could worsen the mental health of some. Research has found that almost one in five people felt Brexit had caused

⁷⁹ https://weareagenda.org/wp-content/uploads/2017/03/Often-Overlooked-Young-women-poverty-and-self-harm-2.pdf

and-self-harm-2.pdf

80 https://capmh.biomedcentral.com/articles/10.1186/s13034-020-00329-3; Schneider, Harknett & McLanahan, 2016. Intimate Partner Violence in the Great Recession. *Demography*, 53: 471-505; https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5408954/; https://www.bmj.com/content/bmj/369/bmj.m1557.full.pdf.

⁸¹ https://www.sciencedirect.com/science/article/pii/S0747563220301771

https://spcare.bmj.com/content/early/2020/05/26/bmjspcare-2020-002326

https://nhsforthvalley.com/local-patients-and-staff-benefit-from-huge-rise-in-video-consultations/; https://www.gov.scot/publications/evaluation-attend-anywhere-near-video-consulting-service-scotland-2019-20-main-report/

https://www.rcgp.org.uk/about-us/rcgp-blog/the-rapid-scaling-of-it-within-general-practice.aspx?utm_campaign=1421727_Scotland%20Weekly%20Digest%20-%2005%20June%2020&utm_medium=email&utm_source=Dotmailer&dm_i=49LX,UH0F,GCD60,3PP_SA,1

⁸⁵ https://www.gla.ac.uk/media/Media 728030 smxx.pdf

them 'high levels of stress' and over one in ten people reported that Brexit had caused them problems with sleeping. The research also found that Brexit-related stress did not impact everyone equally; instead, it has a disproportionate effect on equality groups, including people from a migrant background (including EU nationals), ethnic and religious minorities, people living with long-term health conditions and people with mental health disabilities⁸⁶.

Any post-Brexit cuts in public services, especially in the NHS and social care sector (which after already face staffing shortages) will adversely affect older people, children and young people, especially those from families on low incomes and those dependent on children's services. Any cuts to budgets that lead to job losses may affect minority ethnic people as many are employed in health and social care. Moreover, any shortages of medications, especially under a no-trade deal Brexit, could disproportionately affect older people, who are more likely to have health conditions and require medication. Accessing new medicines may also be affected if the UK fails to remain a full member of the European Medicines Agency (EMA) 87 after Brexit, again this may affect older people disproportionately as they tend to take more medication than younger people⁸⁸.

As a consequence of Brexit, the European Health Insurance Card (EHIC), which allows eligible residents of EU and EEA countries (and Switzerland) to access healthcare during stays of less than three months in these countries, will no longer be valid for most UK Citizens after December 2020. UK state pensioners living in the EU before the end of 2020 will be able to use their EHIC beyond 2020, as well as UK students who start a course in the EU before the end of 2020 and 'frontier workers' i.e. people who work in one state and live in another. In evidence given to the House of Lords European Union Home Affairs Sub-Committee, Catherine Bernard, Professor of EU Law at Cambridge University, emphasised the particular value of the EHIC card to older people and those with pre-existing conditions, who can be charged high premiums for private travel insurance89 because of their preexisting conditions.

Cuts in EU funding will adversely affect projects aimed at supporting the mental and physical health of pregnant women and mothers, if they are not fully replaced under the proposed UK Shared Prosperity Fund⁹⁰.

Other impacts from COVID-19 and Brexit likely to impact on health equality The following observed or projected impacts of the pandemic and/or Brexit are also likely to lead to poorer health outcomes in the long term:

- Reduction in income/increase in poverty⁹¹
- Increase in food poverty or insecurity⁹²

https://www.gov.scot/publications/scottish-health-survey-2018-volume-1-main-report/pages/40/

⁸⁶ https://www.gov.scot/publications/social-equality-impacts-brexit/

⁸⁷ https://lordslibrary.parliament.uk/research-briefings/lln-2018-0032/

⁸⁸ https://www.gov.scot/publications/social-equality-impacts-brexit/

⁸⁹ http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/eu-homeaffairs-subcommittee/brexit-reciprocal-healthcare/oral/71279.pdf https://www.gov.scot/publications/social-equality-impacts-brexit/

⁹¹ https://www.bmj.com/content/bmj/369/bmj.m1557.full.pdf

- Missed or poorer education⁹³
- Increased stress or anxiety⁹⁴

These impacts are unlikely to be experienced evenly across the population. The groups of people that they are likely to affect the most are discussed elsewhere in the relevant sections of this paper.

Intergenerational impacts

It is also important to recognise the potential for negative health impacts arising either directly or indirectly from COVID-19 and Brexit to be intergenerational. For example, the Growing Up in Scotland study found that children are less likely to experience negative health and development outcomes by age four if their mother has not experienced a long-term health problem or disability herself since the child's birth. Children whose mothers had good mental health during their first four years also had better social, emotional and behavioural development (although understanding the possible causal relationship between maternal mental health and the child's development is not straightforward).

⁹³ https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4691207/;

 $[\]frac{http://www.oecd.org/education/innovation-education/37425753.pdf\ ;\ https://esrc.ukri.org/news-events-and-publications/evidence-briefings/the-wellbeing-effect-of-education/\ ;}$

https://www.health.org.uk/news-and-comment/blogs/emerging-evidence-on-health-inequalities-and-covid-19-may-2020

⁹⁴ https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5579396/

⁹⁵ https://www.gov.scot/publications/tackling-inequalities-early-years-key-messages-10-years-growing-up-scotland-study/

2. Economic

The resultant economic recession from COVID-19 is expected to push the UK into its fastest and deepest recession since the 'great frost' in 170996. This economic recession is adversely impacting household incomes as many workers have been made redundant, furloughed or have had their working hours or wages cut. This has resulted in unprecedented levels of financial distress and hardship particularly for those experiencing socio-economic disadvantage. For many, the hit on earnings is coming right after the 2008 financial crisis and post EU referendum income squeezes, resulting in a 'triple hit' to their incomes. The pandemic has also come at a time when effects of the package of welfare reform announced in 2015 are beginning to take effect. Moreover, the recession has occurred at a time when economic inequalities (e.g. income and wealth) are already high.

2.1 Pre-existing economic inequalities

Income and Wealth

Compared to other OECD countries, income inequality in the UK as measured by the Gini coefficient⁹⁷ remains high⁹⁸. The latest Gini coefficient estimates for UK nations, suggest that after accounting for housing costs, Scotland (36%) is slightly less unequal than the UK (39%)99. However, at 36%, income inequality in Scotland remains high. The Palma ratio¹⁰⁰, another measure of income inequality, shows that in 2016-19, the top ten percent of the population had 24% more income than the bottom forty percent combined¹⁰¹. As shown in figure 2, this compares to 33% more income of the top ten percent in 2007-10, the period with the highest income inequality in this time series. Inequalities in household labour income also remain, with higher income households receiving a large proportion of their income from earnings, and lower income households receiving more of their income from social security payments. Earnings account for around 45% of gross income for those in the lowest two deciles compared to over 80% for those in the top three deciles 102.

⁹⁶https://www.ft.com/content/734e604b-93d9-43a6-a6ec-19e8b22dad3c; https://www.bankofengland.co.uk/-/media/boe/files/monetary-policy-report/2020/may/monetary-policyreport-may-2020

97 Gini coefficients can vary between 0% and 100% and the lower the value, the more equally

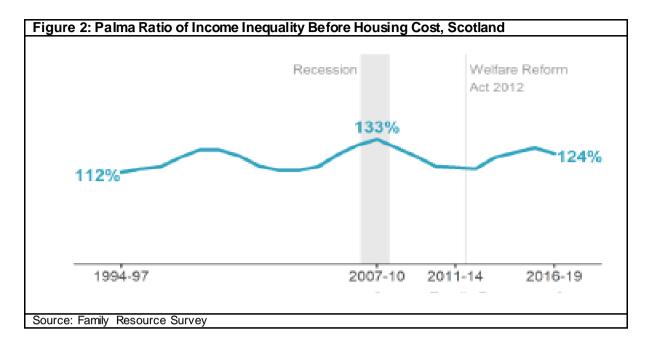
distributed income is.

⁹⁸ https://data.oecd.org/inequality/income-inequality.htm

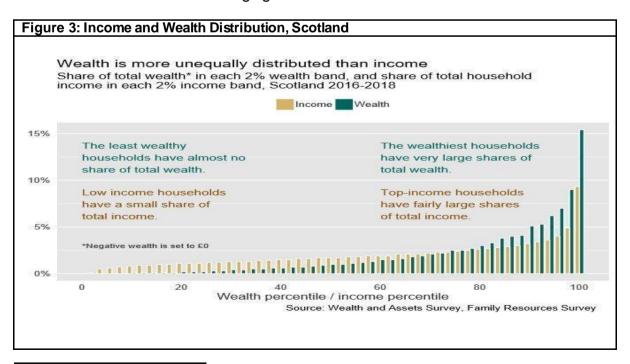
⁹⁹ https://www.gov.scot/publications/additional-poverty-statistics-2020/ - see Gini coefficient by UK nation file.

¹⁰⁰ The Palma ratio or 'S90/S40' ratio measures the ratio of total income received by the top ten percent of the population divided by the total income of the bottom forty percent of the population (expressed as a percentage) over time. Palma is used internationally to estimate the extent of inequality between those at the top of the income distribution and those at the bottom. The Palma ratio is usually calculated from income before housing costs

https://www.gov.scot/publications/poverty-income-inequality-scotland-2016-19/pages/5/ https://www.gov.scot/publications/poverty-income-inequality-scotland-2016-19/pages/5/



Most economic inequality discussions focus just on income inequality, however wealth is even more unequally distributed than income. As illustrated in figure 3, the latest Wealth And Assets Survey¹⁰³ (WAS) analysis shows that the top 2% households in Scotland had 9% of all income, but the wealthiest 2% of all households in Scotland held 15% of all wealth. In contrast, the bottom 20% of households had 8% of all income, and only 1% of all wealth. The data also shows that those with higher incomes also tend to have more wealth, as illustrated in figure 3. While many people will try to grow their wealth throughout their working lives in preparation for retirement, households with low income and low levels of starting wealth will find this more challenging.



http://www.wealthandassets.scot/2020report.html#wealth-inequality

Pre-crisis evidence suggests that individuals and households that are expected to be most affected by this economic crisis are relatively more likely to have lower income and wealth. While those with higher levels of income or wealth could maintain their living standards by drawing on their savings when faced with an earnings shock, in contrast, those on low incomes or with less wealth may be less resilient to such shocks. They may as a consequence be faced with a greater fall in their living standards or end up getting into debt to maintain their living standards. While the social security system may cushion them from some of the fall in earnings it is in many cases unlikely to cushion them fully for lost earnings. Evidence from the WAS also shows that the least wealthy households are unlikely to own property, have any pension savings, unlikely to have much of their wealth in cash or savings. Their wealth is most likely to be held in physical wealth i.e. their possessions such as clothing or furniture.

Social Security

Social security spend accounts for the bulk of UK Government annual managed expenditure (AME) alongside debt interest payments and public sector pensions. It provides an important financial safety net for the unemployed, people on low incomes, disabled people and those with long-term conditions.

Over time, the social security system has shifted away from income-related, out-ofwork benefits towards tax credits and support in meeting the costs of housing and the costs associated with disability. There has also been a shift in the balance between universal, contribution-based and means-tested support. The contributory principle has been eroded from the system, universalism has been adopted for pensioners and has been reduced to some extent for non-pensioners. As a result, means-testing is more common for people of working age and children¹⁰⁴.

The division of social security spend across population groups is a key area of difference:

- The variance in spend between pensioners and others is a distinct feature of the current and future paths of social security spend. The gap between pensioner and non-pensioner social security spending is the largest it has been since the late 1970s, reflecting a combination of economic and demographic factors, and policy choices – such as reducing the generosity of working age social security and increased generosity of pensioner benefits 105.
- Reductions in welfare generosity¹⁰⁶ over the past decade have been disproportionately felt by those on the lowest incomes. Women receive a greater proportion of their income from social security payments than men on average, due to both their lower average incomes and being more likely to receive payments for people they care for, particularly children. Estimates from the Labour Force Survey suggest that around 92% of lone parent families with

104 https://www.resolutionfoundation.org/app/uploads/2019/11/The-shifting-shape-of-socialsecurity.pdf

https://www.resolutionfoundation.org/publications/the-shape-of-things-to-come/
The largest elements of these cuts include the benefits freeze, the two-child limit, the removal of the 'family element' in tax credits and Universal Credit, and the reduction in support for the Employment and Support Allowance (ESA) work-related activity group (and the equivalent group in Universal Credit).

dependent children across Scotland are headed by women. 107 Child and Working Tax Credits statistics show that women are the primary recipient of Tax Credits in 95% of single adult families, and 77% of couples. 108 This means that women have been hit particularly hard by austerity measures introduced over the past decade in the UK – the Women's Budget Group estimates that 59% of the cumulative social security cuts by 2021-22 will have come from women's purses. 109 They have also calculated that low-income Black and Asian women have been hardest hit by the impact of tax, benefit and public service changes. and that of different household types, lone mothers are hardest hit (followed by lone fathers and single female pensioners)¹¹⁰. Analysis by the Race Equality Foundation¹¹¹ also suggests that flaws in the design of Universal Credit (UC) and subsequent cuts have further exacerbated existing inequalities with a disproportionate impact falling on women and minority ethnic people, with minority ethnic women in particular being worst affected. A range of evidence demonstrates that in low-income households, women are more likely to experience deprivation than their partners or children, and more commonly sacrifice their own basic needs to avoid similar deprivation in family members. 112

 Research by the Resolution Foundation suggests that despite more meanstesting, overall reductions in generosity mean the social security system's 'automatic stabilisation' role in supporting the macroeconomy in a downturn has weakened. For example, in the fact that Jobseeker's Allowance (JSA) is expected to reach an all-time low in relation to earnings in 2019-20, at 14.5%. This compares to a figure (for its predecessor benefits) of 20% in the early 1990s and above 30% during much of the 1960s.¹¹³

Savings and Debt

As with income and wealth, there are pre-existing inequalities in the savings and debt held by households and the evidence shows that many households did not have enough savings set aside pre-COVID. The latest WAS data shows that a typical household in Scotland had £5,500 in financial wealth after any non-mortgage debt was deducted in 2016-18. 114 However, those in the least wealthy 20% had negative financial wealth – i.e. they were in debt. 2.9% of households were in unmanageable debt, with lone parent households and younger households more

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¹⁰⁷ ONS (2019), Families by family type, regions of England and UK constituent countries

¹⁰⁸ HM Revenue & Customs (2017), Personal tax credits: provisional statistics, Child and Working Tax Credits Statistics April 2020 Table 7.1

¹⁰⁹ https://wbg.org.uk/wp-content/uploads/2019/11/SOCIAL-SECURITY-2019.pdf

https://wbg.org.uk/media/new-research-shows-poverty-ethnicity-gender-magnify-impact-austerity-bme-women/

https://raceequalityfoundation.org.uk/wp-content/uploads/2017/11/Better-Housing-27-Universal-Credit.pdf

¹¹² Relevant studies include Cantillon (2013), Measuring Differences in Living Standards Within Households, Journal of Marriage and Family, Volume 75, Issue 3, Oxfam (2011), <u>Exploring BME Maternal Poverty and J Goode et al (1998)</u>, Purse or wallet?: gender inequalities and income distribution within families on benefits, Policy Studies Institute.

https://www.resolutionfoundation.org/app/uploads/2019/09/MPU-paper.pdf

¹¹⁴ Financial wealth is the sum of all financial assets (such as bank accounts, savings accounts, stocks and shares) minus all liabilities (such as overdrafts, loans, credit card debt, and arrears on household bills). Wealth and assets: analysis 2006 to 2018.

likely to be in this situation.¹¹⁵ Just under one tenth of lone parent households were in unmanageable debt (9.1%), along with 4.9% of working-age single men and 4.6% of working-age single women. Unmanageable debt was lowest among pensioner couples and single female pensioners. 6.3% of households with a reference person aged 16-34 were in unmanageable debt and 5.5% of those with a reference person aged 35-44, compared to 0.5% of those aged 55-74 and 0.0% of those aged 75+.

A third of households in Scotland were financially vulnerable in 2016-18 (34%), meaning that they did not have enough savings to cover basic living costs for three months. Households with lower incomes are more often financially vulnerable compared to those with higher incomes, but vulnerable households are found in all income bands across Scotland. Over half of households in the lowest income decile were financially vulnerable in 2016-18 (55%), falling to 12% of those in the highest income decile.

The households that are most likely to be financially vulnerable include those who are lone parents, workless, young, with children and those that rent. Financially vulnerable households accounted for: 73% of lone parent households, 71% of economically inactive or unemployed households, 58% of renting households, 52% of cohabiting households and 48% of single households, 50% of households with a reference person aged 16-34, 47% of households with children, 45% of households with no qualification and 38% of households with a disabled member. However it should be noted that since some of the groups most likely to be financially vulnerable are quite small, the bulk of financially vulnerable households is made up of households with different characteristics: they often are of working-age, couples in employment and living in rented homes.

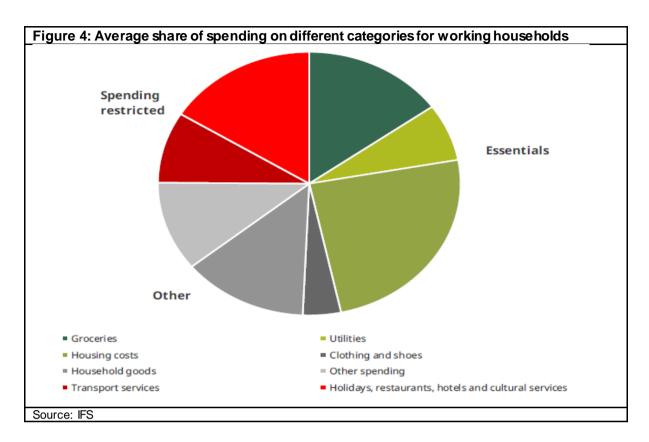
Similarly, findings from the Scottish Household Survey shows that households on low incomes, lone parent and single adult households, those in the social rented sector and those in the most deprived areas were least likely to say that they were managing well financially, in 2018.¹¹⁶ Households relying mainly on benefits and those where the highest income householder was female were also less likely to say that they were managing well.

Differences in household spending patterns

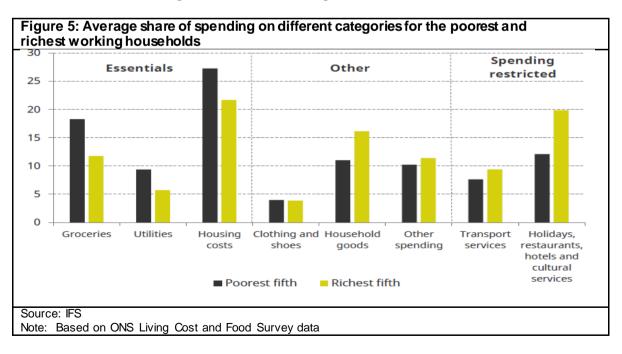
On average, lower income households find it harder to weather adverse shocks to their earnings as a greater proportion of their spend is towards essential nondiscretionary items (such as rent, mortgage payments, food, utilities and other essential bill payments) that are much harder to cut off or avoid.

¹¹⁵ A household is defined as being in unmanageable debt if they have liquidity problems or solvency problems, or both. Liquidity problems mean people struggle with their debt repayments and are falling behind with bills. Solvency problems mean people have a large amount of debt and feel heavily burdened by it.

¹¹⁶ Scottish Household Survey 2018: Annual Report



IFS analysis¹¹⁷ shows that the poorest fifth of households spent 55% of their incomes on essentials, compared with just 39% for the richest fifth. The poorest households spent around 9% of their income on utilities, 27% on housing costs and 18% on groceries. By contrast, richer households spent 6% of their income on utilities, 22% on housing costs and 12% on groceries.



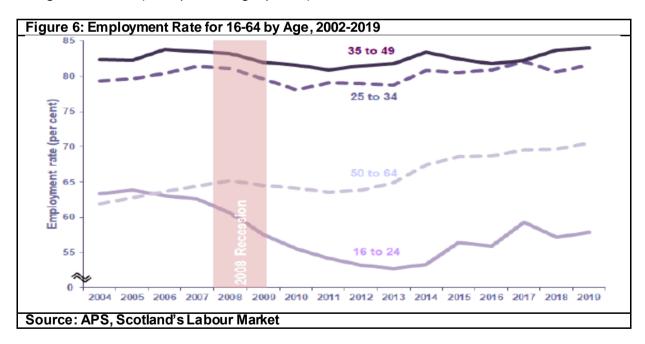
¹¹⁷ https://www.ifs.org.uk/uploads/BN279-Household-spending-and-coronavirus-2.pdf

Labour market

Pre-crisis, there were several structural and other inequalities in existence in the labour market. While inequalities in employment and wages have fallen in recent decades, there are still considerable gaps. The drivers for these inequalities are wide ranging from choices taken by individuals (such as caring for young children, part-time work and occupational choice) to contractual employment arrangements.

Employment gaps:

Employment rates of some population groups in Scotland continue to remain low in comparison to others. While the gender employment gap has narrowed, in 2019 the employment rate of women (71.7%) remains lower than that of men (78%). Similarly, while the employment rate for young people (16 to 24) has increased to 57.9%, it remains the lowest amongst the various age groupings. The 2008 recession had the greatest impact on the employment rate of young people reducing it from 60.7% in 2008 to a low of 52.7% cent in 2013. The employment rate for those classed as disabled under the Equality Act 2010 was 49% in 2019 which is significantly lower than the employment rate for non-disabled people (81.6%). The employment rate for the minority ethnic population aged 16 to 64 was 59.3%. This is lower than the rate for white population (75.7%)¹¹⁸. The white population has consistently had an employment rate that exceeds the minority ethnic population and the minority ethnic employment gap was much higher for women than men. For women the gap was 22 percentage points and for men it was 9.5 percentage points. The gap in the employment rate for the minority ethnic population was largest for young people aged 16 to 24 (26.1 percentage points) 119.



Differences in employment protection:

¹¹⁸ It is worth noting that while there is a minority ethnic group employment gap of 16 percentage points, this falls to 11 percentage point when those in full time education are discounted.

https://www.gov.scot/publications/scotlands-labour-market-people-places-regions-statistics-annual-population-survey-2019/

There exist inherent differences in the employment protection offered to those in permanent, more secure or stable forms of employment and those in more fluid and casual forms of work such as temporary or zero hour contracts. The latter jobs are often associated with low pay, lack of job security, progression or rights. As a percentage of all employees by age band, young people (18 to 24) were least likely to be securely employed and by gender, women were less likely than men to be securely employed. Women are also disproportionately represented in these precarious jobs.



ONS analysis shows that at a UK level, younger people are three times as likely as the average to be on zero-hour contracts (9.1% of people aged 16-24 in employment in last quarter of 2019, compared to 3.0% overall), but those aged 65+ were also around twice as likely than the average to be on zero-hour contracts (5.7%). Women in employment are more likely than men in employment to be on a zero-hour contract (3.6% vs 2.4% respectively). Those who were born in a country other than the UK were somewhat more likely to be on zero-hours contracts (3.4% of people in employment born outside the UK, compared to 2.9% of UK-born people in employment) ¹²⁰.

Gender and occupational segregation:

Although equality legislation has been in place for many years, gender segregation remains a persistent issue across several broad industry sectors and occupational groups in Scotland¹²¹. For example, in 2019, almost half of women in Scotland (46.2%) work in the 'Public Administration and Defence', 'Education', and 'Health and Social Work' sectors); 42.3% of women in Scotland were employed in occupations that are gender segregated towards women: 'Administrative and Secretarial' (14.5%), 'Personal Service Occupations' (16.8%), and 'Sales and Customer Service Occupations' (11.0%). For young people, the majority in employment work in 'Accommodation and Food Service', 'Wholesale and Retail' and 'Arts, Entertainment and Recreation'.

¹²⁰ ONS, EMP17: People in employment on zero hours contracts

https://www.gov.scot/publications/scotlands-labour-market-people-places-regions-statistics-annual-

population-survey-2019/

Differentials in distribution of hours worked:

While most men work full-time, the distribution of hours worked by women is more variable and part-time work is relatively more common. Part-time employment accounts for 41.2% of all women's employment compared with 12.4% of all men's employment in Scotland. Underemployment¹²² was also higher for women (7.5%) compared with men (6.7%). Part-time working is often associated with a significant pay and progression penalty. Research into the part-time penalty faced by women in Britain, found a significant hourly pay difference of around 25% between full- and part-time workers¹²³. It also found that compared with women working full-time, women working part-time tend to have lower levels of education and more (and younger) children. Accounting for this, explains around half of the pay gap between full and part-time employment, with the remainder largely explained by occupational segregation or the types of jobs that are available on a part-time basis. Motherhood has been shown to have a significant impact on the number of hours that some mothers can work which then affects their pay and income relative to non-mothers and men¹²⁴. IFS¹²⁵ research suggests that mothers suffer a big long-term pay penalty from part-time working. The research shows that by the time a first child is grown up (aged 20), mothers earn about 30% less per hour, on average, than similarly educated fathers. About a quarter of that wage gap is explained by the higher propensity of the mothers to have been in part-time rather than full-time paid work while that child was growing up, and the consequent lack of wage progression. About a further tenth of that gap is explained by mothers' higher propensity to have taken time out of the labour market altogether.

In-work gender inequality and unequal pay:

While progress towards eliminating barriers that stifle the employment, career advancement and pay of women has been made, there is still some way to go in addressing issues such as the gender pay gap and parental employment. The gender pay gap has narrowed considerably from 18.4 per cent in 1997 to 5.6 per cent in 2018, the narrowest since the series began. In 2019, the gender pay gap (based on full-time employees) was 7.1 per cent, an increase of 1.5 percentage points on the previously year. Based on full-time and part-time employees, in 2019, the gender pay gap was 14.3%, a decrease from 15.0% in 2018¹²⁶.

Inequality in access to fair work beyond earnings:

Research by the Carnegie Trust¹²⁷ suggests that young people, women, minority ethnic people, disabled people and low-paid workers have often had least access to work that could be considered 'fair work' across multiple measures, and that minority ethnic young adults are at greater risk of being unemployed and of being in precarious work than white young adults¹²⁸.

¹²² Under employment refers to those who are in work but who would prefer to work more hours for the same rate of pay and provides a measure of underutilisation of labour.

¹²³ http://personal.lse.ac.uk/PETRONGO/Manning Petrongolo EJF.pdf

¹²⁴https://www.tuc.org.uk/sites/default/files/MotherhoodPavPenaltv.pdf:

https://www.ifs.org.uk/publications/10364; https://eige.europa.eu/resources/wcms 371804.pdf

https://www.ifs.org.uk/uploads/publications/bns/BN223.pdf

https://nationalperformance.gov.scot/measuring-progress/national-indicator-performance

https://d1ssu070pg2v9i.cloudfront.net/pex/carnegie_uk_trust/2016/11/Work-and-Wellbeing-Discussion-Paper-1.pdf

¹²⁸ https://www.carnegieuktrust.org.uk/publications/race-inequality-in-the-workforce/

Wage stagnation for younger workers compared to previous generations: Evidence for the UK suggests that some young workers are now earning less than their parents did at a similar age, which is making it harder for example for them to get on the property ladder¹²⁹.

Barriers to earning a decent living and making ends meet: In-work poverty for working-age adults¹³⁰ has increased continuously since 2011-14, and in the most recent reporting period, it was at its highest since reporting began. In 2016-19, 60% of working-age adults in relative poverty (after housing costs) were living in working households.

2.2 Impact of COVID-19 on economic inequalities so far

The COVID-19 economic crisis has resulted in significant disruption in economic activity and the labour market. Despite the unprecedented effort by the government to support the incomes of those in employment through the Coronavirus Jobs Retention Scheme (CJRS) and Self-employed Income Support Scheme (SEISS), many workers have lost their jobs because their firms, large and small, have seen a sharp drop in economic activity and consumer demand which has affected their viability.

The effects have been unequal across sectors of the economy, workers and occupations, income and population groups. Workers with more secure permanent, salaried, fixed hour contracts are less likely to be affected compared with workers on precarious or temporary contracts, non-salaried and those on zero hour contracts or whose hours vary. The extent to which workers are being affected also varies enormously by age, gender, occupation and sectors worked in. The latest Labour Force Survey (LFS) estimates for March 2020 to May 2020 indicate that over the quarter, the unemployment rate increased, the employment rate decreased and the economic inactivity rate increased¹³¹.

A major determinant of job losses has been whether an individual is working in a 'shutdown' sector and the extent to which their role can be done at home or whether it requires onsite working. Through physical and social distancing lockdown measures, the ability to work from home has been fundamental in determining whether workers remain engaged with work. The evidence so far suggests that the direct and immediate economic effects of this crisis are largely falling disproportionately on those on low pay with little savings buffer, women, young people, people from minority ethnic groups, lone parents and disabled people, as many of these work disproportionately in 'shutdown' sectors such as hospitality,

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¹²⁹ http://cep.lse.ac.uk/pubs/download/cepcovid-19-004.pdf

¹³⁰ The terms 'working' and 'in-work poverty' here refer to paid employment only. In-work poverty refers to people living in households where at least one member of the household is in either full or part-time paid work, but where the household income is below the relative poverty threshold.

¹³¹ https://www.gov.scot/publications/labour-market-trends-july-2020/

tourism, manufacturing, entertainment, non-food retail and wholesale or because they are unable to work from home. The adverse economic effects of COVID-19 on these population groups will layer on top of pre-existing economic inequalities they faced, exacerbating their disadvantage.

Low earners and those on low incomes

For some low earners furloughed via the Job Retention Scheme, the 80% of PAYE earnings threshold could push their hourly pay below the current rate of the real living wage (£9.30/hour) if their employers do not make up the 20% shortfall. If only 80% of usual earnings are paid to staff, median hourly pay will fall below the real living wage in sectors including Wholesale and Retail Trade, Accommodation and Food Services, and Arts, Entertainment and Recreation.

Most are unlikely to be able to work from home and a large proportion also work in the hardest-hit or shut down sectors 132 and therefore more likely to affected by redundancies and reductions in earnings. The IFS¹³³ estimates that low earners were seven times more likely than high earners to have worked in a sector that has shut down. The Resolution Foundation¹³⁴ reports that lower earners are three times as likely to have lost their job or been furloughed as high earners, and are more than twice as likely to do jobs exposing them to health risks. Recent IFS analysis by the suggests that those working in 'shutdown' sectors, such as hospitality, were already almost twice as likely to be in poverty and poverty rates were also higher for selfemployed people working in these sectors. Standard Life Foundation's COVID-19 Financial Impact Tracker suggests of the 12% of households across the UK in the most serious financial difficulties, almost all (87%) reported struggling to buy food. Households in this group had an average income of £22,500, with 35% receiving one of the main out-of-work UK-wide benefits. Fifty percent had experienced a significant drop in income in the last three weeks (at the time of the survey).

Parents-to-be who are furloughed at 80% or on Statutory Sick Pay (SSP) risk their average weekly earnings falling below the lower earnings limit (£120) to qualify for Maternity Pay, Paternity Pay or Shared Parental Pay. 135 Mothers or fathers who are furloughed at 80% during the period used to calculate Maternity/Paternity pay will only receive 80% of this. Meanwhile self-employed parents who have taken Maternity or Parental Leave over the last 3 years will have a higher risk of their average 3-year income being reduced because they have taken periods of leave in the last 3 years.

Recent analysis by the Social Metrics Commission (SMC)¹³⁶ suggest that compared to those more than 20% above the poverty line. UK workers who were more than 50% below the poverty line were 15 percentage points more likely to have experienced a negative labour market outcome as a result of COVID-19. The analysis also estimates that population groups already over-represented amongst those in poverty have been most affected impacted by the crisis. For example.

https://www.gov.scot/publications/additional-poverty-statistics-2020/

https://www.ifs.org.uk/publications/14791

https://www.resolutionfoundation.org/app/uploads/2020/06/A-new-settlement-for-the-low-paid.pdf

https://wbg.org.uk/analysis/reports/crises-collide-women-and-covid-19/

¹³⁶ https://socialmetricscommission.org.uk/wp-content/uploads/2020/08/SMC-Poverty-and-Covid-Report.pdf

disabled people employed before the Covid-19 pandemic were 4 percentage points more likely to have experienced a negative labour market outcome than people without a disability; those from Black and Asian ethnicities were more likely to be negatively impacted (by 4 and 6 percentage points respectively) than those from White ethnic groups.

HM Treasury's distributional analysis 137 of the impact COVID-19 on UK working household's net incomes (which assessed change in net household income in May 2020 relative to February 2020 after taking into account UK Government income support measures) shows that with the exception of the bottom 10% of households in the income distribution who have benefited the most from Government interventions, all households have experienced a fall in household income with those at the top of the distribution experiencing the greatest fall. This is partly because lower income deciles have been protected by the capped furlough scheme and SEISS. In general, the higher up the income distribution, the lower the impact that current government interventions have had at reducing the percentage loss in household income. It is important to note, though, that the analysis does not capture potential long-run impacts of COVID-19 on households, and does not make any assumptions about what household incomes might have looked like in the absence of the pandemic.

Those on insecure employment contracts

The impact of the crisis has also been bigger for those in insecure work. Analysis by the Resolution Foundation¹³⁸ suggests that people who were previously on a zero-hours contract were twice as likely to have been furloughed as people with no atypical work arrangements. More than one-in-ten (12%) have lost hours and pay, compared to just 3% of workers with more secure contracts. About a fifth (19 per cent) of those on temporary contracts have lost their jobs¹³⁹.

Young people

There is emerging evidence of a disproportionately large negative impact on young people (aged 16-24) in Scotland's labour market compared with other age groups. Rises in unemployment levels and falls in employment levels have been larger than any other age group:

- Annual employment rate falls for the months superseding lockdown have been the largest of any age group.
- Annual unemployment rate rises for the months superseding lockdown have been the largest of any age group.
- However, claimant count rises for young people have been very similar to overall changes, rising from 3.9% in March to 7.6% in June (4.0% to 7.7% for overall).

¹³⁷https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/8 98420/Impact_of_COVID-19_on_working_household_incomes.pdf

https://www.resolutionfoundation.org/app/uploads/2020/06/A-new-settlement-for-the-low-paid.pdf https://www.resolutionfoundation.org/app/uploads/2020/05/The-effect-of-the-coronavirus-crisis-on-workers.pdf

Young people are more likely to be working in hard-hit sectors such as retail and leisure and entertainment¹⁴⁰, with IFS analysis suggesting employees aged under 25 were about two and a half times as likely to work in a sector that is now shut down as other employees. 141 Analysis undertaken at the UK level suggests that nearly half of all workers who are furloughed are under the age of 35.

Resolution Foundation research suggests that the cohort leaving education this summer are 'between 13 and 37 per cent less likely (dependent on qualification levels) to be in employment in three years' time than they would have been with no change in the unemployment rate'142. It has been estimated that 35% of 18 to 24 year olds in employment are earning less than they did prior to the onset of the Covid-19 crisis¹⁴³.

At UK level, young people are also more likely to be working part-time or on less secure contracts¹⁴⁴. With potential long term scarring of the economy, we could see growth in youth unemployment and more long-term unemployment for them. Evidence shows that young people are also the most likely to suffer from long-term 'scarring' 145 from times of economic crisis, which can take years to undo. The usual difficulties faced by young workers in finding employment such as having the least experience, skills and contacts in gaining and sustaining employment are typically exacerbated in times of recession.

Currently, there is no evidence that older workers in Scotland have been particularly negatively impacted. The latest labour market data shows that declines in the employment rate of those aged 50-64 and 65+ employment rates were smaller than for 16-64 year olds. However research findings from the Resolution Foundation for UK suggest that the earnings of older workers are being impacted more significantly than for those between the ages of 25 to 49¹⁴⁶.

Gender

Several pieces of research post-lockdown anticipated that adverse labour market effects ensuing from lockdown measures would have a disproportionate longer term impact on women for a number of reasons. Women dominate in 'shut-down' and lowpaid sectors 147148 such as retail, accommodation and food and beverage services. which have been affected by furloughing, underemployment and redundancies. The high share of women in these sectors is therefore likely to have a bigger effect on their earnings. More women are on precarious and insecure work contracts and bear

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¹⁴⁰ 4 https://abiadams.com/wp-content/uploads/2020/04/UK Inequality Briefing.pdf; https://www.ifs.org.uk/publications/14791

https://www.ifs.org.uk/uploads/BN278-Sector-Shutdowns.pdf

https://www.resolutionfoundation.org/app/uploads/2020/06/The-Full-Monty.pdf

https://www.resolutionfoundation.org/publications/young-workers-in-the-coronavirus-crisis/

¹⁴⁴https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes /datasets/emp17peopleinemploymentonzerohourscontracts

¹⁴⁵ Scarring refers to the phenomenon of long term negative impacts on an individual's capacity to engage with the labour market resulting from a single period of unemployment.

https://www.resolutionfoundation.org/app/uploads/2020/05/Young-workers-in-the-coronaviruscrisis.pdf

¹⁴⁷ ONS, Annual Population Survey, January - December 2019.
148 https://www.ifs.org.uk/uploads/BN278-Sector-Shutdowns.pdf

a significant proportion of unpaid housework and caring in the household¹⁴⁹. With school and nursery closures the latter has become more taxing, as housework and childcare has fallen more on women than men¹⁵⁰, which may make it harder for them to maintain or take on employment. As of the end of June, 16% of women in Great Britain who said that COVID-19 was affecting their work said that this was because they were having to work around homeschool responsibilities (compared to 4% of men), while 18% of women whose work was affected said that they would have to work around childcare responsibilities (compared to 4% of men).¹⁵¹

Women also earn less than men on average¹⁵², are less likely to be eligible for sick pay¹⁵³, and are over-represented in many of the sectors where average hourly pay will fall below the current rate of the real living wage if employers do not bridge the 20% shortfall for furloughed staff. Women are also the vast majority of lone parents¹⁵⁴, who face particular challenges such as the absence of help with childcare. Before the current crisis, lone parents were more likely than average to be in unmanageable debt and also far more likely than average to be financially vulnerable. They are also more exposed to the impacts of reductions in earnings or job losses than those with partners or other household members not directly affected by the lockdown.

Research by the IFS¹⁵⁵ has also found that mothers are more likely than fathers to have quit or lost their job, or to have been furloughed, since the start of the lockdown. Compared with fathers, mothers are spending less time on paid work but more time on household responsibilities and the differences in work patterns between mothers and fathers have grown since before the crisis. In 2014/15, mothers were in paid work at 80% of the rate of fathers; now this is 70% of the fathers' rate. Mothers in paid work used to work an average of 73% of the hours that fathers worked; this has fallen to 68%. Mothers and fathers used to be interrupted over 50% more often.

As a result, this crisis risks inhibiting the desired participation of women in paid employment and their career progression; the IMF¹⁵⁷ has warned that COVID-19 threatens to roll back worldwide gains in women's economic opportunities and widen persistent gender gaps. While there is mixed evidence on whether the gender gap in time spent on childcare has narrowed or widened, there appears to be consensus on the fact that the lack of formal childcare through lockdown has resulted in an

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¹⁴⁹ Scottish Household Survey, 2018.

See for example: https://www.resolutionfoundation.org/app/uploads/2019/10/Risky-business.pdf; https://www.resolutionfoundation.org/app/uploads/2019/10/Risky-business.pdf; https://www.ifs.org.uk/uploads/BN290-Mothers-and-fathers-balancing-work-and-life-under-lockdown.pdf

¹⁵¹https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/bulletins/coronavirusandthesocialimpactsongreatbritain/3july2020

¹⁵² ONS, Annual Survey of Hours and Earnings, 2019.

¹⁵³ https://www.tuc.org.uk/research-analysis/reports/sick-pay-all

https://www.scotlandscensus.gov.uk/documents/analytical_reports/HH%20report.pdf

https://www.ifs.org.uk/uploads/BN290-Mothers-and-fathers-balancing-work-and-life-under-lockdown.pdf

^{156 &#}x27;Interrupted' is defined as doing at least one work and one non-work activity during an hour-long slot.

https://blogs.imf.org/2020/07/21/the-covid-19-gender-gap/

increase in the time spent on childcare by mothers more than that by fathers (with effects much greater for single parents, where a loss of formal childcare impacts more strongly). Research by King's College and Ipsos MORI¹⁵⁸ found that, while mothers and fathers in the UK were equally likely to have increased their childcare time during lockdown, mothers spent two hours per day longer on it than fathers (seven hours versus five). Another piece of research¹⁵⁹ based on representative samples in the US, UK and Germany found gaps across all 3 countries. For the UK, the research found that mothers working from home were spending more than 3.5 hours per day on childcare during lockdown, over an hour more than fathers. Research by the CEP suggests that higher childcare load on women during the current crisis has on average widened existing inequalities in gender contributions to home production among employed adults with dependent children¹⁶⁰. ONS time use data¹⁶¹ suggests that the gap in unpaid work (activities such as childcare, adult care, housework and volunteering) between men and women reduced slightly during lockdown but remained large. University of Bristol research¹⁶² suggests that the amount of additional childcare provided by men has been very sensitive to their employment; allocation of childcare has become more equal in households where men are working from home and where they have been furloughed/ lost their job. In contrast, the amount of childcare provided by women was found to be less sensitive to their own employment than it was for men and women were found to be doing more childcare than men, irrespective of their employment status; women working from home had undertaken more childcare than men on furlough or who have lost their job. The study therefore concludes that the burden of additional childcare may have damaging long-term consequences for the career prospects of parents with young children, and in particular for women.

While it has been widely expected that longer term labour market outcomes for women will be adversely impacted more than those of men for the reasons outlined above, early labour market evidence for Scotland suggests however that the immediate effect on employment rates has hit men harder than women. Women are mainly moving from employment into unemployment but men are moving from employment into both unemployment and inactivity. Inactivity levels for men have been rising most for men aged 25-34. The reasons for this remain unclear but may reflect a rise of men falling out of work who were not actively seeking work - categorised as inactive not unemployed - due to fewer job opportunities during the early stages of the outbreak and lockdown.

Average working hours have also consistently fallen more for men than women. This will partly reflect greater levels of furlough for men (still employed but working fewer hours) but will also reflect where hours have been cut — with a knock on effect on earnings. UK level ONS analysis suggests the workers least likely to be able to work from home are mostly men — 75% in the lowest quintile of ability to work from home

¹⁵⁸ https://www.kcl.ac.uk/news/women-doing-more-childcare-under-lockdown-but-men-more-likely-to-feel-their-jobs-are-suffering

¹⁵⁹ https://sites.google.com/view/covidinequality/home

http://cep.lse.ac.uk/pubs/download/cepcovid-19-002.pdf

¹⁶¹https://www.ons.gov.uk/economy/nationalaccounts/satelliteaccounts/bulletins/coronavirusandhowpeoplespenttheirtimeunderrestrictions/28marchto26april2020

http://www.bristol.ac.uk/efm/media/workingpapers/working_papers/pdffiles/dp20723.pdf

are men¹⁶³. Depending on the length of the crisis and risk of future lockdowns this may result in continued impact on male employment. Furlough rates so far have been high in male dominated sectors (e.g. construction, manufacturing) and very low in female dominated sectors (e.g. public admin. & defence, education, health), so the same pattern may be reflected in job losses so far – explaining the greater impact on men¹⁶⁴.

However, this could change longer term. Engender¹⁶⁵ have argued that women in Scotland have increased exposure to economic shocks through being over-represented in part-time and insecure work. Sustained recession in Scotland may mean women are more vulnerable than men to job losses in the longer term.

Disabled people

It is anticipated that COVID-19 could impact disabled people's employment due to their higher share of employment in some shutdown sectors (e.g. distribution, hotels and restaurants¹⁶⁶); previous recessions have had a disproportionate negative impact on their labour market outcomes. ONS¹⁶⁷ data on social impacts of COVID-19 highlights that a lower proportion of disabled people than non-disabled people were worried about aspects of work, travel and education. This may be because disabled people are less likely to be in employment¹⁶⁸, are less likely to travel under normal circumstances and tend to be older. However, disabled people are more worried than non-disabled people about the effect of COVID-19 on their well-being, health, and access to essentials and health care, and this is likely to have knock-on effects on employment.

Minority ethnic people

Previous economic recessions have disproportionately impacted minority ethnic employment, and this may be repeated, especially given that a higher share of the visible minority ethnic population is employed in the hospitality industry (31.7% vs 18.6% of the White population)¹⁶⁹. While in the population as a whole women are more likely to work in sectors affected by the lockdown, across many minority ethnic groups, men are actually more likely to work in shut-down sectors than women¹⁷⁰. A

¹⁶³https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/whichjobscanbedonefromhome/2020-07-21

https://www.gov.uk/government/publications/coronavirus-job-retention-scheme-statistics-july-2020/coronavirus-job-retention-scheme-statistics-july-2020
 https://www.engender.org.uk/content/publications/Engender-Briefing---Women-and-COVID-19.pdf

https://www.engender.org.uk/content/publications/Engender-Briefing---Women-and-COVID-19.pdf https://www.gov.scot/binaries/content/documents/govscot/publications/statistics/2020/02/disabled-people-labour-market-scotland-2018/documents/disabled-people-and-the-labour-market-in-scotland-2018/disabled-people-and-the-labour-market-in-scotland-

^{2018/}govscot%3Adocument/Disability%2BInfographic%2B16-64%2BFinal%2BVersion%2B-%2BPDF.pdf

¹⁶⁷ https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/disability/articles/coro navirusandthesocialimpactsondisabledpeopleingreatbritain/may2020

https://www.gov.scot/binaries/content/documents/govscot/publications/statistics/2020/02/disabled-people-labour-market-scotland-2018/documents/disabled-people-and-the-labour-market-in-scotland-2018/disabled-people-and-the-labour-market-in-scotland-

^{2018/}govscot%3Adocument/Disability%2BInfographic%2B16-64%2BFinal%2BVersion%2B-%2BPDF.pdf

¹⁶⁹ ONS, Annual Population Survey, Oct 2018 – Sept 2019.

https://www.ifs.org.uk/inequality/wp-content/uploads/2020/04/Are-some-ethnic-groups-more-vulnerable-to-COVID-19-than-others-V2-IFS-Briefing-Note.pdf

BMG poll for The Independent¹⁷¹ found that minority ethnic households were almost twice as likely as White households to report having lost income and jobs. Individuals of visible ethnic minorities are much less likely than white groups to have savings, with 60% of Black and Asian people in the UK having no savings at all. This puts such individuals at risk of greater negative impact from sudden earnings loss – especially since they are likely to be sole earners in their households¹⁷². There is some evidence to suggest that visible minority ethnic individuals are also at greater risk of scarring effects.

Impact of Crisis on Financial Resilience

As discussed earlier, many households went into the crisis already struggling financially and without savings to cushion them from a fall in income. For these households, a reduction in earnings or significant drop in income to the levels of support offered by Universal Credit (UC), would be impossible or very difficult to absorb. For example, there will be families who prior to the outbreak were doing well financially, that will find themselves pushed into poverty or now at risk of poverty as a consequence of job losses or underemployment. This will impact more severely on single-earner households (e.g. lone parents or couples with a single earner), or couples where both earners face significant reductions in earnings or lose their jobs, than households with other members who are not directly affected by the lockdown, and are therefore able to cushion the fall in household earnings.

While some households might accrue savings through the lockdown due to the absence or reduction in some costs e.g. on leisure and/or commuting, others will be faced with additional costs (e.g. on food and utilities) of working from home and having the whole family at home all day, every day. For example, parents already struggling on low wages and those in insecure jobs that have been affected by job losses and wage cuts, will be impacted more severely when faced with the extra costs of having children at home.

As some people lose income there will be a knock-on effect in terms of their ability to manage non-discretionary living costs (e.g. food, heating and housing), leaving some in financial difficulty. Though some households may not be faced with a significant rise in living costs, a substantial loss of income could however make previously manageable living costs a challenge to meet. ONS data shows that adults aged 70+ were far less likely than those aged 16-69 to say that their household finances were being affected by the COVID-19 outbreak, at the end of June (5% vs 23%).¹⁷³

A recent Scottish Government commissioned YouGov poll¹⁷⁴ found that 41% of Scots believed the coronavirus crisis is already having a negative impact on their household finances. The bigger a family, the more the household finances are affected, with a negative impact reported by 46% of people with one or two children,

https://www.independent.co.uk/news/uk/politics/coronavirus-economic-effect-uk-ethnic-minorities-voung-people-a9460511.html

https://www.ifs.org.uk/inequality/wp-content/uploads/2020/04/Are-some-ethnic-groups-more-vulnerable-to-COVID-19-than-others-V2-IFS-Briefing-Note.pdf

¹⁷³https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/bulletins/coronavirusandthesocialimpactsongreatbritain/3july2020

¹⁷⁴https://www.sundaypost.com/fp/two-fifths-of-scots-reveal-coronavirus-pandemic-has-already-hit-finances-as-experts-warn-recession-is-looming/

rising to 55% of people with three or more. The poll suggested that older children also had a greater impact on household finances with 53% of parents with children aged 12 to 16 saying there was a negative impact while 44% of parents of children aged 4 or under also reporting a negative impact.

Similarly, findings from a recent survey by IPPR Scotland and the Standard Life Foundation¹⁷⁵ found that almost half (49%) of Scottish households with dependent children were in the two most serious categories of financial stress – in serious financial difficulty' or 'struggling to make ends meet', amounting to 300,000 households in Scotland. One in five (100,000) households with dependent children were in the most worrying financial circumstances – 'in serious financial difficulty' – compared to 12% of all households in Scotland. The report suggests that those 'in serious financial difficulty' were the group most likely to be struggling to pay for food or essential items.

Other recent evidence¹⁷⁶ suggests that lower-income households are twice as likely as richer ones to have increased their debts during the crisis and are 50% more likely to be saving less than usual, leaving them particularly exposed to the ongoing economic crisis. The same research shows that those most at risk in this crisis have the least savings to fall back on, with the crisis exposing wealth gaps and the ability of low-wealth households to weather the economic storm. It is also noted that a typical worker in a shut-down sector of the economy (and therefore most at risk of unemployment) had average savings of just £1,900, far less than the average savings (£4,700) of those who have been able to work from home during the crisis. Among the second poorest fifth of households, one-in-three (32%) are saving less than usual, compared to one-in-six (17%) who have increased their savings. One in four of these households have increased their use of consumer credit (most commonly credit cards which carry high interest rates). This compared to just onein-eight high-income households that have increased their use of consumer credit and one-in-three (34%) that have increased their savings significantly as their spending falls.

Impact on social security

As a response to this economic crisis, the government has taken unprecedented fiscal interventions through the Coronavirus Jobs Retention Scheme (CJRS) and Self Employment Income Support Scheme (SEISS) in underwriting a significant proportion of private sector employment earnings and thus supporting household incomes. It has also increased the generosity of benefits for those out-of-work or on low incomes (such as Universal Credit (UC) and housing benefit) which will to some extent ease their financial difficulties. While there was an unprecedented surge in benefit claims after lockdown began, the evidence so far suggests that the UK benefits system has performed very well in terms of provision of support, with little evidence of delays in the processing for UC or the CJRS¹⁷⁷. Moreover, aaccording to the Resolution Foundation¹⁷⁸, the increased generosity 'has reversed 30 years of

¹⁷⁵ https://www.ippr.org/blog/covid-19-how-are-families-with-children-faring-so-far

https://www.resolutionfoundation.org/app/uploads/2020/06/Rainy-Days.pdf

https://www.resolutionfoundation.org/app/uploads/2020/05/This-time-is-different.pdf

¹⁷⁸ https://www.resolutionfoundation.org/comment/key-take-aways-chancellors-package-of-measures-to-support-workers-coronavirus-crisis/

retrenchment to unemployment benefits' and the provisions are well targeted on the poorest, with 59% of the additional benefit spend going to the bottom quarter of the income distribution.

Overall, low-paid workers are more likely than higher earners to benefit more from the recent increases in the generosity of working-age benefits, as they are more likely to be eligible. Hence, for many low earners the benefits system should cushion a greater proportion of their earnings if they suffer a shock to their employment or earnings. However, the New Economic Foundation¹⁷⁹ notes that this crisis has the potential to have a negative impact on the same demographic groups that have already been disproportionately affected by welfare cuts over the last decade. For example, women are more likely to have caring responsibilities, and more likely to be in low-paid, insecure employment in sectors that have been hit hardest by the lockdown.

Increased benefit spending will help those who were receiving UC or tax credits before the crisis, as well as the newly unemployed or those whose earnings have fallen who go on to claim UC. The flat rate £20 weekly top-up of UC standard allowance and Working Tax Credit (WTC) basic element has a relatively greater benefit for households whose awards were lower in the past. As the uplift does not account for variation in need, this means that the increased generosity will likely benefit more adults aged under 24 and single people. It will make relatively less difference for families with children, and larger families in particular. Recent analysis by the Joseph Rowntree Foundation (JRF) and Save the Children suggests that a couple with two young children would need around 2.4 times the increase in income than a single adult to experience the same uplift in their living standards¹⁸⁰.

The fact that the benefit cap has not been adjusted in light of the increased generosity of UC and WTC means that unemployed households who were affected by the cap prior to the COVID crisis may see no benefit from the top-up. However, households that were previously employed will be granted a nine month grace period before the benefit cap applies, allowing them to benefit from the top-up even where they have a large entitlement. For some, the combination of benefit increases and the cap may actually result in them being worse off, because it increases the amount of deductions that DWP can take from their benefits. Hence, the call from the House of Commons Works and Pensions Committee, for DWP to take steps to ensure that the benefit cap, in combination with increase to benefit rates, does not leave households worse off than they were before the crisis 181.

There will be people who lose their jobs and are unable to access UC, because they have savings of £16,000 or more, they have a partner whose earnings are high enough to move them outside the means test or because they are ineligible for contribution-based benefits (Job seekers Allowance (JSA) and Employment Support Allowance (ESA))¹⁸². There will also be workers in the UK who are not able to claim any social security benefits at all because of their country of birth or immigration

¹⁷⁹ https://raceequalityfoundation.org.uk/wp-content/uploads/2017/11/Better-Housing-27-Universal-Credit.pdf

https://www.irf.org.uk/report/call-stronger-social-security-lifeline-children

https://publications.parliament.uk/pa/cm5801/cmselect/cmworpen/178/17817.htm

¹⁸² Under the new UC system they are called 'new style' JSA or ESA.

status (e.g. no recourse to public funds). The House of Commons Works and Pensions Committee has called on the UK Government to 'immediately suspend the no recourse to public funds conditions on public health grounds for the duration of the outbreak 183.

During this crisis it has become less common for claimants to request advances of UC. Management information data suggests that the share of UC claimants requesting an advance dropped off during the peak in UC claims¹⁸⁴. A survey conducted with UC claimants reports that among the reasons why people do not request an advance is the fear of being put into debt which accounts for around 40% of the respondents¹⁸⁵.

While the increases to UC are welcome, many people are still reliant on the 'legacy system' of six benefits and tax credits that UC is replacing. These have been largely excluded from the COVID-19 response provisions, including the increase of £80 per month, which applies to UC and WTC but not to other benefits. The House of Commons Works and Pensions Committee has therefore called on the UK Government to 'increase the rates of relevant legacy benefits by the equivalent amount. This increase should be backdated to April 2020, as recommended by the independent Social Security Advisory Committee' 186.

There has only been one change to Statutory Sick Pay in response to COVID-19, which is that it is now payable from day one, rather than day four. Eligibility conditions have not changed, nor has the flat-rate amount of £94.25 per week, paid for up to 28 weeks. Many people in the UK do not qualify for SSP¹⁸⁷; currently those in work earning less than the Lower Earnings Limit (LEL) do not qualify for SSP or any financial support from their employer. Women, those in insecure work, and younger and older workers are most likely to miss out¹⁸⁸.

Impact of Crisis on Spending Patterns

The lockdown and closure of many sectors will affect household spending and precrisis differences in spending patterns will mean that the effects of lockdown will be felt unequally across households. As discussed earlier, households in the top 20% of the income distribution spent nearly a third of their total expenditure on goods and services that have been affected (shutdown or scaled back significantly) by the lockdown such as transportation, hospitality and leisure. Hence, higher income households whose earnings have not been adversely affected will be able to make savings through lockdown. This will be additional to their overall ability to save more on average than lower income households. In contrast, lower income families whose incomes have been adversely affected by lack of consumer demand in shutdown sectors, will still need to spend much of their income on essential or non-discretionary items as they did pre-crisis. Therefore will have less scope to adjust to

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https://publications.parliament.uk/pa/cm5801/cmselect/cmworpen/178/17817.htm

¹⁸⁴<u>https://www.gov.uk/government/publications/universal-credit-declarations-claims-and-advances-management-information</u>

https://www.resolutionfoundation.org/app/uploads/2020/05/This-time-is-different.pdf

https://publications.parliament.uk/pa/cm5801/cmselect/cmworpen/178/17817.htm

https://www.personneltoday.com/hr/chancellors-financial-support-measures-are-not-enough-says-cipd/

https://www.tuc.org.uk/sites/default/files/2020-03/SickPayForAll4.pdf

lower earnings by reducing their spending and will more likely run down savings (if available), miss bill payments or end up in debt. As already noted above, evidence is emerging that suggests that some lower income households have increased their use of consumer credit significantly through this crisis. A report by the Resolution Foundation¹⁸⁹ estimates that two-in-five (38%) high-income, working-age families have strengthened their household budgets since the crisis began, by reducing their spending and avoiding a hit to their incomes, while just one-in-eight (12%) low-income families have been in this position.

Loss of income because of the pandemic left many people struggling to cover costs of essentials. A range of new evidence suggests that the crisis has increased the prevalence of food insecurity in Scotland primarily as result of adverse labour market effects (income reductions which are affecting food affordability) and access issues (which are resulting in difficulties obtaining sufficient food due to e.g. self-isolation or shielding, or food shortages in shops in the first few weeks of lockdown). On 25 June, Food Standards Scotland (FSS) published the first of three Consumer Tracking surveys, that seek to measure the impact of COVID-19 on household food insecurity¹⁹⁰ in Scotland. On the drivers of food insecurity, the survey found the following:

Economic drivers:

- A quarter of adults in Scotland reported being very or somewhat worried about affording enough food for themselves/their household in the next month.
- Just under a sixth (15%) had skipped or reduced the size of meals in the previous month due to inability to afford food. Of these, 4% reported that this happened every week.
- Households with a child were more likely to report skipping or reducing the size of meals (26%) than households without children (12%).
- 6% of adults reported that they had accessed food through a charity or food bank in the previous month. This increased to 13% among those living in households with children compared to 4% among those living in households without children.

Access drivers:

- Just under a fifth of adults in Scotland reported being very or somewhat concerned about accessing enough food for themselves or their household (19%).
- Just under half reported that they had skipped or reduced the size of meals in the previous month because they could not find the food they wanted or needed in shops (49%). Other reasons for skipping or reducing the size of meals included being unable to get a delivery of food or obtain it in other ways (21%), having no means to get to the shops to buy food (17%) and because they or others in their household were not well enough to shop or cook food (12%).

¹⁸⁹ https://www.resolutionfoundation.org/app/uploads/2020/06/Return-to-spender.pdf

¹⁹⁰ Used a representative sample of 500 adults. The first survey was conducted between 8-12 May, with two follow-up surveys expected in June and July 2020.

Overall, 17% of adults in Great Britain in May said that their access to groceries, medication and essentials was being affected by the COVID-19 outbreak. 191 As may be expected, this is higher for those aged 70+, who are more likely to be shielding, than for those aged 16-69: 35% vs 13%, as well as for those with specific health conditions (31% vs 17% overall). Women are also more likely than men to say that their access to groceries, medication and essentials are being affected by the COVID-19 outbreak, which could at least partially be due to women being older and more likely to have long-term health conditions, on average (21% of women vs 12% of men). YouGov polls commissioned by the Food Foundation 192 also show that COVID-19 has exacerbated food insecurity for some groups and introduced new risk for others. For example, a poll conducted on 24-29 April showed that the following groups are at higher risk of food insecurity: adults with health problems or disability, those isolating, minority ethnic groups, households with children eligible for free school meals and households with children, especially those with 3 or more.

Findings from the second FSS tracker survey, published in July suggest that less people in Scotland were worried or concerned about food affordability or availability compared to that reported in the first tracker survey.

Food affordability

- Fewer people were concerned about not being able to afford food in the next month, with an increase of 12% of respondents saying they were 'not at all worried'. (47% not at all worried in wave 1 v 55% in wave 2)
- People with children were a lot less worried about being able to afford food in the next month than they were in past reporting period. (42% very/somewhat worried in wave 1 v 26% in wave 2)

Food availability

- The worry about there not being enough food available in the next month has had a positive change, with 10% more people saying they were 'not at all worried. (43% not all worried in wave 1 v 53% in wave 2)
- People with children were less worried about food availability than they were in the past reporting period. (34% very/somewhat worried in wave 1 v 24% in wave 2)

While the survey did not ask why people were feeling less worried, this is likely to be a result of a combination factors such as income protection through furlough scheme and social security income and increased availability of formal support to access food and other essentials. Alongside these, decreasing uncertainty about possible rising food prices and food shortages in shops, the extension of free school meals and non-shielded at-risk food support over the summer, and the easing of lockdown which has enabled to access informal support from family and friends.

¹⁹¹https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/bulletins/coronavirusandthesocialimpactsongreatbritain/3july2020

¹⁹² https://foodfoundation.org.uk/vulnerable-groups/

<u>Differential impacts across key workers and other workers that have continued working</u>

While many workers in shutdown sectors have had to stop working during lockdown, many 'key workers' 193 have continued to work outside their homes. This has safeguarded their livelihoods (though for some this has come with increased risk of infection given the nature of their jobs). In some cases incomes may have increased especially for key workers who are able and willing to take on extra shifts. A recent Scottish Government commissioned lpsos Mori survey showed that incomes for some people on low incomes have increased, with some reporting working more hours than usual. Increased earnings may be welcome for some key workers such as those with low savings. Analysis by the Resolution Foundation 194 suggests that key workers (and workers in shut down sectors) are less likely to have savings to protect living standards if their incomes fall. This may be due to the high concentration of key workers in in lower income groups 195.

IFS¹⁹⁶ analysis suggests that women not working in shutdown sectors are twice as likely as men to be key workers and over four times as likely to be working in health and social care. IFS also suggests that the concentration of women as key workers may induce some families to prioritise the work of these female key workers over men, thus ensuring that these women do not shoulder a greater burden of home production as may be the case for other women who are not key workers.

Outside of key workers there are significant disparities across the income distribution between workers that can work from home and those that cannot. IFS¹⁹⁷ analysis suggests that less than half of workers in the bottom tenth of the pre-crisis earnings distribution were employed in sectors that have not been shut down. In contrast, workers in the top earnings group are twice as likely to be employed in these sectors. Additionally, the ability to work from home is also unevenly distributed with less than 1 in 5 non key workers in the bottom earnings group able to work from home. This compares to 3 in 4 workers in the top earnings group able to work from home. Similarly, other research¹⁹⁸ suggests that over 4 in 5 workers in the top earnings quintile are currently working from home some or all of the time, compared to less than half in the bottom quintile.

2.3 Future impacts on economic inequalities

Many economic commentators and forecasters now expect that COVID-19 will result in a deep recession in the UK, potentially more severe than the 2008 financial crisis. Though there remains a high degree of uncertainty around the depth of the recession and speed of recovery, forecasters now expect some permanent

197 ibid

¹⁹³ Includes workers in health and social care, security and some wholesale, retail, transport. and other essential services.

https://www.resolutionfoundation.org/app/uploads/2020/06/Rainy-Days.pdf

¹⁹⁵ https://www.ifs.org.uk/uploads/Covid-19-and-inequalities-IFS.pdf

¹⁹⁶ <u>ibid</u>

 $[\]frac{\text{198}}{\text{https://www.resolutionfoundation.org/app/uploads/2020/05/The-effect-of-the-coronavirus-crisis-on-workers.pdf}$

scarring¹⁹⁹ to the economy and not as quick a recovery. Scarring is reflected in persistently lower levels of business activity and investment, employment and wages for those adversely affected and the unemployed becoming disconnected from the labour market.

Evidence from past economic crises suggests that adverse labour market effects in recessions can have long lasting negative effects on future employment, earnings and job security. Hence, the disproportionate economic effects of this crisis on the employment and earnings of those on temporary or insecure contracts, low earners, women, young people, disabled people and people from minority ethnic groups may have profound implications on the future living standards of these groups and their families and overall income and wealth equality.

While some of the economic impacts of the COVID-19 crisis could potentially be temporary in nature and may be reversed with the ending of the lock-down, some effects may be long lasting or permanent given the level of disruption and reorganisation of work and family life.

Women's employment

Women appear to be at higher risk than men of having to give up their employment to take care of children or others where childcare or social care are not available, and are therefore likely to experience more negative long-term impacts to their employment, pay and progression. Research has also found that after controlling for occupation and industry fixed effects, it was found that women could do fewer tasks from home²⁰⁰. The high exposure of many women to job losses and reductions in earnings through this crisis, is likely to put upward pressure on the gender pay gap in the coming years.

Access to services such as nurseries, schools and social care are vital for enabling women's and disabled women's employment in particular, hence, any changes to the full provision of these services or the emergence of a second a wave of the virus which leads to further lockdown will have a knock-on impact on some women's ability to engage in employment²⁰¹. Given the risks of a second wave of the virus resulting in the need for further local lockdowns, or even a full national lockdown – further school or nursery closures could affect many working parents, particularly those who are unable to work from home. While women in households with children are more likely to be employed than those in households without children (68% and 64% respectively in 2018 – women aged 16-64) they are far more likely to be employed part-time. 44% of women with no children in the household were employed full-time in 2018 and 15% part-time, while for women with children in the household, just 32% were employed full-time and the same proportion were

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¹⁹⁹ Scarring is where reduced economic activity (as a result of e.g. reduced demand, business failures and cancelled/reduced business investment) and lower incomes have long-run impacts on the economy

²⁰⁰ https://drive.google.com/file/d/1ssoMlefl6N9CBEPPsWKqy6F3M9 Wcbzu/view?mc cid=c183b93b d9&mc eid=1bf8add1ff
201 https://www.closethegap.org.uk/content/resources/Gender--Economic-Recovery---Engender-and-

https://www.closethegap.org.uk/content/resources/Gender--Economic-Recovery---Engender-and-Close-the-Gap.pdf; https://www.oecd.org/dev/development-gender/Unpaid_care_work.pdf; https://www.gcu.ac.uk/wise/media/gcalwebv2/theuniversity/centresprojects/wise/98178%20WiSE%20BREIFING%20PAPER%204%20August.pdf

employed part-time.²⁰² The majority of those providing unpaid care for people with a long-term physical condition, mental ill-health, disability, or problems related to old age say that their caring has either not affected their employment, or they have never had a job (72% of female carers aged 16+ in 2014-17 and 73% of male carers), but 8% of female unpaid carers said that their caring responsibilities had meant they were unable to take up work, 10% worked fewer hours, and 7% left work altogether or took early retirement.²⁰³

Reduced access to childcare, schools and social care may therefore lead to more people, women in particular, being pushed into part-time work (or unemployment). Part-time or flexible work is not universally available and is far less readily available in some occupations and pay levels than others - for example, it has been estimated that only 11% of jobs paying £20,000 or more (full time equivalent) are advertised as being available on a flexible basis²⁰⁴. This may therefore result in women taking on jobs for which they are overqualified; we also know that part-time employment also has long-term negative impacts on both pay and progression.²⁰⁵ This, in turn, may inhibit progress towards gender equality through deterring some men from taking on more of the responsibility for caring.²⁰⁶

There are reports of women entering or re-entering prostitution and commercial sexual exploitation as a result of the economic challenges experienced during lockdown.²⁰⁷ This includes moving from online work to direct contact, greater difficulty safety planning and engagement in riskier practices, in some cases in response to a higher level of competition.

Post-Brexit, any roll-back in EU-derived employment protections for pregnant and part-time workers could adversely affect the capacity of pregnant women and mothers to stay in/enter the labour market, given their additional caring duties.

Unemployed and those seeking to enter labour market

Those that lost their jobs just prior and post lockdown (and have not been furloughed), may now find it relatively harder to apply for jobs during or in the aftermath of lockdown. Despite increasing labour demand in some sectors, e.g. food retail, recent jobs reports²⁰⁸ suggest that there has been an overall drop in vacancy postings. The initial impact of the lockdown is also likely to be hardest felt by those leaving education and looking to enter the labour market. Analysis²⁰⁹ of previous crises suggests that recent education leavers experience by far the largest increase in unemployment, hence, young people leaving education and training this summer

²⁰² https://www.gov.scot/publications/scotlands-people-annual-report-results-2018-scottish-household-

<u>survey/</u>
203 https://www2.gov.scot/Topics/Statistics/Browse/Health/scottish-health- survey/Publications/Supplementary2017 (Supplementary tables: Part 2, W81)

²⁰⁴ Family Friendly Working Scotland, 2018. *The Timewise Flexible Jobs Index Scotland*.

²⁰⁵ See https://www.gov.scot/binaries/content/documents/govscot/publications/strategy- plan/2019/03/fairer-scotland-women-gender-pay-gap-action-plan/documents/analyticalannex/analytical-annex/govscot%3Adocument/analytical-annex.pdf 206 lbid

²⁰⁷ https://www.gov.scot/publications/domestic-abuse-forms-violence-against-women-girls-vawgduring-covid-19-lockdown-period-30-3-20-22-05-20/pages/1/

²⁰⁸ For Example, the Markit Jobs Report for Scotland

²⁰⁹https://www.resolutionfoundation.org/publications/growing-pains-the-impact-of-leaving-educationduring-a-recession-on-earnings-and-employment/

are likely to be affected badly. They will be entering the labour market in the middle of a severe recession. It is known from previous crises that this will not only lower their chances of getting a job immediately, but may also lower their wages substantially if they do and that these negative effects may persist for several years.

With potential long-term scarring of the economy, we could therefore see significant growth in youth unemployment and more long-term unemployment for them. Evidence shows that young people are also the most likely to suffer from long-term 'scarring²¹⁰ from times of economic crisis, which can take years to undo. The usual difficulties faced by young workers in finding employment such as having the least experience, skills and contacts in gaining and sustaining employment are typically exacerbated in times of recession.

There also remains significant anxiety about the prospects of many workers when the UK Government's employment support schemes²¹¹ end. It is now widely expected that when the government support schemes cease or when employers start contributing to the jobs retention scheme, there may be a surge in redundancies, worsening the prospects of many seeking employment. Worsening labour market conditions and employment prospects could lead to substantial economic, psychological and social costs if this persists longer term²¹². However, the IFS²¹³ notes that the large numbers of young lower earners coming out of lockdown could force a rethink of further education and vocational training, focusing on skills to complement new technologies.

Automation

There are suggestions that the pandemic may accelerate automation of many jobs. For example, a survey conducted in February and March 2020 by EY found that a third (36%) of senior executives from large companies around the world were accelerating their investments in automation in response to coronavirus and a further two fifths (41%%) said that they needed to re-evaluate the speed at which they were automating. While IPPR suggest that automation is likely to see jobs reallocated rather than eliminated, this reallocation is likely to benefit some groups of people more than others if measures are not taken to ensure that the benefits are shared by all. IPPR and ONS both find that jobs held by young people are much more at risk of job automation, as are around twice as many jobs held by women compared to men. IPPR also find that jobs done by migrants and lone parents (who are also disproportionately women) are more likely to be automated.

Employment in 'shutdown' sectors

Continued social distancing rules may mean more lasting negative impacts for some industries, such as services and hospitality. The future of jobs in these sectors will remain at risk until activity and demand picks up. The gradual re-opening of the

²¹⁰ Scarring refers to the phenomenon of long term negative impacts on an individual's capacity to engage with the labour market resulting from a single period of unemployment.

²¹¹ Coronavirus Job Retention Scheme (CJRS) and Self-employed Income Support Scheme (SEISS).

²¹² http://cep.lse.ac.uk/pubs/download/cepcovid-19-004.pdf

https://www.ifs.org.uk/inequality/wp-content/uploads/2020/06/Covid-and-inequality.pdf

https://www.ey.com/en_gl/ccb/how-do-you-find-clarity-in-the-midst-of-covid-19-crisis

https://www.ippr.org/files/2019-07/the-future-is-ours-women-automation-equality-july19.pdf

²¹⁶ Ibid.; https://www.ippr.org/files/2019-07/the-future-is-ours-women-automation-equality-july19.pdf

economy and easing of lockdown restrictions under the Routemap, will require some sectors and business activity to remain closed or subdued for longer (e.g. gradual easing of services offered by pubs/bars, cafes, etc. which will be restricted initially to outdoor catering). This may impact business viability and jobs in these sectors. At the same time, greater self-imposed social distancing and reduced social interaction²¹⁷ ²¹⁸ due to fear of contracting the virus could affect demand in sectors such as tourism, retail, leisure and hospitality. Reduced consumer demand for these services will also have huge implications for jobs.

Impact of reduced income on ability to access employment

Reductions in disposable income are likely to reduce people's access to the resources needed to seek higher-quality employment, undertake training, pay for childcare, or start a business. Many women may also be increasingly deprived of these resources if there is a continued increase in domestic abuse²¹⁹. In Scotland, experience of domestic abuse appears to be higher among younger people (16-24), in particular women, and among those living in the most deprived areas of Scotland²²⁰ while those of mixed ethnicity, disabled people and those living in a single-parent household are also more likely to report experiencing domestic abuse according to data from England and Wales.²²¹ A fifth (18%) of women in Scotland who reported experiencing domestic abuse in the previous 12 months also said that one impact of the most recent incident had been that they felt unable to attend work or college, in 2017-18 (9% for men).²²²

Potential for Greater Flexible Working in Future

Although we are likely to see many workers returning to more regular hours and office locations for much of the time, changes may be maintained to some extent both due to better developed knowledge and infrastructure supporting flexible work plus opportunities for both workers and perhaps also employers to have experienced its benefits. In many cases if employees have proven that they can work effectively on a flexible basis then it may be harder for employers to insist on a return to less flexible arrangements. This could have positive impacts for gender equality. Men with flexible work arrangements appear to do more household labour than those who do not.

The gender pay gap has been shown to be closely linked to childbirth, either actual or anticipated, which suggests that changes in social norms, gender equality around raising children and employment flexibility may affect the gender pay gap positively. Women's labour market penalties for having children may also be inter-generational, which could mean that greater equality among parents would have a positive impact on their daughters' future earnings. More jobs being available on either a fully or partly work-at-home basis may also make them more viable for disabled people or people on low incomes, who might have physical, mental or financial barriers to

²¹⁷ <a href="https://www.ey.com/en_uk/consumer-products-retail/future-consumer-index-rise-of-the-uk-anxious-consumer-consumer-index-rise-of-the-uk-anxious-consumer-consumer-index-rise-of-the-uk-anxious-consumer-index-ris

²¹⁸ https://www.fawcettsociety.org.uk/blog/easing-the-lockdown-life-is-still-far-from-normal

https://www.womensaid.org.uk/financial-abuse-report/

https://www.gov.scot/publications/scottish-crime-justice-survey-2017-18-main-findings/pages/13/# 9.3 Partner Abuse

²²¹ See section 4

https://www.gov.scot/publications/scottish-crime-justice-survey-2017-18-main-findings/pages/13/# 9.3 Partner Abuse

travelling to work, especially over longer distances. This would also open up a greater variety of jobs for people living outside major cities i.e. in rural or remote areas and will ensure a greater spread of highly educated and skilled workers across the country²²³.

Home working divide

Increased reliance on technology and home working through the crisis has favoured higher income earners more than those with low earnings, those in white collar versus blue collar jobs. This has correlated with existing inequalities such as education, income and wealth, with individuals with higher levels of education and earnings more able to work from home. This divide is likely to persist going forward as many low earners are unable to work from given the nature of their roles (on-site and out of home working). However, the increased prevalence of remote working could benefit women²²⁴ who are often constrained during motherhood to seek employment closer to home. Homeworking will however be harder for those with small homes or living in overcrowded conditions²²⁵. Working Families have reported that some parents are being refused permission to work from home due to their childcare responsibilities, and are having to take unpaid leave instead.²²⁶ While CJRS was updated to cover those unable to work due to caring responsibilities, the WGB suggests that this has not been widely publicised, so many employers may not be aware of this²²⁷.

Job quality and security/fair work

As was seen in the last recession following the 2008 financial crash, there is a risk that persistent unemployment could lead to job quantity being prioritised over quality with the widespread creation of precarious and low-quality jobs. Many workers who did not lose their jobs were forced to accept reduced working hours as well as lower wages and benefits²²⁸. IFS²²⁹ analysis suggests that while since the 2008 recession employees seem to have greater attachment to their work and their firm, they also perceive less security and flexibility in their job. With respect to school leavers, evidence²³⁰ suggests that job quality, on many measures was lower for 2008-2009 recession leavers for several years after having left education than it was for those who left during 2013 and 2014. Hence, many young people entering the labour market will be scarred as a result of their struggle to find good-quality work.

Regional economies and labour markets

Although all areas of Scotland will feel the negative economic impact of the pandemic, differences in the prevalence of industries or sectors in local authorities means that some are likely to affected more than others. Using the OBR's projections for the decline in output by industry, the Centre for Progressive Policy

https://www.thetimes.co.uk/article/what-its-like-to-work-from-home-when-you-live-in-a-flatshare-2wskpzt5f; https://www.londonmet.ac.uk/news/expert-commentary/2020/april/home-working-through-the-covid-19-pandemic/

²²³ https://www.ifs.org.uk/uploads/Covid-19-and-inequalities-IFS.pdf

²²⁴ ibid

²²⁶ https://workingfamilies.org.uk/publications/weathering-the-storm/

https://wbg.org.uk/analysis/reports/crises-collide-women-and-covid-19/

https://www.un.org/esa/socdev/rwss/docs/2011/chapter2.pdf

https://www.ifs.org.uk/uploads/WP202019-Jobs-and-job-quality-between-the-eve-of-the-Great-Recession-and-the-eve-of-COVID-19.pdf

https://www.resolutionfoundation.org/app/uploads/2020/05/Class-of-2020.pdf

estimate that reductions in GVA will vary from 42% in Stirling and 41% in West Lothian to 18% in the Orkney Islands.²³¹ This estimate, the lowest within the UK, sits significantly below others in Scotland – the second lowest estimate is for East Avrshire, at 27%, Analysis from the Royal Society of Arts indicates that areas with large proportions of employment in tourism and where the economy is geared towards hospitality and retail have the greatest number of jobs at risk.²³² Argyll and Bute was found to be at highest risk in Scotland, with 32% of jobs at risk.

Restrictions to travel may have a detrimental impact on inward migration of e.g. seasonal workers. The Resolution Foundation highlights the prospect of lower levels of inward migration continuing in the longer term due to ongoing travel restrictions. reduced demand for external labour due to lower employment, and a continuation of the fall in migration that followed the Brexit vote in particular²³³. If this ensues this may have significant implications for sectors that rely on foreign labour such as agriculture and health and social care. With the Brexit transition period coming to an end soon and the proposed increased restrictions on EU migration for low paid work in the UK, this could exacerbate current labour shortages²³⁴. Ending free movement will have a particularly adverse effect on labour market sectors in rural and remote areas, which rely on EU migrants to fill local jobs. Many small businesses and farms in rural and remote areas may find that they are unable to hire enough staff to deliver services, owing to expected declines in EU migration post-Brexit. Men make up the majority of certain sectors (plant and machinery, agriculture, manufacturing, chemicals and pharmaceuticals, and finance) that are estimated to be negatively affected by Brexit, potentially leading to job losses²³⁵.

Income and wealth inequality

The disproportionate impact of this economic crisis on those at the lower end of the earnings distribution could worsen income inequality²³⁶. Previous epidemics have also been followed by rising income inequality. This crisis has shone a light on the disparity between the value of many key workers (such as nurses, retail and social care staff) and the low pay they receive. Hence, growing calls for a review of their earnings and quality of work in recognition of their value. For example, the GMB Union²³⁷ has called for a £2 per hour increase in the basic rate of pay for all key workers; the TUC²³⁸ is calling for a £10 minimum wage for key workers, which it says would result in a pay increase for 3.7 million key workers.

There have also been calls by many including the Labour Party for the UK Government to exempt key workers from the £400 immigration health surcharge (HS) paid by foreign workers to fund the NHS²³⁹. This is expected to increase to

²³¹ https://www.progressive-policy.net/publications/which-local-authorities-face-biggest-immediateeconomic-hit

https://www.thersa.org/globalassets/reports/2020/briefing-coronavirus-impact-on-employmentlocal-areas.pdf
233 https://www.resolutionfoundation.org/app/uploads/2020/04/Labour-market-Spotlight.pdf

https://academic.oup.com/oxrep/article/doi/10.1093/oxrep/graa016/5840657

https://www.gov.scot/publications/social-equality-impacts-brexit/

https://cepr.org/sites/default/files/news/CovidEconomics12.pdf - pg 138 onwards.

https://www.amb.org.uk/campaign/after-applause-pay-our-key-workers

https://www.tuc.org.uk/research-analysis/reports/ps10-minimum-wage-would-benefit-millions-key-

https://researchbriefings.files.parliament.uk/documents/CBP-7274/CBP-7274.pdf

over £600 in October. The Independent²⁴⁰ notes that as the charge is also paid by spouses and children, the total cost for a family of four on a 5 year work permit could reach £8.000. As women and certain ethnic minorities are more likely to be key workers, any pressure to increase the pay of key workers and removal of the HS will benefit them and could help reduce gender inequalities, as well as income inequality overall. While reduced stock and property prices will hit asset-owners who need to sell in the short term, it also represents a significant investment opportunity for those able to use their wealth to buy at lower prices.²⁴¹ Again, this may exacerbate wealth inequalities in the longer term.

IPPR have highlighted that despite the large-scale state intervention underwriting wages for workers and loans for small and medium-sized businesses (SMEs). ultimately these actors are still disproportionately shouldering the economic risks and costs of COVID-19 restrictions, while the incomes of banks and landlords are effectively being underwritten and protected.²⁴² For example, paused mortgage payments will eventually have to be paid with added interest, while government underwriting of loans for SMEs protect only lenders, not businesses. They suggest that if adjustments or longer-term measures (e.g. higher taxes on wealth, land ownership or excess profits; rent controls; or retrospective write-downs of debts accrued during the crisis) are not made then this is likely to lead to a slower economic recovery and widening inequalities between 'the working poor and the asset-owning wealthy'. Reduced discretionary expenditure also means that many higher-income households who have maintained their employment are likely to be saving money during the crisis, while lower-income households increase their debt.

IPPR also suggest that the difficulties faced by small businesses are likely to lead to market consolidation in the medium term, therefore reducing market competition and pushing up prices.²⁴³

As evidenced by post-referendum trends in output, prices, trade, wages and investment, the Centre for Economic Performance (CEP) notes that the Brexit vote has already made households worse off by reducing economic growth and raising the cost of living²⁴⁴. Modelling by the CEP²⁴⁵ showed that depreciation of Sterling post the Brexit referendum and other 'general equilibrium' effects of the referendum. increased aggregate UK inflation by 1.7 percentage points in the year following the vote. The analysis estimated that by June 2017, the Brexit vote was costing the average UK household £7.74 per week through higher prices, equivalent to £404 per year. This higher inflation also reduced the growth of real wages, resulting in an estimated £448 cut in annual pay for the average worker. Similarly, analysis by the Resolution Foundation also suggests that there has been a drop in household living standards since the referendum²⁴⁶.

²⁴⁰ https://www.independent.co.uk/news/uk/politics/priti-patel-nhs-fees-foreign-health-staffimmigration-surcharge-a9517356.html

²⁴¹ https://www.ippr.org/research/publications/who-wins-and-who-pays

https://www.ippr.org/research/publications/who-wins-and-who-pays

https://www.ippr.org/research/publications/who-wins-and-who-pays

http://www.lse.ac.uk/News/Latest-news-from-LSE/2019/K-November-2019/Brexit-hit-to-UK-livingstandards

²⁴⁵ http://cep.lse.ac.uk/pubs/download/brexit11.pdf

https://www.resolutionfoundation.org/app/uploads/2019/02/Counting-the-cost.pdf

While Brexit has already had a huge negative impact on the UK economy and living standards, more negative impacts are expected post transition. By potentially reducing trade, Brexit could lower UK living standards as the fall in income per capita resulting from lower trade would more than offset any savings that the UK obtains from reduced fiscal contributions to the EU budget²⁴⁷. In light of the bleak economic prospects and weak outlook for the public finances, Brexit will therefore compound the adverse economic impacts of COVID which have fallen disproportionately on those with fewer economic resources, those on low-incomes, and those in precarious employment. It is likely that the increased cost of living will have had a disproportionate effect on low-income households, into which many equality groups fall, since these generally spend a larger share of their income on daily essentials such as food, bills and housing²⁴⁸.

Brexit Price Effects

A no-trade-deal Brexit could see an increase in food and energy prices as the imposition of tariffs and non-tariff barriers on trade in goods and services between the UK and EU (including energy) is likely to increase costs for businesses, and potentially push up prices for consumers. This is likely to impact disproportionately on poorer and low-income households. Women, who are more likely to live in poverty, especially single women and those that are lone parents are likely to be affected. Other groups that are likely to be affected include: minority ethnic households²⁴⁹, disabled people, unpaid carers and homeless people as they more likely to live in poverty than other households; Gypsy/Traveller communities who face multiple disadvantage and are the most vulnerable to extreme poverty out of all ethnic groups; care-experienced young people, who are more vulnerable to poverty and face lower outcomes compared to their peers. Any rise in the cost of living will also affect asylum seekers disproportionately as they are not allowed to work while their application is being processed²⁵⁰. Currently they are given a government allowance of only £37.75 per week²⁵¹.

Food insecurity

With easing of lockdown, it is anticipated that the prevalence of food insecurity due to access drivers will decrease as fewer people are required to self-isolate and shield. However, as the depth of the recession and pace of recovery remains uncertain and with many forecasters now anticipating long term economic scarring²⁵², the economic factors pushing households into food insecurity may get worse in the impending months. While the pandemic has impacted severely on the economic drivers of food security, there is a risk that this could increase further following Brexit, thus increasing numbers that are food insecure²⁵³.

Broadening of sectoral effects

²⁴⁷ http://personal.lse.ac.uk/sampsont/TradeLivingStandards.pdf

https://www.gov.scot/publications/social-equality-impacts-brexit/

²⁴⁹ Minority ethnic families, who are more likely to be in low-paid work, have less in savings, and spend a greater than average share of their income on food and rent, are at a higher risk of poverty if there is a post-Brexit economic downturn.

²⁵⁰ https://www.gov.scot/publications/social-equality-impacts-brexit/

https://www.gov.uk/asylum-support/what-youll-get

²⁵² Long lasting damage to individuals' economic circumstances and the economy more broadly.

²⁵³ https://publications.parliament.uk/pa/ld201719/ldselect/ldeucom/129/12910.htm

CEPR analysis suggests that the large negative hit from the pandemic has reduced the capacity of the UK economy to take further shocks. This also shows that the sectors that will be affected by Brexit and those that are suffering from the COVID-19 pandemic and lockdown are generally different from each other. Hence, rushing Brexit without a new deal in place will broaden the set of sectors that see worsening business conditions²⁵⁴. This could have consequential impacts on employment by broadening the sectors affected by job losses and adverse wage effects. Brexit may result in job losses in specific low-paid or low-skilled sectors employing a high number of people on low incomes, including textiles and clothing, transport equipment, social care and plant and machine manufacturing²⁵⁵.

IFS research on the exposure of different workers to potential Brexit trade barriers found that males with GCSE qualifications or below are more likely than women and more highly educated men to work in industries at extreme risk from new trade barriers with the EU after the UK leaves. Workers in process, plant and machinery operative occupations are particularly exposed. These tend to be older men with skills specific to their occupation who, history suggests, may struggle to find equally well-paid work if their current employment were to disappear²⁵⁶. Hence, any negative consequences to their employment arising from Brexit could be damaging.

Social security

The impact of this crisis on public finances thus far has been immense. It is estimated that the support measured announced by the UK Government could cost well over £130 billion this year, which will impact hugely on the budget deficit and government debt, at a time of falling revenues. Any additional increase in unemployment and reduced earnings as a result of weaker economic performance will increase spending on universal credit further. This and other increases in government spending to support public services, is likely to increase government borrowing and the public sector deficit in the coming years. Hence, going forward, there are concerns about the impact and sustainability of this crisis on the public finances and whether or not the UK Government will pursue a fiscal tightening agenda to address this, as was done after the 2008 economic crisis. Austerity measures then, had a disproportionate impact on those on low incomes and if done again could impact severely on those that are already suffering the most from the economic impacts of COVID-19. However, some commentators think that there might be a shift in attitudes towards the welfare system and social insurance, hence more public support for social security²⁵⁷.

The application process for Universal Credit is digital-only, meaning that those who lack the skills or resources to use the internet will be reliant on others for help in applying. Research conducted by Citizens Advice Scotland found that around a third of respondents seeking advice on benefit matters hardly ever or have never used the internet.²⁵⁸

²⁵⁴ https://voxeu.org/article/covid-19-and-brexit-contrasting-sectoral-impacts-uk

https://www.gov.scot/publications/social-equality-impacts-brexit/

https://www.ifs.org.uk/uploads/publications/budgets/gb2018/GB10%20-

^{%20}Brexit%20and%20Trade%20-%20chapter%20final-1.pdf

https://www.ifs.org.uk/inequality/covid-19-and-inequalities/

²⁵⁸ The sample provided a close approximation to CAS' usual client profile. https://www.cas.org.uk/system/files/publications/cas_disconnected_report.pdf

The loss of EU citizenship including freedom of movement as a result of Brexit will affect everyone in the UK, though it will affect some groups such as EU migrants, UK pensioners living in the EU, and disabled people who rely on social security coordination across EU countries more than others²⁵⁹.

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²⁵⁹ https://www.gov.scot/publications/social-equality-impacts-brexit/

3. Education

3.1 Pre-existing educational inequalities

Though much effort has gone into closing gaps in educational outcomes, some disparities remain which range from differences in attainment to unequal access to onward destinations such university and employment. There are also significant imbalances in uptake of subjects across different areas and levels of education, which impacts on future career paths. The evidence suggests that differences in measurable educational outcomes in early years can persist throughout children's lives, post schooling and likely beyond.

Differences in Attainment

Whilst positive progress has been made with raising national attainment levels, some significant gaps still exist for many pupils. Socio-economic disadvantage is a key driver of poor attainment, with children living in the most deprived areas less likely to have attained passes than those from the least deprived areas, although the gap have been closing. In 2009-10, the gap between the proportion of school leavers from the most and least deprived areas with one pass or more at SCQF level 4 or better, was 11.3 percentage points. By 2017-18 this had narrowed to 6.1 percentage points. Similarly, for one pass or more at SCQF level 5 or better the gap narrowed from 33.3 percentage points in 2009-10 to 20.3 percentage points in 2017-18, whilst for one pass or more at SCQF level 6 or better, the gap narrowed from 45.6 percentage points in 2009-10 to 37.4 percentage points in 2017-18²⁶⁰. Additionally, evidence shows that a socio-economic gap in cognitive attainment is apparent well before children attend primary school, with children from less advantaged families performing less well at age 3 relative to those from more advantaged backgrounds²⁶¹.

There are also gender differences, with girls outperforming boys in educational attainment. For example, in 2017-18, 69% of female school leavers achieved SCQF level 6 or better, compared to 56% of male school leavers.

There is also a notable attainment gap between children from certain ethnic minorities and their peers. Overall, with the exception of Gypsy/Traveller children, minority ethnic pupils in Scotland have higher levels of education attainment ²⁶². Gypsy/Traveller pupils continue to have the lowest educational attainment rates of all ethnic groups. Attainment inequalities also exist between children with additional support needs and for looked-after children against their peers. For example children with additional support needs are less likely to achieve passes than those without ²⁶³.

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²⁶⁰https://nationalperformance.gov.scot/sites/default/files/documents/NPF Scotland%27s Wellbeing May 2019.pdf

https://www.gov.scot/publications/equality-fairer-scotland-budget-statement-scottish-budget-2020-21/pages/8/

https://www.gov.scot/publications/addressing-race-inequality-scotland-way-forward/pages/7/

https://www.gov.scot/publications/equality-fairer-scotland-budget-statement-scottish-budget-2020-21/pages/8/

Some children and young people need additional help to ensure they fully benefit from education. In 2018, just over a quarter (28.7%)²⁶⁴ of the Scotland's school population were found to have an additional support need compared with 14.7%²⁶⁵ in 2011. Boys²⁶⁶, pupils from deprived areas, Gypsy/Traveller pupils and looked after children were most likely to be identified as having additional support needs²⁶⁷.

Differences in subject choices

Subject choices continued to show differences based on gender stereotypes for girls and boys, with implications for future career paths²⁶⁸. Engineering, IT/Computer Science and Manufacturing tend to be male dominated, while Care, Social Service and Medical Studies tend to have a majority of female entrants²⁶⁹.

Differences in participation

Participation in education, employment and training also has a socio-economic dimension. Whilst the participation measure for 16-19 year olds increased between 2016 and 2018, young people from more deprived backgrounds are less likely to be participating than those from the least deprived. While girls perform better at school. women fare less well than men in the labour market²⁷⁰. Women and people from ethnic minority groups are underrepresented in Modern Apprenticeships and reflecting the labour market. Modern Apprenticeships continue to show gender segregation within sectors²⁷¹.

Differences in exclusion rates

Though exclusion rates have fallen nationally some groups continue to have much higher rate. For example, exclusion rates were higher for Gypsy/Travellers, disabled pupils, those with additional support needs and pupils living in the most deprived areas. Boys are also more likely to be excluded than girls²⁷².

Differences in post-school education

Data from school statistics show that proceeding to higher education is more prevalent amongst visibly ethnic minority school leavers than White Scottish and White non-Scottish school leavers²⁷³. Whilst the proportion of adults with a degree level qualification has increased, not everyone is equally likely to achieve this qualification. For example, women and some ethnic minority groups are more likely to have a degree level qualification, and minority ethnic students were more likely to receive lower final grades for their degrees compared with White students. People from the most deprived communities and men were under-represented at

²⁶⁴ http://www.gov.scot/news/bett<u>er-outcomes-for-children-who-need-additional-support/</u>

https://www.equalityhumanrights.com/en/publication-download/scotland-fairer-2018

https://www.gov.scot/publications/additional-support-learning-research-experience-children-youngpeople-those-support/pages/3/

http://www.docs.hss.ed.ac.uk/education/creid/Projects/39 ii ESRC SENChildren WP 1.pdf

https://www.equalityhumanrights.com/sites/default/files/is-britain-fairer-2018-is-scotlandfairer 0.pdf

https://onescotland.org/wp-content/uploads/2019/01/NACWG-Education-ASD-content.pdf

https://nationalperformance.gov.scot/sites/default/files/documents/NPF Scotland%27s Wellbeing May2019.pdf

https://www.equalityhumanrights.com/sites/default/files/is-britain-fairer-2018-is-scotlandfairer 0.pdf

272 https://www.equalityhumanrights.com/sites/default/files/is-britain-fairer-2018-is-scotland-

https://www2.gov.scot/Topics/Statistics/Browse/School-Education/leavedestla

university²⁷⁴. Fewer HE college courses taken by female students with a disability or from the most deprived areas are successfully completed than by female students without a disability or from less deprived areas²⁷⁵.

Differences in online learning support

OECD analysis of PISA data from 2018 showed that in the UK as a whole, there were fairly small differences between students from advantaged and disadvantaged schools in terms of access to a guiet place to study, access to a computer for schoolwork and access to the internet (up to 10 percentage points), there was a much larger gap when it came to schools where there was an 'effective online learning support platform' available. This fell from over 70% of students in advantaged schools to under 45% of students in disadvantaged schools 276.

3.2 Impact of COVID-19 on educational inequalities so far

With the closure of many educational institutions and nurseries for all but the children of key workers and vulnerable children, many children and young people have had to continue their learning at home with a shift to online learning. Parents have therefore had to take a much greater role in supporting their children's learning while also providing care and managing home working. With an increased expectation for parents to support home learning, this has impacted families differently dependent on their socio-economic circumstances. Moreover, it has been argued that the equalising environment that schools provide through standardised curriculums and safe learning settings may have been jeopardised by their closures.²⁷⁷ ²⁷⁸ Given preexisting differences across families, this crisis and resultant school closures could lead to a widening of educational inequalities such as attainment, through the period of remote learning as discussed below.²⁷⁹

Socio-economic divide

Evidence suggests that the schools attended by children from well-off households are more likely to provide activities that involve active engagement between teachers and students than those attended by children from deprived families. These activities are not only expected to support home learning but they are also less reliant on parental involvement to be completed²⁸⁰.

IFS research in England²⁸¹ found that higher-income households were much more likely than the less well-off to report that their child's school provides online classes and access to online videoconferencing with teachers, and that children from betteroff families are spending 30% more time on home learning than are those from poorer families and had access to more resources. The research estimated that if

²⁷⁴ https://www.equality.humanrights.com/sites/default/files/is-britain-fairer-2018-is-scotlandfairer 0.pdf

275 https://onescotland.org/wp-content/uploads/2019/01/NACWG-Education-ASD-content.pdf

http://www.oecd.org/coronavirus/policy-responses/learning-remotely-when-schools-close-how-wellare-students-and-schools-prepared-insights-from-pisa-3bfda1f7/#figure-d1e352

https://www.ifs.org.uk/inequality/wp-content/uploads/2020/06/Covid-19-and-inequalities-IFS-1.pdf

https://www.suttontrust.com/wp-content/uploads/2020/04/COVID-19-and-Social-Mobility-1.pdf

https://cypcs.org.uk/coronavirus/independent-impact-assessment/#

²⁸⁰ https://www.ifs.org.uk/uploads/BN288-Learning-during-the-lockdown-1.pdf

https://www.ifs.org.uk/publications/14848

school did not start back till September and current rates of home learning were maintained, students from better off households will have done more than 15 full school days' worth of extra learning time. It notes that this could have very substantial long-term consequences in light of evidence that even an hour a week of instructional time can significantly raise achievement. It therefore concludes, that school closures through lockdown will almost certainly increase educational inequalities between high and low income households.

In the same way, recent work from the Sutton Trust²⁸² suggests that secondary school-age children at private schools are two and half times as likely to be getting daily online teaching as are those at state schools. We also know that protracted periods out of school are particularly damaging for those from poorer backgrounds or vulnerable children.

Closure of schools and ELC providers has also affected low income and single parent families especially severely, as they may lack the space, resources or flexible working arrangements to meet an unexpected need for childcare and home learning. For example, it has been found that almost 60% of primary school students in the least well-off families do not have access to their own dedicated study space, compared with only 35% in the most well-off families. Among secondary school students, the proportion of those from the lowest-income-group families who have no access to their own or even shared study space is twice as high as that among the highest income group (at 9.2% and 4.5% respectively)²⁸³.

While many parents have reported struggling with supporting home learning²⁸⁴, some low income parents and those with lower educational attainment have found it more challenging coping with e-learning and home schooling. These difficulties reflect in part the parent's own skills or confidence, the type and amount of support provided by the school, or other commitments that parents must balance against home learning. Long-term impacts on educational outcomes have been shown to be intergenerational, for example, the Growing Up in Scotland study has found that the biggest gap in cognitive ability in the pre-school years is between children whose parents have the highest and lowest education attainment.²⁸⁵ Recent survey evidence from the Netherlands²⁸⁶ indicates that higher educated parents are more likely to feel capable at helping their children compared with less educated parents. Moreover, these perceptions matter with 70% of highly educated parents reporting helping their child with homework compared with 50% of the least educated parents.

Disruption to schooling could disadvantage some vulnerable groups even further. For example, Gypsy/Travellers' educational outcomes are among the weakest, their school attendance rates are the lowest of any ethnic group, exclusion rates are the highest, and many Gypsy/Traveller children do not make the transition from primary

²⁸² https://www.suttontrust.com/wp-content/uploads/2020/04/COVID-19-and-Social-Mobility-1.pdf

²⁸³ https://www.ifs.org.uk/uploads/Edited Final-

BN288%20Learning%20during%20the%20lockdown.pdf

https://www.ifs.org.uk/uploads/Edited Final-

BN288%20Learning%20during%20the%20lockdown.pdf

https://www.gov.scot/publications/tackling-inequalities-early-years-key-messages-10-years-growing-up-scotland-study/

https://osf.io/preprints/socarxiv/hf32q

to secondary school²⁸⁷. These children are at increased risk of missing out on support as they will potentially have had inconsistent attendance at school or attended multiple schools and with a move to e-learning many may lack access to digital resources to support learning.

An assessment led by the Children and Young People's Commissioner Scotland also suggests that there may be additional barriers (e.g. communication and language) to home learning for pupils and parents or carers for whom English is an additional language. This could also impact parents and carers' ability to access and understand information, guidance and support that is available²⁸⁸.

Digital divide

Lower income households are less likely to have a broadband connection²⁸⁹, may lack sufficient smart devices (phones or tablets) for everyone's needs, or sufficient data, and may rely on libraries and other community resources now closed to make use of the internet. Some parents, generally from lower socioeconomic backgrounds, are less likely to have one tablet/device per child, and so access to online/remote learning is curbed as children did not have access to, or were having to share, a device²⁹⁰. This has left many of them without the access that connected households have to home schooling resources. IFS research²⁹¹ has found that the gaps in access to technology are more pronounced in primary schools, with three times as many of the poorest students using a phone or having no device to access schoolwork, compared with the richest students. However, the research notes that since computer use is lower in primary schools across the board and since primary schools are less likely to use online resources, these gaps might have less of an impact than they do at secondary school. The Scottish Government has developed a £5 million Connecting Scotland programme which offers internet connection, training and support, and a laptop or tablet to vulnerable people who were not already online²⁹².

Children becoming disengaged with learning

Results from The Children's Parliament survey of 3,698 children aged 8-14 in May found that children are reporting less choice and a declining sense of fun or pride in their work as well as increased levels of boredom with regards to home schooling²⁹³.

Absence of other services offered by schools

Pre-COVID educational settings offered a range of other services that particularly benefited vulnerable children and those from low income households such as provision of free school meals and period products, and social care. COVID-19 has resulted in disruption to activities responding to food insecurity in the school

²⁸⁷ https://www.gov.scot/policies/gypsy-travellers/educational-outcomes-for-gypsytraveller-children/

https://cypcs.org.uk/wpcypcs/wp-content/uploads/2020/07/independent-cria.pdf

https://www.gov.scot/publications/scottish-household-survey-key-findings-2018/pages/9/

²⁹⁰ Justice Analytical Services evidence gathering on the experience of domestic abuse victim/survivors and domestic abuse advocacy service provision during COVID-19 social isolation, April – August 2020

²⁹¹ https://www.ifs.org.uk/uploads/Edited Final-

BN288%20Learning%20during%20the%20lockdown.pdf

²⁹² https://www.gov.scot/news/getting-people-online/

https://www.childrensparliament.org.uk/our-work/children-and-coronavirus/

holidays. However, in June, Scottish Ministers announced an additional £27.6 million funding to continue support through the summer. The funding will ensure local authorities are able to continue the provision of free school meals during the summer holidays and other food provision to help low income families during the coronavirus (COVID-19) pandemic.

Disabled children and those with special needs

Concerns have been raised about the impact of school closures on families with a disabled child by the Equality and Human Rights Commission. They have argued that through lockdown only a small proportion of children with special educational needs were still able to attend school, which has had a profound impact on families²⁹⁴. News reports have similarly claimed that children with special educational needs and their families may be particularly affected by school closures due to additional caring responsibilities and lack of support²⁹⁵. Whilst schools and educational establishments are closed, disabled school pupils and students may find it harder to participate in distance learning and engage social contact with peers due to accessibility issues. This may impact on their educational attainment, widening the disability attainment gap²⁹⁶.

3.3 Future impacts on educational inequalities

Prior schools opening in August, there was evidence to suggest that some parents may not have been willing to send their children back to school. Hence, there was a risk that some pupils may not have attended potentially increasing inequalities. Research by the IFS²⁹⁷ in May, suggested that fewer than half of parents were willing to send their child back to school if they had the choice. Higher-income parents reported being more willing for their child to go back to school than lower income parents. The IFS noted at the time that this risked a situation where the children struggling the most to cope with home learning could remain at home while their better-off classmates were back in the classroom, potentially increasing educational inequalities. An assessment led by the Children and Young People's Commissioner Scotland also suggested that delays to decisions and appeals on school placement requests may mean that some children will not receive decisions before the start of the new term in August, and may further miss out on support services as a result.²⁹⁸ However, since the re-opening of schools the overall attendance at local authority primary, secondary and special schools in Scotland has been high²⁹⁹.

There is evidence that high-quality Early Learning and Childcare can improve children's social, emotional and educational outcomes.³⁰⁰ The positive impact of

BN288%20Learning%20during%20the%20lockdown.pdf

²⁹⁴ https://www.equalityhumanrights.com/sites/default/files/briefing-letter-to-government-COVID-19coronavirus-19-march-2020.pdf https://www.bbc.co.uk/news/uk-wales-52026947

²⁹⁶ https://www.gov.scot/publications/summary-statistics-attainment-initial-leaver-destinations-1-2019edition/

²⁹⁷ https://www.ifs.org.uk/uploads/Edited Final-

²⁹⁸ https://cvpcs.org.uk/coronavirus/independent-impact-assessment/#

https://www.gov.scot/publications/coronavirus-covid-19-trends-in-daily-data/

³⁰⁰ http://www.healthscotland.scot/media/1613/rapid-evidence-review-childcare-guality-and-childrensoutcomes.pdf

high-quality ELC may be particularly beneficial for those from disadvantaged backgrounds for example it has been found to help reduce inequalities in cognitive development – and the expansion of childcare provision in Scotland is designed to help narrow the poverty-related attainment gap³⁰¹. High quality learning and childcare in early years is also known to improve the cognitive attainment of children from more deprived households more than that of children from more affluent households³⁰². Children in households with a disabled parent or child, from visible minority ethnic households, with lone parents or with mothers aged under 25 are more likely to be in poverty, and so may stand to gain more from the benefits of high-quality ELC.³⁰³ Data suggests that Muslim families are also more likely to be in poverty.³⁰⁴ The expansion of funded ELC in Scotland is also anticipated to have particular benefits for children with Additional Support Needs.³⁰⁵ During the closure period fewer children were able to benefit from these positive impacts, and as a consequence of the response to COVID-19 the expansion programme to extend funded provision to 1,140 hours a year had been paused.

Financial sustainability is a long-standing concern for some providers in the childcare sector. Prior to the onset of the pandemic, a key focus of the provider-neutral 'Funding Follows the Child' approach was the move towards strengthening sustainability and the payment of a sustainable rate to providers of funded ELC. For funded providers, a key determinant of sustainability will be the level of funding that they receive from their local authority for delivering funded ELC. Scottish Government is working with the sector, through a Working Group on ELC and Childcare Sector Recovery, to consider the issues associated with the effects of the pandemic on the sector. Over the period 19-24 June the Scottish Government ran a survey for early learning and childcare providers to help better understand the potential impacts of the public health guidance for reopening ELC services. This included questions on potential additional costs of delivery and reductions in capacity, which will also impact on provider's opportunities for generating private income. Following the results of the survey, a Transitional Support Fund has been set up to help providers meet the additional costs of reopening in line with public health guidance.

Long school closures, especially if they prevent children gaining formal qualifications, risk creating a cohort of pupils who carry disadvantage throughout their lives. The problem will be greater for young people in families that lack access to resources such as home computing and internet access³⁰⁶, or those living in chaotic households³⁰⁷. There was already evidence linking the use of digital technologies to

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³⁰¹ https://www.gov.scot/publications/tackling-inequalities-early-years-key-messages-10-years-growing-up-scotland-study/; https://www.gov.scot/publications/early-learning-childcare-expansion-fairer-scotland-duty-summary/

http://www.healthscotland.scot/publications/rapid-evidence-review-childcare-quality-childrens-outcomes

³⁰³ https://www.gov.scot/publications/tackling-child-poverty-delivery-plan-2018-22-annex-3-equality/pages/0/

https://www.gov.scot/publications/poverty-income-inequality-scotland-2016-19/pages/4/

https://www.gov.scot/publications/equality-impact-assessment-expansion-early-learning-childcare-learning-wellbeing-project/pages/6/

³⁰⁶ https://voxeu.org/article/impact-covid-19-education

³⁰⁷ http://www.healthscotland.scot/media/2049/childrens-socialcircumstances-and-educational-outcomes-briefing-paper.pdf

improved academic performance before the pandemic, and this is likely to have an even larger effect now.³⁰⁸ Those at key 'transition points' are likely to be particularly vulnerable to long-term negative impacts³⁰⁹. Students of visible minority ethnicities and those from lower socio-economic backgrounds appear to be less likely to have their grades accurately predicted in the absence of exams taking place. This may have long-term effects for many, impacting for example on the higher education courses that they can access. Findings are mixed, however, on whether they are more likely to be over- or under-predicted. Research from England on pupils taking Key Stage tests at age 11 has shown that on average, Black Caribbean and Black African pupils are under-assessed by teachers relative to white, and Indian, Chinese and mixed white-Asian pupils are over-assessed,310 while Black students may be most likely to be both over- and under-predicted at A-level stage³¹¹. Students from lower socio-economic backgrounds appear to be more likely to be over-predicted although not necessarily among the highest attainers³¹².

The Centre for Economic Performance (CEP) suggests, based on previous studies on the effects on students of events that led to temporary school closures, that school closures will reduce educational achievement in both the short and long term. and reiterate findings that children from disadvantaged backgrounds will be affected the most.313 They suggest that educational deficits could be made up with additional hours of teaching or other resources, but that this is likely to be expensive and/or difficult to arrange. The CEP also notes that parental job losses and income reduction affects children's educational outcomes. Hence, the adverse labour market effects presented by this crisis are likely to extent to the educational outcomes of many children. A study from Spain found that fathers' (but not mothers') job loss negatively affects their children's grades, especially among 'children of already disadvantaged families in terms of paternal education'314.

Post-Brexit cuts in EU funding (ESIF and Horizon Europe) if they are not fully replaced under the proposed UK Shared Prosperity Fund or other domestic alternative schemes will adversely affect investment in children and young people's organisations and educational programmes and support into work - including training and employment support to help disabled people's participation in the labour market³¹⁵. Brexit may result in a decline in younger people's job and career prospects due to lower foreign investment, less international collaboration and slower growth. This may in turn impact on the UK's investment in education, research and employment training schemes such as apprenticeships which may affect young people's employment prospects. Further, restrictions to free movement

³⁰⁸ https://dera.ioe.ac.uk/10491/3/A9RF934 Redacted.pdf

http://cep.lse.ac.uk/pubs/download/cepcovid-19-004.pdf

³¹⁰ https://www.ifs.org.uk/publications/7932

³¹¹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment data/file/3 2412/11-1043-investigating-accuracy-predicted-a-level-grades.pdf

³¹² https://www.ucu.org.uk/media/8409/Predicted-grades-accuracy-and-impact-Dec-16/pdf/Predicted grades report Dec2016.pdf;

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/32 412/11-1043-investigating-accuracy-predicted-a-level-grades.pdf
313 http://cep.lse.ac.uk/pubs/download/cepcovid-19-001.pdf

http://cep.lse.ac.uk/pubs/download/dp1364.pdf

https://www.gov.scot/publications/social-equality-impacts-brexit/

will impact younger people's ability to seek training and employment opportunities in other EU countries.

Currently, many UK students benefit from access to Erasmus+ a mobility scheme that provides students with opportunities to study in the EU, and Horizon 2020 developing younger and more established researchers' careers. The UK's position with regard to Erasmus+ after it finally leaves the EU is uncertain and participation in the scheme will depend on the outcome of ongoing Brexit negotiations. The same is true of access to Horizon Europe, the successor to Horizon 2020. The long-term implications of Brexit on the higher education and research sector and on students is therefore currently unknown. However anecdotal evidence suggests that the higher education (HE) sector is already experiencing an impact with regard to collaboration in EU research projects and HE staff mobility – these issues could potentially have a substantial effect on the sector and students in the future³¹⁶. Access to opportunities through these programmes is being further exacerbated by COVID restrictions on travel and the introduction of the new UK Points Based Immigration System.

On a more positive note, as a result of lockdown, if more education, including or perhaps in particular higher education, moves online, this could enable participation for some people who would have struggled to attend in person or encourage the participation and engagement level of students that are typically shy about speaking in public and prefer to contribute in written form³¹⁷. This might include those on low incomes, from more deprived backgrounds, with caring responsibilities, disabled people and those living in rural or remote areas. However, for a successful switch to e-learning, three requirements need to be fulfilled: access to the internet, the right technology, and the skills to use the technology³¹⁸.

³¹⁶ https://commonslibrary.parliament.uk/research-briefings/cbp-7834/

https://www.timeshighereducation.com/features/will-coronavirus-make-online-education-go-viral#

³¹⁸ https://www.europeandataportal.eu/en/covid-19/stories/education-during-covid-19-moving-towards-e-learning

4. Safety and Security

4.1 Pre-existing inequalities in safety and security

Violence against women and girls

In Scotland, women, younger people (16-24), and those living in the most deprived areas of Scotland are more likely to report experiencing domestic abuse.³¹⁹ Data from England and Wales also showed that, in 2018-19, people aged 16-74 in the Mixed ethnic group were more likely than those in the White or Asian ethnic groups to report experiencing domestic abuse, and that disabled adults were more likely than non-disabled adults to do so (13.8% of disabled women and 7.1% of disabled men, compared with 3.3% of non-disabled men and 6.4% of non-disabled women).³²⁰ Those in England and Wales who lived in a single-parent household were also more likely to report having experienced domestic abuse in the last year than those living in a no-children household or a household with other adults and children.

Women with the visa condition of 'no recourse to public funds' may be even more vulnerable to domestic abuse, including economic abuse, and this visa condition can make it difficult to flee domestic abuse and/or access refuge accommodation.³²¹ Language barriers, being of a minority ethnicity, being disabled and having complex needs such as requiring mental health or substance use support can also make it harder for women to find refuge accommodation.³²²

Children's safety and security

Violence by caregivers is the most common form of violence experienced by children³²³. Children are also often victims of domestic abuse. Two fifths of people who reported experiencing domestic abuse in the last 12 months said that children were living in their household when the most recent incident took place, in 2017/18 (40%).³²⁴ Three fifths of these (62%) said that the children were present, in or around the house or close by, when the incident took place. The prevalence of domestic abuse among mothers appears to be higher among mothers from the most deprived areas of Scotland, those in the lowest income bracket and those with lower levels of educational attainment.³²⁵

Hate crime

The majority of hate crimes recorded by police are aggravated by race. Two-thirds (67%) of the 6,736 hate crimes recorded in 2017-18 included a race aggravator, 16% a sexual orientation aggravator, 7% a religion aggravator, 4% a disability aggravator and 1% a transgender identity aggravator.³²⁶ The remaining 5% had multiple hate aggravators.

³¹⁹ https://www.gov.scot/publications/scottish-crime-justice-survey-2017-18-main-findings/

³²⁰ https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/articles/domesticabusevict imcharacteristicsenglandandwales/yearendingmarch2019#ethnicity

https://southallblacksisters.org.uk/need-help/abused-women-with-no-recourse-to-public-funds/

https://www.womensaid.org.uk/research-and-publications/nowomanturnedaway/

³²³ https://www.un.org/sites/un2.un.org/files/policy brief on COVID impact on children 16 april 202 0.pdf

https://www.gov.scot/publications/scottish-crime-justice-survey-2017-18-main-findings/

https://www.gov.scot/publications/scottish-crime-justice-survey-2014-15-partner-abuse/

https://www.gov.scot/publications/developing-information-hate-crime-recorded-police-scotland/

4.2 Impact of COVID-19 on safety and security so far

Violence against women and girls

Reports indicate that there has been increased use of domestic abuse helplines and websites in the England and Wales since the onset of the COVID-19 pandemic and the restrictions imposed, as well as escalations in abuse and increased difficulty accessing help.³²⁷ Referral rates for many organisations in Scotland decreased in the initial 2-3 weeks of lockdown, but there were some indications of an increase as lockdown progressed, that the impact and risk of domestic abuse has been magnified by lockdown, and that since Phase 1, many organisations have observed steady increases in referrals with report referral rates comparable to those for the equivalent period in 2019.³²⁸ The number of domestic abuse incidents recorded by the police in Scotland was 9% higher in April to June 2020 than the equivalent period in 2019.³²⁹ It is important to note, however, that the vast majority of domestic abuse goes unreported.³³⁰

In oral evidence presented to the House of Commons' Women and Equalities Committee, there was a plea for women and children experiencing domestic abuse who do not have recourse to public funds to be given access to state support including information and guidance, so that they are able to be safe.³³¹

Domestic abuse has a number of harmful psychological as well as physical impacts and can lead to poorer health, education and employment outcomes, amongst others – these are discussed in the relevant sections of this paper (see sections 1.2.2, 2.3, 3.2, 5.2 and 6.3). As noted above, women, younger people, those living in the most deprived areas, disabled people and those living in single-parent households are all more likely to report experiencing domestic abuse. Those of Mixed ethnicity may also be at higher risk of domestic abuse. Additionally, there is evidence that female victims of domestic abuse with school age children have been disproportionately affected by digital exclusion, housing issues, isolation, and conflict over child contact during the pandemic, compared to other groups.³³²

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https://www.independent.co.uk/news/uk/home-news/coronavirus-uk-domestic-abuse-helpline-calls-rise-refuge-a9534591.html; https://www.womensaid.org.uk/covid-19-resource-hub/#1585739910691-6b8d326b-5792

https://www.gov.scot/publications/domestic-abuse-forms-violence-against-women-girls-vawg-during-covid-19-lockdown-period-30-3-20-22-05-20/pages/1/; https://www.bbc.co.uk/news/uk-england-birmingham-52981834

https://www.gov.scot/publications/justice-analytical-services-coronavirus-covid-19-data-report-june-2020-edition/pages/3/

³³⁰ For example, the SCJS 2017/18 report found that a fifth (19%) of those who experienced partner abuse in the previous 12 months stated that the police came to know about the most recent incident.

³³¹ https://committees.parliament.uk/oralevidence/496/html/

https://www.gov.scot/publications/domestic-abuse-forms-violence-against-women-girls-vawg-during-covid-19-lockdown-period-30-3-20-22-05-20/pages/1/and ongoing Scottish Government research

Domestic abuse can also have a range of negative impacts on children including fear, difficulties sleeping and long-term mental health conditions.³³³ Children may often also face abuse themselves, and there is a link between children witnessing domestic abuse in the home and going on to perpetuate violence themselves.³³⁴

Children's safety and security

Children and young people may be at a greater risk of neglect, physical abuse, emotional abuse or sexual abuse in the home as a result of school and ELC closures, and of sexual or other exploitation due to increased time spent on the internet and from having limited access to safe spaces and trusted adults during lockdown.335 Reduced contact with professionals who would normally engage with them also means that neglect or abuse is less likely to be spotted and it is harder for children to seek help; there has been a reduction in referrals to children's services during lockdown.³³⁶ An average of 63 children per week were registered on the child protection register over the four weeks from 30 July to 26 August 2020, 53% of which had domestic abuse recorded as a concern at the case conference where the child was registered. Comparable data have been gathered weekly since 16 April 2020 to understand the impacts of COVID-19 and lockdown on vulnerable children. and how services are responding. For the 15 weeks from 16 April to 29 July, an average of 75 children per week were added to the child protection register, 42% of which had domestic abuse recorded as a concern at the case conference. The latest available annual statistics (pre-dating the pandemic) show there were an average of 82 registrations per week in the year 1 August 2018 – 31 July 2019, 53% of which had domestic abuse recorded as a concern at the case conference where the child was registered.³³⁷ Adverse childhood experiences such as abuse and neglect can have devastating and long lasting effects on people's lives and can result in inequalities in physical and mental health and wellbeing, employment prospects and access to services.338

Hate crime

There have been reports of an increase in hate crime in the UK against people perceived to be of Chinese, South Asian or East Asian ethnicities since the start of the COVID-19 pandemic.³³⁹ In oral evidence presented to the House of Commons'

https://www.gov.scot/publications/scottish-crime-justice-survey-2014-15-partner-abuse/; http://www.healthscotland.scot/media/1626/inequalities-briefing-10 mental-health english nov 2017.pdf

³³⁴ Ibid.; Schneider, Harknett & McLanahan, 2016. Intimate Partner Violence in the Great Recession. *Demography*, 53: 471-505.

https://www.bmj.com/content/bmj/369/bmj.m1557.full.pdf;

https://cypcs.org.uk/coronavirus/independent-impact-assessment/#

336 https://www.thelancet.com/pdfs/journals/lanpsy/PIIS2215-0366(20)30168-1.pdf;
https://www.gov.scot/publications/coronavirus-covid-19-supplementary-national-child-protection-guidance/; https://www.gov.scot/publications/covid-19-framework-decision-making-supporting-evidence/pages/5/

³³⁷ Chi ef Officer Group weekly vulnerable children and a dult protection monitoring data; https://www.gov.scot/publications/childrens-social-work-statistics-scotland-2018-2019/. See also https://www.gov.scot/coronavirus-covid-19/

https://www.gov.scot/binaries/content/documents/govscot/publications/research-and-analysis/2018/09/child-adolescent-health-wellbeing-scotland-evidence-review/documents/00540155-pdf/00540155-pdf/govscot%3Adocument/00540155.pdf

https://committees.parliament.uk/oralevidence/359/default/; https://www.theguardian.com/world/2020/may/13/anti-asian-hate-crimes-up-21-in-uk-during-

Women and Equalities Committee it was noted that there had been increased hate crime and hate speech targeting Gypsy, Roma and Traveller communities, even though spread of the virus had no connection to these communities. Therefore it was suggested that there was scapegoating happening, with negative impacts on those communities³⁴⁰. Further planned research may establish whether there has been a significant rise in hate crimes due to COVID-19.341 There was a short-term spike in racially or religiously aggravated offences in England and Wales in the lead up to and aftermath of the EU referendum in 2016 - and although there has been a continuous upward trend in recent years this has mainly been driven by improvements in crime recording by the police.³⁴² The evidence does not currently point to a similar increase (following the EU referendum) in Scotland but hate crimes are often not reported to the police.³⁴³ Research amongst certain migrant communities in Scotland reveals that since the referendum 77% of young Eastern European school pupils living in Scotland and England had experienced racism and xenophobic attacks, and almost half (49%) had seen 'more racism' since the referendum³⁴⁴.

4.3 Future impacts on safety and security inequalities

Violence against women and girls

Evidence suggests a link between financial difficulties within relationships and increased perpetration of domestic abuse.³⁴⁵ Research conducted in US cities has also found that sudden macroeconomic downturns are correlated with increased levels of coercive control even after controlling for household-level economic hardship and unemployment, meaning increases in abusive behaviour are not restricted to households that themselves experience unemployment or economic distress.³⁴⁶ Evidence in this area is limited and inconclusive, however.³⁴⁷ Nevertheless, increased levels of domestic abuse may well be seen in the context of a rise in unemployment and economic difficulties for households as a result of the COVID-19 pandemic. At the same time, reduced income and/or unemployment could make it more difficult for those experiencing domestic abuse to leave an abusive relationship.

coronavirus-crisis; https://news.sky.com/story/coronavirus-how-many-covid-19-hate-crimes-are-inyour-area-11979427
340 https://committees.parliament.uk/oralevidence/496/html/

https://www.eeassoc.org/doc/upload/Hate Crime in Time of the Corona20200515220914.pdf

https://www.gov.uk/government/statistics/hate-crime-england-and-wales-2018-to-2019

https://sourcenews.scot/police-scotland-no-rise-in-hate-crime-in-scotland-since-brexit/; https://www.gov.scot/publications/developing-information-hate-crime-recorded-police-scotland/

http://www.migrantyouth.org/files/2016/08/Briefing1-Here-to-Stay-Racism web.pdf

See, for example, the body of evidence used by Laura Richards, ACPO and CAADA to inform the development of the Domestic Abuse Stalking and Honour-based violence (DASH) risk assessment tool, and Schneider, Harknett & McLanahan, 2016. Intimate Partner Violence in the Great Recession. Demography, 53: 471-505.

³⁴⁶ Schneider, Harknett & McLanahan, 2016. Intimate Partner Violence in the Great Recession. Demography, 53: 471-505.

³⁴⁷ https://www.res.org.uk/resources-page/domestic-violence--uk-evidence-of-the-impact-ofunemployment-.html

There is also some evidence of a link between economic hardship and child maltreatment.348

Hate crime

It is possible that both Brexit and the ongoing COVID-19 pandemic could lead to more race-based hate crime in the future. Some believe that increased isolationism (or acceleration of a trend in this direction) may be one possible consequence of the pandemic, which could make increased race-based hate crimes more likely.³⁴⁹ This is impossible to predict with any confidence at this point however, especially given the large number of unknowns around how both events will play out going forwards.

https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5408954/;
https://www.bmj.com/content/bmj/369/bmj.m1557.full.pdf
http://speri.dept.shef.ac.uk/2020/06/23/contemporary-geopolitical-trends-and-covid-19-the-returnof-the-political/; https://www.globalpolicyjournal.com/blog/08/05/2020/meta-geopolitics-pandemicscase-covid-19

5. Social and Wellbeing

5.1 Pre-existing social and wellbeing inequalities

Loneliness and social isolation

Social isolation refers to when an individual has an objective lack of social relationships (in terms of quality and/or quantity) at individual, group, community and societal levels. Loneliness meanwhile is a subjective feeling experienced when there is a difference between the social relationships we would like to have and those we have.³⁵⁰ In 2018, one in five adults in Scotland (21%) had felt lonely some or most of the time in the previous week.³⁵¹ This did not vary much by age, but those living in the most deprived areas were almost twice as likely to experience feelings of loneliness as those living in the least deprived areas (28% compared to 15%). Also, people living with a long-term physical or mental health condition were more than twice as likely to experience loneliness as those without (35% compared to 16%).

The majority of adults in Scotland (73%) reported meeting socially with friends, family, relatives, neighbours or work colleagues at least once a week in 2018.³⁵² Middle-aged people (35-59) were less likely to meet socially at least once a week than other ages (65% and 66% for people in this age category, compared to 86% of people aged 16-24). Women met socially more regularly than men. There was no obvious trend in meeting socially at least once a week between urban and rural areas or by area deprivation levels, but people living with a long-term physical or mental health condition were less likely to meet socially more often than people living without this.

Mental wellbeing

Mental wellbeing, as measured by the Warwick-Edinburgh Mental Wellbeing Scale, was not significantly different for men and women in 2018. 353 lt did, however, vary significantly with age, with scores decreasing between the youngest and the middle-age groups, and then increasing again in older age groups. Those aged 65-74 had the highest WEMWBS mean score (51.6) and those aged 35-44 had the lowest mean score (48.4). Age-standardised WEMWBS mean scores also significantly decreased as area deprivation increased.

Life satisfaction

Life satisfaction was similar for men and women overall in 2018, but it varied according to age.³⁵⁴ Older adults – those 55 and over but especially those 65 and over – were more satisfied with their life on average than those in younger age groups. Those on lower incomes were likely to be less satisfied with their life than

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https://www.gov.scot/publications/scotlands-people-annual-report-results-2018-scottish-household-survey/pages/4/
https://www.gov.scot/publications/scotlands-people-annual-report-results-2018-scottish-household-

https://www.gov.scot/publications/scotlands-people-annual-report-results-2018-scottish-householdsurvey/

https://www.gov.scot/publications/scotlands-people-annual-report-results-2018-scottish-household-survey/pages/4/

³⁵³ The WEMWBS questionnaire has 14 items designed to assess: positive affect (optimism, cheerfulness, relaxation) and satisfying interpersonal relationships and positive functioning (energy, clear thinking, self-acceptance, personal development, mastery and autonomy).

https://www.gov.scot/publications/scottish-health-survey-2018-volume-1-main-report/pages/5/
354 https://www.gov.scot/publications/scottish-health-survey-2018-supplementary-tables/

those on higher incomes, and those in the most deprived areas were likely to be less satisfied with their life than those in the least deprived areas.

Gendered division of domestic labour and childcare

Time use data from 2014-15 showed that women in Scotland spent more time than men on unpaid work, particularly on childcare, housework and shopping. services and household management.355 Women spent almost twice as much time as men on housework – an average of 123 minutes per day compared to 57 minutes for men. A quarter of women across all age groups took part in childcare on a given day in 2014-15 (24%), compared to 15% of men. Of those who did childcare, women spent longer on it – an average of 143 minutes per day, compared to 106 minutes for men. Looking at all people (including those without children), women spent an average of 35 minutes per day on childcare in 2014-15, compared to 16 minutes for men. Women also account for the majority unpaid carers who look after, or give any regular help or support to, family members, friends, neighbours or others because of a long-term physical condition, mental ill-health or disability; or problems related to old age. Almost 1 in 5 women were unpaid carers in 2018 (18%), compared to 1 in 8 men (12%).356 Women were slightly more likely to report spending 50+ hours a week caring (16% of women vs 14% of men, but this rose to 26% vs 16% among those aged 65+).

5.2 Impact of COVID-19 on social and wellbeing inequalities so far

Almost half of adults in Great Britain (47%) say that something in their lifestyle has changed for the better since the COVID-19 outbreak.³⁵⁷ Adults of working age are far more likely to have found this than older adults (52% of those aged 16-69 compared to 21% of those aged 70+). Overall, people are most likely to say that they spend more quality time with the people they live with, have more time to relax, have a slower pace of life and spend less time travelling. Of those who agreed that something in their lifestyle had changed for the better (or that they didn't know if it had), adults aged 70+ were particularly likely to say that they were more in touch with neighbours - 53%, compared to 30% of those aged 16-69. Older people were less likely, however, to say that they had learned something new (11% vs 25% of 16-69 year olds).

Research conducted by the Fawcett Society suggests that men and women of visible minority ethnicities in the UK are more likely than White men and women to say that they have lost support from the Government since the start of the pandemic, that they have lost support from other people, and that they are not sure where to turn to for help.³⁵⁸ They also, however, reported having more contact with other people than before coronavirus in higher proportions than White people.

74

https://www.gov.scot/publications/centre-time-use-research-time-use-survey-2014-15-resultsscotland/

https://www.gov.scot/publications/scottish-health-survey-2018-supplementary-tables/

³⁵⁷ https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/b ulletins/coronavirusandthesocialimpactsongreatbritain/3july2020

³⁵⁸ https://www.fawcettsociety.org.uk/coronavirus-impact-on-bame-women

Loneliness and social isolation

Self-isolation at home bring serious risk of social and psychological harm, and quarantine is associated with negative psychological effects. 359 Impacts can be exacerbated or reduced by various factors, such as duration, information and communication and financial support.

Research indicates that loneliness rose considerably with the start of lockdown, with a quarter (24%) of UK adults having experienced loneliness in the two weeks to 2-3 April, compared to 10% on 17-18 March.³⁶⁰ Note that figures here should not be compared with those noted above from the Scottish Household Survey, since these are different sources. Both before and after the start of lockdown loneliness was found to decline with age, with 16% of 18-24 year-olds feeling lonely compared to 6% of those aged 55+. However two weeks into lockdown this difference had significantly grown, with 44% of the youngest age group experiencing loneliness compared to 16% of the oldest. The study did not break down the oldest age group (55+) into smaller groups, but other surveys have found no difference in loneliness between those aged 70+ and those aged 16-69, or lower levels of loneliness among those aged 70+.361 Women in the UK were more likely than men to be lonely both before and after lockdown began (12% vs 7% before, and 28% vs 20% afterwards).

Adults living alone in Scotland, as in other regions of the UK, were around twice as likely as those living with others to experience loneliness in April.³⁶² It is reported that pre-COVID, 84% of single parents reported being lonely and there is growing evidence to suggest that lockdown is exacerbating loneliness amongst lone parents.³⁶³ In England, plans for support bubbles have been criticised for overlooking the fact the majority of single parents rely on formal childcare and do not necessarily have a support network to create a bubble with.³⁶⁴ It has also been suggested that digital exclusion combined with social distancing poses a risk of further inequality and loneliness for particular groups of women - poor women, mothers, carers, minority ethnic women and older women. Women without internet access and who are experiencing domestic abuse are a huge concern.³⁶⁵

People with experience of mental health issues have been particularly concerned about social isolation during the pandemic, while Glasgow Disability Alliance have highlighted that over 70% of the disabled people that they surveyed during the pandemic were worried about becoming acutely isolated. This related partly to lack of internet access, and also that many rely on others for support with day to day

³⁵⁹ https://www.bmj.com/content/369/bmj.m1557

https://www.cam.ac.uk/research/news/almost-a-quarter-of-adults-living-under-lockdown-in-the-ukhave-experienced-loneliness

³⁶¹ https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/b ulletins/coronavirus and the social impacts on great britain/3 july 2020; https://www.understandingsociety.ac.uk/sites/default/files/downloads/general/ukhls briefingnote covi d health final.pdf

³⁶² https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/b ulletins/coronavirus and the social impacts on the countries and regions of britain/april 2020

³⁶³ See for example https://opfs.org.uk/wp-content/uploads/2020/05/Response to COVID-19 OPFS.pdf, https://www.savethechildren.org.uk/blogs/2020/lockdown-life-as-a-single-parent https://www.independent.co.uk/news/uk/home-news/coronavirus-support-bubbles-single-parentsa9561571.html

³⁶⁵ https://www.engender.org.uk/content/publications/Engender-submission-of-evidence-Women-and-Equalities-Committee-Covid19.pdf

tasks and looking after themselves.³⁶⁶ People with learning difficulties and neurodevelopmental disorders may be particularly affected by changes and disruption to support and routines, isolation, and loneliness, 367 Older people may also be at greater risk of social isolation due to being less likely to use online communication.368

Relationships

A quarter (23%) of adults in Great Britain say that their relationships are being affected by the COVID-19 outbreak.369 Adults of working age (16-69) are more likely to say that their relationships are being affected than older adults (70+; 25% vs 14%). Evidence suggests increased use of domestic abuse helplines and websites in the England and Wales since the onset of the COVID-19 pandemic and the restrictions imposed, as well as escalations in abuse, and although in Scotland referral rates for many organisations decreased initially, many services anticipate an increase in reporting and referrals once lockdown restrictions begin to be relaxed. Experiencing domestic abuse commonly leads people to stop trusting other people and have difficulty with relationships (an impact of the most recent incident of domestic abuse for 36% of women and 8% of men who had experienced domestic abuse in the last 12 months in 2017-18) as well as isolation from family and friends (29% of women and 10% of men).³⁷⁰ Women, younger people (16-24) and those living in more deprived areas are all more likely to report experiencing domestic abuse, as are those of mixed ethnicity, disabled people and those living in a singleparent household according to data from England and Wales.³⁷¹

Gendered division of domestic labour and childcare

UK data from a number of different sources shows that women have continued to spend more time men on both housework/unpaid work and childcare since the pandemic began.³⁷² UK data collected on behalf of the Fawcett Society suggest that this is true of both White women and those of visible minority ethnicities, although also that women of visible minority ethnicities were particularly struggling to balance paid work and childcare and to cope with different demands on their time during lockdown.373

Time use data from ONS does however show that men in Great Britain have been spending 58% more time on unpaid childcare in lockdown compared to in 2014-15,

³⁶⁶ https://www.thelancet.com/pdfs/journals/lanpsy/PIIS2215-0366(20)30168-1.pdf; https://mailchi.mp/gdaonline/covid-19-supercharges-existing-inequalities-faced-by-glasgows-150000disabled-people?e=35607ddbb9

367 https://www.thelancet.com/pdfs/journals/lanpsy/PIIS2215-0366(20)30168-1.pdf

https://www.bmj.com/content/bmj/369/bmj.m1557.full.pdf

³⁶⁹ https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/b ulletins/coronavirusandthesocialimpactsongreatbritain/3july2020

³⁷⁰ https://www.gov.scot/publications/scottish-crime-justice-survey-2017-18-mainfindings/pages/13/# 9.3 Partner Abuse

³⁷¹ See section 4.1

³⁷²https://www.ons.gov.uk/economy/nationalaccounts/satelliteaccounts/bulletins/coronavirusandhowp eoplespenttheirtimeunderrestrictions/28marchto26april2020#the-gap-in-unpaid-work-between-menand-women; https://www.ifs.org.uk/publications/14860;

https://www.iza.org/publications/dp/13183/inequality-in-the-impact-of-the-coronavirus-shock-evidencefrom-real-time-surveys: https://www.kcl.ac.uk/news/women-doing-more-childcare-under-lockdownbut-men-more-likely-to-feel-their-jobs-are-suffering

³⁷³ https://www.fawcettsociety.org.uk/coronavirus-impact-on-bame-women

although they still undertook 15 minutes a day less unpaid childcare on average than women.³⁷⁴ The time men spent doing unpaid work also rose (by 22 minutes a day) while it fell (by 20 minutes) for women – together reducing the 1 hour and 50 minute gender gap in unpaid work to 1 hour and 7 minutes a day. There are indications of similar findings in other countries.³⁷⁵ University of Bristol research suggests that the amount of additional childcare provided by men has been very sensitive to their employment; allocation of childcare has become more equal in households where men are working from home and where they have been furloughed/ lost their job. ³⁷⁶ In contrast, the amount of childcare provided by women was found to be less sensitive to their own employment than it was for men and women were found to be doing more childcare than men, irrespective of their employment status; women working from home had undertaken more childcare than men on furlough or who have lost their job.

ONS data shows that 1 in 10 people in Great Britain said that their caring responsibilities were being affected by the COVID-19 outbreak, as of 8-12 July (10%).³⁷⁷ Responses were similar for men and women. Half of those who said that their caring responsibilities were being affected said that they were spending more time caring for others (48%) while just over a third said that they were unable to care for someone they usually support (36%). Carers Scotland also reported that many carers were providing more care under lockdown, in many cases because their local care and support services had been reduced or closed, and that many carers felt overwhelmed or at risk of burnout.³⁷⁸ Understanding Society found in April that the vast majority of people reported no change in the help that they received since prior to the pandemic (70% for Scotland), while 20% received more help and 7% less.³⁷⁹

An online survey conducted by Ipsos MORI at the end of March 2020 found that women were significantly more likely than men in Britain to have tried to help their friends and community amid the COVID-19 outbreak.³⁸⁰ For example, 78% of women had been in contact with friends and family to make sure they were ok during the crisis and lockdown, while only 63% of men had done the same.

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³⁷⁴ https://www.ons.gov.uk/economy/nationalaccounts/satelliteaccounts/bulletins/coronavirusandhowpeoplespenttheirtimeunderrestrictions/28marchto26april2020#the-gap-in-unpaid-work-between-menand-women

and-women

375 https://www.uu.nl/en/news/division-of-work-between-fathers-and-mothers-is-changed-by-the-corona-crisis; https://osf.io/preprints/socarxiv/24j87/

³⁷⁶ http://www.bristol.ac.uk/efm/media/workingpapers/working_papers/pdffiles/dp20723.pdf

³⁷⁷ https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/datasets/coronavirusandthesocialimpactsongreatbritaindata

https://www.carersuk.org/scotland/news/the-forgotten-families-in-lockdown-unpaid-carers-close-to-burnout-during-covid-19-crisis

³⁷⁹ https://www.understandingsociety.ac.uk/sites/default/files/downloads/general/ukhls_briefingnote_co_vid_health_final.pdf

³⁸⁰ https://www.ipsos.com/sites/default/files/ct/news/documents/2020-05/fawcett_society_presentation.pdf?platform=hootsuite

5.3 Future impacts on social and wellbeing inequalities

Loneliness and social isolation

Research suggests that poverty can increase risk of social exclusion and isolation.³⁸¹ If poverty rises as a result of the COVID-19 pandemic, this could therefore result in more people experiencing social isolation. We also know that people living with a long-term physical or mental health condition are more likely to experience both loneliness and social isolation. There may be long-term negative health impacts of the pandemic, both direct and indirect, as discussed in section1. These could both exacerbate and be exacerbated by social isolation.

Gendered division of domestic labour and childcare

Changes in the gendered division of domestic labour observed under lockdown could have longer term impacts beyond the end of the pandemic. It is possible that men's increased participation in childcare and housework during lockdown could persist to greater or lesser extent; many think that this might be the case.382 In addition to the possibility that the pandemic has adjusted social norms, there is some evidence correlating men taking on greater responsibility for childcare for a shorter given period with a more equitable distribution of childcare in the long term, although the extent to which this is causal is less clear. 383 If flexible and remote working becomes more commonplace, it might further support a more equitable division of domestic labour.³⁸⁴ More research will be required to better understand the changes that have been observed under lockdown and how these might inform future impacts. For example, it is not currently clear whether the average changes observed are being driven by a majority of men taking on slightly more due to spending more time at home, or a minority of men doing significantly more (perhaps where they have been furloughed) - or indeed these changes arising mainly out of temporary necessity, for example if mothers are having to isolate away from their family or work very long hours. University of Bristol research suggests that the amount of additional childcare provided by men has been very sensitive to their employment; allocation of childcare has become more equal in households where men are working from home and where they have been furloughed/ lost their job. 385 If childcare is only shared more equally when men have more time on their hands. this may mean that their increased contribution is not sustained if they increase their time spent in paid work again in the future.

³⁸¹ https://www.tandfonline.com/doi/abs/10.1080/00380253.2018.1436943; https://neweconomics.org/uploads/files/5756b988b34063f6c9 ltm6is8u9.pdf; https://onlinelibrary.wiley.com/doi/abs/10.1111/j.1099-0860.2010.00345.x

https://faculty.wcas.northwestern.edu/~mdo738/research/COVID19 Gender March 2020.pdf; https://www.ifs.org.uk/uploads/BN290-Mothers-and-fathers-balancing-work-and-life-under-lockdown.pdf; https://www.ifs.org.uk/inequality/covid-19-and-inequalities/

³⁸³ https://faculty.wcas.northwestern.edu/~mdo738/research/COVID19 Gender March 2020.pdf; https://www.sciencedirect.com/science/article/abs/pii/S0047272718302299

https://faculty.wcas.northwestern.edu/~mdo738/research/COVID19 Gender March 2020.pdf; https://www.gov.scot/binaries/content/documents/govscot/publications/strategy-plan/2019/03/fairer-scotland-women-gender-pay-gap-action-plan/documents/analytical-annex/analytical-annex/govscot%3Adocument/analytical-annex.pdf

http://www.bristol.ac.uk/efm/media/workingpapers/working_papers/pdffiles/dp20723.pdf

Access to public services

As lockdown is eased, there is growing public debate³⁸⁶ around the limited availability of some services such public toilets (e.g. not opening up public toilets due to risk of virus spread)_which risks disadvantaging some population groups such as women, older people those with bladder and bowel conditions and disabled people. The continued closure of these facilities risks confining these groups at home resulting in unequal access to the easing of lockdown. With the reduction in public toilet provision, some of these were already affected or disadvantaged prior to lockdown, so lack of access as lockdown is eased will worsen conditions for these groups.

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https://www.bbc.co.uk/news/uk-england-53064651, https://www.theguardian.com/world/2020/jun/10/closure-of-public-toilets-causing-anxiety-distress-and-frustration-across-uk?CMP=share_btn_link

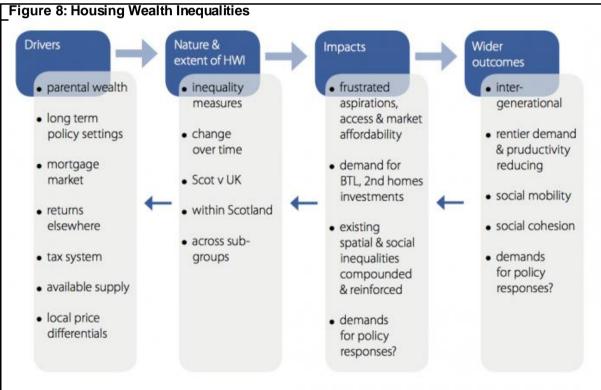
6. Housing

6.1 Pre-existing housing inequalities

Housing wealth

Housing is a key repository of wealth for many households. However, increases in housing wealth have not occurred uniformly across households and differ depending on where people live. Part of the inequality in housing wealth is due to the complexity of housing – spatially fixed with significant longevity, it often has long lead in-times to produce, which means it reacts poorly to changes in population, preferences and fluctuations in demand over time.

Like many other forms of wealth, housing wealth is less equally distributed than income, in part because many households have no housing wealth (e.g. those renting from social or private landlords, the homeless and those living in temporary accommodation), while almost all have some positive level of income. Housing wealth is nearly twice as unequally distributed as incomes are in Scotland. Housing wealth is also polarised by region and regional house prices. Due to the patterns and trajectory of house prices and patterns of ownership of property, there are also considerable implied variations in housing wealth within Scotland locally³⁸⁷. However, on a relative measure, housing wealth inequality has fallen over time in Scotland due to rising home ownership.



Source: https://housingevidence.ac.uk/understanding-the-scale-and-multiple-impacts-of-housing-wealth-inequality-in-scotland/

³⁸⁷ https://povertyinequality.scot/wp-content/uploads/2019/07/Poverty-and-inequality-housing-wealth-inequality-summary-report.pdf

Evidence points to inequalities across age, income and place, with older people, those on higher incomes and those living is more affluent areas holding the majority of housing wealth. The latest evidence³⁸⁸ shows that owning outright is more common among:

- Those living in less deprived areas (44% of those in the least deprived quintile compared to 19% of those living in the most deprived quintile)
- Older households (78% of older smaller and 61% of single pensioner households, compared to 6% of single parent and 7% of small family households)
- Those who identify as White Scottish or White other British (34% and 38% owned outright respectively) and less common among those identifying as Asian (13%), White other (12%), African, Caribbean or Black (4%) or White Polish (1%). Note that some of these groups are based on fairly small sample sizes.

Buying with the help of a loan/mortgage is also more common among³⁸⁹:

- Those living in less deprived areas (38% of those in the least deprived quintile compared to 18% of those living in the most deprived quintile)
- Large or small family households (two or more adults and at least one child), and least common among older households (older smaller or single pensioner)³⁹⁰
- Those who are not disabled (32% vs 10% for disabled people)
- Asian, Asian Scottish or Asian British people (38% buying with the help of a loan/mortgage), White Scottish (33%) or White other British (32%) and less common among White Polish (25%), White other (24%) or African, Caribbean or Black (21%). Note that some of these groups are based on fairly small sample sizes.
- Those with a net household income of over £25,000 (75% of those buying with a loan/mortgage, the highest of any tenure).
- Households with a highest income householder (HIH) aged 35 to 44 (27% of those buying with a loan/mortgage) or 45 to 59 (41%) – higher than any other tenure.
- Employed adults 82% of adults buying with a loan/mortgage were employed, higher than the proportion of employed adults in all other tenures.

Home ownership offers multiple advantages: those with assets are able to take more risks which often then bring rewards; have a greater level of housing security both in the here and now and in the future; and for those that then rent out property, enjoy an additional income³⁹¹. Inequalities in housing wealth may have a particular impact

https://www.gov.scot/publications/scotlands-people-annual-report-results-2018-scottish-household-survey/pages/3/ & unpublished analysis of the Scottish Household Survey 2018

https://www.gov.scot/publications/scotlands-people-annual-report-results-2018-scottish-household-survey/pages/3/2 unpublished analysis of the Scottish Household Survey 2018

³⁹⁰ • A single older household - contains one adult of pensionable age and no children. Pensionable age is 65 for both women and men. • An older smaller household – contains one adult aged 16-64 and one of pensionable age and no children, or two adults of pensionable age and no children. • A small family household – contains two adults of any age and one or two children. • A large family household – contains two adults of any age and three or more children, or three or more adults of any age and one or more children.

 $[\]frac{^{391}}{\text{https://povertyinequality.scot/wp-content/uploads/2019/07/Poverty-and-inequality-housing-wealth-inequality-summary-report.pdf}$

on children, with those in families with housing wealth more likely to be advantaged in childhood and to benefit from financial assistance, for example, in finding their own homes³⁹².

Housing Tenure

As well as differences in housing wealth across the population, there are also marked differences in housing tenure.

Renting in the private sector is more common among³⁹³:

- Single adult households (24% renting privately), followed by small adult households (19%), single parent households (16%) and small families (14%). Least common among older households (older smaller or single pensioner).
- Non-disabled people (16% renting privately, compared to 11% of disabled
- Less common among those living in the most deprived 20% of areas (11%, compared to 14-16% for the other 80% less deprived areas)
- Those who identify as White other (47% renting privately) Asian, Asian Scottish or Asian British (37%), White Polish (33%) and African, Caribbean or Black (28%), and less common among those who identify as White other British (18%) and White Scottish (9%). Note that some of these groups are based on fairly small sample sizes.
- Households with a highest income householder (HIH) aged 16-34 (52% of those in the private rented sector, double that for the social rented sector or those buying with a loan/mortgage and compared to just 2% of outright owners).

Renting in the social sector is more common among³⁹⁴:

- Single parent households (51% in socially rented housing), followed by single adults (33%) and single pensioners (29%)
- Disabled people (45% in socially rented housing, compared to 19% of nondisabled people)
- Those living in the most deprived 20% of areas (52% of households in these areas, compared to just 3% of those in the least deprived areas)
- Those who identify as Caribbean or Black (46%) or White Polish (40%) (Although it should be noted that these groups are based on fairly small sample sizes).
- Those with a net household income below £15,000 two fifths (43%) of social renters had a net household income of £15,000 or less, higher than among outright owners (27%), private renters (26%) or those buying with a loan/mortgage (6%).
- Those unemployed and seeking work (9% of social rented sector tenants compared to between 2% and 5% in other tenures) and those permanently sick or disabled (15% compared to between 1% and 4% in other tenures)

https://england.shelter.org.uk/ data/assets/pdf file/0014/40091/Know your place.pdf
 https://www.gov.scot/publications/scotlands-people-annual-report-results-2018-scottish-householdsurvey/pages/3/ & unpublished analysis of the Scottish Household Survey 2018

https://www.gov.scot/publications/scotlands-people-annual-report-results-2018-scottish-householdsurvey/pages/3/ & unpublished analysis of the Scottish Household Survey 2018

Adequacy and Housing Quality

Inequalities also exist in the adequacy of housing (i.e. whether property or location meet the cultural, physical or other needs of households including whether the location of housing is safe and free of crime) and housing quality/standard. The Scottish House Condition Survey (SHCS)³⁹⁵ shows that the proportion of dwellings failing to meet the Scottish Housing Quality Standard (SHQS) has dropped since 2010. Despite these improvements, the latest data for 2018 shows that 41% of Scottish homes failed to meet the SHQS. The majority of dwellings falling below the SHQS failed on a single criterion: this accounts for almost 8 out of 10 failures. The proportion failing to meet the standard is lowest among social renters (36%), compared with 44% of owned outright dwellings and 57% in the private rented sector. The social rented sector is the most regulated tenure and therefore has the highest condition standards. In contrast, owner-occupiers are not subject to any house condition requirements, unless they are directed to improve the condition of their homes by a local authority or under a common obligation in a tenement. JRF396 analysis suggests that households in the poorest fifth of the population are more likely to be living in housing which fails to meet the standard than those in the richest fifth.

Shelter Scotland³⁹⁷ analysis shows that a significant proportion of housing in Scotland fails to meet their <u>Living Homes Standard</u> on grounds of space and quality. Similarly, the latest SHCS also shows that many households (2% or 53,000 households in 2018) lived in overcrowded accommodation. Social sector dwellings (4%) were more likely to be overcrowded than private sector dwellings (1%). Households who own their properties outright, or mortgaged, and who live in rural areas had below average national overcrowding rates.

Accessibility and Sustainability of Housing

Social housing access varies across the population and Local Authorities. For example, data for 2018-19 shows that the proportion of homeless applicants securing settled accommodation increases with age, with 59% of main applicants assessed as unintentionally homeless aged 16-17 securing settled accommodation, compared to 78% of those aged 65 and over. Single males are the least likely to secure settled accommodation (63%, compared to 69% for single female households) and couples with children are the most likely (84%). Caribbean or Black households are most likely to secure settled accommodation (81% of cases, White Polish is 79%, White Scottish is 70%), while the figure for Asian, Asian Scottish or Asian British was just 69%³⁹⁸. Some research³⁹⁹ has found marked differences across local authorities in accessibility/housing policy for those fleeing domestic abuse. For example, the Scottish Borders council introduced a policy to house victims into permanent housing immediately if they were fleeing. In other areas victims are being housed in e.g. hotels for the duration of lockdown.

³⁹⁵ https://www.gov.scot/collections/scottish-house-condition-survey/

https://www.irf.org.uk/report/poverty-scotland-2017

https://scotland.shelter.org.uk/ data/assets/file/0010/1556560/LHS report FINAL 8 Aug.pdf https://www.gov.scot/publications/homelessness-scotland-2018-19-equalities-breakdowns/

³⁹⁹ Justice Analytical Services evidence gathering on the experience of domestic abuse victim/survivors and domestic abuse advocacy service provision during COVID-19 social isolation, April – August 2020

There are also differences in the sustainability of housing in terms of the security of tenure and long term affordability for some households. While lower housing costs in Scotland have kept poverty rates below other parts of the UK, affordability remains a kev challenge for many be it in terms purchasing or renting. High house prices and private sector rents remain unaffordable for many, which pushes up demand for social housing. Increasing rents and welfare cuts have meant that many are struggling to meet rising housing costs in both the private and social sectors⁴⁰⁰. A recent Scottish Government Welfare Reform Report⁴⁰¹ reports that since the roll-out of Universal Credit, rent arrears in Scotland have increased and as of March 2019, arrears on all council properties was £74m, up £9m on the previous year. Therefore, ccontinuing affordability challenges will mean that many (such as those on low incomes and the young) may never become home owners and are limited in their rental options.

For many potential homeowners it is not the affordability of mortgage payments that impedes their move onto the property ladder but a lack of a deposit. At the UK level, help from family to purchase first homes has become more important over time leaving those without such support at a disadvantage⁴⁰². Hence, the implementation of the various shared equity schemes in Scotland has improved access and affordability for many in this predicament. While the Help to Buy (HtB) scheme has allowed some to purchase property, an evaluation of the scheme in England⁴⁰³ showed that half of HtB users could have bought a property without the scheme, suggesting that it could be better targeted to those who really need it. Similarly a recent evaluation of share equity schemes in Scotland highlights that while the schemes have had some success in supporting their respective target groups, i.e. first-time buyers and lower income households, a substantial share of HtB buyers might have been in a position to buy without assistance. Notwithstanding this, the evaluation notes however that the New Supply Shared Equity (NSSE), and Open Market Shared Equity (OMSE), initiatives appeared to better targeted at modest income households that struggle to access the homeownership market⁴⁰⁴.

6.2 Impact of COVID-19 on housing inequalities so far

A poll conducted for Citizen's Advice Scotland at the end of March indicated that four in ten (41%) renters were concerned about being able to meet rent payments (compared to 31% of those who have mortgages being concerned about making those payments).⁴⁰⁵ It found higher concern among younger people, with almost half (47%) of renters aged 16-34 expressing concern about being able to pay their rent. while only 25% of those aged 55+ felt the same way. While the ban on evictions offers some temporary protection for those who are currently unable to pay their rent, this is a short-term measure and any missed rent will generally need to be paid back

⁴⁰⁰ https://www.irf.org.uk/blog/five-ways-housing-sector-can-help-turn-rising-tide-poverty-scotland

https://www.gov.scot/news/austerity-hits-housing-benefit/ https://www.resolutionfoundation.org/app/uploads/2018/12/House-of-the-Rising-Son.pdf

⁴⁰³https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/7 5135 9/Evaluation of the Help to Buy equity loan scheme 2017.pdf

https://www.gov.scot/publications/evaluation-scottish-government-shared-equityschemes/pages/10/

Scotpulse survey results March/April 2020

in the future, which may be challenging for those who continue to experience unemployment or a reduction in income going forwards.

Recent research⁴⁰⁶ has found that private renters are 50% more likely than mortgagers to have fallen behind on housing costs in the crisis, with 13% in that situation. This is partly because 20% of private, and a quarter of social, renters have lost their job or been furloughed, compared with 14% of mortgagers. This is also due to the fact that it is easier to renegotiate or flex mortgage costs than rent. Around 13% of mortgagers have applied for a mortgage holiday. Almost all have been granted. In contrast, one in 10 private renters have tried to negotiate down their rent but just half have been successful. For some younger renters, this has meant that they have had to move, with two thirds of those moving back in with their parents.

The Resolution Foundation suggests that more renters than owners look set to struggle with their housing costs in the UK, due to mortgagors being more likely to have a savings buffer and being able to benefit from mortgage holidays ⁴⁰⁷. Rent holidays are at landlords' discretion and landlords who receive mortgage holidays are not obliged to pass this payment pause on to tenants. While recent increases to housing benefits offers some relief, many (e.g. large households) will still be left with a shortfall and/or have their benefits restricted by the cap.

Fuel poverty levels will likely increase and be exacerbated by the current crisis, as those staying home every day will require greater use of domestic energy although this may be countered by warmer temperatures during summer reducing the need for space heating. Research by Populus for comparethemarket.com⁴⁰⁸ found households could be facing a 37% rise in their energy bills due to increased energy demand while at home, equating to £32 per month on average, or £387 over the year. Households that were already in fuel poverty before the crisis will be impacted severely by any further increases in energy costs. Fuel poverty levels will also be impacted by lower income through furlough or unemployment.

It has been widely recognised that poor housing can impact on health. While a many factors have contributed to the high number of coronavirus deaths, housing conditions are likely to have played a key part. For example, a recent Public Health England (PHE) review⁴⁰⁹ into why minority ethnic people have been worst hit by the pandemic found that issues of overcrowding and housing conditions contributed to the increased spread of coronavirus among these communities. The report highlighted that overcrowding can lead to increased COVID-19 transmission as individuals within the household are unable to effectively self-isolate. This is a much bigger problem in visible minority ethnic households than in white British households, even after controlling for region. In London, 30% of Bangladeshi households, 16% of Black African households, and 18% of Pakistani households

407 https://www.resolutionfoundation.org/app/uploads/2020/04/Housing-Outlook-April-2020.pdf
408 https://www.theguardian.com/money/2020/may/04/uk-household-energy-bills-to-soar-by-32-permonth

409 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/8 92376/COVID_stakeholder_engagement_synthesis_beyond_the_data.pdf

85

⁴⁰⁶ https://www.resolutionfoundation.org/publications/coping-with-housing-costs-during-the-coronavirus-crisis/

have more residents than rooms compared with only 2% of white British households). It concluded that 'the risks associated with COVID-19 transmission, morbidity and mortality can be exacerbated by the housing challenges faced by some members of BAME groups'".

With lockdown, this crisis has exposed inequalities in access to garden space. Analysis by the ONS⁴¹⁰ suggest that one in eight households (12%) in Great Britain has no access to a private or shared garden. This rises to more than one in five households in London (21%), with Scotland the next highest at 13%. People of Black ethnicity are 2.4 times less likely than those of White ethnicity to have a private garden in England. People in semi-skilled and unskilled manual occupations, casual workers and those who are unemployed are almost three times as likely as those in managerial, administrative and professional occupations to be without a garden (20% compared with 7%). Through lockdown, parks and greenspaces have been especially valuable to those without access to a private garden. Access to public parks is more evenly distributed, with people from minority ethnic groups almost as likely as White people to say their local greenspaces are "within easy walking distance" (86% compared with 88%).

6.3 Future impacts on housing inequalities

Debt overhang and debt accumulation

In the longer term, reductions in asset prices, particularly housing, are likely to generate a debt overhang problem ('negative equity') for some households, increasing the prevalence of 'mortgage prisoners' who are unable to refinance mortgage deals at the end of teaser-rate periods⁴¹¹. In the current crisis, the effectiveness of payment holidays will be dependent on the persistence of income reductions arising from the weakened labour market. For households on low incomes and those experiencing persistent declines in income, payment holidays will be ineffective in addressing the longer-term unsustainability of their debt commitments as payment holidays postpone payments into the future. As interest continues to be accrued future payments will in most cases be much higher and may be unaffordable for some. Households may be unable to service these in light of persistent reductions in income, for examples servicing extended mortgage maturity dates may be infeasible for households forced into involuntary retirement or bankruptcy⁴¹².

Disrepair and deterioration housing

Recent research shows that heightened macroeconomic uncertainty depresses household spending because households react by building-up liquidity⁴¹³. Households reduce their illiquid investments such as housing renovations and pension contributions and instead build up cash holdings. This could potential lead

⁴¹⁰https://www.ons.gov.uk/economy/environmentalaccounts/articles/oneineightbritishhouseholdshasnogarden/2020-05-14

https://www.coronavirusandtheeconomy.com/question/what-will-be-impact-crisis-household-finances

https://onlinelibrary.wiley.com/doi/abs/10.1111/ecca.12133; https://www.mitpressjournals.org/doi/abs/10.1162/rest a 00709 https://onlinelibrary.wiley.com/doi/abs/10.3982/ECTA13601

to delays in repairs and general upkeep of properties which may result in the deterioration of some housing.

Homelessness

While emergency legislation has been passed to protects tenants in Scotland from any eviction action for up to 6 months through the coronavirus outbreak, these measures expire after 6 months, although they may be extended by the Scottish Parliament. In the absence of any further extension, those who have fallen back on their rental payment as a result of the crisis may face evictions and could potentially become homeless. At the same time however, a rise in unemployment may see increased numbers of people at risk of homelessness – indeed there are indications that this may already be happening⁴¹⁴. On a positive note, Edinburgh City Council are considering options to take over and repurpose struggling hotels or AirBnBs for affordable housing⁴¹⁵.

International evidence suggests that there have been significant increases in the number of domestic abuse reports around the world⁴¹⁶⁻⁴¹⁷. Data from England and Wales shows that there has been a reported increase in the use of domestic abuse helplines and websites since the introduction of social distancing measures⁴¹⁸. Selfisolation and the current jobs crisis has disrupted livelihoods and household incomes, increasing stress and the potential to exacerbate conflicts and violence. As resources become more scarce, women may also be at greater risk of economic abuse⁴¹⁹. Increasing domestic abuse may lead some into homelessness, especially women for whom domestic abuse is the primary reason for homelessness. Young LGBT people may also be at particular risk of homelessness, often due to parental rejection, familial physical, sexual and emotional abuse, and familial aggression and violence.420 Almost a third (29%) of respondents to the UK LGBT survey in 2017, for example, reported having experienced a negative incident involving someone they lived with in the last year because they were LGBT.421 The most common types were verbal harassment (14% experienced this), disclosure of their LGBT status without permission (14%) and coercive or controlling behaviour (9%). Many young LGBT people may be less able to draw on the support of family in cases of loss of income or being unable to meet housing costs in the wake of the pandemic.

If the economy performs poorly after Brexit and there are more job losses, the number of people at risk of homelessness (especially people on low incomes) could increase.

Construction industry workforce

While the share of EU workers in the Scottish construction sector is below their overall share in the Scottish workforce, there is a much higher proportion of EU workers in the construction sector in the rest of the UK. Brexit could therefore have

⁴¹⁴ https://www.localgov.co.uk/Frontline-services-warn-of-rise-in-homelessness/50562

https://www.heraldscotland.com/news/18478718.coronavirus-scottish-government-should-reset-housing-agenda-msps-investigate-homelessness/

https://www.sciencedirect.com/science/article/pii/S2665910720300384

https://www.bmj.com/content/369/bmj.m1712

⁴¹⁸ https://www.bbc.co.uk/news/uk-52157620

https://apps.who.int/iris/bitstream/handle/10665/331699/WHO-SRH-20.04-eng.pdf

⁴²⁰ https://www.akt.org.uk/Handlers/Download.ashx?IDMF=c0f29272-512a-45e8-9f9b-0b76e477baf1

https://www.gov.uk/government/publications/national-lgbt-survey-summary-report

an indirect impact on Scottish construction if greater competition for workers increases wage differentials between Scotland and the rest of the UK. The UK construction industry is reliant on the labour of EU nationals. Any contraction in their employment could impact on house building, which may impact adversely on:

- people on low incomes who require affordable or social housing.
- disabled people who require accessible or adapted housing in order to live safe and independent lives
- homeless people who require affordable or social housing.

7. Digital

We have seen an increased reliance on digital technologies during the COVID-19 pandemic, and that the negative consequences of being digitally excluded in the current context can be greater than ever. If anything, the COVID pandemic is likely to continue accelerating the use of digital technologies and increase reliance upon them in areas including work, healthcare and education. These advances may be driven by both government and private sector responses to the pandemic. Those who do not have the skills or physical resources to use digital technologies may therefore be at even greater risk of being left behind if these inequalities are not addressed. 422 A lack of digital access can have a negative impact on outcomes in areas including health, social isolation, finances, employment and academic performance (type of internet use may be as important as access for the latter), and the consequences of increased digital inequalities are therefore also likely to exacerbate inequalities in other areas.⁴²³

7.1 Pre-existing digital inequalities

There are two main aspects to inequality in digital access: inequality of digital skills and confidence, and inequality of digital resources (physical equipment and infrastructure).424 Both of these will impact upon someone's ability to use digital technologies. Whether or not people have the digital resources they need will depend on both the availability of the technology and whether they can afford it. While there is often much focus on older adults being less likely to use digital technologies, digital inequalities also largely reflect wider socio-economic inequalities.425

We know that older adults, those with lower household incomes, adults living in the most deprived areas and those living in social rented housing are all less likely to use the internet in Scotland. 426 Those with a long-standing physical or mental health condition or illness are also less likely to use the internet (although not all of these people will be disabled) and data at UK level shows that disabled people are less likely to have used the internet recently.427 Adults of minority ethnicities (not white Scottish, British or Irish) are more likely than average to use the internet (indeed 97% of them do. compared to 87% overall). 428 Men and women are equally likely to use the internet.

⁴²² https://www.sciencedirect.com/science/article/pii/S0747563220301771

https://dera.ioe.ac.uk/10491/3/A9RF934 Redacted.pdf; https://d1ssu070pg2v9i.cloudfront.net/pex/carnegie uk trust/2019/02/21143338/LOW-RES-3999-CUKT-Switched-On-Report-ONLINE.pdf;

https://d1ssu070pg2v9i.cloudfront.net/pex/carnegie_uk_trust/2016/09/v3-2697-CUKT-Digital-Participation-summarv.pdf: https://www.sciencedirect.com/science/article/pii/S0747563220301771 424 https://www.carnegieuktrust.org.uk/publications/switched-on/

https://www.sciencedirect.com/science/article/pii/S0747563220301771

https://www.gov.scot/publications/scotlands-people-annual-report-results-2018-scottish-householdsurvey/pages/7/

⁴²⁷ https://www.ons.gov.uk/businessindustryandtrade/itandinternetindustry/bulletins/internetusers/2019

⁴²⁸ Unpublished analysis of the Scottish Household Survey 2018.

Households with lower incomes, households in Scotland's most deprived areas and households in the social rented sector are all less likely to have home internet access compared to higher income households, those in less deprived areas and those which are owner occupied or privately rented, but the gaps have narrowed in recent years.429 Adults of minority ethnicities (not white Scottish, British or Irish) are more likely than average to have home internet access. 430 Adults with a longstanding physical or mental health condition or illness are also less likely to have home internet access (again, not all of these people will be disabled) and Glasgow Disability Alliance have highlighted that only 37% of the disabled people they surveyed during the pandemic reported having home broadband or IT, and that many lack the confidence or skills to use it.431 While the Scottish Household Survey shows that there was no significant variation in access between households across different geographies in 2018, rural areas may be more likely to experience poor connection.⁴³² It is also important to remember that the quality of home internet access can vary - many households rely on smartphones for their internet access, which is not sufficient to fully benefit from being online.⁴³³

While almost all young people use the internet, there are still many who lack good digital skills or access to resources such as home computing and broadband. 434 For example, only 94% of households in Scotland where the highest income householder was aged 16-24 had home internet access in 2018 (96% for those aged 25-34).435

Across Scotland, 23% of people are unable to do all the basic 'Foundation tasks' which include turning a device on and logging in, and using the controls.⁴³⁶ This is slightly higher than for the UK as a whole (16%). Across the UK, education is a more important predictor of digital skills than age, with four-fifths of over-65s with a university degree able to perform a set of basic digital tasks, compared to just one fifth of those without any formal education. In terms of impairments, it found that those with physical or sensory, light or sound impairments are less likely to have basic digital skills than people with learning or memory impairments.

lpsos Mori analysis of the Scottish Household Survey 2014 found that people who had internet access were more likely to also have an active lifestyle (defined as going to cultural events, using council services, undertaking activities such as reading or music, taking part in sport and volunteering) even after other demographic and socioeconomic indicators such as education levels, income levels and

⁴²⁹ https://www.gov.scot/publications/scotlands-people-annual-report-results-2018-scottish-householdsurvey/pages/7/; https://www.gov.scot/publications/scotlands-people-annual-report-results-2017scottish-household-survey/pages/8/
430 Unpublished analysis of the Scottish Household Survey 2018.

⁴³¹ https://mailchi.mp/gdaonline/covid-19-supercharges-existing-inequalities-faced-by-glasgows-

¹⁵⁰⁰⁰⁰⁻disabled-people?e=35607ddbb9 432 https://d1ssu070pg2v9i.cloudfront.net/pex/carnegie_uk_trust/2019/02/21143338/LOW-RES-3999-CUKT-Switched-On-Report-ONLINE.pdf

⁴³³ https://d1ssu070pg2v9i.cloudfront.net/pex/carnegie_uk_trust/2019/02/21143338/LOW-RES-3999-CUKT-Switched-On-Report-ONLINE.pdf

⁴³⁴ https://www.lloydsbank.com/assets/media/pdfs/banking_with_us/whats-happening/lb-consumerdigital-index-2020-report.pdf;

https://www.celcis.org/files/2815/0712/3402/Carnegie Trust NotWithoutMe.pdf

⁴³⁵ Unpublished analysis of the Scottish Household Survey 2018.

⁴³⁶ https://www.lloydsbank.com/banking-with-us/whats-happening/consumer-digital-index.html

employment, were taken into account.⁴³⁷ Internet use was also associated with better mental health and wellbeing, when other factors were controlled for, as well as feeling more socially connected.

Research has shown that people have very different reasons for not being online – some would like to be online but face barriers to doing so, while others are not interested in using the internet.⁴³⁸ These reasons also differ according to people's characteristics, with cost-related barriers appearing to be more important for women than men, for example.

7.2 Impact of COVID-19 on digital inequalities so far

For people who already have digital access and skills, the pandemic is creating conditions that mean they are likely to be spending more time online and using their devices and therefore further improving their skills.⁴³⁹ This may be widening digital inequalities, although at the same time many people may be obtaining digital access for the first time. Organisations supporting digital inclusion report increased numbers of people undertaking digital training since the pandemic began and research suggests that many people are trying new digital activities.⁴⁴⁰ It is not yet clear, however, how many people are acquiring new digital skills or who these people are. It has also been noted that there is a risk for less experienced users to misuse digital spaces and have negative experiences.⁴⁴¹

Around 1 in 10 adults in Great Britain who think that something in their lifestyle either has or might have changed for the better since the coronavirus outbreak say that they have found it easier to join in with activities because they are now online.⁴⁴² There is no significant different between working-age and older adults, but a higher proportion of women (14% of those saying something in their life had/might have changed for the better) than men (4%) have found it easier to join in with activities because they're online.

For many people who previously had internet access outside their homes this may no longer be available to them under lockdown – for example in libraries, cafes or restaurants, at work and on local transport. As highlighted above, internet access is important for learning, working and job applications, shopping, health services, social contact, benefit applications and justice procedures, and is even more so during the pandemic. It has also been noted that for some people, lack of internet access may have prevented them from obtaining guidelines and government

https://www.sciencedirect.com/science/article/pii/S0747563220301771#cebib0010

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⁴³⁷ https://www.carnegieuktrust.org.uk/publications/role-digital-exclusion-social-exclusion/

https://www.carnegieuktrust.org.uk/publications/across-the-divide-full-report/

https://www.sciencedirect.com/science/article/pii/S0747563220301771#cebib0010

https://committees.parliament.uk/oralevidence/387/pdf/; https://www.ey.com/en_uk/tmt/top-10-challenges-and-opportunities-for-covid-19-impacted-digital-home

https://www.sciencedirect.com/science/article/pii/S0747563220301771#cebib0010

⁴⁴²https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/bulletins/coronavirusandthesocialimpactsongreatbritain/3july2020

⁴⁴³ https://d1ssu070pg2v9i.cloudfront.net/pex/carnegie_uk_trust/2019/02/21143338/LOW-RES-3999-CUKT-Switched-On-Report-ONLINE.pdf;

recommendations relating to the pandemic as well as from shielding effectively, and made them more vulnerable to contracting the virus.⁴⁴⁴

7.3 Future impacts on digital inequalities

There are indications that some of the areas that have moved increasingly online since the pandemic began - such as education, healthcare and work - may maintain some of their digital services going forwards.445 This may offer benefits and opportunities to many, including those in rural areas, although these communities' ability to take advantage of this will depend on the extent to which broadband and mobile services are improved in rural areas. 446 If greater and wider use of technology continues, then the effects noted above are likely to continue being relevant going forwards. The further digital technology develops, the more difficult it may be for those who do not use it to 'catch up', so it is clear that action must be taken to enable great digital access if digital inequalities are not to get wider.447 The Connecting Scotland programme has been launched with the aim of connecting up to 9,000 people on low incomes who are considered clinically at high risk, so that they can access services and support and connect with friend and family during the pandemic.448 The level of demand exceeds the number of people that the programme can currently help, but this first phase is intended to be the start of a longer-term programme to provide more people with the skills, equipment and connectivity to use the internet at home.449

Online health consultations look set to continue beyond the COVID-19 pandemic, and may offer benefits including improved access, reduced costs and environmental impact of travel, as well as reduced time away from work or education. ⁴⁵⁰ It could offer both health and income benefits for people who have to take unpaid leave for health appointments, and may have to choose between healthcare and loss of income. Around 40% of patients who completed one survey after having a video consultation said that it had saved them money, and almost 30% said that they had avoided having to take time off work. ⁴⁵¹ The evaluation of the Near Me video consulting service found that it had improved equity of access for patients experiencing travel and/or mobility problems due to frailty and multi-morbidity, and

 $\frac{https://www.digihealthcare.scot/wp-content/uploads/2020/07/Scotlands-digital-health-and-care-response-to-Covid19_JUNE-2020.pdf$

https://connecting.scot/for-organisations

https://committees.parliament.uk/oralevidence/387/pdf/; https://www.sciencedirect.com/science/article/pii/S0747563220301771#cebib0010

https://www.weforum.org/agenda/2020/04/coronavirus-education-global-covid19-online-digital-learning/; https://www.ohb.scot.nhs.uk/news/remote-gp-consultations-being-escalated; https://tec.scot/wp-content/uploads/2020/05/Near-Me-Vision-May-2020-final.pdf;

https://www.gov.scot/publications/reaching-100-superfast-broadband-march-2020-update/;
https://www.ofcom.org.uk/ data/assets/pdf file/0028/186409/connected-nations-2019-scotland-report.pdf
https://www.carnegieuktrust.org.uk/publications/role-digital-exclusion-social-exclusion/

https://connecting.scot/

https://www.ohb.scot.nhs.uk/news/remote-gp-consultations-being-escalated; https://www.edinburghnews.scotsman.com/health/coronavirus/remote-gp-consultations-being-escalated-2546009; https://www.gov.scot/publications/evaluation-attend-anywhere-near-video-consulting-service-scotland-2019-20-main-report/

https://www.gov.scot/publications/evaluation-attend-anywhere-near-video-consulting-service-scotland-2019-20-main-report/pages/12/

for patients with fear or anxiety engaging with clinical services, while at the same time noting that the digital medium also risks excluding those with low digital literacy and confidence, and/or limited access to the technology. This is discussed further in Section 1.3. A project between Connecting Scotland, the Near Me national team and the Royal College of General Practitioners is also currently developing and testing a collaborative approach to address digital exclusion amongst people at high risk of COVID-19 and enable them to participate in Near Me consultations and other health and care technologies.

As noted above, people have a variety of different reasons for not being online, and these vary for different groups of people. Efforts to reduce digital inequalities – or to address exclusion as more services move online – will need to understand these differences to be effective. The characteristics of technology itself, how it is designed and developed, are also important for determining both how inclusive it is in terms of use, and whether it reduces or exacerbates inequality. For example, Al can magnify, rather than eliminate, human bias if anti-discrimination measures are not built in.

Digital inequalities are also likely to continue to be impacted by other inequalities, such as in income and education (as well as impacting on them). Literacy problems, for example, can have an impact on digital participation. With unemployment set to rise and the prospect of this economic crisis disproportionately affecting those at the lower end of the earnings distribution, affording equipment and internet access may become increasingly difficult for those on low incomes (and in turn, in a vicious cycle, make it harder to access training or apply for jobs). Lone parents (the majority of whom are women) and disabled people may therefore be especially affected. People from non-white minority ethnic groups are also more likely to be in poverty and may be hard hit by economic impacts of the pandemic, but evidence that they were particularly likely to be internet users in recent years suggests that outcomes here may be different.

https://www.gov.scot/publications/evaluation-attend-anywhere-near-video-consulting-service-scotland-2019-20-main-report/

⁴⁵³ https://academic.oup.com/gerontologist/article/doi/10.1093/geront/gnz163/5644100

https://www.ippr.org/files/2019-07/the-future-is-ours-women-automation-equality-july19.pdf

https://www.carnegieuktrust.org.uk/publications/across-the-divide-full-report/; https://www.celcis.org/files/2815/0712/3402/Carnegie Trust NotWithoutMe.pdf

https://www.gov.scot/publications/poverty-income-inequality-scotland-2016-19/pages/4/

8. Environmental

8.1 Pre-existing environmental inequalities

Access to the outdoors and green space

Most adults (65%) lived within a five minute walk of their nearest area of green space in 2018.⁴⁵⁷ A smaller proportion of adults in deprived areas lived within a five minute walk of their nearest greenspace compared to adults in the least deprived areas (58% compared to 68%). Research has found benefits to living close to green space including reduced mortality and mental wellbeing benefits such as greater life satisfaction, sense of worth, and happiness.⁴⁵⁸

More than half of adults (59%) visited the outdoors at least once a week in 2018. Adults living in the most deprived areas were more likely not to have made any visits to the outdoors in the past 12 months (18%) compared to those in the least deprived areas (5%). 30% of over 75s reported that they did not visit the outdoors at all in the past 12 months, along with 39% of adults describing their health as either bad or very bad. Scottish Natural Heritage report that 90% of adults in the visible minority ethnic population visited the outdoors in 2018, with 47% visiting on a regular weekly basis, compared to 89% and 59% respectively for the population as a whole. A report by the James Hutton Institute further found that use of the outdoors at least once a week was significantly associated with disability status, religion, ethnicity, age, area deprivation, marital status, and urban-rural classification in both 2014 and 2016. Overall, the population groups least likely to report using the outdoors on a weekly basis (across both years) were people with a disability, Muslims, residents in Scotland's most deprived areas, people of visible ethnic minorities and those aged 76 and over.

Proximity to derelict land

Derelict land (and buildings) is land which has been so damaged by development that it is incapable of development for beneficial use without rehabilitation. Over a quarter (28%) of Scotland's population was estimated to live within 500 metres of a derelict site in 2019, with a further quarter (24%) estimated to live between 500 metres and 1,000 metres away. The proportion of the population that lives within 500 metres of a derelict site becomes smaller the less deprived the area. Over half of people living in the most deprived decile in Scotland were estimated to live within 500 metres of derelict land in 2019 (55%), compared to just one tenth of people in the least deprived decile (11%).

Air quality

The 2019 Cleaner Air for Scotland Review noted that 'globally, air pollution is now considered the most serious of all environmental health problems.' Internationally, evidence shows that more deprived communities are more likely to be exposed to

⁴⁵⁷ https://www.gov.scot/publications/scotlands-people-annual-report-results-2018-scottish-household-survey/pages/10/

⁴⁵⁸ https://www.thelancet.com/journals/lanplh/article/PIIS2542-5196(19)30215-

^{3/}fulltext#seccestitle150; https://www.sciencedirect.com/science/article/pii/S0143622818312384

https://www.gov.scot/publications/scottish-vacant-derelict-land-survey-2019/pages/9/

https://www.gov.scot/publications/scottish-vacant-derelict-land-survey-2019/pages/10/

poor air quality.⁴⁶¹ Research conducted in Scotland suggests that this is true of the country overall, but that the picture is more variable when looking at different cities.⁴⁶² Research conducted in England and the Netherlands also found higher levels of some air pollutants in areas with high proportion of people of minority ethnicities, even when area level deprivation is taken into account, although there are substantial demographic differences with Scotland so research would need to investigate whether the same is true here.⁴⁶³ Certain groups are more vulnerable to the impact of poor air quality than others, such as those with existing health conditions, children, older people and pregnant people.⁴⁶⁴ Those from lower socioeconomic groups and older people may be more likely to develop cardiovascular diseases that can be aggravated by poor air quality.⁴⁶⁵ Socio-economic disadvantage can also limit options for households to move away from polluted areas.

There is evidence that exposure to high levels of air pollution results in increased respiratory symptoms among children, and 'can produce definite harm and even increase the risk of death from lung infections among young children'. He also have harmful effects on growth, intelligence and neurological development. The Royal College of Physicians reports consistent evidence that older people are particularly vulnerable to the adverse effects of air pollution. The explanation(s) are likely to be several and have not been examined fully, but they will include the higher frequency of pollution-sensitive pulmonary, cardiovascular and metabolic diseases in older populations.

In pregnancy, epidemiological studies suggest a link between air pollution exposure and premature birth. The Royal College of Physicians finds that 'the strongest evidence from epidemiological studies of pregnancy outcomes is that air pollution affects fetal growth and birth weight'. They add that, 'It is important to note that high exposure to specific air pollutants is socially patterned and linked with other lifestyle factors, including smoking and diet. The effects described appear to be independent of these confounding influences, but there is some suggestion that socio-economic deprivation increases the adverse effects of air pollution on low birth weight.'

Climate change

Pre-existing social and health inequalities will shape the outcomes that people experience in a changing climate, and the effects of environmental and climate change will therefore affect people unequally. People's ability to adapt is also variable, with those from lower income groups or living in more deprived areas often facing the greatest challenge in being able to adapt, alongside isolated people, those

⁴⁶¹<u>https://www.camden.gov.uk/documents/20142/18676139/Jason+Strelitz+Appendix+20.pdf/cad3d50</u>6-7281-6abb-aa7f-c1155fa00f0b

⁴⁶² http://eprints.gla.ac.uk/159742/7/159742.pdf

^{463&}lt;u>https://www.camden.gov.uk/documents/20142/18676139/Jason+Strelitz+Appendix+20.pdf/cad3d50</u>6-7281-6abb-aa7f-c1155fa00f0b

⁴⁶⁴ https://www.rcplondon.ac.uk/projects/outputs/every-breath-we-take-lifelong-impact-air-pollution

https://ehjournal.biomedcentral.com/articles/10.1186/s12940-017-0328-z

⁴⁶⁶ https://www.rcplondon.ac.uk/projects/outputs/every-breath-we-take-lifelong-impact-air-pollution

⁴⁶⁷ https://www.rcplondon.ac.uk/projects/outputs/every-breath-we-take-lifelong-impact-air-pollution

with limited mobility and immigrants with limited language skills and local knowledge.468

Increased flood risk is likely to be a key impact of climate change in Scotland. Those in remote and coastal areas are disproportionately affected by flooding. Socioeconomically disadvantaged people are over-represented in areas at risk of coastal flooding and

those on lower incomes may lack funds to respond to flood events or to make improvements. 469 They are also more likely to be renting accommodation without the scope to alter their own dwelling. Affluent households may be more likely to be affected by riverine flooding in urban areas, however.⁴⁷⁰ Those with reduced mobility may also be more negatively affected by flooding as they are more likely to live on the ground floor. Some of these groups also tend to have lower insurance availability. This can prolong the negative impacts of flood risk or extend the recovery period after a flooding event.⁴⁷¹

Older people are more sensitive to heat (and therefore higher summer temperatures), however those with cardio-vascular and respiratory illnesses and those in fuel poverty and poor housing are more likely to suffer due to cold and therefore may benefit from milder winters.472

Since 2013, there has been a steady increase in adults viewing climate change as an immediate and urgent problem, from less than half (46%) to nearly two thirds (65%) of adults in 2018.473 The largest increase in those who agreed with this was amongst 16-24 year olds, increasing from 38% to 67%. The proportion of adults with a degree or professional qualification who perceived climate change as an immediate and urgent problem in 2018 was double that of adults with no qualifications (81% vs 40%), while adults living in the least deprived 20% of areas have consistently been more likely to see climate change as an immediate and urgent problem compared with adults living in the most deprived areas (75% vs 52% in 2018).

8.2 Impact of COVID-19 on environmental inequalities so far

In some ways COVID-19 has seen environmental improvements, such as reduced emissions from transport and manufacturing (although not from agriculture), and subsequent improvements in air quality.⁴⁷⁴ Air pollution disproportionately impacts

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https://www.sciencedirect.com/science/article/pii/S0048969720339486; https://www.sciencedirect.com/science/article/pii/S0269749120337635;

⁴⁶⁸ https://ehjournal.biomedcentral.com/articles/10.1186/s12940-017-0328-z; https://www.ecologyandsociety.org/vol19/iss1/art39/;

https://www.climatejust.org.uk/messages/people-low-incomes

469 https://ehjournal.biomedcentral.com/articles/10.1186/s12940-017-0328-z; https://www.ecologyandsociety.org/vol19/iss1/art39/

⁴⁷⁰ https://ehjournal.biomedcentral.com/articles/10.1186/s12940-017-0328-z

https://ehjournal.biomedcentral.com/articles/10.1186/s12940-017-0328-z

https://ehjournal.biomedcentral.com/articles/10.1186/s12940-017-0328-z;

https://www.gov.scot/publications/scotlands-people-annual-report-results-2018-scottish-householdsurvey/pages/10/

⁴⁷⁴ http://www.scottishairquality.scot/; https://www.bbc.co.uk/news/uk-scotland-53015092;

those living in more deprived areas, the socio-economically disadvantaged and those with pre-existing health conditions, and so this is a positive, if perhaps temporary, benefit for these people in particular. However, while reduced emissions as a result of reduced overall travel has been welcome, the request to use public transport less as a way of reducing transmission of the virus favours those with cars or who can walk or cycle to work or shop, etc. To a large extent, those taking public transport will be those without much of a choice.

Globally, greenhouse gas emissions are also projected to have dropped, which is good news in particular for those noted above as likely to be worst affected by climate change. The pandemic is unlikely to have impacts on inequalities in proximity to green space, but it may have affected people's ability to access it. For example, some may have found quieter roads and more free time has made it easier for them to spend time in green spaces, while for others the need to shield or fear of difficulty physical distancing in busy areas might have made it harder for them to do so. We know that older people, women, those living in more deprived areas and those with pre-existing conditions are all more likely to be shielding and so may have been less likely to access green space in recent months.

Action and negotiations on some environmental policies and agreements has also been delayed by the pandemic, including those relating to Brexit.⁴⁷⁷

Other possible environmental impacts of the pandemic which have been suggested include an increase in poaching, wildlife crime and pollution incidents (such as flytipping) and more successful breeding of species in some areas alongside concern around pauses in long-term conservation projects.⁴⁷⁸ While these impacts are also likely to have implications for equality, consideration of these is beyond the scope of this paper.

8.3 Future impacts on environmental inequalities

Recovery and renewal in the wake of the pandemic could be used as an opportunity to refocus the economy on tackling climate change. On the other hand, climate change goals could become less of a priority if reinvigorating the economy, at any expense, takes precedence (as it did after the 2008 financial crash), and temporary emission reductions might be used as an excuse to de-prioritise environmental action.⁴⁷⁹ The same applies on an individual level; in terms of individuals' behaviour

https://link.springer.com/article/10.1007/s10640-020-00426-z;

https://www.weforum.org/agenda/2020/06/britain-power-coal-plants-renewable-energy-sources/ https://www.nature.com/articles/s41558-020-0797-x;

https://link.springer.com/article/10.1007/s10640-020-00426-z

https://beta.isdscotland.org/find-publications-and-data/population-health/covid-19/covid-19-statistical-report/10-june-2020/

⁴⁷⁷ https://link.springer.com/article/10.1007/s10640-020-00426-z

⁴⁷⁸ https://link.springer.com/article/10.1007/s10640-020-00426-z

⁴⁷⁹ https://www.nature.com/articles/nclimate1332.epdf?sharing_token=jDBglL7x1yzTj33BBeU41tRgN0 jAjWel9jnR3ZoTv0NYIMLrb06iEMpgrvJ313u06oOTOBRGTWRD8oXySDejsmRWGwy5WFQqUAL i KC 2NNxMpLgmsW 2P-xbd0cdDigckaFL9-

TPQzpKZOdEaQ9upYs mX9QCoAo2lTFHnW41W69QxYtadXr6pBjrfnYxZ7qzVn7OboJYWt7idOZBhgR5tFnb09xOrtuekvtVRtYq54Nfz1PFJjBP80QgnMDSgPLwOC0B-

and choices around the environment, the pandemic may have given some a new or renewed appreciation for the benefits of the natural world and cleaner environments, for example, while unemployment and reduced incomes on the other hand might make environmental concerns less of a priority. Brexit could also make it harder to cooperate with the EU in establishing effective regulations and technological initiatives (e.g. green technology) to tackle climate change. The global nature of climate change means that the direction taken by other countries, and not only Scotland and the rest of the UK, will have an impact on the extent to which improvements or further decline in environmental health are seen in Scotland – and whether resulting inequalities are exacerbated or eased.

Some commentators have suggested that there might be a greater focus on domestic production post-pandemic, which could contribute to reduced emissions.⁴⁸¹ If current reductions in emissions are maintained or the renewal is used as an opportunity to accelerate environmental goals, this could have positive impacts for those likely to be most disadvantaged by climate change. There is also some evidence to suggest that people may maintain some of the habits they have picked up during the lockdown, such as walking or cycling more, and driving, using public transport and flying less.⁴⁸² On the other hand, while the virus risks remains use of public transport may remain lower and car use rise. As of the end of June, 59% of British adults aged 18-75 said that they would be uncomfortable using public transport.⁴⁸³ If oil prices remain low, which some believe is likely, this could also reduce incentive to turn to greener energy sources.⁴⁸⁴

If policies aimed at economic recovery and job stimulation are focused on 'green' sectors – as some are proposing – this could have environmental benefits especially for those at greatest risk from climate change. However, without specific consideration of social and labour market inequalities and tailored policies in response, new jobs are likely to benefit some groups of people more than others. Men account for the vast majority of employment in sectors such as 'Construction', 'Water Supply, Sewerage and Waste', 'Electricity, Gas and Air Conditioning Supply' 'Agriculture, Forestry and Fishing' and 'Manufacturing', for example, and over half of employment in 'Professional, Scientific and Technical Activities'. Workers aged 50 and over make up a comparatively high concentration of the workforce in 'Agriculture, Forestry and Fishing' and 'Water Supply, Sewerage and Waste', while those with long-term conditions or illnesses are relatively less likely to work in 'Electricity, Gas and Air Conditioning Supply' and 'Agriculture, Forestry and Fishing.'

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⁴⁸⁰ https://link.springer.com/article/10.1007/s10640-020-00426-z

⁴⁸¹ https://link.springer.com/article/10.1007/s10640-020-00426-z

https://iopscience.iop.org/article/10.1088/1748-9326/aaad73; https://iournals.sagepub.com/doi/10.1177/00139160121973241

https://www.ipsos.com/ipsos-mori/en-uk/how-comfortable-are-britons-returning-normal-coronavirus-concern-rises-again

⁴⁸⁴ https://link.springer.com/article/10.1007/s10640-020-00426-z

https://www.gov.scot/publications/scotlands-labour-market-people-places-regions-statistics-annual-population-survey-2019/

⁴⁸⁶ ONS, Annual Population Survey, January – December 2019.

It is important to highlight the intergenerational nature of environmental degradation – current younger and future generations will be those who have to face the both the direct environmental consequences of this and consequences of any debt accrued to tackle environmental problems or deal with their impacts.⁴⁸⁷

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 $[\]frac{^{487}}{\text{https://link.springer.com/article/10.1007/s10640-020-00426-z}}; \frac{\text{https://www.ifs.org.uk/inequality/wp-content/uploads/2020/06/Covid-19-and-inequalities-IFS-1.pdf}}$

9. Impact on inequalities by protected characteristics

This section summarises the key impacts of COVID-19 and Brexit on equality for different groups within the population.

Socio-economic disadvantage

Health and wellbeing

Both mental and physical health are notably poorer in more deprived areas. This may partly contribute to the fact that during the pandemic, the highest proportion of confirmed cases (24%) has been accounted for by those living in the 20% most deprived areas. Overcrowded housing and the fact that many 'key workers' are low paid may also be a contributing factor. Age-standardised death rates for COVID-19 were twice as high for people living in the 20% most-deprived areas compared to the 20% least deprived areas in Scotland from March – May 2020. Analysis of deaths involving COVID-19 among working-age people (16-64) in England and Wales up to 20 April also showed that men working in the lowest skilled occupations had the highest rate of death.

People living in the most deprived areas are significantly more likely to experience poorer mental wellbeing, lower life satisfaction and feelings of loneliness as those living in the least deprived areas; those on lower incomes are also likely to have lower life satisfaction. Evidence shows that loneliness has significantly increased during the pandemic although this has not yet been analysed by deprivation. We know that poverty can increase risk of social exclusion and isolation, so if poverty rises as a result of the pandemic these may rise as well. Economic downturn resulting from the pandemic is also likely to have a significant negative impact on the mental (as well as physical) health of those affected, including the children of people experiencing unemployment, unstable employment or financial difficulties. This is likely to disproportionately affect low-income and otherwise socio-economically disadvantaged families. Any post-Brexit cuts in public services, especially in the NHS and social care sector (which already face staff shortages) will adversely affect older and younger people from families on low incomes and those dependent on children's services. Research conducted in England has also shown that self-harm is more common among people who face poverty and disadvantaged (particularly women).

The longer term health impacts of contracting COVID-19 are as yet largely unknown, but may be significant for some. Delays in, or avoidance of, accessing healthcare during the pandemic is also likely to have long-term impacts for many people living in the most deprived areas, who are more likely to be in poor health, and adverse impacts from delays in preventative services, diagnosis and treatment are likely to continue to emerge for some time. It seems likely that health inequalities could widen going forwards.

Domestic abuse

People living in more deprived areas – women in particular – are more likely to report experiencing domestic abuse, as are those in the lowest income bracket, among mothers. There are indications that this may be rising and/or intensifying during the pandemic, which will have significant negative health and social impacts as well as

on education or employment in many cases. There is evidence that incidence of domestic abuse can rise during economic recessions, which could further extend the negative impacts. As resources become more scarce, the risk of economic abuse might also rise, while reduced income and/or unemployment could make it more difficult for those experiencing domestic abuse to leave an abusive relationship and increasing domestic abuse may lead some into homelessness.

Education

Children from the most deprived areas stand to benefit the most from high-quality Early Learning and Childcare, and so may have been more disadvantaged by ELC closures during the lockdown. Socio-economic disadvantage remains a key driver of poor attainment and evidence is pointing to the pandemic being highly likely to widen pre-existing educational inequalities. In England, schools attended by children from well-off households are more likely to provide activities that involve active engagement between teachers and students as well as online classes and access to online videoconferencing with teachers. Children from better-off families are spending more time on home learning and have access to more resources, including a dedicated study space, an internet connection and a device to access schoolwork. Long-term impacts on educational outcomes have been shown to be intergenerational, so it will not only be this generation that suffer if outcomes for those now in education worsen. On a more positive note, if more education, including or perhaps in particular higher education, moves online, this could enable participation for some people who would have struggled to attend in person.

Digital

Adults in the most deprived areas and those with lower household income are less likely to use the internet or to have home internet access. For many people who previously had internet access outside their homes this may no longer be available to them under lockdown, at a time when digital access is more important than ever. The further digital technology develops – and this may well be sped up by the pandemic – the more difficult it may be for those who do not use it to 'catch up'. Digital inequalities are also likely to continue to be impacted by other inequalities, such as in income and education (as well as impacting on them). With unemployment set to rise and the prospect of this economic crisis disproportionately affecting those at the lower end of the earnings distribution, affording equipment and internet access may become increasingly difficult for those on low incomes (and in turn, in a vicious cycle, make it harder to access training or apply for jobs). It is clear that action must be taken to enable great digital access if digital inequalities are not to get wider.

Housing

Those on low incomes or unemployed and seeking work are more likely to be in the social rented sector. While the ban on evictions offers some temporary protection for those who are currently unable to pay their rent, this is a short-term measure and any missed rent will generally need to be paid back in the future, which may be challenging for those who continue to experience unemployment or a reduction in income going forwards. Any continued contraction of the construction industry, which has slumped since the EU referendum, will further reduce the number of homes being built and have an adverse effect on people on low incomes who require affordable or social housing, and homeless people who require affordable or social

housing. If the economy performs poorly after Brexit and there are more job losses, the number of people at risk of homelessness (especially people on low incomes) could increase.

Environment

Internationally, evidence shows that more deprived communities are more likely to be exposed to higher levels of air pollution, although in Scotland this appears to vary by city. Those from lower socio-economic groups may be more likely to develop cardiovascular diseases that can be aggravated by poor air quality, and socio-economic disadvantage can limit options for households to move away from polluted areas. Increased flood risk likely to be a key impact of climate change in Scotland, and people on lower incomes or living in more deprived areas often face worse impacts from flooding. Those from lower income groups or living in more deprived areas also often face the greatest challenge in being able to adapt to climate change. The pandemic has brought about reductions in air pollution which should benefit more deprived households, but going forwards it is unclear whether we will see increased or decreased commitment to tackling climate change. And further environmental degradation is likely to hit more deprived communities the hardest.

Economic

People living in the most deprived areas and households on low incomes were least likely to be managing well financially before the crisis, and households with lower incomes were more likely to be financially vulnerable. Women, especially single women and those that are lone parents, minority ethnic households and disabled people are all more likely to live in poverty. On average, lower income households find it harder to weather adverse shocks to their earnings as a greater proportion of their spend is towards essential non-discretionary items. IFS analysis suggests that those working in 'shutdown' sectors were already almost twice as likely to be in poverty and poverty rates were also higher for self-employed people working in these sectors. Despite unprecedented government fiscal interventions to support household incomes, the economic recession resulting from COVID-19 is already resulting in unprecedented levels of financial distress and hardship, particularly for those experiencing socio-economic disadvantage. This is exacerbated by already high economic inequalities. Although incomes for some low-income households with key workers have increased, evidence suggests that overall lower-income households are especially likely to have already increased their debts during the crisis. There will also be many families who prior to the outbreak were doing well financially, that will find themselves pushed into poverty or now at risk of poverty as a consequence of job losses or underemployment. Brexit may also result in job losses in specific low-paid or low-skilled sectors employing a high number of people on low incomes, including textiles and clothing, transport equipment, social care and plant and machine manufacturing. Lower-income people may also be less likely to benefit from any increase in flexible and remote working.488 In a vicious cycle, reductions in disposable income can also reduce people's access to the resources needed to seek higher-quality employment, undertake training, pay for childcare, or start a business. The recession will impact more severely on single-earner households (e.g. lone parents or couples with a single earner), or couples where both earners face significant reductions in earnings or lose their jobs. Any price rises resulting from a

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⁴⁸⁸ https://www.ifs.org.uk/inequality/covid-19-and-inequalities/

no-trade-deal Brexit will also disproportionately impact poorer households. Fuel poverty levels are also likely to increase, and higher energy costs will hit those who were already in fuel poverty before the crisis the hardest.

While the disproportionate impact of this economic crisis is falling on those at the lower end of the earnings distribution, many higher-income households are saving money during the crisis. In addition, commentators have noted that the large-scale government intervention designed to support household incomes and businesses will likely widen inequalities between the working poor and the asset-owning wealthy. Compounded by Brexit, the adverse economic impacts of the COVID-19 pandemic may very well lead to greater income inequality going forwards. The Centre for Economic Performance caution that increases in both educational and economic inequality are likely to engender low social mobility in the coming years, for under-25s in particular.⁴⁸⁹ This in turn has negative implications for the economy as a whole, in addition to the serious negative consequences for individuals who are unable to fulfil their potential.

Children and younger people

Overall, young people tend to be in better physical health than older people, and indications of reduced risky alcohol consumption among those aged 16-34 during lockdown could have positive health effects, especially if sustained. Fewer young people may be meeting physical activity recommendations, however, and there has been a particular drop in the number of children accessing health services, which may have long-term health impacts for many. A higher proportion of younger people already experienced mental health issues before the pandemic, and COVID appears to have exacerbated this inequality by hitting young people's mental health the hardest (particularly young women). This is likely to be further worsened by missed education and unemployment, which is projected to rise among the young. Young people have also been disproportionately experiencing loneliness.

Younger people (16-24) are more likely than those of older age groups to report experiencing domestic abuse, although we know that that majority of domestic abuse goes unreported. There are indications that domestic abuse may be rising and/or intensifying during the pandemic, which will have significant negative health, social impacts as well as on education or employment in many cases. Children and young people may be at increased risk of online sexual exploitation, neglect and abuse, which may be more challenging to identify and prevent during lockdown.

Reliance on home learning for children and young people in education appears to be most challenging for those experiencing socio-economic disadvantage, and is likely to lead to a widening of education inequalities going forwards. Post-Brexit cuts in EU funding will adversely affect investment in children and young people's organisations and educational programmes and support into work, if they are not replaced. Currently, many UK students benefit from the Erasmus+ scheme that provides students with opportunities to study in the EU. Future participation in the scheme is uncertain and the long-term implications of Brexit on the higher education sector and

http://cep.lse.ac.uk/pubs/download/cepcovid-19-004.pdf

on students is currently unknown. However anecdotal evidence suggests that the higher education (HE) sector is already experiencing a negative impact from Brexit and may face further effects going forwards.

Younger households were already more likely to be financially vulnerable or in debt before the pandemic, and vounger people, especially those of minority ethnicities, were less likely to be in employment. For young people who did have a job, this was less likely to be secure. This, in combination with the fact that young people are more likely to be working in hard-hit sectors such as retail and leisure and entertainment and in jobs more susceptible to automation, mean that they are especially vulnerable to unemployment and long-term employment 'scarring'. Those leaving education or training this summer are likely to be particularly badly affected. Brexit may result in further decline in younger people's job prospects due to lower foreign investment and slower growth. This may also in turn impact on the UK's investment in education and employment training schemes which may again affect young people's employment prospects. Further, restrictions to free movement will impact younger people's ability to seek training and employment opportunities in other EU countries. Impacts from COVID-19 are already having effects on young people's income and ability to afford housing and other essentials, as well as long lasting negative effects on future earnings and living standards. Some young people may be at risk of homelessness, perhaps young LGBT people in particular. Child poverty may well also rise, due to combination of any post-Brexit cuts in public services, job losses, rising living costs (including food prices, rent and utilities) and the continued freeze on children's benefits and tax credits.

It seems clear that without significant intervention, COVID-19 will worsen economic generational inequality. This is likely to be exacerbated by current younger and future generations being the ones to face the environmental and economic consequences of environmental segregation and/or efforts to combat this.

Older people

Delays in, or avoidance of, accessing healthcare during the pandemic is likely to have long-term impacts for many older people, who are more likely to be in poor health. The as-yet largely unknown long-term effects of contracting COVID-19 are also likely to disproportionately affect older people. Any medication shortages as well as the recruitment crisis in the NHS and social care sector resulting from Brexit will particularly affect older people, and may force some older people into returning to residential homes or result in them losing their ability to live independently. The loss of the EHIC card after 2020 (except to pensioners already living in the EU) is also likely to hit older people harder since they can be charged high premiums for private travel insurance. Older people are particularly vulnerable to poor air quality and may therefore experience the impacts of positive or negative changes to the environment as a result of Brexit and the pandemic which affect air quality more keenly..

Mental wellbeing is generally better among older than younger people, as is life satisfaction, and it is younger people whose mental health appears to have been hit hardest by the crisis. Loneliness has risen across the population, but older people appear to be at similar or lower risk of this.

Older people may, however, be at greater risk of social isolation since they are more likely to be shielding and less likely to use online communication.

Older people are less likely to think that something in their lifestyle has changed for the better since the COVID-19 outbreak, however, or to have learned something new.

Overall, the impacts of COVID-19 and Brexit on the labour market and on household finances are expected to hit younger people far worse than older people. Older workers are included in those less likely to qualify for Statutory Sick Pay however (along with younger workers). Those aged 70+ are also more likely to have had their access to groceries, medication and essentials affected by the COVID-19 outbreak.

Disabled people

Data from England and Wales suggests that disabled people, particularly disabled women, are experiencing higher death rates from COVID-19 compared to nondisabled people. Delays in, or avoidance of, accessing healthcare during the pandemic is also likely to have long-term impacts for many disabled people, who are more likely to be in poor health. Higher proportions of disabled than non-disabled people say that their access to healthcare and treatment for non-coronavirus related issues is being affected by COVID-19, and that they have had new or worsening health problems. Many disabled people have faced disruptions to social care arrangements during the pandemic, and the recruitment crisis in the NHS and social care sector resulting from Brexit will also particularly affect disabled people. The loss of the EHIC card after 2020 (except to pensioners and students already living in the EU) is also likely to hit people with pre-existing conditions harder since they can be charged high premiums for private travel insurance. People with long-term conditions and mental health disabilities are more likely to say that Brexit has negatively impacted their mental health. People with a long-term condition were significantly more likely to experience loneliness and social isolation before the pandemic, and many disabled people have been worried about becoming acutely isolated at this time. Evidence suggests that disabled people are less likely to use the internet, an inequality which may worsen if income and education losses hit disabled people harder.

Data from England and Wales shows that disabled people are more likely to report experiencing domestic abuse. There are indications that this may be rising and/or intensifying during the pandemic, which will have significant negative health, social impacts as well as on education or employment in many cases. Being disabled and having complex needs such as requiring mental health support can also make it harder for women to find refuge accommodation.

Concerns have been raised about the impact of school closures on families with a disabled child, and that these might contribute to widening the disability attainment gap.

Disabled people are far less likely to be employed and may be less likely to have access to 'fair work'. Evidence suggests that the adverse labour market effects may

also be impacting disabled people harder as many are employed in shutdown sectors. Access to services such as nurseries, schools and social care are vital for enabling women's and disabled women's employment in particular, so ongoing changes or reductions in provision of these services will have a knock-on impact on some disabled women's ability to engage in employment. Post-Brexit cuts in EU funding will also adversely affect investment in training and employment support to help disabled people's participation in the labour market, if they are not fully replaced. On the other hand, if more jobs and education continue to be available at either a partly or fully work-at-home basis, this may make them more viable for some disabled people. Disabled people are more likely to experience poverty and may be disproportionately impacted by Brexit price increases, as well as the loss of social security coordination across EU countries.

Any continued contraction of the construction industry is likely to have an adverse effect on disabled people who require accessible or adapted housing in order to live safe and independent lives.

People of minority ethnicities

In recent months, deaths amongst people in the South Asian ethnic group in Scotland have been almost twice as likely to involve COVID-19 as deaths in the White ethnic group. Research conducted in England and Wales has found that migrants have faced barriers in accessing healthcare during the pandemic. Adults of visible minority ethnicities in the UK have been more likely than White adults to 'strongly agree' that access to non-COVID-19 medical treatment has been a concern. Evidence suggests that overcrowding and housing conditions may have contributed to the increased spread of coronavirus, morbidity and mortality among some minority ethnic communities.

People of mixed ethnicity are more likely to report experiencing domestic abuse, according to data from England and Wales. There are indications that this may be rising and/or intensifying during the pandemic, which will have significant negative health, social impacts as well as on education or employment in many cases. Women with the visa condition of 'no recourse to public funds' may be even more vulnerable to domestic abuse and this visa condition can make it difficult to access refuge accommodation. Language barriers and being of a minority ethnicity can also make it harder for women to find refuge accommodation.

There have been reports of an increase in hate crime in the UK against people perceived to be of Chinese, South Asian or East Asian ethnicities since the start of the COVID-19 pandemic, and research suggests that since the referendum many young Eastern European school pupils living in Scotland and England have experienced racism and xenophobic attacks, and seen 'more racism'. Perhaps relatedly, Brexit-related stress appears to have had a disproportionate effect on people from a migrant background (including EU nationals) and ethnic and religious minorities. Men and women of visible minority ethnicities in the UK also appear to be more likely to say that they have lost support from the government and other people during the pandemic, and not to know where to turn to for help.

Disruption to schooling may have a particularly negative effect on Gypsy/Travellers, and further exacerbate the considering inequalities in educational outcomes that they already experience. Students of visible minority ethnicities appear to be less likely to have their grades accurately predicted in the absence of exams taking place, which may have long-term effects for some.

Adults of visible minority ethnicities are less likely to be employed than White adults - this is especially true for women - and may also be less likely to have access to 'fair work'. The evidence so far suggests that the direct and immediate economic effects of this crisis are falling harder on people from minority ethnic groups, who are more likely to work in some of the 'shut down' sectors, particularly hospitality, and less likely to have savings to fall back on. UK data also suggests that women of visible minority ethnicities have been particularly struggling to balance paid work and childcare and to cope with different demands on their time during lockdown. Previous economic recessions have disproportionately impacted minority ethnic employment, and this may be repeated, with profound implications on future living standards and overall income and wealth equality (perhaps compounded by Brexit-related price increases). Any post-Brexit cuts in the NHS and social care that lead to job losses could also hit minority ethnic people harder, as many are employed in health and social care. Any rise in the cost of living will also affect asylum seekers disproportionately as they are not allowed to work while their application is being processed. Gypsy/Travellers may also be hit among the hardest, being the most vulnerable to extreme poverty out of all ethnic groups. On the other hand, as certain ethnic minorities are more likely to be key workers, any pressure to increase the pay of key workers and removal of the health surcharge will benefit them and could help reduce gender inequalities, as well as income inequality overall.

Women

Women in Great Britain are more likely than men to say that their access to healthcare and treatment for non-coronavirus related issues is being affected The pandemic has had a negative impact on many people's mental health, especially young adults and women (and young women in particular), who had poorer mental health beforehand. Women in the UK were more likely than men to be lonely both before and after lockdown began.

Women are far more likely than men to experience domestic abuse. There are indications that this may be rising and/or intensifying during the pandemic, which will have significant negative health, social impacts as well as on education or employment in many cases. Lockdown has increased the service-generated risks of women engaging with specialist domestic abuse support services, and increased time spent with their partners and in the home has limited their abilities to safety plan effectively, placing them at greater risk of abuse by the perpetrator. There is also evidence that incidence of domestic abuse can rise during economic recessions, which could further extend the negative impacts for women. There are also reports of women entering or re-entering prostitution and commercial sexual exploitation as a result of the economic challenges experienced during lockdown. As resources become more scarce, women may also be at greater risk of economic abuse, while increasing domestic abuse may lead some into homelessness.

A huge amount of evidence is emerging that the COVID-19 economic crisis will have a disproportionate impact on women. Women are less likely than men to be employed, particularly women of visible minority ethnicities, and those that are more likely to work part-time, less likely to be in secure employment, less likely, earn less on average and are less likely to be eligible for sick pay. Women dominate in many 'shut down' sectors such as retail, accommodation and food and beverage services, and bear a significant proportion of unpaid housework and caring. With school and nursery closures the latter has become more taxing, as housework and child care has fallen more on women than men, which may make it harder for them to maintain or take on employment. Far higher proportions of women than men in Great Britain said that COVID-19 was affecting their work because they were having to work around homeschool or childcare responsibilities. Women are also the vast majority of lone parents, who face particular challenges such as the absence of help with childcare. Post-Brexit, any roll-back in EU-derived employment protections for pregnant and part-time workers could adversely affect the capacity of pregnant women and mothers to stay in/enter the labour market. IPPR and ONS meanwhile both find that around twice as many jobs held by women than men are at risk of job automation. If policies aimed at economic recovery and job stimulation are focused on 'green' sectors – as some are proposing – industry segregation is likely to mean that these would benefit men more than women if specific consideration of social and labour market inequalities and tailored policies are not implemented. Periods of parttime employment or unemployment have long-term effects on pay and progression, while reductions in disposable income are likely to reduce people's access to the resources needed to seek higher-quality employment, undertake training, pay for childcare, or start a business. Overall, the fallout from the COVID-19 pandemic as well as Brexit may well see both the gender employment gap and the gender pay gap widen in coming years.

From a more positive angle, while UK data from a number of different sources shows that women have continued to spend more time than men on both housework/unpaid work and childcare since the pandemic began, data does also indicate that the gender gap has narrowed during lockdown. Changes in social norms, gender equality around raising children, employment flexibility and home working may affect the gender pay and employment gaps positively. As women are more likely to be key workers, any pressure to increase the pay of key workers and removal of the health surcharge will also benefit them.

Women are more likely to live in poverty - single women and lone parents in particular – and more may be pushed into poverty in coming years, while price increases if we see a no-trade-deal Brexit are therefore likely to affect women worse. Poverty in turn has negative impacts on outcomes in a range of areas; research conducted in England has shown that self-harm is more common among people who face poverty and disadvantage, for example, and that this seems to be particularly the case for women.

Lone parents

Lone parent households were already, before the current crisis, much more likely than average to be in unmanageable debt and also far more likely than average to be financially vulnerable. The evidence so far suggests that lone parents are one of the groups on which the direct and immediate economic effects of this crisis are falling disproportionately. Households with only one earner are more exposed to the impacts of reductions in earnings or job losses than those with partners or other household members not directly affected by the lockdown. Lone parents may also be less likely to have someone to share childcare with and some may be unable to work as a result. IPPR also find that jobs done by lone parents are more likely to be automated. Overall, many more lone parents may be pushed into poverty in coming years, while any price increases resulting from Brexit are also likely to affect lone parents particularly badly.

Since lone parent households are more likely to be in poverty, their children stand to benefit most from high-quality ELC, and they may therefore have been more disadvantaged by ELC closures during the lockdown. Closure of schools and ELC providers has also affected single parent families especially severely, as they may lack the space, resources or flexible working arrangements to meet an unexpected need for childcare and home learning. With unemployment set to rise and the prospect of this economic crisis disproportionately affecting those at the lower end of the earnings distribution, affording digital equipment and internet access may also become increasingly difficult for those on low incomes (and in turn, in a vicious cycle, make it harder to access training or apply for jobs). Lone parents may therefore be especially affected.

Half (51%) of single parent households are in the social rented sector. While the ban on evictions offers some temporary protection for those who are currently unable to pay their rent, this is a short-term measure and any missed rent will generally need to be paid back in the future, which may be challenging for those who continue to experience unemployment or a reduction in income going forwards. Any continued contraction of the construction industry, which has slumped since the EU referendum, will further reduce the number of homes being built and have an adverse effect on people who require affordable or social housing,

Data from England and Wales suggests that those living in a single-parent household are at increased risk of domestic abuse. There are indications that this may be rising and/or intensifying during the pandemic, which will have significant negative health and social impacts as well as on education or employment in many cases. Domestic abuse is also thought to rise during economic recessions, which could further extend the negative impacts.

The vast majority of lone parents are women (87% in 2011⁴⁹⁰), and they are far more likely to be young and to live in more deprived areas.

 $^{{\}color{red}^{490}} \, \underline{\text{https://www.scotlandscensus.gov.uk/documents/analytical reports/HH\%20report.pdf}$

Men

More than twice as many men (373) as women (148) had been admitted to ICU with confirmed COVID-19 in Scotland up to 28 June 2020, and age-standardised death rates, which are adjusted for the age-structure of the population, were 45% higher for men than for women. Data suggests that there has been an overall reduction in risky alcohol use within the UK during the pandemic, particularly among men and young people, which may have positive health impacts especially if patterns are maintained.

While in the population as a whole women are more likely to work in sectors affected by the lockdown, across many minority ethnic groups, men are actually more likely to work in shut-down sectors than women. IFS research on the exposure of different workers to potential Brexit trade barriers found that males with GCSE qualifications or below are more likely than women and more highly educated men to work in industries at extreme risk from new trade barriers with the EU after the UK leaves. These tend to be older men with skills specific to their occupation who, history suggests, may struggle to find equally well-paid work if their current employment were to disappear. Recent and early labour market evidence suggests that so far men have seen greater levels of inactivity, greater rates of furlough and reduction in hours worked, with implications for their employment income. This could be due to women being partly insulated from job losses through high employment in education and health & social care and high rates of job losses in male dominated sectors such as construction. However, this may be temporary, as women could still face larger impacts longer term through being over-represented in part-time and insecure work.

While UK data from a number of different sources shows that women have continued to spend more than men on childcare since the pandemic began, it does also indicate that the gender gap has narrowed during lockdown. It is possible that men's increased participation in childcare and housework during lockdown could persist to greater or lesser extent; many think that this might be the case. If flexible and remote working becomes more commonplace going forwards, this could allow men to spend more time taking care of their children.

Conclusion

It is now widely acknowledged that the coronavirus pandemic will have very significant and potentially longer lasting health and socio-economic impacts than witnessed in previous pandemics and economic crises, arising from both the direct and indirect effects of contracting the illness and lockdown measures put in place to control spread of the virus.

It is also clear from emerging evidence that the impacts of the COVID-19 crisis are large and unequal. ⁴⁹¹ Prior to COVID-19, there was already an inequality crisis across many domains such as income, wealth, living standards, labour market participation, health, education and life chances, to name a few. COVID-19 has already heightened many of these pre-existing inequalities and exposed the vulnerability of some income and population groups to health and economic shocks. The crisis has also drawn out more harshly the effect of deprivation as a driver of multiple inequalities and poor outcomes, as the section on socio-economic deprivation above makes clear

It has also brought to the fore divides which were less notable previously, such as the ability to work from home or virtual home schooling. Many of these new fissures are linked to existing inequalities such as education and income. For example, those with higher levels of education and incomes are more likely to have been able to work from home, to the space and resources to work and educate their children from home and to have a savings buffer to cushion any shock in earnings.

Health impacts of contracting, recovering and dying from the virus have been unequal, with disproportionate death rates among certain occupations, age groups, ethnicities, health conditions and areas of socio-economic deprivation/disadvantage. Children from poorer families have been especially disadvantaged by school closures. Disadvantaged pupils moving up from primary education to secondary are also at particular risk, if they have not received learning support at home that others might have had. Those leaving education this year for employment face prospects of long term scarring due to both weak economic prospects and labour market conditions.

The pandemic's resultant deep economic recession has generated a sudden and sharp shock to economic activity and household incomes, affecting some households much more than others. For example, the economic crisis has disproportionately affected those on low incomes with little savings buffer, workers on less secure employment arrangements, women, young people, people from minority ethnic groups, lone parents and disabled people, as many of these work in 'shutdown' industries or sectors such as hospitality, tourism, manufacturing, entertainment, non-food retail and wholesale or because they are unable to work from home.

Despite the COVID-19 pandemic, the UK has been continuing its preparations to leave the EU by the end of 2020. While Brexit has already had a huge negative

⁴⁹¹ https://www.ifs.org.uk/inequality/covid-19-and-inequalities/

impact on the UK economy and living standards, more negative impacts are expected post transition. Brexit is expected to impact existing inequalities and will have socioeconomic and legal impacts, as well as specific impacts, for equality groups. Hence, it will layer on top of COVID-19 impacts, with huge implications for some population groups such as those on low incomes. The combination of preexiting inequalities, layered with impacts of COVID-19 and Brexit, could potentially result in challenging legacies of inequality. The ability of the government to address these will be determined by political will and the state of the public finances.

In spite of the crisis' negative impacts, it has also presented some opportunities for positive change. For example, the acceptability and large scale roll out of remote working could be especially helpful for women's employment, pay and career progression with potential positive effects on for example the gender pay gap, if it persists. At the same time, the increased time that fathers are spending with their children during the lockdown might reduce existing inequalities in gender contributions to home production. Widespread remote working could open up a greater variety of jobs for people living outside major cities, i.e. in rural or remote areas, and ensure a greater spread of highly educated and skilled workers across the country.

Following the Government's unprecedented fiscal interventions through the CJRS, SEISS and increased generosity of some benefits, there may be a shift in attitudes towards the welfare system and social insurance. At the same, there may be greater consideration of the pay and working conditions of many key workers who have been at the forefront of fighting the virus and keeping parts of the economy working.

Recovery and renewal in the wake of the pandemic could be used as an opportunity to address many inequalities and also to refocus the economy on tackling climate change, and on preserving some of the positive environmental changes seen in recent months. On the other hand, addressing some inequalities and climate change goals could become less of a priority if reinvigorating the economy, at any expense, takes precedence. Brexit could also make it harder to cooperate with the EU in establishing effective regulations and technological initiatives to tackle climate change. If this crisis is used as an opportunity to double down on commitments address inequality and to tackling climate change, it will be particularly positive for many including more deprived communities, those with health conditions, and younger and future generations.

Many sources point to the renewal and move towards greater equality that followed previous crises, such as the Great Depression in the 1930s and the Second World War.⁴⁹² It remains to be seen whether the significant policy interventions that would be required to realise this in our current time of crisis will be forthcoming. What seems increasingly certain, is that these bold changes will be essential if we are to avoid deepening our already significant inequalities going forwards.

⁴⁹² http://cep.lse.ac.uk/pubs/download/cepcovid-19-004.pdf

Annex A: Summary of Anticipated Key Impacts by Population Group

Equality Dimension	Factor	Summary Issue
Socio-economically disadvantaged	Health inequalities could widen	Age standardised death rates for COVID-19 have been twice as high for people living in the 20% most-deprived areas compared to the 20% least deprived areas.
		Delays in preventative services, diagnosis and treatment is likely to have long-term adverse impacts for many and these will continue to emerge for some time.
		More likely to experience poorer mental and physical wellbeing, lower life satisfaction and feelings of loneliness, all of which either have already been impacted by COVID
	Attainment gap could widen	Socio-economic disadvantage remains a key driver of poor attainment and evidence is pointing to the pandemic being highly likely to widen pre-existing educational inequalities.
		Adults in the most deprived areas and those with lower incomes are less likely to use the internet or to have home internet access impacting on education but also other areas of life.
	High economic inequalities may persist or even widen.	Despite unprecedented government fiscal interventions to support household incomes, COVID related economic recession is already resulting in unprecedented levels of financial distress and hardship.
		Brexit may also result in job losses in specific low-paid or low-skilled sectors.
		In a vicious cycle, reductions in disposable income can also reduce people's access to the resources needed to seek higher-quality employment, undertake training, pay for childcare etc.

		The number of people at risk of homelessness could increase with the economic impacts of COVID-19 and Brexit. Any price rises resulting from a notrade-deal Brexit will disproportionately impact poorer households. Where there are increases in unemployment or reductions in income, fuel poverty is also likely to rise.
Age (Children and Young People)	High impact on current and future mental health	Younger people appear to have taken the hardest hit to their mental health during the pandemic, and this is likely to be further worsened by unemployment and missed education. Any increase in poverty may also lead to widening educational inequalities going forwards.
	Negative impact on learning	Home learning appears to be most challenging for children and young people experiencing socio-economic disadvantage, and missed education could be creating a cohort of pupils who carry disadvantage throughout their lives.
	Economic scarring for young people	Young people leaving education or training this summer are likely to be particularly vulnerable to unemployment and long-term employment 'scarring'. Brexit may further weaken younger people's job prospects. COVID-19 is already impacting young people's income and ability to afford housing and other essentials, and child poverty may rise due to a combination of job losses, rising living costs and the continued freeze on children's benefits and tax credits.
Age (Older people)	High deaths	Older people: continue to be at far higher risk of death from COVID-19. Missed healthcare could have long-term impacts for many older people, who are more likely to be in poor health. Any shortages in medication resulting from Brexit, as well as the predicted recruitment crisis in the NHS and social care sector, will particularly affect older people.
	Increased risks of loneliness	Older people may be at greater risk of social isolation (an objective lack of social relationships or meeting socially) since they are more likely to be taking enhanced physical distancing precautions and less likely to use online communication.
Disabled people	Significant disruptions to health and care	Disabled people: have faced disruptions to health and social care through lockdown and the recruitment crisis in the NHS and social care sector predicted to result from Brexit will also particularly affect them.

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	More likely to experience loneliness	People with a long-term condition were significantly more likely to experience loneliness and social isolation before the pandemic, and many disabled people have been worried about becoming acutely isolated at this time.
	Attainment gap may have been heightened	Concerns have been raised about the impact of school closures on families with a disabled child, and that these might contribute to widening the disability attainment gap.
	Gaps in employment participation may widen and reduce incomes	It is anticipated that COVID-19 could impact disabled people's employment due to their higher share of employment in some shutdown sectors (e.g. distribution, hotels and restaurants); previous recessions have had a disproportionate negative impact on their labour market outcomes.
	May be negatively impacted by loss of EU protections,	Disabled people are more likely to experience poverty, and may be disproportionately impacted by the loss of social security coordination across EU countries after Brexit.
Race	Gaps in employment participation and progression may widen increasing poverty.	People of minority ethnicities: are experiencing the economic effects of this crisis harder, evidence suggests. They are more likely to work in some 'shut down' sectors, particularly hospitality, and less likely to have savings to rely on . Any rise in the cost of living will affect asylum seekers disproportionately as they are not allowed to work while their application is being processed. People with no recourse to public funds will also be profoundly vulnerable.
	Increased risk of serious illness or death from COVID	Deaths amongst people in the South Asian ethnic group in Scotland have been almost twice as likely to involve COVID-19 as deaths in the White ethnic group.
	Increases in hate crime	There have been reports of an increase in hate crime in the UK against people perceived to be of Chinese, South Asian or East Asian ethnicities since the start of the COVID-19 pandemic.
	Reduced educational attainment for certain groups	Disruption to schooling may have a particularly negative effect on Gypsy/Travellers, and further exacerbate the considerable inequalities in educational outcomes that they already experience.
Sex (Women)	Increased negative mental health impacts	Women: are experiencing significant mental health impacts from the pandemic and women in the UK continue to be more lonely than men.

	Increased domestic abuse and commercial sexual exploitation.	They are far more likely to experience domestic abuse and there are indications that this may have been rising and/or intensifying during the pandemic. There are also reports of women entering or re-entering prostitution and commercial sexual exploitation as a result of current economic challenges
	Long term impact on gender equality in the labour market	Adverse labour market effects ensuing from lockdown measures likely to have a disproportionate longer term impact on women: as they dominate in many 'shut down' sectors and those that are employed are more likely to work part-time, less likely to be in secure employment, earn less on average than men and are less likely to be eligible for sick pay, hence, a reduction in income due to job losses or furloughing may be particularly harmful.
		Women are also more likely to have caring responsibilities which may make it hard to maintain or take on employment. Evidence suggests that with school and nursery closures, housework and childcare has fallen more on women than men.Post-
		Brexit, any roll-back in EU-derived employment protections for pregnant and part-time workers could adversely affect the capacity of pregnant women and mothers to stay in/enter the labour market.
		COVID-19 presents some opportunities for positive change. The increased acceptability and roll out of remote working could be helpful for parents' employment
	Lone parents will have been disproportionately impacted	Women are also the vast majority of lone parents who, before COVID, were much more likely to be in debt and/or financially vulnerable. Evidence suggests that lone parents are one of the groups on which the economic effects of this crisis are falling disproportionately.
Sex (Men)	More likely to have serious illness from COVID	Men: were twice as likely as women to have, been admitted into the ICU with confirmed COVID-19 as of the end of June 2020, and age-standardised death rates were 45% higher for men than for women.

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Loss in employment for men	Recent and early labour market evidence suggests that so far men have seen greater levels of inactivity, greater rates of furlough and reduction in hours worked, with implications for their employment income.
	Brexit also likely to hit many industries dominated by men including agriculture, fishing, distribution.
	Short term this could be due to women being partly insulated from job losses through high employment in education and health & social care and high rates of job losses in male dominated sectors such as construction. However, this may be temporary, as women could still face larger impacts longer term through being over-represented in part-time and insecure work.
	COVID-19 presents some opportunities for positive change. For example, the increased acceptability and large scale roll out of remote working could be especially helpful for parents' employment helping men to increase their role as primary care-givers.