

Social Recovery Taskforce
31 July 2020 at 11:00
Via Microsoft Teams

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Agenda

1. Welcome, Introductions, and Apologies
Cllr Ricky Bell
2. Minute of Previous Meeting
Cllr Ricky Bell Attached
3. Terms of Reference
Bernadette Monaghan, Glasgow City Council Attached
4. Priorities and Workstreams
Bernadette Monaghan, Glasgow City Council
5. Participatory Budgeting post-COVID: Visioning the Next Steps
Chris Harkins, Glasgow Centre for Population Health
6. Academic Support Group
Des McNulty, University of Glasgow
7. AOCB
8. Meeting Schedule:

03/09/2020, 14:00
01/10/2020, 14:00
29/10/2020, 14:00
26/11/2020, 14:00
24/12/2020, 14:00 (to be rearranged)
21/01/2021, 14:00
18/02/2021, 14:00
18/03/2021, 14:00
15/04/2021, 14:00
13/05/2021, 14:00
10/06/2021, 14:00
08/07/2021, 14:00

Taskforce due to end by 31/07/2020

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MINUTES

Social Recovery Taskforce 2nd July 2020, at 2pm via Microsoft Teams

Present: Councillor Jennifer Layden (Chair), Glasgow City Council; Bernadette Monaghan, Glasgow City Council, Community Empowerment Services;; Councillor Richard Bell, Glasgow City Council; Councillor Ruairi Kelly, Glasgow City Council; Jatin Haria, BAME Representative; Colin Lee, BAME Representative; Colleen Rowan, Glasgow and West of Scotland Forum of Housing Associations; Pete Seaman, Glasgow Centre for Population Health; Gary Dover, Glasgow City Health and Social Care Partnership; Fiona Moss, Glasgow City Health and Social Care Partnership; Paul Buchanan, Glasgow Colleges Regional Board; Tressa Burke, Glasgow Disability Alliance; Lorraine Barrie, Glasgow Equality Forum; Douglas Taylor, Glasgow Third Sector Interface Network; Ian Bruce, Glasgow Third Sector Interface Network; Gary l'Anson, Police Scotland; Roddy Keith, Scottish Fire and Rescue Service; Cormac Quinn, Glasgow City Council, Strategic Policy and Planning (Equalities), Anne Fehilly, Glasgow City Council, Neighbourhoods & Sustainability (Violence Against Women); Kirsti Hay, Glasgow City Council, Neighbourhoods & Sustainability (Violence Against Women)

In attendance:

Shaw Anderson, Glasgow City Council, Community Empowerment Services
Helen Hunter, Glasgow City Council, Community Empowerment Services
Gerald Tonner, Glasgow City Council, Community Empowerment Services
Kathleen Caskie, Glasgow Third Sector Interface Network
Chris Casey, Scottish Fire and Rescue Service

Apologies:

Afton Hill, Glasgow City Council, Strategic Policy and Planning (Equalities); Alan Benson, Glasgow Third Sector Interface Network; Jane Grant, NHS Greater Glasgow & Clyde; Linda De Caestecker, NHS Greater Glasgow & Clyde; Hazel Hendren, Police Scotland; David Bookbinder, Glasgow and West of Scotland Forum of Housing Associations; Janie McCusker, Glasgow Colleges Regional Board

1. Welcome, Introductions and Apologies

The Chair welcomed everyone to the first meeting of the Social Recovery Taskforce. She informed members the Taskforce had been set up as vital component of the Council's Renewal Programme Strategy and Governance Framework, which had been established as part of its response to the Coronavirus pandemic.

The Taskforce will provide leadership and direction, responsible for defining and co-ordinating activity, which will then be taken forward by all partners and continue to address the societal impact of the Coronavirus through the recovery phase and beyond. It was set up to complement the work of the Economic Recovery Taskforce and there are clear linkages and dependencies between both, in terms of inclusive economic growth and tackling inequalities. Cllr Ruairi Kelly informed the meeting that he is also a member of the Economic Recovery

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Taskforce and can ensure complementary working between the two. In addition, minutes and papers from the Social Recovery Taskforce will be shared with the Economic one.

The Chair invited everyone to introduce themselves in turn and then confirmed housekeeping rules for Microsoft Teams. Members were asked to mute microphones when not speaking, and to use the 'hand up' feature when they want to speak.

2. Roundtable Discussion

The Chair facilitated a round table discussion that gave all partners the opportunity to update the group on their responses to COVID-19, including challenges, lessons learned, plans for recovery, and 3 key priorities for action through the Taskforce

Colin Lee, BAME Representative

Colin gave an overview of the issues affecting ethnic minority communities and organisations that provide support services. This includes capacity building and support to access funding, digital inclusion, employability and financial inclusion. There are barriers to accessing mainstream and data gaps on the numbers of people accessing support services.

Coleen Rowan, Glasgow and West of Scotland Forum of Housing Associations

They have continued to carry out their social landlord role, while ensuring that both tenants and staff have been safe throughout the Covid crisis. Housing associations have also played a key role in providing wider support to individuals and communities.

Key priorities for us moving forward include the need to build on the great examples of partnership working which have emerged throughout the city. Community anchors continuing to play a central role moving into the recovery phase and there is renewed need to target inequalities through a place-based approach

Douglas Taylor, Glasgow Third Sector Interface Network

Douglas highlighted priorities in terms of addressing unemployment, the capacity of third sector to respond and the digital divide. He noted that there had been a staggering demand for internet access and IT equipment during the emergency response phase.

Pete Seaman, Glasgow Centre for Population Health

Pete agreed that digital inclusion should be a priority and highlighted the need to keep in mind that existing inequality will be four times greater. Recovery should be used as an opportunity to address pre-existing inequalities.. he agreed to share a report on the impact of existing inequality with the group.

Gary Dover, Glasgow City Health & Social Care Partnership

Gary highlighted the challenge of the slow the progress in coming out of lockdown. Despite some GGC NHS providing some urgent care other services were stopped completely or had services retracted. A lot of complexities need to be unpicked to get back to some normality. Recent staff changes due to Covid 19 meant staff are now having to work differently.

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Anne Fehilly and Kirsti Hay, Glasgow City Council, Violence against Women Partnership

The VAW Partnership includes TARA, Routes Out and ASSIST and depends heavily on the third sector to provide services to vulnerable women, children and families. Building resilience in the third sector is needed as we go forward. The Partnership is working on a separate recovery strategy with cross cutting issues, including support for those with mental health issues, addictions and complex needs. Addressing poverty and inequality is also a priority for the Partnership. Services have continued to be delivered but the impacts of trauma, especially for young people, will be experienced in the months and years ahead due to the significant backlog and delays in the court process.

Ian Bruce, GCVS

Ian agreed with all the issues and priorities highlighted in the discussion so far. He highlighted that GCVS facilitated a series of discussions over last few months as well as a survey carried out by all TSIs across Scotland. The survey results for Glasgow are consistent with the rest of Scotland. Whilst those third sector organisations that receive funding through grants or contracts are reasonably stable, those who depend on raising income through trading or fundraising are in a more precarious position.

The challenges / priorities coming from the sector include: closing the digital gap, poverty, turning the response to food poverty in the emergency phase into a sustainable strategy and business as usual model going forward,, mental health, young family challenges, employment (particularly youth employment). Future demands on the sector will be huge and one of the lessons learned is that collaboration and data sharing arrangements between third sector organisations will be critical to ensure co-ordination of effort and funding and avoid duplication. Service literacy will be key as some people will be engaging with public/third sector for the first time, for example in claiming benefits.

Tressa Burke, Glasgow Disability Alliance

Covid 19 has super charged inequalities and left disabled people behind. GDA carried out member engagement strategy at beginning of lockdown and so far have telephoned over 4500 people and collated 200 survey responses. The analysis so far showed:

- 55% of people are worried about food, money and medication
- 80% not aware of local services they can access
- 41% struggle to access information in formats needed
- 75 % were worried about social Isolation
- 90 % worried about physical and mental health
- 55% have had problems with access to internet

Gary I'Anson, Police Scotland

Police Scotland have seen an increase in demand for mental health services which became their main priority. Other recent priority has been demand on city centre hotel accommodation for homeless, refugee population etc.

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Gary informed members that Police Scotland are currently reviewing property stock which highlighted a number of vacant offices at different times throughout day. Gary offered members access to this space if needed.

The Chair thanked Police Scotland for their quick response to the recent incident on West George Street, which shocked everyone. She wished everyone a speedy recovery.

Jatin Haria, BAME Representative

Differential impacts may be racism and poverty. BME communities are twice as likely to be in poverty and experience health issues. There are particular issues in relation to the situation of Asylum seekers and there has been an increase in hate crime. Jatin highlighted addressing data gaps in ethnicity as a priority and the need for better quality data in order to deliver the right interventions at the right time.

The Chair noted the work CRER had recently undertaken to collate feedback from their network which was central to the work of the group and suggested further discussion take place under agenda item 4.

Martin Booth added that there was a role for data but capturing data on ethnicity only worked if people filled it in on relevant forms. He suggested there was a role for data, but data is only as good as you have got. In work poverty is a massive issue, with families on zero hour contracts living hand to mouth.

Lorraine Barrie, Glasgow Equality Forum

GEF members would like to see extra support for schooling and free support for children. They hope that progress could be made with Community Empowerment. Martin's presentation was helpful for structure but would like to see member voices being at the heart of work/decision making.

The Chair added that Community Empowerment will be a key part moving forward and there had never been a time it was more important. Need to look at how we harness and keep people involved in recovery work.

Roddy Keith, Scottish Fire and Rescue

Scottish Fire and Rescue have had a number of challenges on how to continue services for communities. They reported a modest increase in fatal fires and an increase in support for partner services in relation to suicide which ties in with mental health as a priority area for action

Priorities for them include how to ease back in to face to face engagement with communities; home fire safety visits, the fire reach engaging programme with young people and the fire safety audit programme to allow businesses to open up and workplaces to operate safely.

Paul Buchanan – Glasgow Colleges Regional Board

Challenges are deprivation and poverty and the risk going forward for students experiencing poverty, partly because of students relying on part time jobs which are no longer there because of economic downturn. Digital poverty also a risk, with the major risk being the

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apprenticeship programme because of the recruitment of apprentices, with apprentices being laid off, as employers can no longer support them moving forward. He also noted the major review of tertiary education by Scottish Government, as well as restricted finance, the need for colleges to work in partnership, take a whole systems approach to learning and adapt the college offer to respond to business community needs.

The Chair thanked everyone for their helpful input and noted a lot of partners shared the same priorities.

3. Glasgow's Renewal & Recovery Programme

Martin Booth gave a presentation to the group to on Glasgow City Councils road to recovery. He informed members that as we recover from the pandemic it is vital we do not return to where we were and take the opportunity to review what we do and how we do it. The key issues at the heart of recovery are that we support economic recovery in our city and do everything we can to reduce inequality as the economy recover.

Renewal and Programme consists of five work streams:

- Economic Recovery Taskforce
- Social Recovery Taskforce
- Enabling the Workforce
- Customer/Community Engagement
- Budget and Finance

Process

- PESTLE Study
- Stage of Renewal
 - Emergency response (key business critical services)
 - Unlock services, re-introduce services
 - Renewal stage
- Work Streams
- Overarching Issues

Work streams

- Economic recovery taskforce
- Social recovery task force
- Enabling the workforce
 - Workplace
 - Workforce
 - Opportunities for service change
 - Data/Digital
- Building confidence
- Budget and Finance

Local implementation Plans

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- Governance (MB leading on this area, reporting direct to management team)
- Refresh Council Plan
- Risk and Issues
- Climate Emergencies
- Communications

The Chair thanked Martin for his presentation and opened the group up for questions.

Ian Bruce suggested internal strands around digital development may have potential for people out with the council to help and may see people in sector willing to offer support.

4. Social Recovery Taskforce Terms of Reference

The Chair asked members for comments on the Terms of Reference (TOR).

Questions and comments

Tressa Burke suggested it would be helpful if a reference group/panel offering lived in experience could be set up to feed into the group.

The Chair agreed it was about taking a different approach and would need to have a look at how we do that.

Dougie Taylor suggested that Glasgow Eco Trust join the Taskforce.

Fiona Moss added there was a need to be thoughtful as we bring in others groups that already exist and how we speak to people who have not been part of discussion before.

Bernadette informed members she had recently had a conversation with Pete Seaman (Glasgow Centre for Population Health) regarding 'Supporting community recovery and resilience in response to the COVID-19 pandemic' report produced by Chris Harkins. The report is about supporting community recovery which needs to be underpinned by a strong community voice. She will be having another conversation with Pete and Chris regarding PB processes and how it can be adapted to fit need of people affected by Covid 19.

Bernadette added that there was also a need to have an understanding of data. Going forward data will be key. All the preparatory work that everyone has done with their members and networks is very much appreciated and we do not want to run this group like a committees. Most work streams that are suggested will already have a home within other community planning or recovery and renewal structures. This group will work for 12 months so need to be clear what needs to be achieved in that time. The question being asked is what now and how do we take priorities forward?

Bernadette informed the group Gerald Tonner was working with CGI and SIT team regarding digital engagement tools that can be used to support community engagement. We are also exploring how the council can take over hosting the CONSUL platform from Cosla. CONSUL is the digital platform developed to support participatory budgeting processes.

Bernadette informed members that at the last meeting of CPP Executive group on 10 June, Jill Miller Presented a paper which was approved. It set out the offer to lead a review of

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volunteering and feed into the Social Recovery Taskforce. To this end, a small group has been set up with representation from Glasgow Life, GCVS and Volunteer Glasgow to develop a 3 month plan to review the objectives and priorities of the strategic volunteering plan for the next 3 years. The review will capture the learning from the Covid-19 response, review the output and make recommendations in October 2020, including views on the best city infrastructure to support volunteering going forward.

Members agreed to progress with these 2 work streams.

Agreed Action – Bernadette to progress setting up work streams.

Membership

Members agreed that the Taskforce needs voices of lived experience. Approach to this to be determined.

Gary suggested there was a need to be more specific with priorities and identify concrete priorities we can achieve.

Bernadette agreed it was a really important point. Glasgow CPP currently have good structures in place and would propose giving them some aspects of the work to do.

The group agreed Jill Miller be invited to become member of group and also a member from Health and Social Care Alliance.

Shaw advised the group that he had received an offer from Eileen Marshall from Neighbourhoods and Sustainability who would like to engage along with her senior managers. NS are the thematic lead for the environment in the Council's recovery programme and identified interdependencies with the Social Recovery Taskforce. It was agreed that NS representatives who lead on Public Health (Gary Walker), Transport (Marshall Poulton) and Sustainability (Gavin Slater) would be invited to join the group.

Cormac suggested that once work has started it would be useful to engage with Glasgow Chamber of Commerce..

Councillor Bell added there a lot of work still to be done to get back to where were. Great to have partners around table. He agreed that lived in experience to be included.

Gary suggested 2.8 could be clustered around headings.

The Chair suggested that the group should meet initially every 4 weeks.

Next steps

Bernadette, Shaw and Gerald will meet to distil and cluster the themes from today's discussion into suggested priorities for action, to be taken forward either by the Taskforce and work streams itself, other community planning structures of the Councils' wider recovery and renewal programme. A draft proposal and updated TOR will be circulated to members for thoughts and comments in advance of the next meeting and further refined at the meeting.

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5. Glasgow's Community Plan and Community Action Plan

Bernadette informed members that the work coming from this group will become the new Community Action Plan. There is also an opportunity to review the Community Plan in light of Covid-19 and any changed priorities. She added that she is committed to go back to CPP Executive group on 26th August 2020 with a plan to progress the refresh of the Community Action Plan.

6. Date of Next Meeting

The Chair thanked everyone for their time and advised that future meeting dates will be circulated as soon as possible.

**Glasgow Community Planning Partnership
Social Recovery Taskforce**

**Report by Director of Community Empowerment & Equalities
Contact: Bernadette Monaghan Telephone: 0141 287 0060**

SOCIAL RECOVERY TASKFORCE TERMS OF REFERENCE

Purpose of Report:

To seek agreement on the draft Terms of Reference for the Social Recovery Taskforce.

Recommendations:

The Executive Group are asked to:

- Consider and approve the attached draft Terms of Reference for the Social Recovery Taskforce.

SOCIAL RECOVERY TASKFORCE

TERMS OF REFERENCE (Draft for consideration)

1. Context

- 1.1 The COVID-19 pandemic has laid bare the inequalities that exist within society. Since March 2020, the focus of the response to the pandemic has been one of crisis management. As we emerge from the lockdown phase of the pandemic, the focus will shift to medium and long term impacts from the pandemic.
- 1.2 Few in our communities will emerge from the pandemic unscathed. Poverty and inequality have been exacerbated within Glasgow and as City leaders, we will respond in order to reduce inequality to Glasgow's citizens and communities. This will be a challenge for us all as a City.
- 1.3 The terms of reference for the Social Recovery Taskforce, including membership, will be agreed at the earliest opportunity by the Social Recovery Taskforce and reviewed when deemed necessary by the Chair.

2. Human Rights, Equalities, and the voice of Communities

- 2.1 Human Rights and Equalities will be embedded within every aspect of decision making of the Social Recovery Taskforce, and the wider renewal and recovery programme. The Social Recovery Taskforce will adhere to the Fairer Scotland Duty to actively consider how the Social Recovery Taskforce can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions.
- 2.2 The voice of communities will be heard within every aspect of decision making of the Social Recovery Taskforce, and the wider renewal and recovery programme. Communities will be asked and supported to participate in the Social Recovery Taskforce and its workstreams to ensure their experiences inform the design and delivery of recovery approaches.

3. Role and Remit

- 3.1 The Social Recovery Taskforce is a vital part of the City's response to recovery from the pandemic. It has been established as part of the renewal and recovery programme, facilitated by Glasgow City Council, and consists of five workstreams:
 - Economic Recovery Taskforce
 - Social Recovery Taskforce
 - Enabling the Workforce
 - Customer and Community Engagement
 - Budget and Finance
- 3.2 Each workstream will have its own role and remit, however it is recognised there will be overlap of certain elements of work and that the five workstreams success are interdependent. The Social Recovery Taskforce must ensure that duplication across the workstreams is kept to a minimum, whilst ensuring that communication and support channels across workstreams remain open.

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3.3 A visual representation of the renewal and recovery programme, and the workstreams of the Social Recovery Taskforce, are provided as appendix 3.

3.4 The key aims of the Social Recovery Taskforce is to address the societal and equality impacts of the COVID-19 pandemic. The objectives of the Social Recovery Taskforce are as follows:

- To set out a shared vision that will drive the City's response in relation to a broad range of themes.
- To refocus the influence and resources of existing Glasgow Community Planning Partnership (GCPP) partners, through clear actions and tracking/reporting of these actions.
- To have communities' voices at the heart of decisions made by the Social Recovery Taskforce and its workstreams.
- To encourage, and provide support to, organisations to have communities at the heart of service design and delivery.
- To lead the collective city wide response to the lessons learned and issues highlighted by the pandemic.
- To utilise data and evidence particularly in relation to equality and socio-economic impacts of the pandemic to inform actions and recommendations.
- To promote and champion the social recovery agenda.
- To assign thematic work to appropriate existing GCPP structures which will in turn take responsibility for producing recommendations for action and reporting on progress to the Taskforce.

3.5 The Social Recovery Taskforce will apportion elements of its remit between several workstreams. It is recognised that these workstreams, particularly at the outset, must be flexible until parameters are confirmed and a discrete pathway of actions is confirmed. The Social Recovery Taskforce may choose to create a responsible structure for a workstream, where an existing appropriate structure cannot be identified. Workstreams, and their potential responsible structure, are detailed below:

- Mental Health
 - Public Health Oversight Board
- Technology and Digital
 - Digital Glasgow Board
- Third Sector
 - TBC
- Black and Minority Ethnic Communities
 - Equalities Working Group

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- Disabled Communities
 - TBC
- Food Provision
 - Glasgow Food Policy Partnership / Glasgow Community Food Network
- Violence Against Women
 - Violence Against Women Partnership
- Volunteering
 - Volunteering Strategy Governance Group
- Child Poverty
 - Child Poverty Action Group
- Young People
 - TBC
- Colleges
 - TBC
- Property
 - Making Best Use of Our Assets: Property Group

3.6 The Social Recovery Taskforce will utilise up-to-date evidence where available in setting its priorities and directing the City's response through existing structures and thematic groups. Where gaps in evidence are identified, the Social Recovery Taskforce may request that a separately convened academic group carry out a research exercise to obtain, gather, and present required evidence. Policy Scotland will provide and co-ordinate analytical support, and report to the Social Recovery Taskforce as appropriate. An initial body of available research and evidence is provided as appendix 1.

4. Membership

4.1 The membership will be wide ranging to reflect the aims of the Taskforce. An initial membership is provided as appendix 2.

4.2 The Social Recovery Taskforce will be Chaired by Glasgow City Council's City Convenor, Community Empowerment, Equalities and Human Rights and Co-Chaired by the City Treasurer.

4.3 As the Social Recovery Taskforce is closely aligned with Glasgow's Community Planning Partnership, the membership will draw extensively, though not exclusively, from partners on the GCPP Strategic Partnership and GCPP Executive Group. The GCPP Governance Framework is provided for reference:

www.glasgowcpp.org.uk/CHttpHandler.ashx?id=17142

4.4 Membership is sought to ensure participation from equalities groups and voices from people with lived experience of poverty and inequality.

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4.5 Members from partner organisations should be senior representatives with decision making authority and attend all meetings.

4.6 Non-voting co-optees may be appointed to bring access to external expertise, knowledge and experience, as necessary.

4.7 Substitutes may be nominated to ensure continuity of representation.

4.8 Notwithstanding the above, the members of the Social Recovery Taskforce shall consist of individuals appointed by recognised partners and recognised community networks as follows:

- City Convenor, Community Empowerment, Equalities and Human Rights (Chair)
- Treasurer (Co-Chair)
- Economic Taskforce Political Representative
- Academic Representative
- BAME Representative
- Carers Representative
- Glasgow and West of Scotland Forum of Housing Associations
- Glasgow Centre for Population Health
- Glasgow City Council, Chief Executive
- Glasgow City Council, Director of Community Empowerment and Equalities
- Glasgow City Health & Social Care Partnership
- Glasgow Colleges Regional Board
- Glasgow Disability Alliance
- Glasgow Equality Forum
- Glasgow Life
- Glasgow Third Sector Interface Network
- LGBT Representative
- NHSGGC
- Older Persons Representative
- Police Scotland
- Poverty Representative
- Public Health Representative
- Scottish Fire and Rescue Service

Co-Optees

- Glasgow City Council, Strategic Policy & Planning (Equalities)
- Glasgow City Council, Neighbourhoods & Sustainability (Violence Against Women)
- Glasgow City Council, Neighbourhoods & Sustainability (Public Health)
- Glasgow City Council, Neighbourhoods & Sustainability (Transport)
- Glasgow City Council, Neighbourhoods & Sustainability (Sustainability)
- Public Health Scotland
- Scottish Government
- Health and Social Care Alliance

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5. Administrative Support

- 5.1 A number of structures are already in place to support the delivery of effective community planning in Glasgow and it is proposed that these existing structures will support the work of the Social Recovery Taskforce as thematic hubs / groups, leading on particular priorities as directed by the Social Recovery Taskforce and as appropriate to their current focus and areas of responsibility and expertise.
- 5.2 Business support will be provided by Glasgow City Council's Community Empowerment Services under the instruction of the Director of Community Empowerment and Equalities.
- 5.3 Meetings of the Social Recovery Taskforce will take place every 4 weeks, where practical, for a period of 12 months (until 31 July 2021). Beyond this, the intention is for the actions determined by the Social Recovery Taskforce to be taken on by Glasgow Community Planning Partnership within the Glasgow Community Plan and related Community Action Plan.
- 5.4 Community Empowerment Services will record actions agreed by the Social Recovery Taskforce and ensure the appropriate partner reports back on progress made to implement the action.

6. Reporting Mechanisms

- 6.1 The Social Recovery Taskforce will report to the appropriate Glasgow City Council committee, and to the appropriate structure of Glasgow Community Planning Partnership.

Appendix 1 – Available Research & Evidence

- Harkins C. [Supporting community recovery and resilience in response to the COVID-19 pandemic – a rapid review of evidence.](#) Glasgow; GCPH 2020.
- NHS GGC. [Responding to Mental Health Impacts of the COVID-19 Pandemic in Glasgow City. Dr Trevor Lakey, Health Improvement and Inequalities Manager – Mental Health, Alcohol and Drugs, NHS Greater Glasgow and Clyde](#)
- Scottish Government 19th June 2020 - [Coronavirus \(COVID-19\): domestic abuse and other forms of violence against women and girls - 30/3/20-22/05/20](#)
- Close the Gap. [Disproportionate Disruption – the impact of COVID-19 on women's labour market equality.](#)
- Improvement Service. [Poverty, Inequality and COVID-19: A brief summary of some issues and potential impact of those living in socio-economic disadvantage.](#)
- Glasgow Disability Alliance. [GDA's COVID-19-Resilience engagement and response. Interim report. April 2020.](#)
- CRER. COVID-19: [BME Community Needs in Glasgow](#)
- Policy Scotland: [Working Paper: The COVID-19 Crisis And Universal Credit In Glasgow](#)

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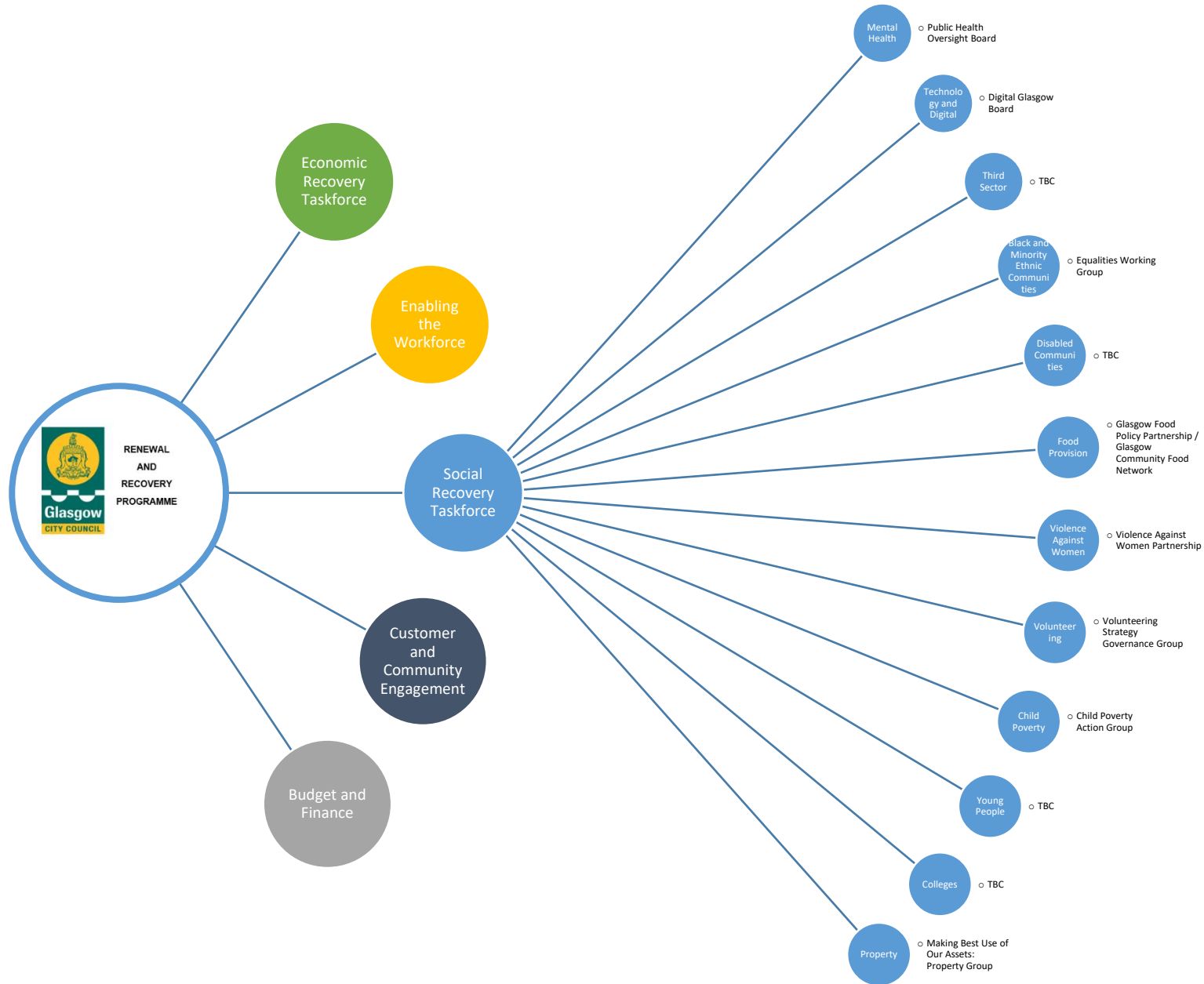
Appendix 2 – Membership

Name	Partner/Body	Role
Cllr Jen Layden	City Convenor, Community Empowerment, Equalities and Human Rights	Chair
Cllr Ricky Bell	City Treasurer	Co-Chair
Cllr Ruairi Kelly	Economic Taskforce Political Representative	Member
TBC	Academic Representative	Member
Jatin Haria sub: Colin Lee	BAME Representative	Member
TBC	Carers Representative	Member
Colleen Rowan sub: David Bookbinder	Glasgow and West of Scotland Forum of Housing Associations	Member
Pete Seaman	Glasgow Centre for Population Health	Member
Annemarie O'Donnell	Glasgow City Council, Chief Executive	Member
Bernadette Monaghan	Glasgow City Council, Director of Community Empowerment and Equalities	Member
Gary Dover sub: Fiona Moss	Glasgow City Health & Social Care Partnership	Member
Janie McCusker sub: Paul Buchanan	Glasgow Colleges Regional Board	Member
Tressa Burke	Glasgow Disability Alliance	Member
Lorraine Barrie	Glasgow Equality Forum	Member
Jill Miller	Glasgow Life	Member
Alan Benson sub: Dougie Taylor	Glasgow Third Sector Interface network	Member
TBC	LGBT Representative	Member
Jane Grant sub: Linda De Caestecker	NHSGGC	Member
TBC	Older Persons Representative	Member
Hazel Hendren sub: Gary l'Anson	Police Scotland	Member
TBC	Poverty Representative	Member
TBC	Public Health Representative	Member
Martin Cassidy sub: Christopher Casey	Scottish Fire and Rescue Service	Member
Gary Walker	Glasgow City Council, Neighbourhoods & Sustainability, (Public Health)	Co-Optee
Gavin Slater	Glasgow City Council, Neighbourhoods & Sustainability, (Sustainability)	Co-Optee
Marshall Poulton	Glasgow City Council, Neighbourhoods & Sustainability, (Transport)	Co-Optee
Kirsti Hay sub: Anne Fehilly	Glasgow City Council, Neighbourhoods & Sustainability, (Violence Against Women)	Co-Optee
Cormac Quinn sub: Afton Hill	Glasgow City Council, Strategic Policy & Planning (Equalities)	Co-Optee
TBC	Health and Social Care Alliance	Co-Optee
TBC	Public Health Scotland	Co-Optee
TBC	Scottish Government	Co-Optee

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Appendix 3 – Visual Representation of renewal and recovery programme, and Social Recovery Taskforce workstreams



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**Glasgow Community Planning Partnership
Social Recovery Taskforce**

Academic Support Group

Purpose of Report:

To provide members of the Social Recovery Taskforce with information on the Academic Support Group.

Recommendations:

The Executive Group are asked to:

- Note report
- Note attached research



Policy Scotland Working Paper:
The COVID-19 Crisis and Universal Credit in Glasgow

Dr Sarah Weakley, Research and Impact Officer, Policy Scotland
Dr David Waite, Research Associate, Policy Scotland and Research Fellow, Urban Studies

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Working Paper: The COVID-19 Crisis and Universal Credit in Glasgow

Key points:

- Sharp ruptures to the labour market are already apparent, yet future policy transitions – including businesses resuming activity safely and furloughing schemes ending – may have pronounced effects on employment and unemployment in Glasgow. We consider how these ruptures are illustrated in data for Universal Credit, the primary working age benefit in the UK.
- In just one month (early March – early April) nearly 18,000 new people came on to the Universal Credit caseload in Glasgow. They had to wait until at least May in order to receive their first payment.
- The majority of new UC recipients are young workers and families (aged 25-39), who make up the bulk of the UC caseload in Glasgow (nearly 25,000 people).
- We are beginning to see an emergence of young people who have had to claim UC (under age 25) – these young people are likely facing much more severe hardship than peers who have their families to fall back on in an economic crisis. Given the nature of this crisis future reports may likely see a larger spike in UC for this group.
- Most of the new UC recipients are those disconnected from the labour market and are now required to work as a condition of their UC payment. However, vacancies are down in the Glasgow local authority by 65%. It is unclear how this context can complement a welfare state predicated on a buoyant labour market for recipients to easily reengage with work or else be sanctioned.
- Although the initial spike of UC claims passed relatively quickly, there is a distinct concern of a comparable spike in October when the furlough scheme ends. It is therefore valuable for policymakers to consider programmes that will stimulate employment quickly now, before this spike occurs.

1. Introduction

The Covid-19 pandemic is having a severe impact on labour markets across the globe. In the US, for example, the first 11 weeks of the crisis saw 42.6 million register for unemployment claims¹ (although jobs growth has recently been recorded). The unemployment concerns also present geographies that may differ to the geography of the virus, and the New York Times shows this for states in the US; even for states and countries that have successfully dampened the virus, unemployment is now a stark concern² (New Zealand has an important tourist industry, for example, which is struggling with closed borders)³.

¹ <https://www.politico.com/news/2020/06/04/unemployment-claims-numbers-coronavirus-300477>

² <https://www.nytimes.com/interactive/2020/06/06/business/economy/high-unemployment-few-coronavirus-cases.html>

³ https://www.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=12337497

In the UK, the economy contracted by 10.4% in the three months of February to April (compared with the prior three months, based on a rolling estimate), while data for April pointed to a contraction of 20.4% on the previous month. These are drops without precedent. Athow of the ONS remarked: “April’s fall in GDP is the biggest the UK has ever seen, more than three times larger than last month and almost ten times larger than the steepest pre-covid-19 fall. In April the economy was around 25% smaller than in February”.⁴

As lockdown is eased, consumer spending has begun to return, albeit in some parts of the economy more than others. Optimism can be drawn from some of the timely data emerging on consumer spending, leading the Bank of England’s Chief Economist to note that the recovery is emerging “sooner and faster” than expected.⁵ However, whilst this may be true for aspects of consumer spending, the labour market presents a wider set of complexities.

The unemployment concerns linked to Covid-19 have been related in magnitude to the Great Depression⁶, and the spectre of unemployment is likely to be an urgent policy concern for the foreseeable future. The UK Prime Minister recently remarked: “There will be many, many job losses and that is just inevitable, because of the effect of the coronavirus on the economy and the shutdown that has taken place”⁷. It has been estimated that, at present, “as much as half the UK workforce ... [is] currently either unemployed or underemployed”⁸ given furloughing arrangements and workers performing fewer hours, for example. Coupled with the fact that the economy that emerges from this crisis may be different, in important features and magnitudes (as well as spatial expressions)⁹, from the economy we could observe before the crisis – take, for example, the greater prevalence of online retail sales as a proportion of total retail spending – there may be stark implications for the world of work.¹⁰

A further key issue is that the immediate economic impacts of the crisis are proving to be very uneven. Households at the lowest end of the income spectrum have been hit hardest by the falls in employment from March to April, with a fall in median household earnings by 15%¹¹. Meanwhile, for young people the potential of scarring effects – e.g. in terms of dampened wages – is a key concern given this population’s exposure to shut down sectors and critical transitions from education to work. Furthermore, official statistics and research projects are beginning to report the beginnings of a serious debt crisis for low- to medium-income families as a result of employment loss or furlough¹².

4

<https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/gdpmonthlyestimateuk/april2020#gdp-fell-by-204-in-april-2020>

⁵⁵ <https://www.bankofengland.co.uk/-/media/boe/files/speech/2020/the-second-quarter-speech-by-andy-haldane.pdf?la=en&hash=3B82F9C046B7BCDA160AE8BE558B1EB58CFF21EB>

⁶ <https://www.theguardian.com/world/2020/apr/03/coronavirus-uk-business-activity-plunges-to-lowest-ebb-since-records-began>

⁷ <https://www.cityam.com/boris-johnson-tells-uk-to-brace-for-mass-unemployment/>

⁸ <https://www.bankofengland.co.uk/-/media/boe/files/speech/2020/the-second-quarter-speech-by-andy-haldane.pdf?la=en&hash=3B82F9C046B7BCDA160AE8BE558B1EB58CFF21EB>

⁹ <https://www.coronavirusandtheeconomy.com/question/why-has-coronavirus-affected-cities-more-rural-areas>

¹⁰

¹¹ <https://www.ifs.org.uk/publications/14908>

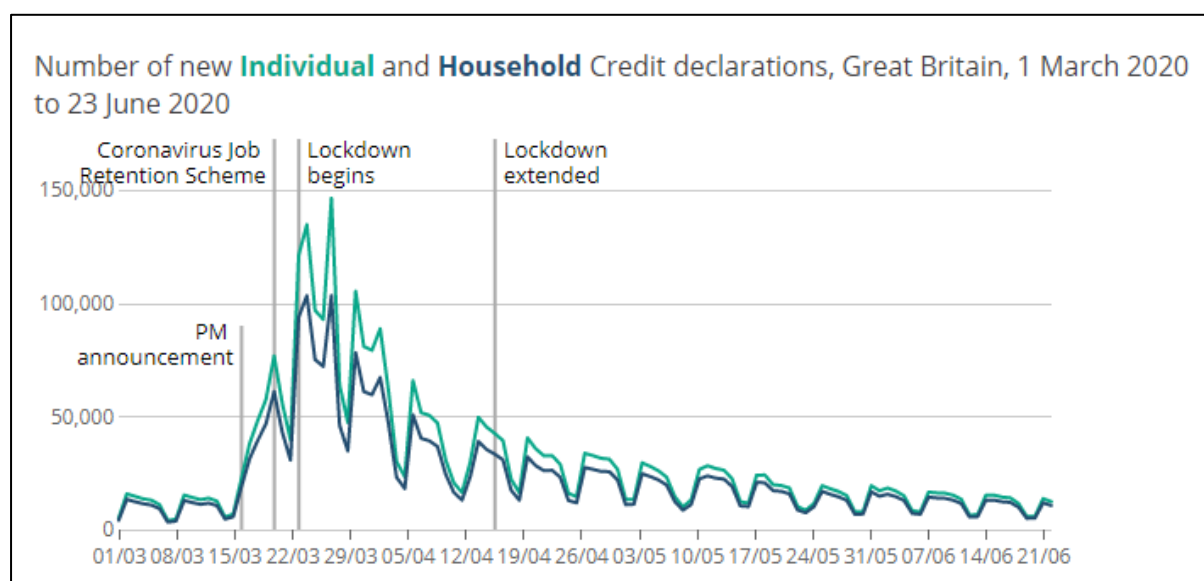
¹² <https://www.resolutionfoundation.org/publications/rainy-days/>

In this paper we begin to chart the interactions between shifts in the labour market and Universal Credit. Within the context of sharp ruptures to the labour market brought about by the closing of large swathes of the economy, this paper hinges, in the main, on reporting the emerging trends that can be observed for Universal Credit in Glasgow. The paper provides a glimpse of the labour market-Universal Credit challenge at a point in time – a point where great uncertainty still prevails – so much further research will necessarily follow this contribution. This paper, nevertheless, raises issues to look out for as further data emerges¹³.

1.1. Universal Credit acting as the backstop for the labour market

As a result of this economic crisis more households than ever have had to turn to Universal Credit (UC), the primary form of government assistance for people of working age in the UK. Despite attempts to retain workforces in existing employment through furlough schemes, across the UK a striking spike in Universal Credit claims occurred in late March followed by a heightened level through April. The Resolution Foundation notes, for example, that the surge in claims brought about by the crisis have been “unprecedented”¹⁴, where the DWP’s management information system over eight weeks reported 2.6 million Universal Credit claims. In April alone, 865,000 people across the UK signed up for Universal Credit¹⁵. While the worst of this spike is past, the ‘new normal’ of both individual and household claims to UC are still above the 2019 average.

Figure 1: Universal Credit Claimant Spike through 23 June, UK-wide (Office of National Statistics¹⁶)



Universal Credit data allows us to understand how the low-income population of a country or area is changing in this economic crisis; who is having to apply for this support by geographic area or demographic group, their attachment or detachment from the labour market, and the length of time

¹³ Policy Scotland intends to produce subsequent updates to each of the tables produced in this report in future short briefings on Universal Credit in Glasgow.

¹⁴ Resolution Foundation – Universal Credit’s First Recession --

<https://www.resolutionfoundation.org/publications/this-time-is-different-universal-credits-first-recession/>

¹⁵ <https://www.theguardian.com/business/2020/may/19/uk-jobless-april-coronavirus-crisis-unemployment-benefits>

¹⁶

<https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/bulletins/coronavirustheukconomyandsocietyfasterindicators/2july2020#universal-credit>

they are accessing this type of support. Although not all people who live on low incomes interact with the welfare system for a variety of reasons, and not all people who interact with the welfare system do so with this particular benefit, during this crisis Universal Credit has proven to be the most prominent intervention and therefore is the focus of the data here.

Using Universal Credit data from the DWP's Stat Xplore system as our primary source of evidence, this working paper seeks to illustrate the shape of the crisis for Scotland – most notably for Glasgow and the Glasgow city-region. This working paper first briefly reviews Universal Credit's key features and highlights the key changes to the programme as a result of the Social Security (Coronavirus) (Further Measures) Regulations 2020¹⁷. We then detail some headline data for Scotland and spend the bulk of the paper detailing Universal Credit in Glasgow using the most recent statistical data release (16 June 2020). We connect this data to other labour market interventions during this crisis and concerns across the city-region for economic recovery and draw together early conclusions and policy implications for both the social security system and larger economic interventions.

1.2. Data used in this paper

There are three datasets taken from DWP's Stat Xplore used for the figures and tables in Sections 3 and 4, each with a slightly different reporting period¹⁸:

- **Universal Credit Claims:** the number of claims made to Universal Credit *in one week*, from Friday to Thursday.
- **Universal Credit Starts:** the *monthly count* of people who have started on Universal Credit, measured from the Friday following the second Thursday in the previous month to the second Thursday in the current month. Starts are a series of statistics used to summarise the number of new claimants to Universal Credit. A person is deemed to have 'started' if they have accepted their 'claimant commitment.' Therefore, the count of 'starts' simply counts the number of people that have accepted their claimant commitment for the first time for Universal Credit in an assessment period.
- **People on Universal Credit:** the count of people receiving Universal Credit at *a single point in time*, the second Thursday of every month. The people on Universal Credit series counts the number of people who have started a claim for Universal Credit and are on a Universal Credit contract for which no end date has been recorded. Also, it is important that both individuals on a joint claim are counted separately but any dependants are not.

For this paper the reporting period ends on 9 April 2020. This is when the point in time measure is taken and the monthly period of 13 March to 9 April is the period noted in the Universal Credit starts figures. It is important to bear in mind that new entrants to the UC caseload in the 'people on Universal Credit' and the 'UC starts' data detailed here will likely not have received their first payment until May due to the five week wait period (see next section).

¹⁷ <http://www.legislation.gov.uk/uksi/2020/371/made>

¹⁸ See Universal Credit statistics: background information and methodology document for more information: <https://www.gov.uk/government/publications/universal-credit-statistics-background-information-and-methodology/universal-credit-statistics-background-information-and-methodology>

2. About Universal Credit and this crisis

Universal Credit (UC) is the main working-age benefit that is replacing six 'legacy' benefits in the UK: Child Tax Credit, Housing Benefit, Income-based Jobseeker's Allowance, Income-related Employment and Support Allowance, Income Support and Working Tax Credit. In general, most people in Scotland since 2018 who have become unemployed, experienced a loss of income or a change in circumstances must apply for Universal Credit. Before the COVID-19 crisis, in February 2020 there were 256,083 people in Scotland receiving Universal Credit at a single point in time¹⁹. This figure does not include those on any of the six legacy benefits who have not experienced a change in circumstances, who will be migrated to UC in the coming years²⁰.

Introduced in 2010, the policy aims of Universal Credit were to simplify a complex system of benefits into a more streamlined system (via a single payment) and to ensure that 'work always pays' (DWP 2010²¹). To achieve the second aim the designers of UC enabled those on low incomes moving in and out of work frequently to receive UC consistently (if not reaching the income threshold) without having to reapply for a new claim; a positive aspect of the system. However, most academics and commentators do not view UC as adequate, neither in monetary support provided nor in its administration (e.g. the five week wait for first payment) or requirements of recipients (e.g. the sanctions regime). Universal Credit can be accessed by those both in work and searching for work, and in the current crisis there are income and employment challenges facing workers in both groups.

Universal Credit plays an important role as an in-work benefit and tops up incomes for those whose wages have fallen below the eligibility threshold. During this crisis those on furlough can access Universal Credit, as their furlough pay (80% of their normal wages) counts as wages; if below the threshold they are eligible for UC. There are also workers who may have had their hours cut rather than be put on furlough, and these workers may also be eligible for UC assistance. Thus, Universal Credit data on both 'starts' and 'people on Universal Credit' captures the group of low-income workers in Scotland for whom a drop in earnings (even by 20%) makes them eligible for UC.

Universal Credit also supports those who are recently unemployed or, in this crisis, unable to work due to isolating and ineligible for Statutory Sick Pay. This group of claimants includes those who have been made redundant or who have lost income from self-employment as a result of the economic shutdown. The removal of the Minimum Income Floor²² allowed more self-employed workers to

¹⁹ From the 'People on Universal Credit' dataset (DWP Stat Xplore).

²⁰ The managed migration process in Glasgow was set to begin in 2020 but has been delayed due to COVID-19. The Office for Budget responsibility estimates the process to complete in roughly 2025. Office for Budget Responsibility (2020) Economic and fiscal outlook: March 2020 [online]. Available at: https://cdn.obr.uk/EFO_March-2020_Accessible.pdf

²¹ DWP (Department for Work and Pensions) (2010) Universal Credit: welfare that works [online]. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/48897/universal-credit-fulldocument.pdf

²² From the UK Government's 'Universal Credit and the self-employed' guidance (2020): 'Universal Credit includes a 'Minimum Income Floor' (MIF) if you are gainfully self-employed, and your business has been running for more than 12 months. The MIF is an assumed level of earnings. This is based on what we would expect an employed person to receive in similar circumstances. It's calculated using the National Minimum Wage for your age group, multiplied by the number of hours you are expected to look for and be available for work. It also includes a notional deduction for tax and National Insurance. If self-employed earnings are below the MIF we have calculated for you, we will use the MIF to work out your Universal Credit award instead of your actual earnings.' <https://www.gov.uk/government/publications/universal-credit-and-self-employment-quick-guide/universal-credit-and-self-employment-quick-guide#the-minimum-income-floor>

apply to Universal Credit while waiting for their first payment from the Self-Employment Income Support Scheme (SEISS) programme on 30 June if they are eligible.

An important consideration when viewing this data is that Universal Credit is not a particularly strong income replacement programme compared to the furlough scheme. Recent work from the Resolution Foundation²³ calculates that Universal Credit only replaces about 50% of median earnings where the JRS replaces 80%. Figures on total take up the furlough scheme is evidence that a vast majority of employers in crisis relied on this support: on the deadline for applications to the furlough scheme there were 9.1 million people who were/are furloughed for 3 weeks or more and 1.1 million employers furloughing²⁴.

2.1. Changes to UC during the COVID-19 crisis

On March 20th, the Chancellor announced a series of changes to Universal Credit and the Local Housing Allowance (which impacts amounts of Housing Benefit) as part of the Social Security (Coronavirus) (Further Measures) Regulations 2020. Key changes include²⁵:

- A flat-rate increase to Universal Credit of £20/week per household. This resulted in an effective increase in maximum entitlement for a single adult under 25 of 36% on its 2019 value, and an increase in the rate for a couple with two children of 11%²⁶;
- An increase of £1000 in the UC standard allowance, which enabled those with slightly higher incomes to be eligible for UC, particularly those who are isolating and not eligible for Statutory Sick Pay;
- Removal of the Minimum Income Floor for self-employed claimants, which previously assumed that those people whose business has been operating for more than a year earn an amount at least equivalent to 35 hours of work per week on the national living wage. Effectively, “This means that self-employed people whose businesses have collapsed can claim UC and potentially be entitled to a full award, equalising the treatment of employees losing jobs and self-employed people whose work has dried up”;
- Increase in the Local Housing Allowance (LHA) rates paid to cover 30% of the median rents in the area, effectively reversing the cuts to LHA to 20% made in 2012. It will increase housing support in parts of the country where rents have risen most in the last decade (but not all areas);
- Conditionality regime work requirements were paused until 30 June.

2.2. Ongoing Concerns: benefit cap, two-child limit, the five-week wait

Apart from perennial issues concerning adequacy of UC payment amounts, two major issues have come to the fore that hinder the ability of some families to access the increased support from the government’s coronavirus response: the benefit cap and the two-child limit. As of February 2020,

²³ Resolution Foundation, 2020: *This Time Is Different: Universal Credit’s first recession*

<https://www.resolutionfoundation.org/publications/this-time-is-different-universal-credits-first-recession/>

²⁴ <https://www.gov.uk/government/collections/hmrc-coronavirus-covid-19-statistics#coronavirus-job-retention-scheme>

²⁵ See: <https://www.resolutionfoundation.org/comment/key-take-aways-chancellors-package-of-measures-to-support-workers-coronavirus-crisis/>; <https://www.gov.uk/government/publications/universal-credit-29-april-2013-to-9-april-2020/universal-credit-29-april-2013-to-9-april-2020#people-on-universal-credit-1;>

²⁶ Resolution Foundation (2020). Key take-aways from the Chancellor’s package of measures to support workers in the coronavirus crisis

1,758 households in Scotland were subject to the benefit cap, which caps the amount of means-tested assistance a household can receive in one year²⁷. The majority of the households in Scotland subject to the cap are single adults with dependent children (1,155) (DWP 2020). The two-child limit restriction means that support provided to families whether through tax credits, Housing Benefit or Universal Credit will be limited to the first two children. According to a Work and Pensions Committee report of November 2019, this translates to an average annual loss of £2,780 per child²⁸. Both policies are widely regarded in academia and among third sector organisations and advocates as punitive, unnecessarily punishing the families for whom social assistance may be most vital²⁹.

Another concern that was recently the subject of a Work and Pensions Committee Inquiry is the policy requiring UC claimants to wait five weeks until their first payment. For many without adequate income in savings or from work, the wait results in further hardship including rent arrears and food insecurity. While the DWP's Advance Payment option is available to be taken out as a loan for claimants waiting for first payment, recent evidence shows that many who need it may not take this because it is a loan rather than a grant³⁰. While this paper cannot fully detail this issue here, we encourage you to access the reports resulting from that enquiry³¹.

2.3. UC and legacy benefits

Data on Universal Credit does not capture all of those who are on low incomes, as the 'managed migration' process has not yet occurred for Glasgow for those on the six benefits than Universal Credit replaces (it was set to do so this year before the COVID crisis). However, anyone previously on legacy benefits who has had their income move above and then below the eligibility requirements (i.e. a 'change of circumstances') would reapply for UC. Universal Credit thus serves the large proportion of people with incomes that are inconsistent between months or years. Given what we know about poverty dynamics³², UC figures capture many of those in Scotland and Glasgow who are interacting with the benefit system. Importantly, the UC increase of £20/week announced by the Chancellor does not apply to those on legacy benefits.

²⁷ 'The benefit cap, introduced in 2013, is a policy that sets a limit on the total annual payment a household can receive from means-tested benefits. Since 2016, the benefit cap has been set at £20,000 per year for couples and single parents and £13,400 for single adults across the UK, with a higher cap in London. The cap is implemented through a reduction in either Housing Benefit or UC, depending on whether the household remain on legacy benefits or have already moved onto UC. Households that qualify for Working Tax Credits, or are on UC and earn more than £542 per month, are exempt from the cap' (Scottish Government 2019). <https://www.gov.scot/publications/2019-annual-report-welfare-reform/pages/7/#:~:text=The%20benefit%20cap%2C%20introduced%20in,a%20higher%20cap%20in%20London.>

²⁸ DWP's Stat Xplore data does not currently capture families for whom the two-child limit applies. See Work and Pensions Committee Report:

<https://publications.parliament.uk/pa/cm201919/cmselect/cmworpen/51/51.pdf>

²⁹ Commentary on the two child policy from Bradshaw (2017) here: <http://www.social-policy.org.uk/50-for-50/two-child-policy/> and on the benefit cap, from the Institute for Fiscal Studies (2020): <https://www.ifs.org.uk/publications/14794>

³⁰ New work on the five week wait and advance payments in Glasgow from Joseph Rowntree Foundation: <https://www.jrf.org.uk/report/how-well-universal-credit-supporting-people-glasgow>

³¹ <https://committees.parliament.uk/work/135/universal-credit-the-wait-for-a-first-payment/publications/>

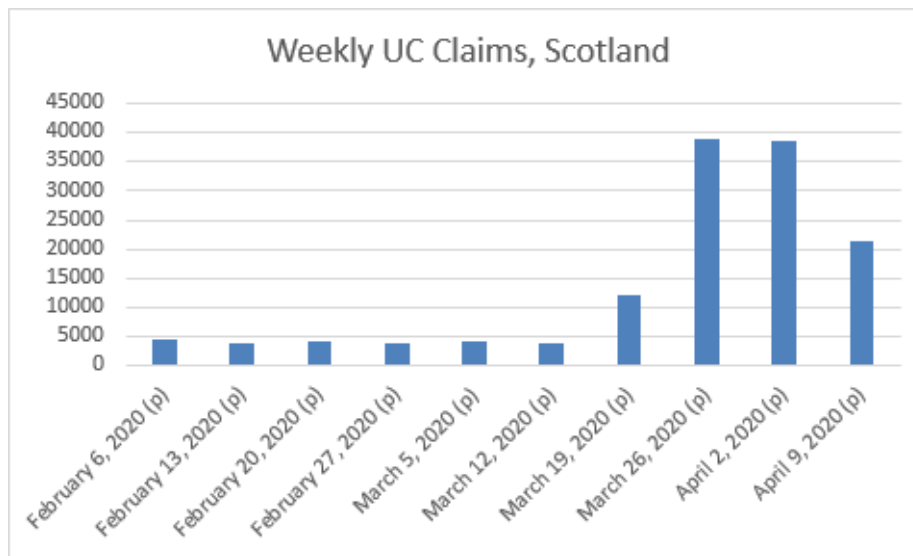
³² Bane, Mary Jo and Ellwood, David T., (1986), Slipping into and out of Poverty: The Dynamics of Spells, Journal of Human Resources, 21, issue 1, p. 1-23, <https://EconPapers.repec.org/RePEc:uwp:jhriss:v:21:y:1986:i:1:p:1-23>.

3. Universal Credit in Scotland

3.1. Universal Credit Claims in Scotland

Like the UK overall, Scotland experienced a steep increase in UC claims in the earliest stages of the lockdown period (week commencing 23 March). In the last week of March and the first week of April, nearly 40,000 claims per week were filed. While there was a decrease in the second week of April (to 9 April), the claims made were still nearly four times that of early March.

Figure 2: Weekly Universal Credit Claims in Scotland (February - April 2020)



Source: DWP Stat Xplore

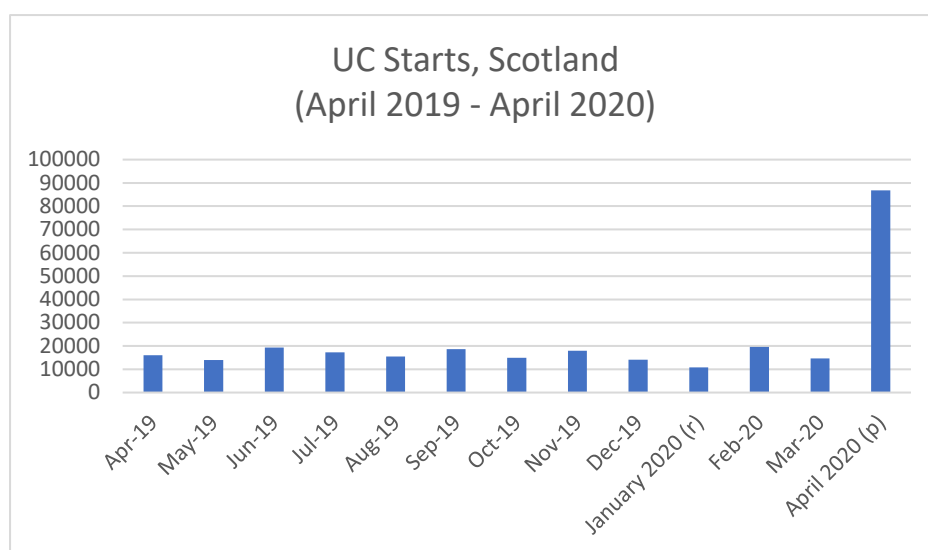
This figure illustrates the severity and speed at which the economic shutdown occurred: overnight vast sectors of the economy ceased entirely and as a result, thousands became newly eligible for Universal Credit. While the Stat Xplore data does not provide detail on the reasons for their claim, survey research of new claimants has found that many were furloughed or made redundant from previously low-wage work in hospitality or tourism sectors, for example, or who are self-employed in sectors that were unable to operate due to lockdown³³.

3.2 Universal Credit Starts in Scotland

Not all UC claims end up becoming starts for a variety of reasons (e.g. documents provided by the claimant online after making the initial claim render them ineligible). UC start figures therefore detail those who were successful in their UC claim in each month assessment period and can be considered the monthly caseload increase for UC. The April 2020 starts count for Scotland includes all of those whose claim was successful from the period of 13 March to 9 April and captures the first spikes in claimants after the lockdown period; nearly 87,000 people.

³³ Resolution Foundation (2020). This Time Is Different: Universal Credit's first recession
<https://www.resolutionfoundation.org/publications/this-time-is-different-universal-credits-first-recession/>

Figure 3: Monthly Universal Credit starts, Scotland (April 2019 – April 2020)



Source: DWP Stat Xplore

More striking figures on UC starts are found by looking at smaller geographies; here the four postcodes with the highest number of claims in April (Glasgow, Edinburgh, Aberdeen and Kilmarnock). Although the starts in Glasgow in April were 348% higher than in March, this is the lowest percent change of the four postcode areas – likely reflecting the higher existing claimant count than the other areas. Aberdeen experienced an over 1000% increase and Edinburgh experienced an over 700% increase in UC starts in April (Table 1). While analysts cannot be entirely sure which sector shutdowns resulted in the increases in these postcodes, falls in the oil industry (Aberdeen) and in the hospitality and tourism industry (Edinburgh) are likely to have been drivers of these spikes in UC starts³⁴.

Table 1: UC starts, March to April (4 Scottish postcodes)

Percentage change in UC starts March to April 2020			
	March 2020	April 2020 (p)	Percent Change
Glasgow	3,919	17,570	+348%
Edinburgh	2,435	20,126	+726%
Aberdeen	1,539	17,893	+1062%
Kilmarnock	1,154	7,757	+572%
Total (4 postcodes)	9,052	63,350	+600%

Source: DWP Stat Xplore

³⁴ Issues related to the Edinburgh's labour market discussed here: <https://www.bbc.co.uk/news/uk-scotland-scotland-business-52728307> and Aberdeen's labour market discussed here: <https://www.pressandjournal.co.uk/fp/news/aberdeen/2208545/number-of-aberdonians-affected-by-unemployment-up-60-in-just-one-month/>. However, future data will ideally reveal more about the drivers of unemployment and subsequent benefit claims and starts in each local authority.

3.3. People on Universal Credit by local authority

The final figures considered are the counts of those receiving Universal Credit at a single point in time in early April. Unlike the UC claims and starts data, this dataset captures those already in receipt of Universal Credit. The count of people on UC in Scotland was 373,306 in April, up from 264,117 in early March (a 41% increase) (Table 2).

We can see localised impacts of the economic downturn with this data by viewing changes in recipients by local authority areas. Table 2 shows the five local authorities with the most people on Universal Credit at the beginning of April 2020. The most notable increase in the count of people on UC among these five is the City of Edinburgh, that experienced a 68% increase in caseload, followed by Glasgow with a 42% increase. Although Edinburgh and other local authority areas may have seen a sharper uptick by percentage, by virtue of Glasgow's higher poverty levels the number of people in Glasgow who receive UC is over double that of Edinburgh in April 2020; a local authority area with roughly the same population size.

Table 2: People on Universal Credit, January 2020 – April 2020 (5 local authorities)

People on Universal Credit, January 2020 – April 2020 (Five local authority areas with highest counts)					
Local Authority	January 2020	February 2020	March 2020 (r)	April 2020 (p)	Percent Change (M-Apr)
Glasgow City	33,656	35,942	37,380	52,946	+42%
Fife	20,317	21,262	21,846	29,154	+33%
North Lanarkshire	18,045	18,885	19,543	27,457	+28%
City of Edinburgh	12,629	13,688	14,425	24,266	+68%
South Lanarkshire	16,370	16,955	17,466	24,144	+38%
Total (Scotland)	243,641	256,083	264,117	373,306	+41%

The stark figures on Universal Credit claims and starts in Scotland are broadly consistent with the UK-wide picture and reflect the sharp changes in incomes and employment as a result of the lockdown for broad sectors of the economy. These increases in claimants, which capture a wider group of the self-employed along with some people on furlough, also represent the large number of people in the UK whose incomes were previously just above the low-income threshold now plunged into poverty.

4. Universal Credit in Glasgow

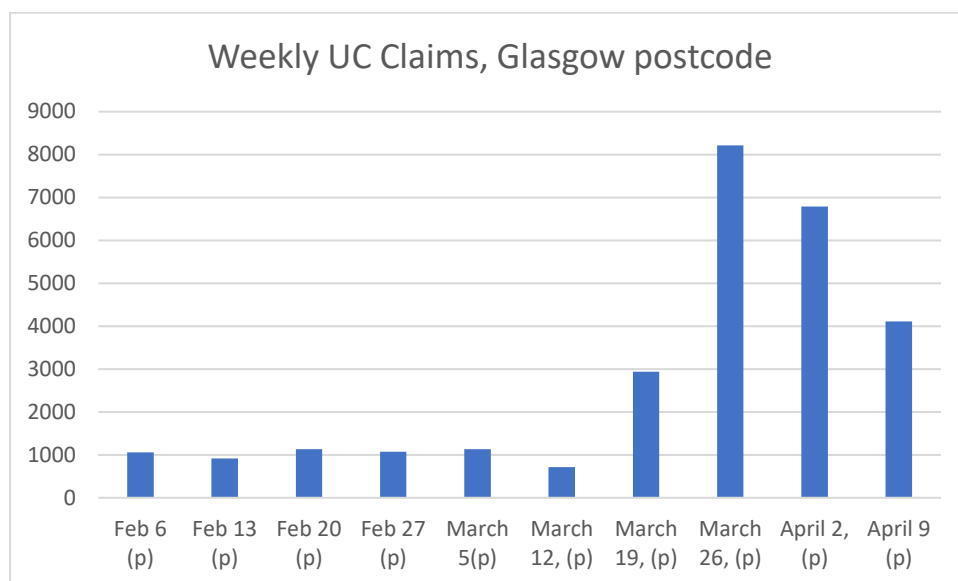
The previous section provided detail on how the economic shock of this crisis impacted Scotland overall, and we began to see the ways that impacts were felt differently in particular areas. In this section we focus on the changes in Glasgow. We view UC claims for the Glasgow postcode and then consider four subsections of UC starts and full caseload data; two that consider demographic groups and two that engage with the labour market conditions of claimants.

4.1. Universal Credit Claims in Glasgow

The weekly claims data for Glasgow is consistent with the national picture, although there was only one week of claims at or near their peak of around 8,000 – that of 26 March – rather than into the

week of 2 April. On the week of 9 April the weekly claims were still four times that of pre-COVID levels.

Figure 4: Weekly Universal Credit Claims, Glasgow (February – April 2020)



Source: DWP Stat Xplore

In the week of 26 March the Glasgow claims account for 20% of claims nationally, where earlier weeks of claims (i.e. 6 February) account for around 25% of claims nationally. This illustrates the spread of this economic crisis in Scotland beyond areas not already experiencing deprivation. While this initial data for Glasgow suggests just one major spike in new claim activity as the economic shutdown was implemented, the ‘new normal’ of high weekly claims in early April are evidence of the longer period of uncertainty as sectors made subsequent decisions about furloughing staff or reducing hours; an impact that we may see continue into data for May and June.

4.2. Demographic Groups

The next two subsections detail data for Universal Credit starts and people on Universal Credit by two demographic categories, age and gender. The two subsequent sections detail the people on Universal Credit by their conditionality regime and the duration they have been in receipt of UC, both of which can give us further detail into the types of people who are moving on to UC in the current crisis.

4.2.1 Age

Based on the sectors that were completely shut down in late March, we know that this crisis is having differential impacts for different age groups in the labour market. Recent work from the Resolution Foundation using Understanding Society data shows that around 30% of workers under 24 have been furloughed with another 10% losing their jobs altogether; by far the hardest hit age group³⁵. Those aged 25-29 are the age group with the second-worst impacts, with around 24% on furlough and 6% losing their jobs. This is relatively unsurprising given the concentration of young

³⁵ Resolution Foundation 2020. Summer Economic Update
<https://www.resolutionfoundation.org/publications/summer-statement-july-2020/>

workers in low paid hospitality, retail and culture sectors. These age groups are therefore also closer to the eligibility threshold for UC than older workers in higher paid sectors.

Given the features of the UK social security system, which has lower levels of benefits for those under 25 without children³⁶ (due to an assumption of dependency on family members for this group)³⁷, take-up of benefits for this group is generally lower than for other age groups. Instead, young people may be choosing to rely on their family as the first 'safety net' to turn to rather than state systems by moving back home (if possible) or receiving income support from parents. UC data for this age group therefore likely captures a group of young people who do not have as robust a family support system to fall back on and for whom will be experiencing severe hardship (relatively independently) during this crisis. For those who are claiming UC the lower level of payments for those under 25 is also problematic in terms of adequacy, as a single adult under 25 has a standard allowance £60 lower per month than a single adult over 25.

The other age group experiencing disproportionate impacts during this crisis are workers over age 60, with around 22% furloughed and 6% laid off³⁸. However, this is also a group that has very low take up of Universal Credit³⁹. Rather, most people on Universal Credit are of 'working age' here considered between age 25 and 55.

Universal Credit starts for Glasgow show an increase in starts for all age groups, each experiencing more than triple the number of UC starts recorded for April than in March (Table 3). Those between ages 25 to 39 make up the largest proportion of starts to UC in April, with just over 8,000 new starts for this group. We can consider this a 'younger families' group; a group that will also be reflected in figures on child poverty, which is projected to rise as a result of this crisis. Although this 'young families' group comprises the largest number of starts in Glasgow, the age group with the largest increase in UC starts was the 40 to 55 year-old age group. This may be partially due to the situation among the self-employed, who were disproportionately impacted by lockdown and able to apply for UC due to the removal of the minimum income floor. This group of workers are generally older than other workers: 45 to 54 year-olds make up the largest proportion of the self-employed according to the Annual Population Survey⁴⁰.

³⁶ The standard allowance for a single adult under 25 is £342.72 per month, and the standard allowance for a single adult over 25 is £409.89 per month. See: <https://www.gov.uk/universal-credit/what-youll-get>

³⁷ The 'dependency assumption' inherent in the UK social security system is detailed in Harris (1989), *Social Security for Young People*.

³⁸ Resolution Foundation 2020 Summer Economic Update
<https://www.resolutionfoundation.org/publications/summer-statement-july-2020/>

³⁹ There is currently very little empirical work done on the reason for low take up of Universal Credit for claimants above age 55, but it has been suggested that it may be combination of digital by default service delivery as a barrier; not being migrated to UC from tax credits; or those eligible waiting (if possible) until they reach the state pension age to access pension credit rather than UC.

⁴⁰

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/coronavirusandselfemploymentintheuk/2020-04-24#self-employed-people-are-older-on-average-than-employees>

Table 3: Monthly UC Starts in Glasgow, by age group⁴¹

UC Starts, Glasgow by age group			
Age group	March 2020	April 2020 (p)	Percent Change
16-24	825	2,760	+234%
25-39	1,737	8,094	+365%
40-54	934	4,877	+422%
Over 55	410	1,830	+346%
Missing	0	18	
Total	3,919	17,570	+348%

While these start figures capture all of those who started on UC to 9 April, it is likely that the next round of UC data will capture the continued high engagement with UC for all groups. We may potentially also begin to see more engagement in UC from the younger age groups, as employers made more decisions about furloughing staff after the initial three-week lockdown period that affected this group to a greater degree.

People on UC in Glasgow by age group

Provisional point in time figures for Glasgow in April report 52,946 people in the entire UC caseload, which includes those already in receipt. Again, the largest proportion of recipients are in the 25-39 year-old age group (47%); nearly double the number of recipients than the second highest 40-55 year-old group, which comprise 26% of the caseload. The proportion of the UC caseload in each of the age groups are similar to the national picture (see Figure A1 and Table A1, Appendix).

When looking at increases to the total recipient population in Glasgow the increases are not as stark as when viewing claims and starts data. This is particularly notable for Glasgow, which has the highest UC caseload of any local authority in Scotland. After a 44% increase, nearly 25,000 people in the 25-39 year old age group were receiving Universal Credit in Glasgow on 9 April. These percentage increases are similar when looking at figures for Scotland⁴².

Table 4: People on UC, Glasgow by age group

Age group	February 2020	March 2020 (r)	April 2020 (p)	Proportion of caseload, April	Percent change (Mar/Apr)
16-24	5,728	5,963	8,167	15%	+36%
25-39	16,544	17,172	24,861	47%	+44%
40-55	9,450	9,849	13,878	26%	+41%
Over 55 (incl missing)	4,221	4,403	6,040	11%	+11%

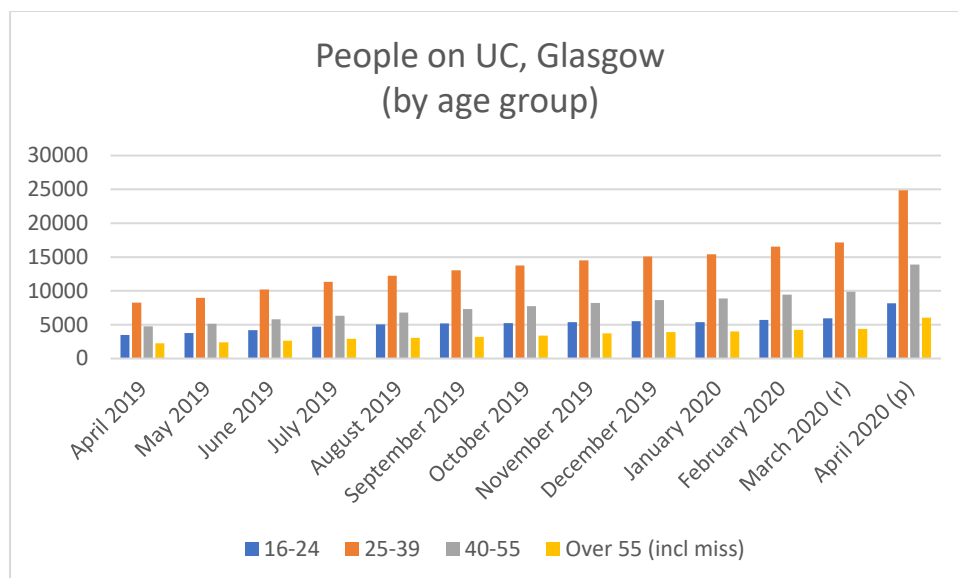
These large increases in the UC caseload compare to a small but steady increase in the UC caseload for the last year for those in the 25-39 year old group (between about 3 – 7%) (Figure 5). Although

⁴¹ Figure A2 in the Appendix charts UC starts data for Glasgow by age group for the period April 2019 to April 2020.

⁴² See Figure A3 and Table A3 for charts on UC caseload for Scotland by age group.

the increases to the caseload of every age group is unprecedented, for the youngest group of recipients this increase to around 8,000 people follows roughly 8 months of a caseload of around 5,000 young people. Again, given the nature of the labour market for young people as a result of this crisis we might see an even larger caseload in Glasgow in the next UC data release.

Figure 5: People on Universal Credit in Glasgow by age group, April 2019 – April 2020



4.2.2. Gender

Given what we know about the disproportionate impact this crisis and sector shutdowns have on women⁴³, we might also expect this impact to be reflected in Universal Credit data for the first part of the crisis period. In Scotland as in the rest of the UK, women make up a larger proportion of the Universal Credit caseload, due to the greater proportion of women living in poverty overall and the higher likelihood of female-headed households living in poverty⁴⁴. The UK benefit system, and liberal welfare states overall, are 'gendered' by design and eligibility criteria is predicated on how the state defines who is 'deserving' of support⁴⁵. In general, single mothers have always been considered a group deserving of government assistance (although conditions of assistance for this group have changed in recent decades).

The Scottish point in time figures for the UC caseload reported in March that 54% of the caseload were women and 46% were men. This gap decreased in April with more men coming on to Universal Credit, such that in April 49% of men and 51% of women were on the UC caseload⁴⁶.

The larger increase in men starting on Universal Credit from the beginning of March to the beginning of April nationally is also present in Glasgow, as monthly UC starts increased by a slightly higher percentage for men (+372%) than for women (+322%) (Table 5). Again, however, the situation for both genders in Glasgow resulting from this crisis is still dire.

⁴³ <https://www.ifs.org.uk/publications/14791> ; <https://wbg.org.uk/analysis/reports/crises-collide-women-and-covid-19/>

⁴⁴ <https://wbg.org.uk/blog/dwp-data-reveals-women-continue-to-be-worst-affected-by-poverty/>

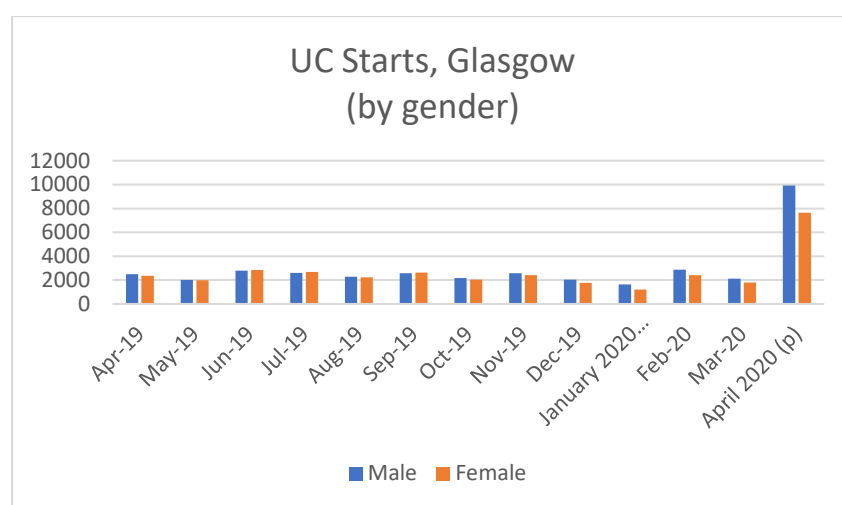
⁴⁵ See foundational work on the gendered welfare state by Orloff (1996) "Gender in the Welfare State." Annual Review of Sociology 22 (1996): 51-78. www.jstor.org/stable/2083424 and Sainsbury (ed) (1999). *Gender and Welfare State Regimes*.

⁴⁶ See Figure A4 UC caseload trends in Scotland by gender since April 2019.

Table 5: Universal Credit starts in Glasgow by gender, March and April 2020

Gender	March 2020	April 2020 (p)	Percent change	Proportion of starts
Male	2106	9924	+371%	56%
Female	1810	7650	+322%	44%
Total	3919	17570	+348%	

A notable distinction between Glasgow and the national picture is that in Glasgow, trends in UC starts have been slightly higher for men than for women since October 2019 (Figure 6). The difference between starts by gender between October 2019 and March 2020 was not nearly as stark as in the April starts data, where 56% of starts were for men compared to 44% of starts for women.

Figure 6: Universal Credit starts in Glasgow by gender, April 2019 – April 2020

This suggests that although women are more likely to live in poverty and be engaged with social security nationally, there is unique picture in Glasgow⁴⁷ where men also experience poverty in higher proportions than in other parts of the country. The spike in starts data for men may also point to sector changes among male-dominated professions such as construction during this crisis along with the crisis among the self-employed, as men make up two-third of the self-employed in the UK⁴⁸.

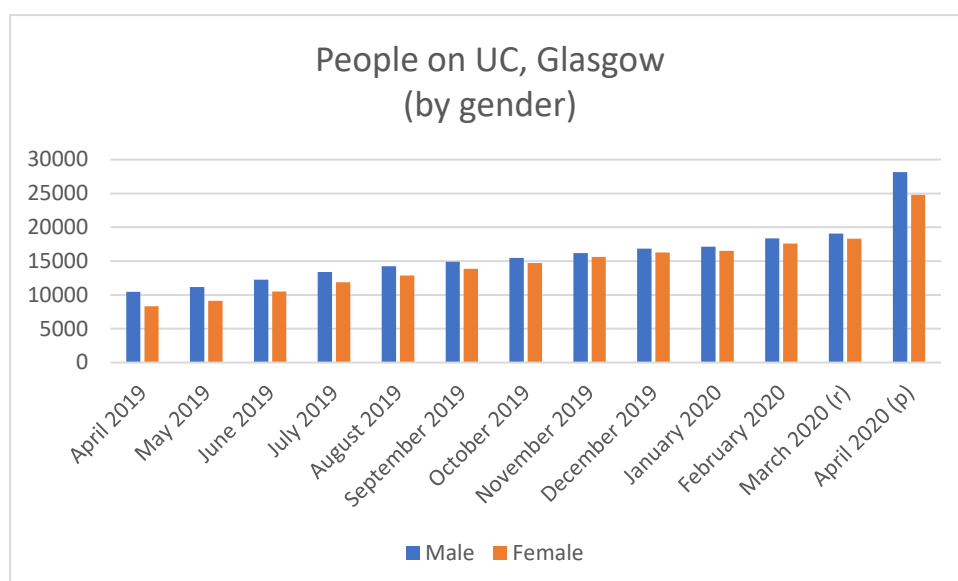
We must also consider the existing UC caseload in Glasgow for men and for women, where we find that since April 2019 (the earliest data on Figure 7 below) men have comprised a larger proportion of the UC caseload.

⁴⁷ <https://www.nomisweb.co.uk/reports/lmp/la/1946157420/report.aspx>

⁴⁸

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/coronavirusandselfemploymentintheuk/2020-04-24#self-employed-people-are-older-on-average-than-employees>

Figure 7: People on Universal Credit in Glasgow by gender, April 2019 to April 2020



The UC caseload for men increased by 48% from March to April, now with over 28,000 men on the UC caseload compared to nearly 25,000 women on the caseload. Considering how this crisis has had a slightly larger impact on female labour market sectors, we may start to see an increase in the proportion of women on UC in Glasgow in later data releases.

4.3. Recipients and Labour Market Attachment

The UC point in time caseload information from Stat Xplore also allows an investigation into two aspects of the caseload; the duration of receipt of UC and the conditionality regime that people in receipt are placed on. Both can give us an idea of how long most people engage with UC and the types of people coming onto the UC caseload. This can point to the potential employability needs of those new to the caseload as we consider implications for recovery.

4.3.1. Duration on Universal Credit

Looking at the proportion of the UC caseload by the duration each person has been receiving UC we find two things: a declining proportion of those on the rolls in the 6 months to 1 year category (those who were new claimants between 6 months to a year ago), down from 30% of the caseload to 19% of the caseload; and a large increase in the proportion of those who are in the 'up to 3 months' duration group.

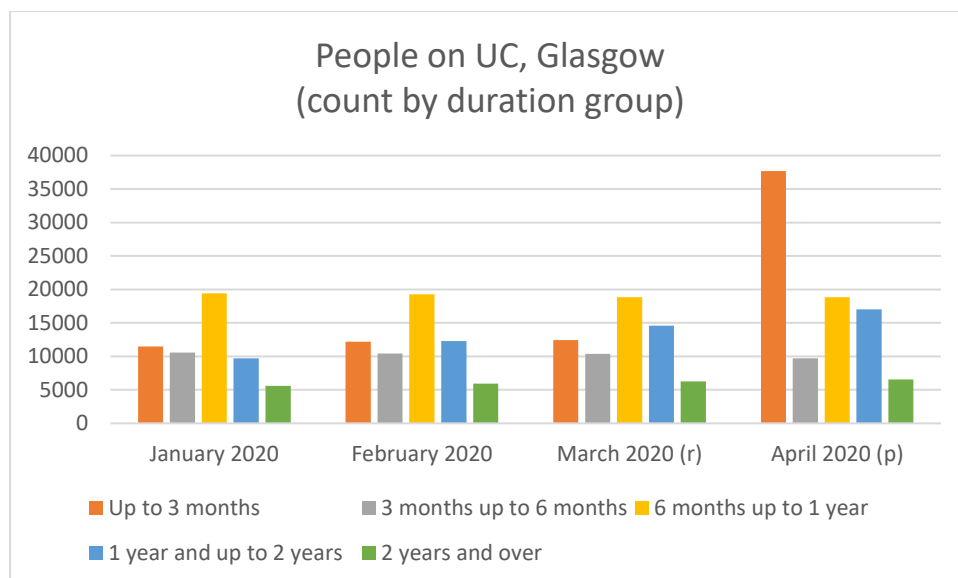
In April 2020, 42% of the UC caseload has been on the rolls for 3 months or less compared to just 23% in March 2020. This group can be considered those 'new' to UC, capturing the majority of the first large spike in UC starts in Glasgow. For full trends on the UC caseload in Glasgow by duration group, please see Figure A5 in the Appendix.

The most impactful illustration of this data is in Figure 8, which details trends in the counts of those in the UC caseload by duration group. The spike in UC starts during the end of March translates to an unprecedented jump in the number of people who have recently come on to UC. 37,655 people in Glasgow have been receiving UC for 3 months or less, a count slightly less than the total of all other duration groups combined.

This is a shock not only to the UC system itself but to the thousands of people who may not have had any engagement with the UC system or any type of means-tested benefits previously. The sharp

drop in income from layoffs or even a 20% drop in income for those on furlough, combined with the critical five week wait until the first payment for Universal Credit, meant that many of the nearly 38,000 people in Glasgow who are in this duration group were likely experiencing severe hardship in May before they received their first UC payment.

Figure 8: People on Universal Credit in Glasgow by duration group, January – April 2020



Source: DWP Stat Xplore

Previous work on the dynamics of benefit receipt and poverty⁴⁹ find that the majority of people who become poor in a year will not go on to be chronically poor. Rather, most will ‘cycle’ in and out of poverty as their circumstances change. Those who are long-term, consistently poor and receiving UC make up a small proportion of the overall caseload. In the case of UC recipients in these longer duration groups are likely those who have complex cases due to disability that make it challenging to engage in the labour market and who do not have work requirements attached to their claim (see next subsection).

This crisis and its recovery, however, may prove to be longer and slower than any previous recessions: it is unlikely that the UK will have a V-shaped recovery and therefore it will be valuable to see just how many of those currently on UC will still be in the caseload at 6 months to a year after this crisis.

4.3.2. Conditionality Regime

A final way to view the UC caseload in Glasgow is by the conditionality regime each person is placed in based on their employment status when making their claim, hours working (if in employment) or work capability (if they have a disability). This can illustrate the type of people coming on to the UC caseload and their employability needs as a result of the COVID-19 crisis. There are 6 different conditionality regimes, some of which require job search requirements (generally 35 hours a week)

⁴⁹ Bane and Ellwood (1994), *Welfare Realities*, covers these dynamics for the United States. In the UK, work from Hills (2014) *Good Times, Bad Times: The Welfare Myth of Them and Us* and Jenkins (2011) *Changing Fortunes: Income Mobility and Poverty Dynamics in Britain* also address this topic.

and some which do not⁵⁰. People in the 'Searching for work' and the 'Working with requirements' must adhere to requirements in their claimant commitment in order to keep receiving their full Universal Credit payment. Conditionality does not apply for those earning more than £343 per month for a single adult or £549 per month joint income.

For this time period UK-wide, those in the 'Searching for work' conditionality regime made up the largest group of cases (1.8 million; 43% of the 4.2 million people on UC in the UK). Since 13 March 2020, this increased by two-thirds from 1.1 million (36% of the March caseload)⁵¹; the largest percentage increase among all conditionality regimes. Like the UK-wide figures, the increase in the proportion of recipients in the 'Searching for Work' conditionality group increased in Scotland after a downward trend in recent years⁵² to 44% of the caseload, over 160,000 people. The number of those in both of the 'Working' conditionality groups (with/without requirements) is around 50,000 for Scotland (representing roughly 14% of the total each).⁵³ Together, then, roughly 28% of the UC caseload in Scotland in April is still attached to the labour market in some way.

The UC caseload in Glasgow also experienced a large increase in number of people in the 'Searching for Work' category, up 66% from March to April. The two groups attached to the labour market also had over 50% increases in caseload, as the 'Working, no requirements' group experienced a 54% increase and the 'Working with requirements' group experienced a 51% increase. The other three groups did not see a spike in nearly the same way. Although not able to be disaggregated further, those in the 'Searching for work' category would include those who have been made redundant, young people unable to find a job, and those who are self-employed with no earnings during the shutdown; nearly 44,000 people in Glasgow in April (Table 6).

The Glasgow increases in each category are relatively consistent with the national picture but there is a slightly larger spike in the number of people in the 'Working no requirements' category, where the earnings are still above the conditionality threshold but are indeed low enough to be eligible for UC overall. This is further evidence of the crisis of in-work poverty facing families in Glasgow.

Table 6: People on Universal Credit by Conditionality Regime, Glasgow (January 2020 – April 2020)

	Searching for work	Working – with requirements	No work requirements	Working – no requirements	Planning for work	Preparing for work
January 2020	25,081	7,514	14,289	5,719	1,295	2,827
February 2020	25,903	7,755	15,612	5,911	1,369	3,566
March 2020 (r)	26,206	8,081	16,794	6,161	1,415	3,807
April 2020 (p)	43,622	12,076	18,351	9,837	1,629	4,291

Even this early data indicates a distinct change in the shape of the workforce – a 66% increase in those who are unemployed and in the 'Searching for work' regime in this data, even with the

⁵⁰ For a full description of each conditionality regime and its requirements please see:

<https://www.gov.uk/government/publications/universal-credit-statistics-background-information-and-methodology/universal-credit-statistics-background-information-and-methodology#background-information>

⁵¹ <https://www.gov.uk/government/publications/universal-credit-29-april-2013-to-9-april-2020/universal-credit-29-april-2013-to-9-april-2020>

⁵² <https://www.gov.uk/government/publications/universal-credit-29-april-2013-to-9-april-2020/universal-credit-29-april-2013-to-9-april-2020#people-on-universal-credit-1>

⁵³ See Table A6, Appendix for people on UC data by conditionality regime for Scotland.

furlough scheme in place, suggests a bleak picture that is not yet entirely apparent in the unemployment data (as this is a lagging indicator). It also suggests that there are still firms holding on to employees (by virtue of cutting hours or participation in the furlough scheme) which is positive, but that the income from this work is insufficient on its own.

The large increase in the number of people unemployed in the UC caseload necessitates a larger cadre of Job Centre Plus staff as work coaches with a less ‘light touch’ role in working with those on UC. The announcement from the Chancellor that Job Centre Plus staffing will increase back to 2013 levels indicates a recognition of this challenge⁵⁴. However, the ability to easily reengage with the labour market is based on the number of vacancies available which do not seem to be improving quickly (see Section 5).

As noted in Section 2, conditionality regimes are accompanied by sanctions for UC recipients who do not meet the requirements of their Claimant Commitment. It must also be noted that although people on Universal Credit are put into conditionality regimes upon claiming, these requirements were waived during the lockdown period; thus those who came onto Universal Credit during the peak of the crisis were not required to search for work. These requirements were reinstated on 30 June 2020 (although they have been waived in Northern Ireland until 7 August, a decision made by their government). The decision to not extend this sanctions ban has been viewed as particularly cruel given the sharp drop in vacancies during this period. Recent work on UC claimants in Glasgow and UK wide⁵⁵ has found the conditionality and sanctions regime to be ineffective in labour market engagement, rather causing further financial hardship and anxiety to claimants. It will be valuable in the coming months to understand if the re-introduction of conditionality for all of the new Universal Credit recipients will be accompanied by a spike in sanctions, and how conditionality regimes are impacting those new to UC.

4.4. Using Universal Credit evidence

The Universal Credit figures in Glasgow during this initial spike in claims and starts allows us to follow those who are facing the sharpest impacts of this crisis, and can gauge just how many people in the local authority are facing severe hardship. While Glasgow was already facing serious issues with poverty and inequality, the inflows of people in Glasgow onto UC is unprecedented. As we move through this crisis, UC data will allow us to see how severe hardship is distributed among different age groups (although there are issues with UC take up for older and younger groups, as detailed above) and among men and women. It also provides information to local and regional policymakers to understand the scale of the crisis facing their residents with relatively little time lag.

Although these descriptive figures cannot give us information about *why* people are on UC, they can give policymakers an idea of where to focus efforts in the recovery period. The distinct hardship facing people on UC in this period, combined with labour market challenges to be detailed below, also suggest that Universal Credit should change in some notable ways in order to more adequately support those who need it (See Section 6). We turn next to the larger issues facing the labour market

⁵⁴ <https://www.resolutionfoundation.org/publications/summer-statement-july-2020/>

⁵⁵ See JRF report on Universal Credit in Glasgow from June 2020: <https://www.jrf.org.uk/report/how-well-universal-credit-supporting-people-glasgow> and Wright et al (2020) Punitive benefit sanctions, welfare conditionality and the social abuse of unemployed people in Britain: transforming claimants into offenders? Social Policy and Administration, (doi: 0.1111/spol.12577) (Early Online Publication). David Webster has been tracking UC sanctions for the Child Poverty Action Group since November 2013 here: <https://cpag.org.uk/policy-and-campaigns/briefing/david-webster-university-glasgow-briefings-benefit-sanctions>

in the Glasgow region and the interactions between the labour market and Universal Credit: what this might mean for the UC caseload (both those currently receiving UC and those who may be at risk of having to rely on UC).

5. Challenges Ahead

The challenges ahead for the Glasgow region and its residents, particularly those on low incomes, are beginning to become clearer as the country exits lockdown and firms are making decisions on how to recover. We consider challenges facing individuals and their reengagement with the labour market, challenges at the firm level related to furlough and keeping employees, and challenges with specific sectors.

5.1. Getting back to work

The ability of workers to return to the labour market hinge on the vacancies that are available. Vacancies data show sharp dips in job postings for most of the local authorities in the Glasgow city-region. Local authority data, drawn from Adzuna (as reported by the IES), shows the following change in vacancy levels since March 15 (for local authorities in the Glasgow city-region)⁵⁶:

Table 7: Changes in vacancy levels since March 15, as recorded at week end July 5 – for Glasgow city-region local authorities

Local authority	Percentage change in vacancies
Glasgow City	-64.4%
East Dunbartonshire	-34.0%
West Dunbartonshire	-38.9%
Inverclyde	-22.1%
North Lanarkshire	-51.7%
South Lanarkshire	-54.8%
Renfrewshire	-42.0%
East Renfrewshire	-9.8%

Source: Adzuna (as reported by IES)

These drops in vacancy levels are particularly concerning given the structure of the UK welfare state today; a system of ‘work incentives’ (both carrot and stick measures) that are predicated on a relatively buoyant labour market. For those on the UC caseload who have work/work search requirements as of 30 June, it is difficult to see the value in requiring claimants to apply to a smaller and smaller number of vacancies available. There is also emerging evidence that those on UC who were claiming during lockdown were searching for work without these requirements⁵⁷. A continuation of the sanctions regime therefore seems an unnecessarily punitive policy to reinstate.

5.2 Furlough and firms

The rapid spike in UC claims coupled with the new higher level of claims over recent weeks has emerged despite government interventions being lauded by many. Indeed, initial furlough

⁵⁶ <https://www.employment-studies.co.uk/system/files/resources/files/IES%20Briefing%20-%20w.e%2010.07.2020.pdf>

⁵⁷ Geiger et al (2020). Welfare at a Social Distance report: <http://hub.salford.ac.uk/welfare-at-a-social-distance/wp-content/uploads/sites/120/2020/06/WaSD-Rapid-Report-1-Work.pdf>

timeframes have been extended to avoid an initial cliff edge whereby firms would start to consider redundancies. This extension is through to end of October; however, from August employer contributions will be required⁵⁸. Support for those self-employed via the SEISS scheme has also been extended allowing a further claim for three months from August 2020, with 70% of monthly earnings covered.⁵⁹

More generally, how the economy transitions from life support to some semblance of normality will reflect a critical transition for the labour market, and, where unemployment spikes again, Universal Credit may be called on by more households.⁶⁰ An Institute of Directors survey of 700 company directors (28 May), found that “around half of those using the Job Retention Scheme for their staff said they could provide 20% or above toward furloughed workers’ full-time salaries between August and October. However, a quarter said they could not afford any amount”⁶¹. More recent data from a survey of firms (n = 525) for the Scottish Chambers of Commerce pointed to drops in employment levels across a number of sectors (notably in tourism)⁶². This reflects a key issue in that the labour market consequences of this crisis will in many ways hinge on the ability of firms to bounce back (and resume paying wages). To address this issue, the Chancellor announced (on July 8) a £1000 payment to firms who bring back workers from furlough (through to the end of January 2021).

While we may see an increase in UC claims (for the low income) in August for those whose employers cannot contribute to their wages – or where the retention bonus does not prove to be sufficient - the potential spike to UC claims in August for those on furlough is incomparable to the potential increase in UC claims anticipated when the furlough scheme ends in October. The Resolution Foundation, in a summary of the Chancellor’s July 8 announcements noted that the “low level and temporary nature” of the bonus announced in July “means it is unlikely to have a major impact on unemployment”.⁶³ We may therefore expect to see a UC claimant spike of comparable magnitude this fall if firms must make their employees redundant in a very different (and currently unknown) labour market.

5.3. Sector-specific challenges

Of course, the need to resort to UC will be experienced differently by different parts of the labour market, and it is well rehearsed now that young people face high risks of unemployment. The Chancellor’s announcement on July 8 of the Kickstart scheme – 6 month work placements paying the national minimum wage - reflects this⁶⁴. Low earners are also three times more likely to have been furloughed or have lost their jobs relative to high earners⁶⁵. Furthermore, some have argued that the specific sectoral impacts of the crisis warrant specific responses.⁶⁶ For example, how many firms in

⁵⁸ <https://www.gov.uk/government/news/chancellor-extends-furlough-scheme-until-october>

⁵⁹ <https://www.gov.uk/guidance/claim-a-grant-through-the-coronavirus-covid-19-self-employment-income-support-scheme>

⁶⁰ <https://www.cityam.com/uk-unemployment-rate-unchanged-despite-lockdown/>

⁶¹ <https://www.iod.com/news-campaigns/news/articles/Furlough-costs-will-mean-difficult-decisions-for-firms>

⁶² <https://www.scottishchambers.org.uk/wp-content/uploads/2020/07/SCC-QUARTERLY-ECONOMIC-INDICATOR-Q2-2020-Report.pdf>

⁶³ <https://www.resolutionfoundation.org/publications/summer-statement-july-2020/>

⁶⁴ <https://www.gov.uk/government/publications/a-plan-for-jobs-documents>

⁶⁵ Resolution Foundation – a new settlement for the low paid -

<https://www.resolutionfoundation.org/publications/a-new-settlement-for-the-low-paid/>

⁶⁶ <https://twitter.com/ChrisGiles/status/1280770787457273857>

the accommodation sector will be able to contribute to employee wages - when business activities are only beginning to resume - remains unknown.

In terms of possible approaches and tools here, the case for a VAT cut targeting particularly hard hit sectors has been raised, whilst others have proposed a spending allowance to encourage consumers to spend locally (to support local businesses) through the recovery period⁶⁷. Such suggestions were adopted in some form by the Chancellor in his statement of July 8, with VAT reductions for “hospitality, accommodation and attractions” set out⁶⁸. Alongside this, the eye-catching ‘eat out to help out’ approach is novel but small in scope and likely impact, some suggest⁶⁹.

Despite the policy steps made, it seems apparent that some sectors will diminish as a result of this crisis and unemployment will rise. Therefore, what happens to workers in heavily impacted sectors? Here skills policy and job training becomes essential, and as most worker movements are within industry, this will likely prove to be a substantial policy task.⁷⁰ Key questions here include: what levels of cross-sector reallocation are plausible, and what lags might we see given requirements for training and skills acquisition? Over longer time horizons, the relative prices of capital versus labour - the attractiveness of machines versus costly distancing arrangements for workers, for example - may shape future employment trajectories.⁷¹

6. Early conclusions and implications

One key implication from all the above is that, for the meantime at least, the state and the market will be fundamentally reconfigured. While some have alluded to the potential for government to take equity stakes in businesses⁷² - ensuring viability of operation (and thus employment) - others have emphasised the need for government to ramp up employment support measures.⁷³ Finally, policymakers will need to be agile to respond to what is a fast moving labour market context. Whilst the winding down of furlough and other support schemes reflect key tipping points, a second spike in the pandemic may have further, grave implications for employment and thus create further demands for Universal Credit.

In the sections prior, Universal Credit data for Scotland and Glasgow allowed us to consider how the initial phases of the economic crisis have plunged more people into poverty and interaction with the social security system. In just one month nearly 18,000 new people came on to the Universal Credit caseload in Glasgow, and these people had to wait until at least May in order to receive their first payment. We find from these initial figures that this crisis has been dramatic for young families just scraping by before the crisis and those self-employed who experienced an almost complete loss of income due to the economic shutdown. This evidence also points to a group of young people in Glasgow (both with and without children) who are having to turn to UC as a result of shutdowns of

⁶⁷ <https://twitter.com/CentreforCities/status/1280835990203125760>

⁶⁸ <https://www.gov.uk/government/publications/a-plan-for-jobs-documents>

⁶⁹ <https://www.resolutionfoundation.org/publications/summer-statement-july-2020/>

⁷⁰ <https://www.employment-studies.co.uk/resource/no-time-lose-getting-people-work-quickly>

⁷¹ <https://www.bankofengland.co.uk/-/media/boe/files/speech/2020/the-second-quarter-speech-by-andy-haldane.pdf?la=en&hash=3B82F9C046B7BCDA160AE8BE558B1EB58CFF21EB>

⁷² <https://www.gov.scot/binaries/content/documents/govscot/publications/strategy-plan/2020/06/towards-robust-resilient-wellbeing-economy-scotland-report-advisory-group-economic-recovery/documents/towards-robust-resilient-wellbeing-economy-scotland/towards-robust-resilient-wellbeing-economy-scotland/govscot%3Adocument/towards-robust-resilient-wellbeing-economy-scotland.pdf>

⁷³ <https://www.employment-studies.co.uk/system/files/resources/files/Help%20wanted%20-%20short-term%20unemployment.pdf>

sectors they are most likely to be employed in – sectors that will be fundamentally altered for many months to come.

Glasgow also faces distinct challenges in the recovery from COVID-19 because of the higher number of people in the city-region already on low-incomes and interacting with the benefit system compared to other city-regions in the UK. As the recovery process continues - in whatever form that may take - it will be valuable to continue to assess whether, over time, Glasgow is more starkly hit compared with other places. Indeed, here, considerations concerning employment trajectories for Glasgow link into other policy agendas; notably the UK Government's fledgling "levelling up" agenda⁷⁴. Evidence⁷⁵ on the spatial expression of the employment impacts of the crisis will be important to track, indeed, and will allow us to determine if usual spatial fault lines are being followed.⁷⁶

Our final section considers what issues, programmes and policy considerations will need to be at the fore in the coming months as the labour market attempts to recover from this (initial) economic shutdown.

6.1 Implications

Based on this work we sketch out some initial implications of this crisis for particular demographic groups, systems of public support, policies to improve employment support, and emerging areas of research.

Demographic groups of interest

Young people (a necessary focus given increasing challenges ahead): The initial figures for Universal Credit to April suggest that the youth claimant count did not spike in the same way as other age groups, and we suggested earlier that this may be because they are choosing to stay or return home and not access UC independently. We also know that young people do not have high take up of UC (or many other benefits), but when furlough ends and firms do not come back in the sectors they are concentrated in, we may see a spike in Universal Credit recipients among young people. Therefore, now is the time for programmes to be put in place for young people. Again, new programmes announced on 8 July are welcome for this group but there are fears that it is not nearly enough. According to the Institute for Employment Studies⁷⁷:

To take one example, the maximum value of the 'kickstart' subsidy for young people will be a quarter lower than that offered through the Future Jobs Fund, but is intended to create four times as many jobs. Whether it can fund the sorts of transitional jobs for disadvantaged groups that the FJF delivered will remain to be seen. Furthermore, the £100 million investment in support for 18-19 year olds will repair just a fraction of the cuts in further education funding in recent years – we will surely need more than this in the coming months.

Young families: Although the Chancellor's announcement in July provided some commitments for support for some groups of people facing hardship, there was no announcement of changes to help families who are still struggling. The wait times for Universal Credit in the spring and throughout the

⁷⁴ <https://www.centreforcities.org/blog/where-has-seen-the-biggest-increase-in-unemployment-since-lockdown-began/>

⁷⁵ <https://www.jrf.org.uk/report/levelling-economy-we-cant-afford-not>

⁷⁶ <https://www.centreforcities.org/blog/where-is-the-job-retention-scheme-keeping-jobs-on-life-support/>

⁷⁷ <https://www.myiep.uk/blogpost/1246261/351966/From-the-Top>

summer will continue to have knock-on effects related to food insecurity, rent arrears and debt for families who were facing higher costs during school shutdowns. Therefore, we echo calls from academics calling for an end to the five week wait for Universal Credit, an end to Advance Payments for UC as loans rather than one-time grants, and an extension of the halting of sanctions.

Policy and Programme Implications

Policy measures that support employment in the near future: Whilst large infrastructure projects are often opted for to re-stimulate economic activity, which measures will generate employment in a relatively quick manner? Retrofitting housing is one route that may marry short term compulsions with long term⁷⁸ needs.⁷⁹

Changes to Job Centre Plus and other programmes of support: The needs of people entering UC during this crisis are not new, but the number of recipients and their ability to quickly and easily engage with the labour market is a unique feature of this crisis. Unlike a labour market with readily available jobs in the service sector that claimants would be able to potentially work in, or at least apply for, as a condition of their UC claim have disappeared (at least for the next few months). Therefore the 'low-touch' system of support previously provided by Job Centre Plus is not up to the task and the government has rightfully responded with more employment support staff and a new programme for the long-term unemployed. However, it is likely that more will be needed – particularly for those who are self-employed and who would like to remain so. Local governments will also be key players in support for low income residents receiving UC and still facing hardship; how can programmes such as the Scottish Welfare Fund, for example, be utilised to face this crisis? Are there innovations in other policy areas such as housing that can be improved to support low income families (such as rapid rehousing or an extension of eviction moratoriums)?

Areas of research

Legacy benefits: Although not explored in this paper, given the nature of deprivation in Glasgow we can be confident that there is sector of the low-income population on legacy benefits who have not been able to benefit from the UC uplift. Not only should these recipients benefit from an increase in the same way as others, it will be valuable to understand in more detail for Glasgow who is on legacy benefits and how this caseload differs from UC and what their needs may be in this crisis.

Understanding transmission mechanisms: This note sketches out some of the major dimensions that link labour market changes to Universal Credit. More research is needed, as data evolve, on the transmission mechanisms that link the two areas. This paper already points to issues of age and gender, while future assessments may also consider how economically inactive persons appear in UC caseloads⁸⁰.

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/898421/A_Plan_for_Jobs_Web_.pdf;

⁷⁹ <https://www.newstatesman.com/politics/energy/2020/07/why-green-homes-grant-shows-dangerous-lack-ambition>

⁸⁰ The People on Universal Credit dataset in Stat Xplore enables the data to be viewed by the claimant's employment status; however this data only went to February 2020 so it was not used in this working paper.

7. Appendix

Figure A1: Universal Credit starts in Scotland by age group, April 2019 – April 2020

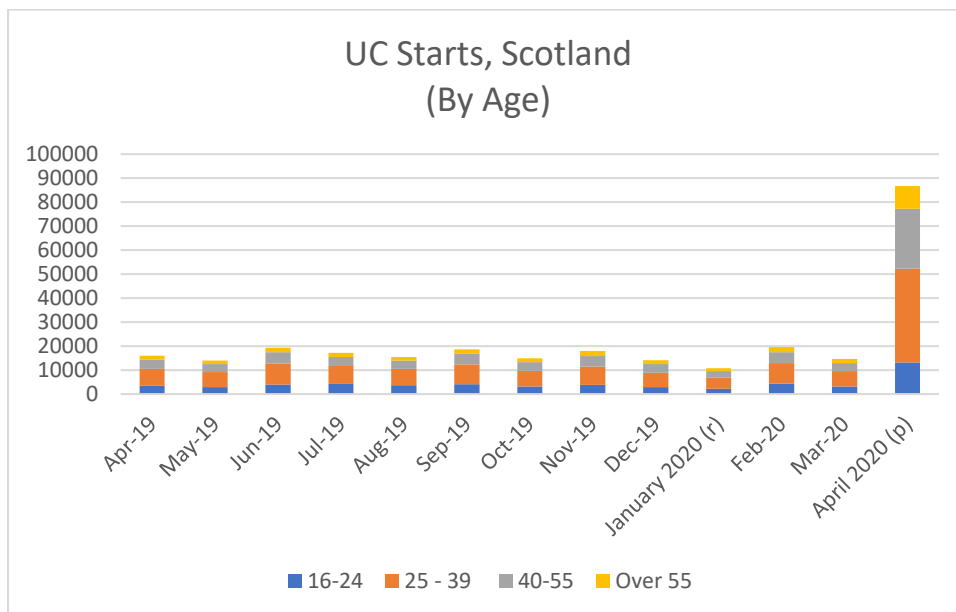


Table A1: Proportion UC Starts in Scotland by age group

Proportion UC Starts in Scotland by age group			
	Feb 2020	March 2020	April 2020 (p)
16-24	22%	22%	15%
25-39	44%	43%	45%
40-55	24%	23%	29%
Over 55	10%	12%	11%

Figure A2: UC starts in Glasgow by age group, April 2019 – April 2020

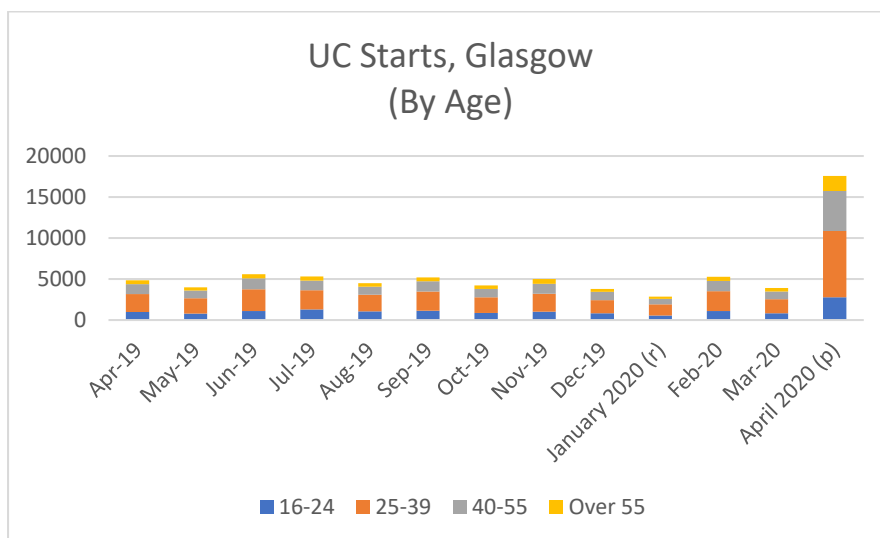


Figure A3: People on Universal Credit in Scotland by age group, April 2019 – April 2020

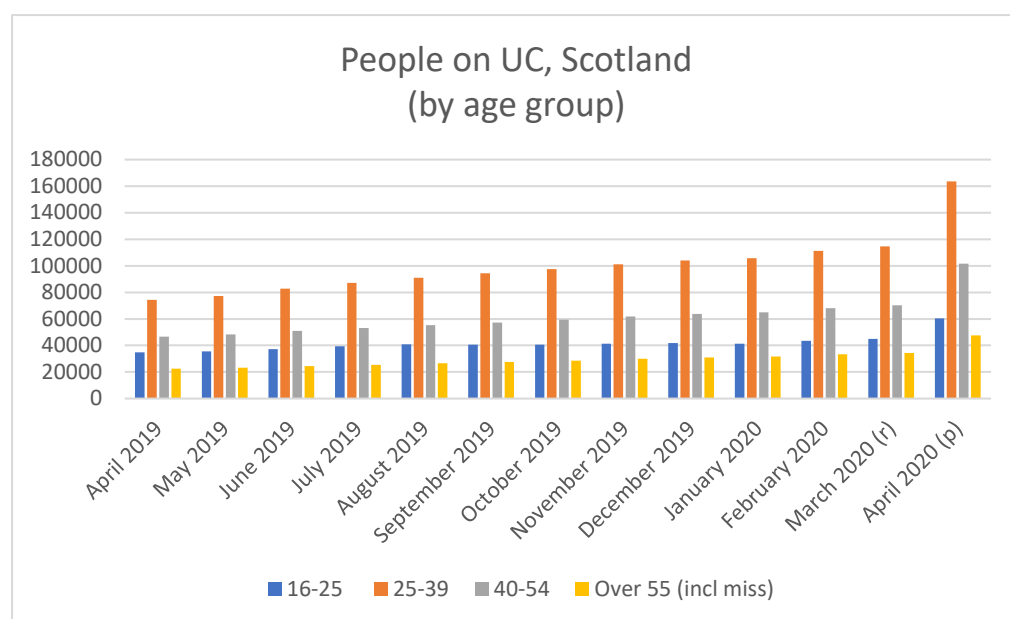


Table A3: People on UC in Scotland by age group

People on UC in Scotland by age				
	February 2020	March 2020 (r)	April 2020 (p)	Percent Change (Mar/Apr)
16-24	43463	44892	60279	+34%
25-39	111211	114646	163703	+42%
40-55	68155	70237	101706	+44%
Over 55	33255	34337	47630	+38%

Figure A4: People on UC in Scotland by gender, April 2019 – April 2020

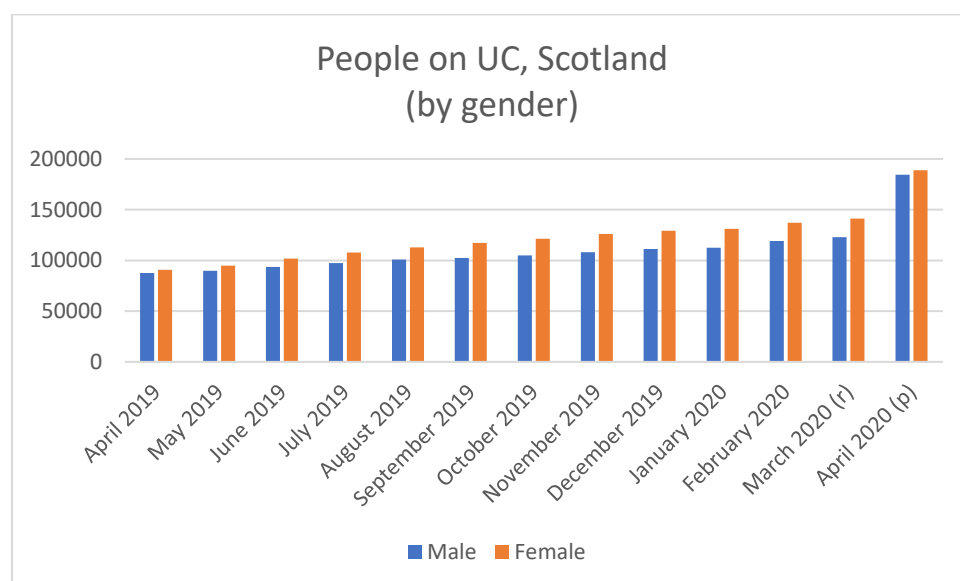


Figure A5: People on Universal Credit in Glasgow, proportion in each duration group

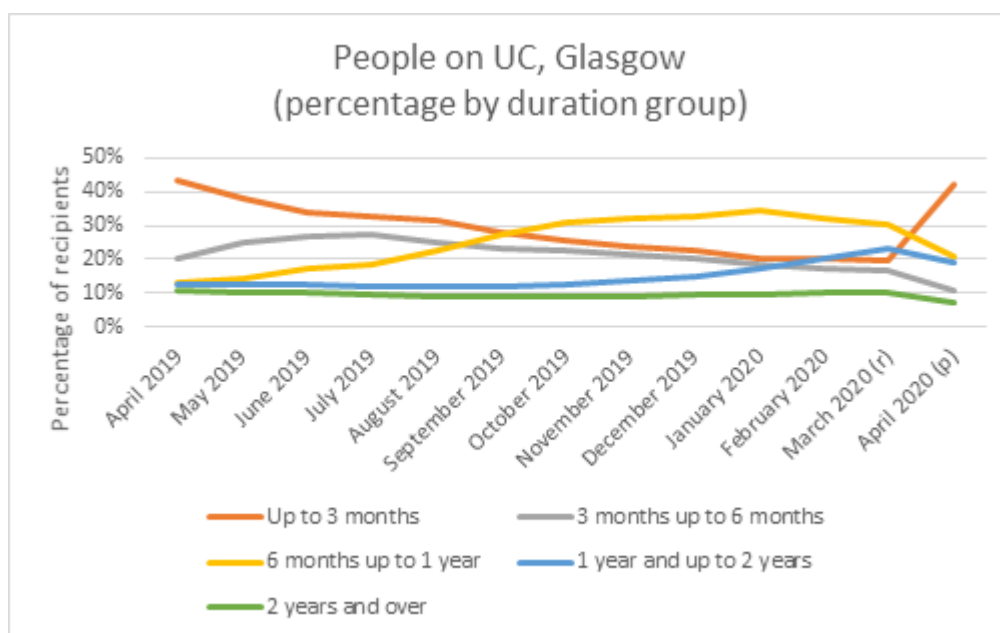


Table A6: People on Universal Credit in Scotland, by conditionality regime

	Searching for work	Working – with reqs	No work reqs	Working – no reqs	Planning for work	Preparing for work
January 2020	95,440	31,898	67,063	29,374	5,699	14,098
February 2020	98,265	33,025	71,817	30,022	5,930	16,963
March 2020 (r)	98,442	34,088	76,208	31,394	6,070	17,849
April 2020 (p)	163,818	51,448	82,224	48,446	6,929	20,381

Source: DWP Stat Xplore