

# Poverty Alliance Briefing Members

## Business: Marie Curie Dying in the Margins

### November 2023



#### About us

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

#### 1. Introduction

It is completely unjust that people are experiencing poverty in a wealthy country like Scotland. Across 2018 to 2020, the wealthiest households in Scotland had, on average, 217 times more wealth of the least wealthy households. Where and when people die is greatly impacted by this structural inequality. Terminal illness amplifies existing inequality and poverty, it does not act as an equaliser. Research from Marie Curie and the University of Loughborough found one in four people die in poverty at the end of life every year in Scotland, one in three in areas of acute deprivation, and one in eight pensioners. People living in deprived communities are more likely to die at a younger age, with a 24-year gap in healthy life expectancy between the most and least deprived communities in Scotland.

The poverty people experience at the end of life is inextricably linked with patterns of poverty over the life course. If we are to fundamentally change the experience in the final years of life, then we must do more to end poverty in every other year of life. We know what action is needed. The Scottish Government must boost incomes, both through work and social security, and reduce costs to ensure that everyone has access to an adequate income for a decent and dignified life.

#### 2. Mortality statistics

Analysis by the Glasgow Centre for Population Health showed that the long-term trends in increasing life expectancy slowed and came to an end in the 2010s. Of great concern is that fact that for the most disadvantaged 20 per cent, average life expectancy is actually decreasing.<sup>1</sup> It cannot be right that the number of years of healthy life expectancy is lower now for the average person living in poverty than it

<sup>1</sup> Glasgow Centre for Population Health *Changing Life Expectancy in the UK and Why it Matters* available at [Changing Life Expectancy in the UK and Why it Matters \(gcph.co.uk\)](https://www.gcph.co.uk)

was 20 years ago. Glasgow Centre for Population Health have rightly referred to this phenomenon as a 'social catastrophe'.

Austerity is a key driver of declining life expectancy and widening health inequalities. Cuts to social security were, of course, a central part of the impact of austerity, but so too was the reduction in support for a range of critical public services which are a vital lifeline for people living on low incomes. Glasgow Centre for Population Health estimated that more than 300,000 deaths across the UK could be attributed to austerity between 2012-2019.

These policy changes had a particularly negative impact on those most likely to be reliant on our social safety net, including disabled people, Black and minority ethnic communities and women:

- According to Marie Curie, among those in the last year of life in 2019, 42.5% of working age people and 26.9% of pensioners from minority ethnic groups were below the poverty line, compared to 25.4% of working age people and 13.2% of pensioners from white ethnic groups.<sup>2</sup>
- When focusing on gender, there are large gaps for female pensioners at the end of life of whom 13.9% were living below the poverty line in 2019 compared to 11.5% of men.<sup>3</sup>
- For disabled people, the World Health Organisation found that health inequalities result in disabled people dying as much as 20 years earlier than non-disabled people, with financial barriers in-part to blame. The WHO noted that: "*Many of the differences in health outcomes cannot be explained by the underlying health condition or impairment, but by avoidable, unfair and unjust factors.*"<sup>4</sup>

### 3. Social security

Two in three people living with a terminal illness are reliant on social security as a main or sole source of income. This is because the diagnosis of a terminal illness can mean the affected person and their carer have to reduce their working hours or give up work completely. This challenge of reduced income is amplified by the additional costs associated with terminal illness, such as significantly increased heating bills, home adaptations and transport costs, which cost between £12-16,000 per year per household.

The changes to social security over the last 13 years have been a key driver of the entrenched levels of poverty we now have in the UK. The introduction of Universal Credit was accompanied by cuts to levels of entitlement and restrictions in eligibility. Across a range of working age benefits we have seen arbitrary limits set on

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<sup>2</sup> Marie Curie (2022) *Dying in Poverty*. Available at: <https://www.mariecurie.org.uk/globalassets/media/documents/policy/dying-in-poverty/h420-dying-in-poverty-5th-pp.pdf>

<sup>3</sup> *ibid*

<sup>4</sup> World Health Organisation (2022) *Health inequalities lead to early death in many persons with disabilities*. Available at: <https://www.who.int/news/item/02-12-2022-health-inequities-lead-to-early-death-in-many-persons-with-disabilities>

entitlement, alongside a system characterised by freezes, cuts, caps and waits. As a result, we now have some of the lowest levels of entitlement for social security in Europe. The inadequate incomes provided through social security feeds through into the poverty that people experience at the end of life.

It is critical that, as a minimum, the UK Government uprates benefits in-line with inflation in the forthcoming Autumn Statement. The Resolution Foundation estimate that not uprating benefits in line with inflation would reduce the incomes of nine million households by an average of £500 per year. This would push around 400,000 children into absolute poverty. There is also a key role for the Scottish Government in uprating Scottish benefits in the December budget. Last year, the Scottish Child Payment was not uprated in line with inflation which meant a real terms cut in its value. By April 2024 this crucial payment will not have been increased for 16 months, despite modelling showing that an increase of the Scottish Child Payment to £40 per week is needed to meet the interim targets, while also making good progress towards the 2030 goal.<sup>5</sup>

For people with terminal illnesses who are often unable to top-up their income through increased working hours or through entering paid work, the levels at which social security is set is critical to their financial wellbeing. The Poverty Alliance are supportive of the introduction of a Minimum Income Guarantee (MIG). A MIG is a simple yet potentially transformative idea which would guarantee that everyone in Scotland could secure a minimum acceptable standard of living. This would ensure that everyone has enough money for housing, food, and essentials, enabling people to live a decent, dignified, healthy and financially secure life. As part of the implementation of the Minimum Income Guarantee, the Scottish Government must accelerate the review of the adequacy of disability assistance to address the issues of additional costs facing disabled people and terminally ill people.

#### **4. Paid employment**

Another key driver of the inequality we experience at the end of life is the injustice that many people still experience in paid employment. Despite some real progress in recent years in addressing low pay, particularly in Scotland, the labour market still perpetrates and reinforces inequality. The proportion of adults in poverty who are in working households has been rising steadily for more than 20 years. Currently, 69% of children in poverty are living in households where someone is in paid work, and 57% of working age adults who were in poverty are in households where someone is in paid employment.

There continues to be issues with job quality and insecurity in the Scottish labour market. Too many can't get enough working hours to escape poverty; work on insecure contracts including zero hours or short term contracts; and have little

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<sup>5</sup> Institute for Public Policy Research (2023). *Poverty doesn't have to be inevitable – it needs political will and investment to eradicate*. Available at: <https://www.ippr.org/blog/poverty-doesn-t-have-to-be-inevitable-it-needs-political-will-and-investment-to-eradicate>

opportunity for progression. These patterns are ones that have a greater impact on women, disabled people and people from Black and ethnic minority communities. Once trapped in a cycle of low paying, insecure work, many people will find it difficult to escape. Too many people are trapped in a pattern of employment that condemns them to poverty in older age, and ultimately to poverty at the end of their life. This is particularly true for women who are more likely to be in low-paid work, and to take time out of paid employment for childcare and wider caring responsibilities. This contributes to the gender pension gap, which is estimated to be 37.9% in 2019-20.

## **5. Key recommendations**

- As part of the implementation of the Minimum Income Guarantee, the Scottish Government must accelerate the review of the adequacy of disability assistance to address the issues of additional costs facing disabled people and terminally ill people.
- The Scottish Child Payment must be increased to ensure the value does not continue to fall behind the rising cost of living.
- Scottish Government must commit to uprating Scottish social security by at least the rate of inflation in the budget in December.
- Employers should commit to paying the real Living Wage and the delivery of Living Hours, to ensure that more people get access to an adequate and secure income through paid work.
- The Scottish Government should implement a further extension to the eligibility of carers benefits to those who have been bereaved for up to six months, to reflect the considerable impact bereavement has on the lives of carers and loved ones.
- The Scottish Government must embed Human Rights budgeting principles in all levels of fiscal decision making to ensure that investment considers whether the rights of people with terminal illnesses are considered.

### **For more information, please contact:**

Ruth Boyle, Policy and Campaigns Manager

[Ruth.boyle@povertyalliance.org](mailto:Ruth.boyle@povertyalliance.org)

Ashley McLean, Policy and Parliamentary Officer

[ashley.mclean@povertyalliance.org](mailto:ashley.mclean@povertyalliance.org)