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Taking Action on Rural Poverty Argyll and Bute: Initial Scoping Work

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The Poverty Alliance is Scotland's anti-poverty network. Together with our members, we influence policy and practice, support communities to challenge poverty, provide evidence through research and build public support for the solutions to tackle poverty. Our members include grassroots community groups, academics, large national NGOs, voluntary organisations, statutory organisations, trade unions, and faith groups.

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Contents

Summary	5
Taking Action on Rural Poverty: Project Overview	6
Local Authority Context.....	8
Labour Market Trends.....	10
Poverty Context: Scale of Poverty and Inequality.....	12
SIMD 2020	12
Child Poverty	15
In-Work Poverty	16
Social Security Uptake in Argyll and Bute	18
Universal Credit	18
Scottish Welfare Fund.....	20
The Cost-of-Living Crisis and Key Issues in Rural Areas	22
Fuel Poverty.....	22
Housing Costs and Insecurity.....	24
Food Insecurity.....	25
Priorities and Local Initiatives to Tackle Rural Poverty.....	27
Conclusion	31



Summary

The Poverty Alliance has embarked on a new project Taking Action on Rural Poverty (TARP), that will develop new ways of tackling the rural poverty premium, with a focus on Aberdeenshire and Argyll and Bute. This briefing was undertaken as an initial scoping exercise to help us better understand the Argyll and Bute local authority area.

Argyll and Bute is the second largest local authority in Scotland and the fourth most sparsely populated. It falls within the top three local authorities most affected by population decline in Scotland between 2001-2021¹ and has the largest proportion of people aged 65 and older of all Scottish local authorities. Economic activity is lower in Argyll and Bute than in Scotland as a whole, and earnings are also lower², likely reflecting the high rates of seasonal and low-paid work within the tourism and hospitality sectors. Levels of child poverty in Argyll and Bute are slightly below the Scottish national average (21.7% vs 24%) and increased by 2.8% between July 2021-July 2022³. In 2021/22, 74% of children in poverty before housing costs were living in a household where at least one adult worked⁴.

The higher cost of living in rural areas means that the cost-of-living crisis is being felt more acutely by many households in rural communities. It is estimated that 56% of properties in Argyll and Bute are not on the gas grid⁵, and in 2022 46% of households were estimated to be in fuel poverty⁶. Argyll and Bute is the Scottish Local Authority with the highest rate of second homes, and in June 2023 the council declared a housing emergency⁷. The impact of the cost-of-living crisis is reflected in an increase in applications to the Scottish Welfare Fund in 2022/23⁸ - the second highest since the fund began - and increased foodbank usage, with one foodbank reporting parents requesting food to support almost twice as many children between Nov 22 – Jan 23 compared to the same period one year prior⁹.

Initiatives being undertaken to tackle poverty in Argyll and Bute include improving the energy efficiency of homes, building new energy efficient homes, and buying back private housing to be added to affordable rental stock; crisis grants, flexible funds and energy efficiency advice for those in fuel poverty; a community food forum, welfare rights advice and support for parents to enter employment.



Taking Action on Rural Poverty: Project Overview

The [Cross Party Group on Poverty's](#) recent inquiry into rural poverty has illuminated this issue and how it is being exacerbated by the cost-of-living crisis. Historically, poverty has been framed as a predominantly urban issue, largely due to the rural 'idyll' that masks the reality of life in rural places for many. This has resulted in rural poverty going relatively ignored or being met with inadequate policy responses that are designed from urban perspectives. However, people living in rural areas who are on a low income are faced with both the poverty premium as well as the rural premium i.e., the higher cost of living in rural, remote and island areas. There is a clear need to change our approach to tackling poverty to better meet the needs of rural communities.

This is why The Poverty Alliance have embarked on a new three-year project '[Taking Action on Rural Poverty](#)' (TARP), that will develop new ways of addressing rural poverty in Scotland. With a focus on Aberdeenshire and Argyll and Bute, this project will engage people with lived experience, voluntary and community organizations, and public and private sector bodies to establish and test pilot up to two practical, local measures to address the rural poverty premium. We will also work to increase opportunities for people with lived experience to feed into local decision making and influence policy at a national level.





Local Authority Context

Argyll and Bute falls within the top three local authorities most affected by population decline in Scotland between 2001-2021 and has the largest proportion of people aged 65 and older of all Scottish local authorities. Almost half of the population live in rural areas, with 43% in remote rural areas.

Argyll and Bute is the second largest local authority in Scotland and the fourth most sparsely populated.¹⁰ According to rounded population estimates from the 2022 Scotland census, the population is 86,000 and there are 41,900 households with at least one usual resident.¹¹ It comprises of the following four administrative areas that are used for service planning: Bute and Cowal; Helensburgh and Lomond; Mid-Argyll, Kintyre and the Islands; and Oban, Lorn and the Isles.



Image 1: Map of Argyll and Bute Administrative Areas. Source: [Argyll and Bute Health and Social Care Partnership](#)

Argyll and Bute's population declined by 5.6% between 2001-2021, which put it within the top three Scottish local authorities most acutely affected by population decline during this time-period,¹² and the population is projected to fall by a further 12% by 2040.¹³ Argyll and Bute is the local authority with the largest proportion of people aged 65 and over (27.2%) according to 2022 Scotland Census data. The



aging population contributes to difficulties creating, attracting, and retaining employment and employees.¹⁴

A large proportion of the area is classified as remote rural according to the Scottish Government 6-Fold Urban Rural Classification: 47.2% of the population live in areas classified as 'rural', with 43% in remote rural areas and just 4.2% in accessible rural areas (Table 1). Argyll and Bute has 23 inhabited islands and at the time of the 2011 Census approximately 17.1% of the population lived on these island¹⁵: many households in Argyll and Bute are therefore isolated and hard to access.

6-Fold Urban-Rural Classification	Percentage total population
1. Large urban areas	0.0
2. Other urban areas	17.9
3. Accessible small towns	4.2
4. Remote small towns	30.6
5. Accessible rural	4.2
6. Remote rural	43.0
Total	100.0

Table 1: Population living in the six categories of the Scottish Government's 6-Fold Urban Rural Classification.

Source: Scottish Government Urban Rural Classification 2016 taken from <https://www.argyll-bute.gov.uk/my-community/population-where-we-live>



Labour Market Trends

Between October 2022 - September 2023 economic activity was lower in Argyll and Bute than in Scotland as a whole (74.7% compared with 77.9%). Earnings by both place of residence and place of work are lower in Argyll and Bute than Scotland as a whole, likely reflecting the high rates of seasonal and low-paid work within the tourism and hospitality sectors in this local authority area.

In 2021 just under 60% of the Argyll and Bute population (59.2%) were of working age (i.e., between 16-64), which was lower than in Scotland as a whole (63.8%)¹⁶. Between October 2022-September 2023, just under three-quarters of the labour supply in Argyll and Bute were economically activeⁱ (74.7% compared with 77.9% for Scotland) of whom 75.3% were in employment and 3% were unemployed.¹⁷ Of the remaining 25.3%, more than one quarter were retired (26.1% compared to 14.0% per cent for Scotland), and almost one third were classed as long-term sick (32.2% compared to 31.7% for Scotland).

When looking at earnings by place of residenceⁱⁱ, in 2023, median gross weekly pay for full-time workers was £653.60, compared with £702.40 for Scotland. Median hourly pay (excluding overtime) was £16.87, compared to £18.09 for Scotland. When looking at earning by place of workⁱⁱⁱ in 2023, these figures are similar: median gross weekly pay for full-time workers was £657.80 compared with £702.80 in Scotland; and median hourly pay excluding overtime was £16.35 compared with £18.10 in Scotland. Tables 2 and 3 show these figures broken down by gender.

	Argyll & Bute (£)	Scotland (£)	Great Britain (£)
Median Gross Weekly Pay	653.60	702.40	682.60
Male Full-Time Workers	706.6	725.7	728.3
Female Full-Time Workers	571.8	672.0	628.8
Median Hourly Pay - Excluding Overtime	16.87	18.09	17.49
Male Full-Time Workers	17.76	18.17	18.15
Female Full-Time Workers	15.72	18.00	16.64

ⁱ People who are either in employment or unemployed

ⁱⁱ The figures show the median earnings in pounds for employees *living* in the area who are on adults rates of pay and whose pay was not affected by absence.

ⁱⁱⁱ The figures show the median earnings in pounds for employees *working* in the area who are on adults rates of pay and whose pay was not affected by absence.



Table 2: 2023 Earnings by Place of Residence: Median Pay for Full-Time Workers in Argyll and Bute.

Source: [ONS annual survey of hours and earnings - resident analysis](#)

	Argyll & Bute (£)	Scotland (£)	Great Britain (£)
Median Gross Weekly Pay	657.8	702.8	682.6
Male Full-Time Workers	671.9	727.9	728.3
Female Full-Time Workers	579.0	670.8	629.1
Median Hourly Pay - Excluding Overtime	16.35	18.10	17.49
Male Full-Time Workers	17.25	18.24	18.14
Female Full-Time Workers	15.67	17.93	16.65

Table 3: 2023 Earnings by Place of Work: Median Pay for Full-Time Workers in Argyll and Bute.

Source: [ONS annual survey of hours and earnings - workplace analysis](#)

Lower wages in Argyll and Bute make it more common for people to have multiple jobs, work part-time or be on zero hours contracts. When combined with the gender pay gap this makes it more difficult financially for women and single parent families led by a woman.

While job density^{iv} in Argyll and Bute in 2021 was higher than for Scotland as a whole (0.91 vs 0.81 respectively), lower wages need to be kept in mind. The main employers in Argyll and Bute include the tourism and hospitality sectors, both of which are generally low paid, seasonal and were hit particularly hard during pandemic. It is also hard to find housing for those who want to come to work.

^{iv} The level of jobs per resident aged 16-64. For example, a job density of 1.0 would mean that there is one job for every resident aged 16-64



Poverty Context: Scale of Poverty and Inequality

SIMD 2020

SIMD data shows that 10.4% of data zones in Argyll and Bute fall within the 20% most deprived in Scotland. However, this measure struggles to accurately capture rural poverty due to its dispersed nature. Therefore, when used alone, findings should be interpreted with caution.

The SIMD is Scotland's official tool for identifying areas in which deprivation is concentrated, so that targeted interventions and support can be provided. This measure identifies deprivation according to the following domains: Income, Employment, Education, Health, Access to Services, Crime and Housing. However, it has come under criticism for failing to capture deprivation within rural areas, largely due to the dispersed nature of rural poverty, as well as an inability to capture differences within large rural data zones. As such, the Scottish Government recommends using SIMD data in conjunction with other sources to more adequately identify rural poverty.¹⁸ A failure of income and deprivation measures to account for the higher costs of living in rural areas (i.e., the rural premium) has also been highlighted.¹⁹

With that in mind, the SIMD 2020 identified 13 (10.4%) of Argyll and Bute's 125 data zones as being in the 20% overall most deprived data zones in Scotland and 5% of these fell within the 10% most deprived.²⁰ Unsurprisingly, all these data zones are located within towns (Rothesay, Dunoon, Campbeltown, Helensburgh and Oban), and none are rural, reflecting the challenges the SIMD faces to identifying dispersed pockets of deprivation. However, when looking at geographic access to services, 42% of Argyll and Bute's data zones fall within the 20% most deprived in Scotland and when looking at education, skills and training, eight data zones fell within the 15% most deprived, reflecting a lack of access to further and higher education opportunities.²¹

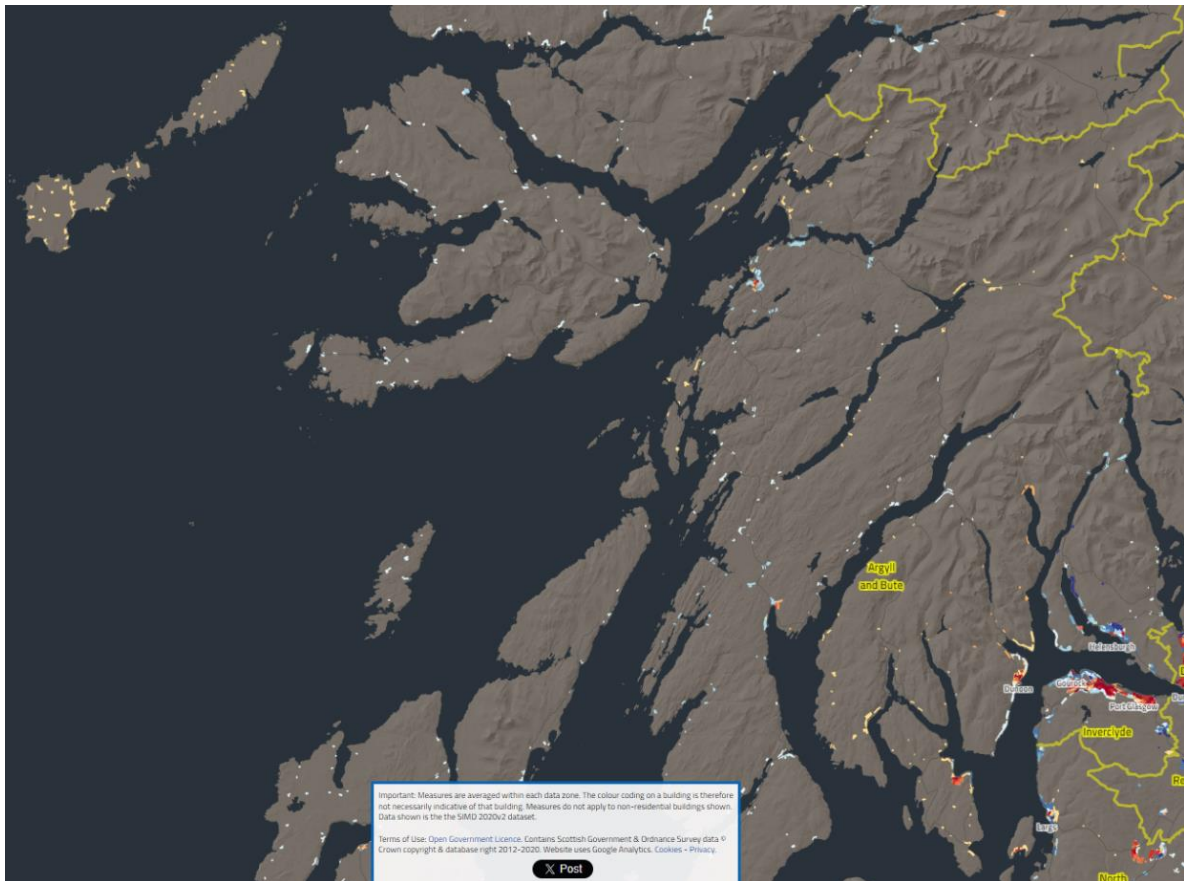


Image 2: [SIMD 2020 Map of Argyll and Bute \(Part 1\).](#)



Child Poverty

Levels of child poverty in Argyll and Bute are just slightly below the Scottish national average (21.7% vs 24%) and increased by 2.8% between July 2021-July 2022. A lack of childcare has been identified as the main barrier to moving parents to employment.

The latest Child Poverty figures for Argyll and Bute i.e., children in families earning below 60% of the median income after housing costs, as reported by the End Child Poverty Coalition, are displayed in table 4 and show that 21.7% of children aged 15 and under in Argyll and Bute (3,062 children) were estimated to be living in poverty in July 2022. This is an increase of 2.8% from the previous year (figure 1) and sits just slightly below the child poverty levels for Scotland (24%).

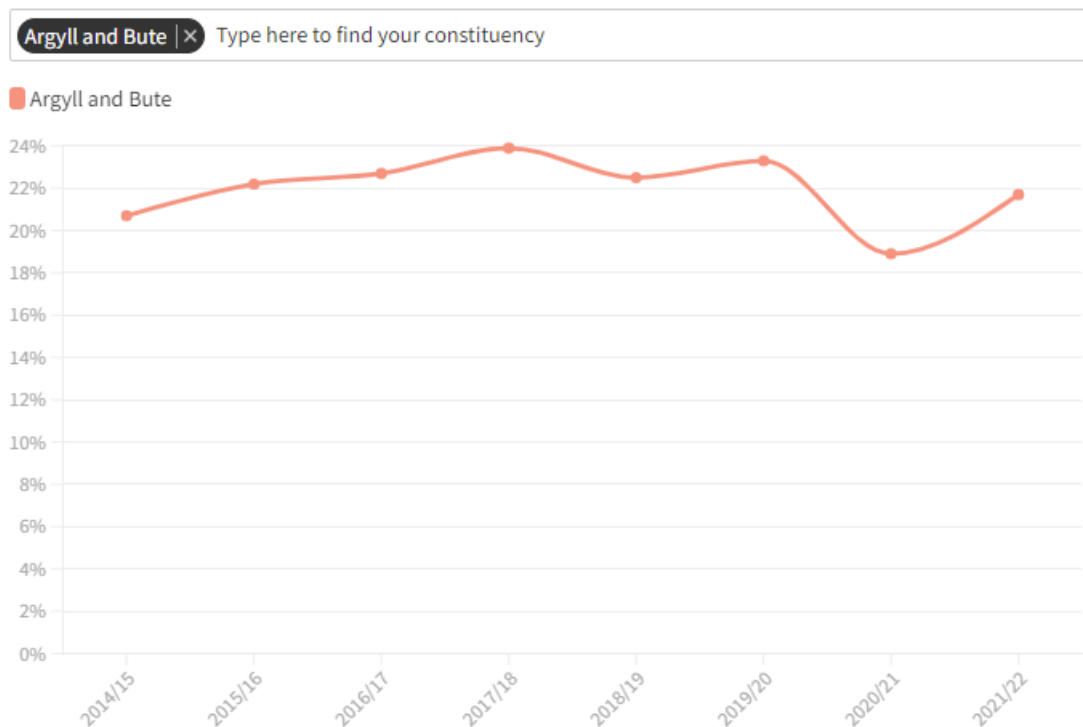
Date	Number of Children in Poverty	Percentage of Children in Poverty	Percentage Point Change
2014/15	3,261	20.7%	
2021/22	3,062	21.7%	1.1%

Table 4: Comparison of child poverty rates in Argyll and Bute 2014/15-2021/22



How has child poverty in your area changed over time?

Select up to five areas to compare



Source: [End Child Poverty Coalition](#)

Figure 1: Child Poverty in Argyll and Bute. Source: [Action for Children: Where is Child Poverty Increasing in the UK?](#)

Large families with three or more children are almost twice as likely to be living in poverty as those with just one or two children, and data from 2021/22 shows that 8% of all children in Argyll and Bute (1,100 children) were living in a family impacted by the two-child benefit-cap limit.²² A lack of childcare in Argyll and Bute was identified as the main barrier to moving parents to employment by the Parent Employment Support Fund, especially childcare for children with disabilities and those in need of wrap around childcare to accommodate school holidays.²³

In-Work Poverty

Hospitality, retail, and health and social work are key industries in Argyll and Bute, all of which were recently identified as belonging to the top five industries maintaining in-work poverty.

In Argyll and Bute, 1,984 children in poverty (74%) were living in a household where at least one adult was in work in 2021/22.²⁴ This likely reflects the higher costs of living in this area, where nearly 70% of households are at risk of fuel poverty, and food, clothing, and travel cost are between 13% and 185%+ more than



in urban UK, yet disposable income is 10% lower than the UK average.²⁵ In 2022, key industries in Argyll and Bute were Accommodation and Food Services (13.9%), Human Health and Social Work Activities (12.5%), Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles (11.1%) and Public Administration and Defence; Compulsory Social Security (11.1%).²⁶ Many of these industries (hospitality, retail and health and social work along with manufacturing and administrative and support services) were recently identified as the main industries playing a key role in maintaining in-work poverty; almost 75% of individuals in in-work poverty have a family member working in one of these industries, and 80% of employees who are trapped in low pay work in one of these industries.²⁷



Social Security Uptake in Argyll and Bute

Rates of benefit uptake are typically lower in rural than urban areas due to stigma within small communities and a lack of access to information and advice services: many people do not seek support until they are at crisis point. In 2022-2023, Scottish Welfare Fund applications in Argyll and Bute were the second highest since the fund began.

Universal Credit

Between August 2022-August 2023, the number of households claiming universal credit (UC) in Argyll and Bute increased from 4,282 – 4,821. As of November 2023, 6,551 people in the area were claiming UC, of whom 2,646 were in employment. Figure 2 displays these figures by ward.

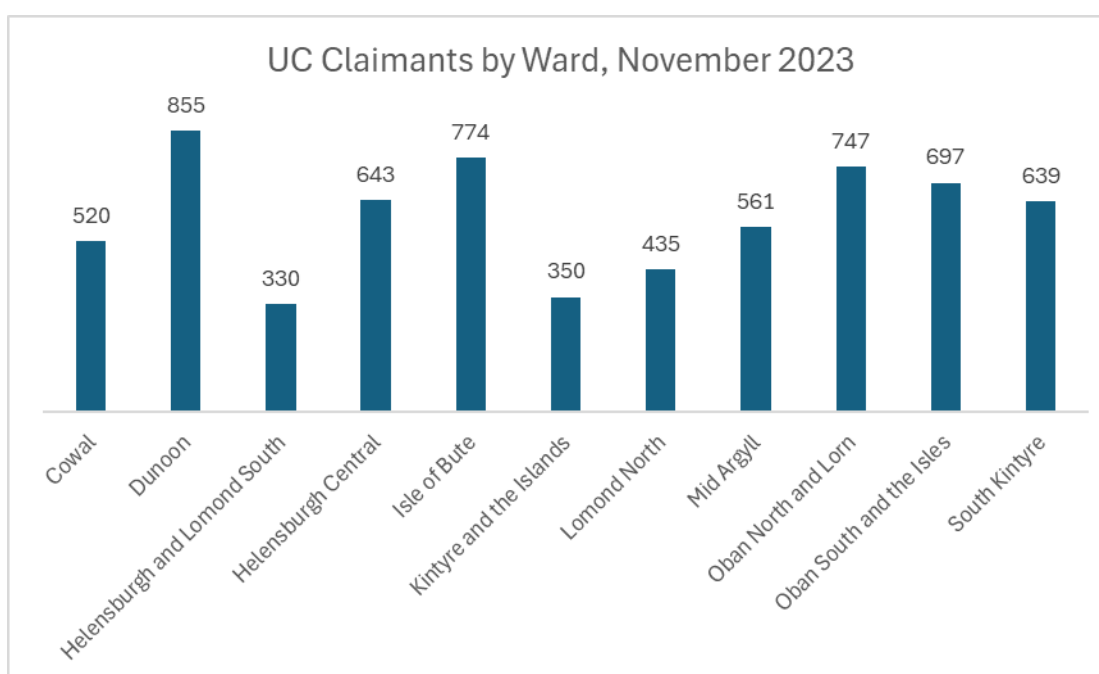


Figure 2: Universal Credit Claimants by Ward in Argyll and Bute, November 2023

As of August 2023, 2,207 children in Argyll and Bute were living in households claiming UC, 1,577 of whom were in single parent families. Table 6 displays these figures by the number of children per household.

Number of Children	August 2022	August 2023
1	822	920
2	741	816
3	287	340



4	89	91
5+	28	34
Total	1,967	2,207

Table 6: Number of children in households with children claiming UC. Source: [DWP Stat-Xplore](#)

The Nomis claimant count includes UC claimants required to seek work and Job Seekers Allowance (JSA) claimants. Most UC claimants included in this count are unemployed, though some will be working with very low earnings²⁸. The claimant count for Argyll and Bute as of December 2023 (not seasonally adjusted) was 1,385 which equates to 2.7% and is lower than for Scotland as a whole (3.0%). There was a higher percentage of male (3.0%) than female (2.4%) claimants and those aged 18-24 made up the highest percentage of claimants (3.6%) (table 7).

	Argyll and Bute (n)	Argyll and Bute (%)	Scotland (%)	Great Britain (%)
All People	1,385	2.7	3.0	3.7
Sex *				
Males	780	3.0	3.6	4.2
Females	605	2.4	2.5	3.2
Age**				
Aged 16 To 17	10	0.6	0.7	0.2
Aged 18 To 24	230	3.4	4.2	5.0
Aged 18 To 21	120	3.3	4.4	5.2
Aged 25 To 49	730	3.3	3.6	4.3
Aged 50+	415	2.0	2.0	2.7

Table 7: Out of Work Benefits Claimant Count by Sex and Age in Argyll and Bute, December 2023. Source: ONS Claimant count by sex and age as reported by [Nomis](#).

* % is the number of claimants as a proportion of resident population of area aged 16-64 and gender

**% is number of claimants as a proportion of resident population of the same age

As mentioned earlier, tourism and hospitality are key industries in Argyll and Bute. There are high levels of seasonal employment in this area, particularly in the more rural parts. Unemployment rates vary throughout the year, with many people working multiple part-time jobs over summer.²⁹ Irregular incomes have been identified as a major cause of financial hardship with regards to the welfare system by rural inhabitants. This is largely because of benefits being overpaid and then rapidly reclaimed or flaws in the system creating inconsistencies in UC eligibility,



leading to people having to reapply and delaying payments, all of which make it harder to budget and increase the likelihood of debt.³⁰

Scottish Welfare Fund

Over the last few years, between the pandemic and now the cost-of-living crisis, low-income households have faced, and continue to be at risk of, multiple income shocks. The Trussell Trust reported record levels of need in Scotland in 2022/23, with numbers of food parcels distributed increasing by 30% from the previous year, and 50% from 2017/18³¹. The Scottish Government's Cash First Programme aims to increase access to emergency financial assistance for those experiencing hardship via a cash-first response and end the need for foodbanks. Emergency cash payments allow people to purchase the essentials they need with dignity and choice.

The Scottish Welfare Fund (SWF) was established in 2013 and is the Scottish Government's leading source of cash-first emergency assistance. Investment in the fund has been maintained as part of the Cash-First Programme³². The SWF provides discretionary assistance to households experiencing financial hardship in the form of Crisis Grants to help in emergencies, and Community Care Grants to support people to begin or continue living a settled life in their community. While it was originally intended as a one-time safety net for people in crisis, the soaring cost of living is resulting in a significant increase in repeat applications and causing the fund to come under pressure.³³

There was a 6% increase in SWF applications in Argyll and Bute in 2022-23 compared with 2021-22 (2,530 vs 2,390). This is the second highest number of applications received since the fund was established in 2013/14.

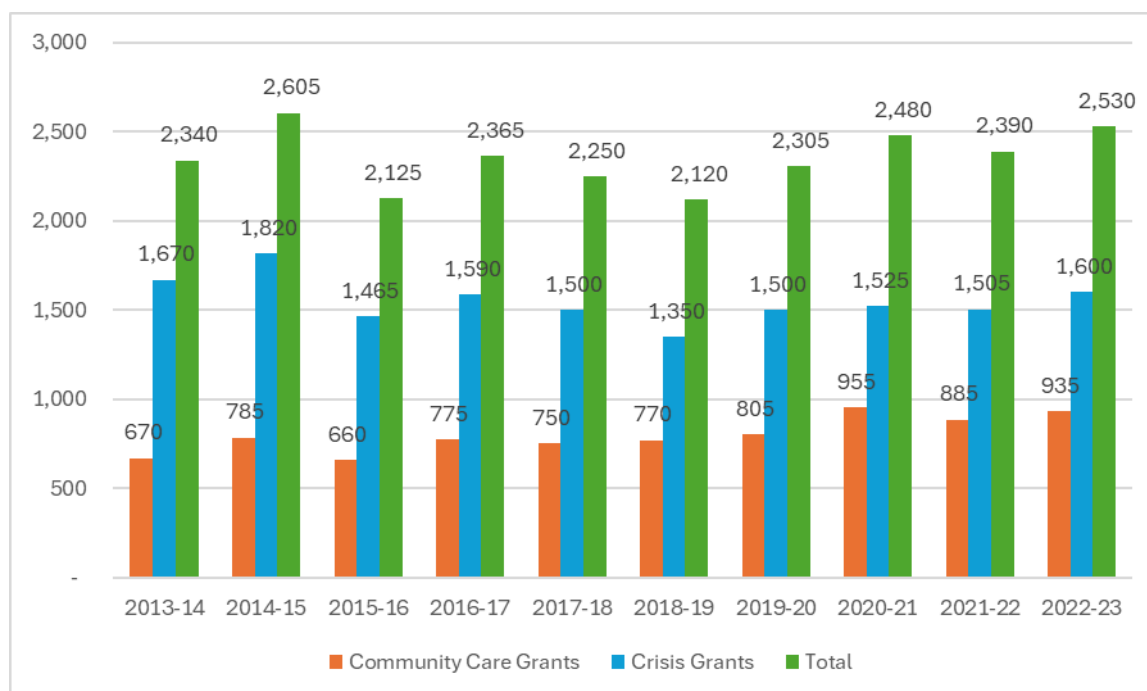


Figure 3: Scottish Welfare Fund applications in Argyll and Bute from 2013-2023.

Source: [Scottish Welfare Fund Statistics: Annual Update 2022-2023](#)

In 2022/23, 1,600 SWF applications were for Crisis Grants, a 6% increase from 2021/22, of which 54% (855 grants) were awarded. The total spend for the year was £79,045 and the average grant was £92. Quarterly data from Jan 1-Mar 31, 2023, shows that for 100% of crisis grants an initial decision was made by the end of the next working day and the reason for 465/470 applications was *emergency*.

The remaining 935 SWF applications in Argyll and Bute were for Community Care Grants (CCG), an increase of 5% (50 applications) from 2021/22, of which 51% (480) were awarded. The total spend for the year was £607,435 and the average grant size was £1,271. Quarterly data from January 1 – March 31, 2023, shows that 100% of applications awarded during this period (270) were processed within 15 days. The most common reasons for applying for CCGs in Argyll and Bute last year were Families facing external pressure (160), Other reason (95) and Helping people to stay in the community (15).



The Cost-of-Living Crisis and Key Issues in Rural Areas

The cost-of-living crisis has been felt more acutely by many people living in rural areas because of the rural premium. It is estimated that 56% of properties in Argyll and Bute are not on the gas grid, and in 2022, 46% of households were estimated to be in fuel poverty. Argyll and Bute is the Scottish Local Authority with the highest rate of second homes, and in June 2023 the council declared a housing emergency. Helensburgh and Rothsnead Foodbank reported almost twice as many children affected by food poverty (92.8% increase) between Nov 22–Jan 23 compared to the same period one year prior.

The cost-of-living crisis has been felt more acutely by many people living in rural, remote and island communities, than their urban counterparts, because of the ‘rural premium’ i.e., the higher costs of food, clothing, household essentials, energy/fuel and transportation in these areas. This has been exacerbated by the centralization of essential services over recent years resulting in a lack of access to childcare, healthcare and welfare advice to name a few.³⁴ⁱ Volatile and unpredictable incomes from seasonal and casual work are common in rural areas and, as mentioned earlier, welfare support uptake is often lower.³⁵

Fuel Poverty

“A household is in fuel poverty if the household’s fuel costs (necessary to meet the requisite temperature and amount of hours as well as other reasonable fuel needs) are more than 10% of the household’s adjusted net income and after deducting these fuel costs, benefits received for a care need or disability, childcare costs, the household’s remaining income is not enough to maintain an acceptable standard of living.” [Energy Action Scotland]

Fuel poverty is disproportionately high in rural Scotland. In addition to the overarching, recognised drivers of fuel poverty i.e., energy prices, income, energy efficiency of homes and energy use, Changeworks (2023) identify rural specific drivers, including cold and harsh climates, higher living costs, fewer employment and training opportunities for higher paid and higher skilled jobs, a lack of affordable housing and a lack of access to advice and support services. Many rural areas are not connected to the main gas grid, making households dependent on alternative, more expensive forms of energy such as oil and electricity. Old, detached and poorly insulated houses are hard to heat and can be hard to retrofit and when combined with the harsh weather conditions faced by many rural and island communities, this drives fuel costs up further. Government schemes to support energy costs have not accounted for these disparities meaning that in rural areas this support does not go as far to mitigate rising costs³⁶.



In 2020 Argyll, Lomond and the Islands (ALI) Energy reported that Argyll has one of the highest levels of fuel poverty in Europe.³⁷ Forty-six per cent of households in Argyll and Bute were estimated to be in fuel poverty in 2022^{v 38} and the [Fuel Poverty Index](#) places Argyll and Bute ninth out of the 32 local authorities in Scotland in terms of fuel poverty risk. Poor housing, high energy prices, a lack of mains gas, low wages, vulnerable demographics, and bad weather and exposure have been cited as key drivers for fuel poverty or extreme fuel poverty in this local authority area³⁹. It is estimated that 56 per cent of properties in this local authority area are not on the gas grid.⁴⁰ The cost of heating homes is estimated to be more than double the price cap figure for an average household and to avoid fuel poverty an average all-electric household would need an income of at least £72,200 per annum, or £39,600 to avoid extreme fuel poverty, yet the median household income is just below £33,000⁴¹. Houses with all-electric heating and single-person households are being raised as a priority group by local energy and advice charities.

The [2022-2023 Argyll and Bute Child Poverty Action Plan Review](#) reports increased demand for benefits checks and advice services due to the cost-of-living crisis, with fuel poverty being a major factor. ALI Energy are seeing more, and more desperate clients than in previous years, and many more who are unable to afford turning their heating on at all. A third of households who sought help with energy in 2022-23 had children and one quarter were single parents.

They also report that a higher proportion of homes in Argyll and Bute fail to meet energy efficiency standards than the Scottish average, with less than one third being rated at EPC band C or higher. Only one third of homes have adequate loft insulation, 50% have insulated walls, and 3-7% have insulated floors, all of which drives up energy demands and energy costs and is pushing more families into poverty.

Fuel poverty also impacts people's ability to fill their cars and restricted ability to travel is having negative health impacts for many people in Argyll and Bute. This includes being unable to afford to travel to hospital appointments, which is combined with increased ferry disruptions when getting to hospitals on the mainland or in Glasgow; challenges faced by voluntary and community sector organizations when recruiting volunteers because many people cannot afford the

^v This data was produced by Energy Action Scotland and provides estimated fuel poverty rates as of April 1, 2022 using 2019 Social Housing Condition Survey data and an uplift percentage estimated by the Scottish Government.



travel requirements; and fewer people travelling to vital services such as foodbanks and warm places.⁴² Furthermore, some public transport services that were reduced during the pandemic have not yet been reinstated to pre-pandemic levels and community councils have been campaigning for this to change as continued services reductions are impacting people's ability to get to work.⁴³

Housing Costs and Insecurity

There is a lack of affordable housing in rural Scotland which is exacerbated by holiday lets and second home ownership, as well as lower rates of new builds. Lockdown measures during the pandemic saw the supply of new housing drop by a third in 2020-21⁴⁴ and at the same time rural living became more popular.

In June 2023, Argyll and Bute council declared a housing emergency.⁴⁵ At that time, there were approximately 3,000 second homes in Argyll and Bute, which equates to 6.2% of the overall council tax register (compared to the national average of 0.9%) and makes this the Local Authority in Scotland with the highest rate of second homes.⁴⁶ Rates of second home ownership vary across the local authority area, with 30.5% of homes on Tiree reported to be second homes (156) or long-term empty (14) as of June 2023.⁴⁷

Reduced housing availability, combined with increasing costs of private rentals and wages increasing more slowly than inflation, has led to increased homelessness in this area following the pandemic. In March 2023, 30 per cent of housing applications for social rented property^{vi} came from households with children, of whom 79% had been assessed as being in housing need.⁴⁸ There were 1,869 children on the waitlist and 15 per cent of households with children required a home with four or more bedrooms (Table 8).

No of households with children under 16	Minimum bedroom size required
3	One bed
505	Two bed
316	Three bed
150	Four+ bed

Source: Abrisas (Argyll and Bute's Joint Housing Register) March 2023

^{vi} This includes households waiting for a social rented home, homeless households, and those already housed in social rented accommodation who need or want to transfer to another home of a different size or with specialist provision.



Table 8: Number of households with children in Argyll and Bute by bedroom size, March 2023.

Source: [2022-2023 Argyll and Bute Child Poverty Action Plan Review](#)

When looking at homeless households specifically, there was a 27% increase in homeless applications in Argyll and Bute between April 2022-February 2023 compared with the same period the previous year, and the 2022-23 Argyll and Bute Child Poverty Action Plan Review reported 267 statutory homeless households in this local authority area who were waiting for permanent housing, of which 60 had children in them (total children = 125) (table 9). The areas with the highest levels of homelessness applications were 1) Cowal, 2) Helensburgh and 3) Lomond, and Oban, Lorn and the Isles.

HOME Argyll waiting list	No of households with children under 16	Total No of children
General list	573	1043
Homeless list	60	125
Transfer list	341	701
TOTAL	974	1869

Source: Abritas (Argyll and Bute’s Joint Housing Register) March 2023

Table 9: Households with children and number of children waiting for social rented property.

Source: [2022-2023 Argyll and Bute Child Poverty Action Plan Review](#)

Food Insecurity

The Food Foundation report that 17% of UK households experienced food insecurity in June 2023 because of the ongoing cost of living crisis and high food prices, with children and benefits recipients being disproportionately impacted.⁴⁹ Weekly food costs in remote rural and island areas have been reported to be as much as 4% and 13% higher than in urban areas respectively, and prices in local convenience stores in remote rural areas can be as much as 44% higher than supermarkets, and up to 27% higher in the Islands.⁵⁰

The [Argyll and Bute Community Food Forum](#) (ABCFF) comprises of several community food organizations across the local authority area, including Kintyre Foodbank in Campbeltown, Bute Oasis in Rothesay, Hope Kitchen in Oban, Tarbert Pantry, Helensburgh and Rothsnead Foodbank, Solar Tiree Foodbank, Dunoon Foodbank, Helensburgh and Lomond Foodbank, and Islay Food Bank. Helensburgh and Rothsnead Foodbank reported a 21% increase in food parcels issued, and almost twice as many children affected by food poverty, an increase of 92.8%, between Nov 22-Jan 23 compared to the same period one year prior.⁵¹



The [2022-2023 Argyll and Bute Child Poverty Action Plan Review](#) report that more families with children are turning to the Community Food Forum and state that fuel poverty is pertinent, with crisis enquiries being received. Since January 2021 a bespoke referral service to Bute Advice Centre and ALL Energy has been in place for foodbank recipients. They also report that free school meal uptake remains higher than Scottish average and a cashless catering and online ordering facility, iPayimpact app, has been rolled out to protect confidentiality and reduce stigma.



Priorities and Local Initiatives to Tackle Rural Poverty

In March 2024, the [Community Planning Partnership \(CPP\)](#) within Argyll and Bute Council published their [Local Outcomes Improvement Plan \(LOIP\) for 2024-2034](#), which identifies the following three priority areas based on survey feedback from residents:

Transport Infrastructure – this was identified as the top priority for improvement in this local authority area, particularly in the areas of Helensburgh & Lomond and Bute & Cowal. Aspects identified for improvement of public transportation services include affordability, integration, access due to infrequent and limited services, and provision for older people and people with disabilities. Improved safety and mitigation against the impacts of climate change on road infrastructure were also identified.

Housing – this priority area was the top priority in the areas of Oban, Lorn and the Isles, and Mid Argyll, Kintyre and the Islands. Aspects of housing identified for improvement included availability of homes to buy or rent that are the right size and in the right areas; affordability, both in terms of cost to buy or rent but also to run due to high heating costs, and to travel to in certain locations; and the condition of homes as many are old, hard to heat and in a poor state of repair.

Community Wellbeing – this refers to peoples’ ability to *“access informal and formal support and places providing opportunities for emotional and cultural attachment; leisure and work; skills development and travel; shops and facilities. It is also about the power that people have to participate in having a say in what happens in their communities.”*⁵²

The remainder of this section outlines some existing initiatives identified in the 2022-23 Argyll and Bute Child Poverty Action Plan Review to tackle poverty in the area, including initiatives relating to energy efficiency, fuel poverty and food insecurity, housing insecurity, and financial inclusion and employment.

Energy Efficiency

- The [Home Energy Efficiency Programme Scotland \(HEEPS\)](#) and [Warmer Homes Scotland](#) grant scheme ran until June 30th, 2023, and resulted in insulation measures being installed in 163 homes in Argyll and Bute in 2022-23, and 186 homes received energy efficiency measures in in 2021-22.
- Argyll Community Housing Association (ACHA) received Scottish Government funding in December 2022 for a project to insulate mixed tenure blocks of



properties in Lorn, Tarbert, Bute and Cowal and contribute to a regeneration project in Ardrishaig.

- **Social Housing Landlords have been carrying out work to meet the Energy Efficiency Standards for Social Housing (ESSH).**

Fuel Poverty and Food Insecurity

- **ALI Energy provide energy efficiency and affordable warmth advice to households in fuel poverty. Crisis grants are provided via the ALI Energy Flexible Fund according to availability and eligibility in the form of prepayment meter vouchers; direct payments to energy suppliers; cash payments; or essential appliances or other items.**
- **Under the [Warm Places Initiative](#), there are places across Argyll and Bute set up to provide warmth, snacks, company, advice and activities.**
- **The [Argyll and Bute Flexible Food and Fuel Fund](#) (ABFFFF) is delivered by ALI Energy, Argyll and Bute Council, Bute Advice Centre, and the Argyll and Bute Community Food Forum. It began in January 2021 and is designed to be a cash-first approach to the cost-of-living crisis. Funding has been secured to enable this fund to continue to support those in need of financial help.**
- **The [Community Food Forum](#) was set up in January 2019 to support foodbanks across Argyll and Bute and is facilitated by Bute Advice Centre.**

Housing Insecurity

- **Under the Argyll and Bute Strategic Housing Investment Plan (SHIP) 177 new energy efficient homes were built in 2022-23.**
- **In 2022-23, Community Housing Trusts were able to build or bring back into use 18 affordable homes as well as begin work on five new builds in [Gigha](#). Development Trust led housing developments also exist or are in progress on [Mull](#) and [Colonsay](#).**
- **Through the [Argyll and Bute Buy Back Initiative](#), HOME Argyll Housing Associations are buying back private homes to be added to their affordable rental stock.**
- **Short Term Let legislation is coming into effect in 2023/24 and applications for licenses commenced in Argyll and Bute 2022/23.**
- **Areas for investment identified in the [Rural Growth Deal for Argyll and Bute](#) include increasing the number of affordable homes available for key workers. However, the location of these homes has been highlighted as key to ensuring this is effective due barriers to employment in rural areas such as long**



commutes and a lack of childcare. The Argyll and Bute SHIP Programme and Strategic Housing Fund have supported the provision of new homes on several islands and developments in smaller settlements.

- In 2022-23, work was undertaken to build 24 new wheelchair homes and 25 homes suitable for disabled people who do not require a wheelchair spec home.
- Discretionary Housing Payments are available for anyone on the benefit cap and Argyll and Bute Council are looking for ways to automate these payments.
- The Rapid Rehousing Rent Arrears fund can help those with rent arrears.

Financial Inclusion and Employment

When addressing financial inclusion, it is critical to consider the poverty premium i.e., the higher costs that households on a low income pay for essential products and services such as loans, energy and insurance. Recent research by [Fair By Design](#) estimates that 22% of households in Argyll and Bute are experiencing any component of the poverty premium, and places the total cost of the poverty premium in this area at £ 3,884,994, with an average cost to households in poverty of £416 per year. Actions to address financial inclusion in this area include:

- The Argyll and Bute [Parental Employability Support Fund](#) (PESF) which supports parents to develop their skills and confidence to support employability as well as welfare rights support.
- The Argyll and Bute [Parental Welfare Fund](#) is part of PESF and is a new initiative to help parents who have successfully secured employment with childcare costs, debt, transport costs, work clothes, coffees and lunches to help with the costs of transitioning to work.
- Between April 2022 -March 2023 2,500 copies of [Worrying About Money](#) guide have been distributed. This guide shares information about benefits, budgeting, energy advice, foodbanks and other advice and guidance.
- Welfare rights services delivered by Bute Advice Centre to ACHA tenants and providing 'Warm Bags' containing blankets, soup tins, insulated cups etc. to those who are worried about bills.
- Scotland Loves Local cards with a value of £120 were distributed in November 2022 and by February 2023, 85.2% had been activated, with £680k spent locally. Approx 1,300 cards were issued to islanders in receipts of council tax reductions.
- A [monthly funding alerts](#) bulletin is issued by the council to communities, individuals and organizations.

Other initiatives:



- Supporting communities to access and use digital devices and develop their digital skills was a need identified by the Digital Skills workstream within the Community Learning and Development strategic partnership. They are currently [reviewing existing supports](#) and service gaps to support people to gain digital skills for life and work and the next steps will be to develop plans to support areas of need.
- [School Clothing Banks](#) are now live in most areas in Argyll and Bute.
- The [MYTribe](#) free period products initiative was launched in August 2022. Products are available in more than 150 community locations with free online ordering and delivery available.
- The [Rural Growth Deal](#) (RGD) is anticipated to be a key driver for local inclusive economic growth, community wealth-building and well-being. The Creating a Low Carbon Economy project which will take place on Islay will focus on helping to reduce high levels of rural fuel poverty by improving energy efficiency measures. The RGD funding will be added to existing energy efficiency schemes, and housing constructed under the deal will place emphasis on energy efficiency and be located close to local amenities. The RGD Digital Project will aim to enhance connectivity across the region.
- [The Cruas Project](#) in Tiree is being run by Tiree Community Trust and takes a human-rights based approach to tackling the cost-of-living crisis. Initiatives include partnering with myTribe to tackle period poverty, a confidential support service, an energy grant pilot, training community support officers to be Citizens Advice Bureau volunteers so that face to face meetings are possible on Tiree, and attending local, regional and national meetings with change makers.



Conclusion

The stark picture laid out in this briefing shows that households on a low income in Argyll and Bute are facing a myriad of unjust challenges, which are exacerbated by the ongoing cost-of-living crisis. Rates of fuel poverty and housing insecurity are particularly prominent, both of which are examples of the rural premium, an additional barrier on top of the poverty premium. The impacts of unaffordable and unavailable housing combined with high rates of low-paid and seasonal employment are driving the declining population in this area and leaving many children in poverty. While there are a variety of initiatives in place in Argyll and Bute to support households on a low income, the trends reported in this briefing illustrate that more needs to be done to tackle the rural poverty premium in this area.

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