



**Independent
Age**



Older People's Economic Wellbeing Index: Scotland 2024–25

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About Independent Age

Independent Age is the national charity for older people on a low income.

Our Helpline and expert advisers offer free, practical support to older people without enough money to live on.

Through our grants programme, we support local organisations working with older people across the UK.

We use the knowledge and insight gained from our support services, partnerships and research to highlight the issues experienced by older people in poverty and to campaign for change.

We believe no one should face poverty in later life.

Resources and support

If you are, or someone you know is, living on a low income in later life, call our freephone Helpline on **0800 319 6789** for information or to speak to one of our expert advisers, who provide free and impartial advice to older people.

Our free guides and factsheets are full of information to help boost your income, remain independent, stay connected with others and more. These are available online at **independentage.org/get-advice** or you can call our freephone Helpline to order paper copies.

Get in touch

If you would like more information about the contents of this report, or to discuss our work in Scotland, please get in touch with us at **scotlandpublicaffairs@independentage.org**.

Summary

Independent Age believe no one should face financial hardship in later life. Yet, pensioner poverty is a growing problem for 150,000 older people in Scotland – an increase of 25% in the past decade.¹ Many more older people hover above the poverty line but face significant financial strains because of a low income and rising costs.

The proportion of the population over State Pension age is predicted to rise in Scotland, from 19% in 2022 to 23% by 2040.² Applying the current rate of poverty (15%) to this increased population would mean around 190,000 pensioners being in poverty by 2040.

In this context, Independent Age are launching this inaugural annual Older People's Economic Wellbeing Index: Scotland 2024–25, a nationally representative poll of people aged 66+, commissioned by Independent Age and conducted by the Diffley Partnership.

The Older People's Economic Wellbeing Index was designed to provide a deeper insight into the financial wellbeing and lives of older people in Scotland today. This research is intended to be repeated annually to track the economic wellbeing of older people in Scotland, and the impact of policy interventions and demographic changes, over time.

The reality uncovered by this research demonstrates the scale of the income, costs and housing pressures faced by older people living on a low income across Scotland – from struggling to make ends meet and cutting back on heating, food and social contact, to feeling unheard when decisions are made that shape their lives. This first edition of the Older People's Economic Wellbeing Index lays bare the inequalities facing older people in Scotland today.

Pensioner poverty is not inevitable – it can be tackled through political choices. The time for action is now.

1 *Households below average income (HBAI) statistics* Department for Work and Pensions, 21 March 2024, see gov.uk/government/collections/households-below-average-income-hbai -2

2 *2020-based interim national population projections: year ending June 2022 estimated international migration variant* Scotland summary edition (persons), Office for National Statistics, 27 January 2023, see ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/2020basedinterimnationalpopulationproje.

Methodology

Independent Age commissioned the Diffley Partnership – an independent research agency based in Edinburgh – to conduct a survey exploring the views of those aged 66 and over on issues affecting older people in Scotland.

In close collaboration with Independent Age, the Diffley Partnership drafted the survey questionnaire (Appendix A). The questionnaire included 20 closed questions, beginning with a few questions about individuals' demographic characteristics before moving on to examine their attitudes to health and wellbeing, housing and community, income and financial wellbeing, and political representation.

Invitations to complete the survey were sent out to Scottish residents aged 66 or over through the online ScotPulse panel. The survey ran between 12 and 16 December 2024 and received 1,705 responses. Survey responses were tabulated and weighted to 2021 Scottish adult population estimates among those aged 66+ by age and gender.

Where percentages do not add up to 100%, it is because of rounding or multiple answers. Aggregate percentages – for example, 'agree'/'disagree' – are calculated from the absolute values. So, aggregate percentages may differ from the sum of the individual scores because of rounding percentage totals.



Key findings



Nearly 1 in 5 (19%) older people have a household income of less than £15,000 a year.



More than half (54%) of those aged 66 or over think the social security system works poorly for pensioners.



Just 1 in 5 (21%) older people says the State Pension is enough to cover basic living expenses.



83% of older people with an income of less than £15,000 cut back on heating or utilities.



32% of older people with a health condition have skipped meals because of food costs.



Less than half (47%) of older people on an income of less than £15,000 are confident they will be able to pay heating bills over next 12 months.



1 in 4 (24%) older people reports their housing is becoming unaffordable.



Most Scottish residents of pensionable age feel they are not very or not at all represented by political institutions and representatives.

What needs to change?

Independent Age recommend that:

- all political parties address pensioner poverty as a key priority
 - the UK Government:
 - ensure reserved social security pensioner payments are set at an adequate rate
 - the Scottish Government:
 - develop and implement a Pensioner Poverty Strategy for Scotland
 - introduce an Older People's Commissioner for Scotland
- ensure that devolved social security payments are adequate – including introducing a mobility component of Pension Age Disability Payment – and that older people receive all the social security payments they are entitled to through coordinated income maximisation campaigns
 - ensure that no older person lives in fuel poverty, by taking action on energy efficiency and social security support
 - ensure that older people can access affordable, secure and suitable housing.



Part 1: Income and financial wellbeing



In a compassionate society, no one should have to worry about whether they have enough income to live a decent and dignified life. Yet for too many older people in Scotland, we know this is not the reality.

This chapter contains findings on the incomes of older people in Scotland: from what their income is, their sources of income, and their financial wellbeing and awareness of current social security entitlements, to feelings of confidence and satisfaction about the current social security system.

Key findings



Nearly 1 in 5 (19%) older people have a household income of less than £15,000 a year.



24% of older women reported having an income of less than £15,000 compared to **13%** of men.



Just over 1 in 5 (22%) older people with an income of less than £15,000 rate their financial situation as good.



24% of older people with a health condition are not aware of Attendance Allowance/Pension Age Disability Payment.



Only 15% of older people in Scotland think the current social security system works well (either 'very' or 'fairly') for those of pensionable age.



61% of older people say the amount they receive from the State Pension isn't enough to cover basic living expenses.



Part 1: Income and financial wellbeing

Self-reported income

Respondents were asked their household income.



Nearly **1 in 5 (19%)** has a household income of less than £15,000 a year.



52% said their household income is less than £30,000.



24% of older women have an income of less than £15,000.



13% of older men have an income of less than £15,000.



37% of one-person households have an income of less than £15,000.



11% of two-person households have an income of less than £15,000.



Sources of income

When considering their sources of income, nearly all (99%) respondents receive the State Pension and 7 in 10 (71%) receive pensions from their former employer. About 1 in 5 (22%) receives income from personal pensions and 1 in 7 (14%) receives interest from savings and investments. Some 9% receive Attendance Allowance/Pension Age Disability

Payment and 6% receive Personal Independence Payment/Adult Disability Payment. Some 5% receive Pension Credit or Housing Benefit. See Figure 1 below for a full list of income sources by the proportion of Scottish residents aged 66 or over who receive them.

Figure 1: Sources of income

State retirement pension	99%
Pension from former employer	71%
Personal pensions	22%
Interest from savings and investments	14%
Attendance Allowance / Pension Age Disability Payment	9%
Personal Independence Payment / Adult Disability Payment	6%
Pension Credit	5%
Housing Benefit	5%
Disability Living Allowance	4%
Earnings from employment or self-employment	4%
Rent from property	3%
Universal Credit	1%
Carer's Allowance / Carer Support Payment	1%
Other kinds of regular income	1%
Discretionary Housing Payment	0%

Part 1: Income and financial wellbeing

Gender and income in later life

Men are more likely than women to receive:



pensions from a former employer (75%; 68%)



personal pensions (26%; 17%)



interest from savings and investments (17%; 11%)



while women are more likely than men to receive Pension Credit (7%; 3%) or housing benefit (6%; 3%).

Older people in social grade ABC1 are more likely than those in grade C2DE to receive pensions from a former employer (78%; 62%), personal pensions (26%; 16%) and interest from savings and investments (18%; 8%).

Respondents in the most deprived neighbourhoods (SIMD 1) are more likely than those in more affluent neighbourhoods (SIMD 2 to 5) to receive income from Housing Benefit (14%; 3%) and Personal Independence Payment/ Adult Disability Payment (15%; 6%).

Social grade

Social grade is a socio-economic classification. It groups people mainly based on formal education and occupation. Grades are grouped into ABC1 and C2DE, which equate to middle class and working class, respectively.

SIMD

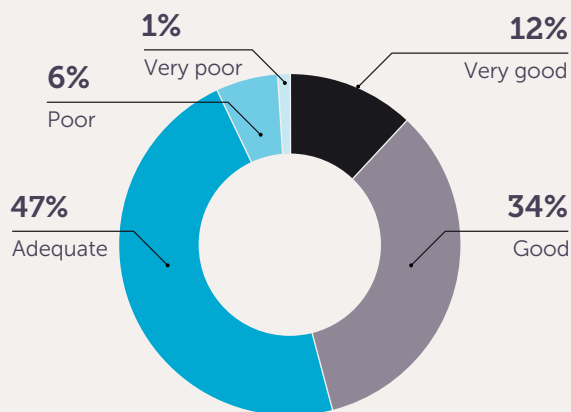
The Scottish Index of Multiple Deprivation (SIMD) combines several different aspects of deprivation – including income and housing – into a single measure. This report uses quintiles, which divide the population into groups of 20% (five groups or quintiles). SIMD 1 represents the most deprived and SIMD 5 the least deprived.

Financial wellbeing

Reflecting on their household income and costs, fewer than 1 in 10 (7%) considers their financial situation to be 'poor' or 'very poor', and fewer than half of older people (46%) rate their situation as 'good' or 'very good' (see Figure 2 adjacent).

How older people feel about their financial wellbeing is influenced by a range of factors, including income level, household composition, tenure, health conditions and caring responsibilities.

Figure 2: Financial wellbeing



Older people who rate their financial situation as 'good' or 'very good'



22%

Older people with <£15,000 income



40% / 48%

One-person/two-person older households



25% / 27% / 50%

Social renters/private renters/homeowners



41% / 57%

With/without a health condition



39% / 47%

Carers/non-carers

Part 1: Income and financial wellbeing

Awareness of social security payments

Awareness of available social security payments varies substantially depending on the payment (see Figure 3 below). Nearly all (98%) older people in Scotland are aware of the State Pension, and 4 in 5 (81%) are aware of Pension Credit. Around 3 in 4 are aware of Housing Benefit (74%), Attendance Allowance/Pension Age Disability Payment (74%), Carer's Allowance/Carer Support Payment (74%) and Council Tax Reduction (73%).

However, only around 1 in 4 (27%) is aware of Funeral Support Payment, 1 in 5 (21%) of Discretionary Housing Payment, and 1 in 6 (16%) of the Scottish Welfare Fund.



Figure 3: Awareness of social security payments

■ Yes ■ No

State Pension	98%	
Pension Credit	81%	19%
Housing Benefit	74%	26%
Attendance Allowance / Pension Age Disability Payment	74%	26%
Carer's Allowance / Carer Support Payment	74%	26%
Council Tax Reduction	73%	27%
Funeral Support Payment	27%	73%
Discretionary Housing Payments	21%	79%
Scottish Welfare Fund	16%	84%

21%

of older people with an income of less than £15,000 are not aware of **Pension Credit** – an income top-up for older people living on a low income.

16%

of private renters and 16% of social renters are not aware of **Housing Benefit** – a payment that can help with housing costs.

24%

of older people with a health condition are not aware of **disability payments** – which can support the extra costs associated with living with a health condition.



“

You're not always told what you can apply for and what benefits are available for you.

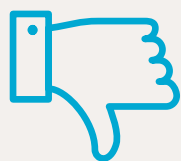
Older Helpline caller



Part 1: Income and financial wellbeing

Satisfaction with current social security system

Reflecting on how well the current social security system works for people of pensionable age, a majority (54%) of those aged 66 or over think that it works 'very poorly' or 'fairly poorly' for those of pensionable age (see Figure 4 on page 15).



3 in 10 (30%) older people in Scotland believe the social security system functions fairly poorly.



Nearly 1 in 4 (24%) older people believes the system works very poorly.



More than 1 in 5 (22%) older people feels neutral about how well the system functions.



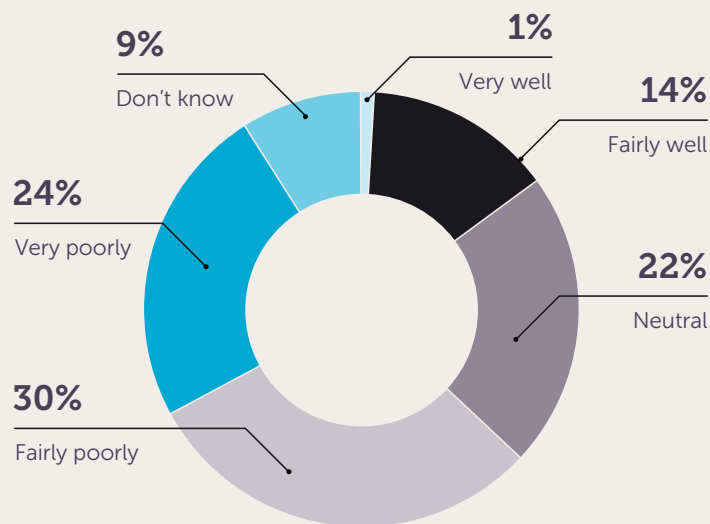
Only **15%** of older people think the current social security system works well (either 'very' or 'fairly') for those of pensionable age, with most of these believing it works 'fairly well' (**14%**) rather than 'very well' (**1%**).



Nearly 1 in 10 older people are uncertain, responding 'don't know' (**9%**).



Figure 4: How well or poorly the social security system works for people of pensionable age



- Older people in less affluent neighbourhoods (SIMD 1 to 4) are more likely to think the current social security system works poorly for those of pensionable age than those in SIMD 5 (56%; 44%).
- 56% of older people with a health condition think the social security system functions poorly, compared to 47% of older people without a health condition.
- 60% of older people with caring responsibilities think the social security system works poorly, compared to 52% of older people without caring responsibilities.



“

£150 of State Pension, it would barely pay my rent. No wonder people are in a quandary.

Older Helpline caller

Part 1: Income and financial wellbeing

Satisfaction and confidence with current social security payments

Considering a range of statements describing people's confidence and satisfaction with current social security payments, more older people agree with statements related to their confidence in receiving and applying for social security than are satisfied with the State Pension and its ability to cover their living expenses (see Figure 5 below).

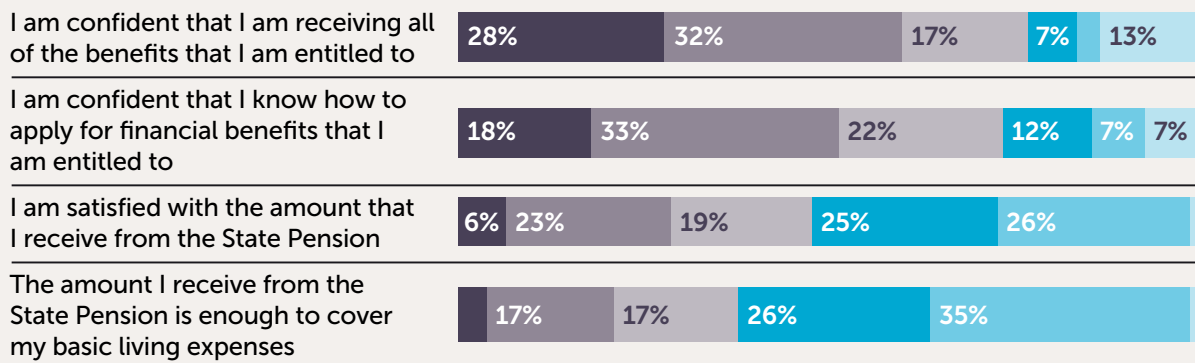
Some 3 in 5 (60%) older people in Scotland 'strongly' or 'somewhat' agree that they are confident they are receiving all the social security payments they are

entitled to. Just half (51%) agree that they are confident they know how to apply for the financial benefits they are entitled to.

Agreement falls to 3 in 10 (29%) when considering their satisfaction with the amount they receive from the State Pension and 1 in 5 (21%) when considering if the State Pension is enough to cover basic living expenses. For these two statements, disagreement is notable, with half or more disagreeing (51% and 61%, respectively).

Figure 5 Satisfaction and confidence with current benefits

Strongly agree
 Somewhat agree
 Neither agree nor disagree
 Somewhat disagree
 Strongly disagree
 Don't know



Men are more likely than women to disagree that:

- the amount they receive from the State Pension is enough to cover their basic living expenses (**66%**; **57%**)
- they are satisfied with the amount they receive from the State Pension (**56%**; **47%**)
- they are confident they are receiving all the benefits they are entitled to (**13%**; **9%**).

Women are more likely than men to agree that:

- they know how to apply for the financial benefits they are entitled to (**55%**; **47%**).



Respondents in social grade ABC1 are more likely than those in grade C2DE to agree that they are confident they are receiving all the social security payments they are entitled to (63%; 55%), and that they know how to apply for the financial support they are entitled to (54%; 47%).



My State Pension has gone up by 25p. You can't even buy a lollipop for that now.

Older Helpline caller

Part 1: Income and financial wellbeing

Arthur from Glasgow's story

I'm a pensioner with serious health problems. I worked as a joiner and shop fitter in the building trade for 50 years. I've tried to apply for Pension Credit but I'm £3 over the threshold. It feels extremely unfair to miss out by such a tiny amount.

I'm £2,000 in arrears with both my electricity and gas and don't know what to do about it. I've got no money to pay. I've not had my heating on for at least six months, and it's not going to go back on ever again, because I can't afford it.

I have a little electric heater that I carry around my one-bedroom flat to try and keep warm. I also don't turn on my lights any more. I've got candles in every room. I buy them cheap from Poundland.

Every day is a struggle. I go to bed with my coat and thermal socks on and I'm still cold. I looked in my fridge this morning and it's empty. All I've got left in there is some milk. I just can't see how I'm going to get through the winter.

I go to a foodbank to get my food, but you can't go all the time. I'd say about every three or four weeks. The foodbank gives me about £30 to £35 worth of food, like milk, bread and fruit. Sometimes I can also get some nuts, crisps, biscuits and toiletries.

I live in social housing and pay £370 a month in rent. The State Pension is nowhere near enough to live on. I get the basic State Pension of £221 a week, and by the time I've paid my rent and bills, there's nothing left.

There have been times when I just go hungry for days, with not even any milk or tea bags in my kitchen. I've eaten either beans on toast or cheese on toast for 10 to 12 days in a row.

I don't see many people and don't have any family close by. The neighbour upstairs is very nice – she sometimes get some food for me. But most of the time, I'm alone in my house. I've got arthritis in my right ankle and up my leg, so I can't walk very far.



Part 2: Costs and cutbacks



Everyone has the right to a warm home, nourishing food and a life free from poverty. But rising costs are hitting older people across Scotland, especially those living on a low income.

The Older People's Economic Wellbeing Index explores the actions older people are taking as a result of financial difficulties, and finds that many are cutting back on essentials to stay afloat. Women, disabled people, carers and one-person households are at particular risk of being financially forced to cut back on heating, to skip meals and to reduce social interaction.

Energy costs consume a significant proportion of the expenditure of older people on a low income. Our research explored how older people pay for energy and their experiences of energy affordability and energy efficiency.

Part 2: Costs and cutbacks

Key findings



Half (50%) of older people report that they have cut back on heating or utilities at least occasionally because of financial difficulties.



83% of older people with an income of less than £15,000 a year have cut back on heating or utilities.



32% of older people with a health condition have skipped meals because of costs, compared to **21%** without a health condition.



Older people with a health condition or disability are more likely to have reduced their social interactions because of financial difficulties (**58%**), compared to people with no health conditions (**42%**).



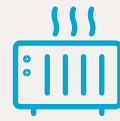
Women frequently or always cut back on heating or utilities (**23%**), compared to men (**17%**).



Older renters are more likely to pay for their energy through a prepayment meter than older homeowners (**21%**; **3%**).



13% of older people with an income of less than £15,000 pay for their energy by prepayment meter.



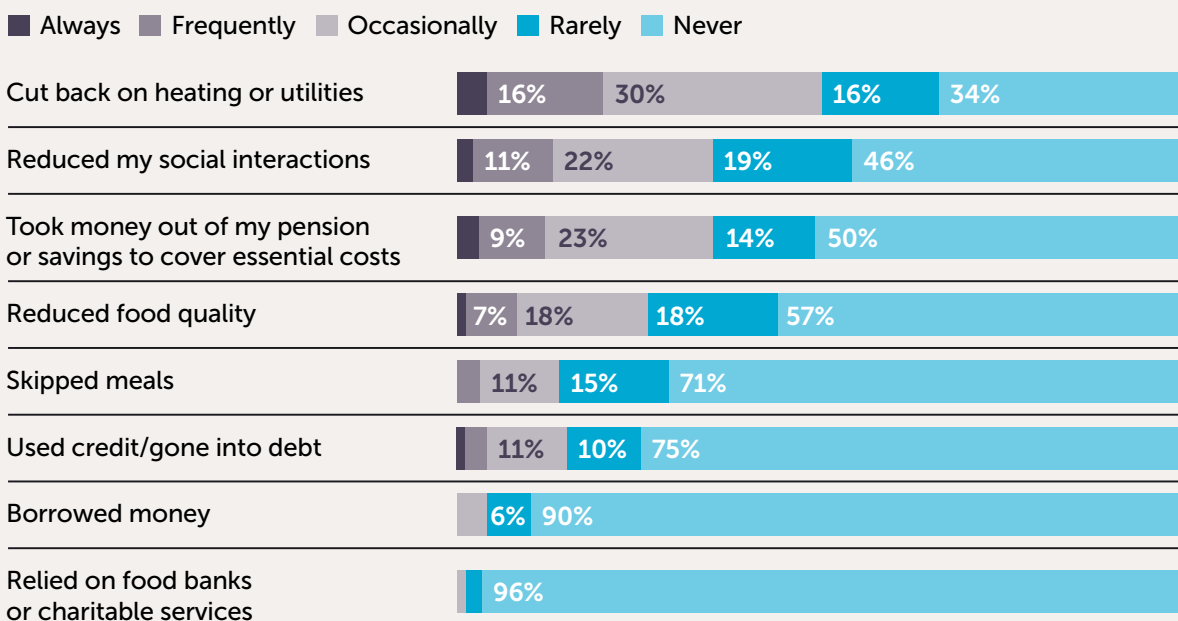
Less than half (**47%**) of older people on an income of less than £15,000 agree they are confident they will be able to pay heating bills over next 12 months.

Actions taken as a result of financial difficulties

Thinking about how often they have engaged in a range of actions as a result of financial difficulties in the past 12 months, half (50%) of older people have cut back on heating or utilities at least occasionally because of financial difficulties (see Figure 6 below). Other common behaviours include reducing social interactions (35%), taking money out of savings/pensions to cover essential costs (35%) and reducing food quality (25%).

Some behaviours were reported much less frequently among those aged 66 or older to deal with financial difficulties in the past 12 months. In particular, 3 in 4 (75%) reported that they have never used credit or gone into debt as a result of financial difficulties, 9 in 10 (90%) shared that they have never borrowed money, and 96% said that they have never relied on food banks or charitable services.

Figure 6: Actions taken as a result of financial difficulties in the past 12 months



Women were more likely than men to report engaging in some of these behaviours as a result of financial difficulties in the past 12 months, including more likely to occasionally skip meals (13%; 9%), at least occasionally reduce food quality (28%; 22%), frequently or always cut back on heat or utilities (23%; 17%), and frequently or always reduce their social interactions (14%; 11%).

In addition, those without health conditions were more likely to have rarely or never reduced food quality (83%; 71%), cut back on heating or utilities (58%; 47%), taken money out of pensions or savings for essential costs (70%; 63%), or reduced social interactions (77%; 61%) in the past year than their peers with a health condition.

Part 2: Costs and cutbacks

Cutting back on heating



66%
All older people
in Scotland

83%
Older people with
<£15,000 income

72%
One-person
households

69%
With a health
condition

55%
Older carers

Skipping meals



29%
All older people
in Scotland

51%
Older people with
<£15,000 income

36%
One-person
households

32% / 21%
With/without a
health condition

36%
Carers

Reduced social interaction



54%
All older people
in Scotland

74%
Older people with
<£15,000 income

59%
One-person
households

58%
With a health
condition

64%
Carers

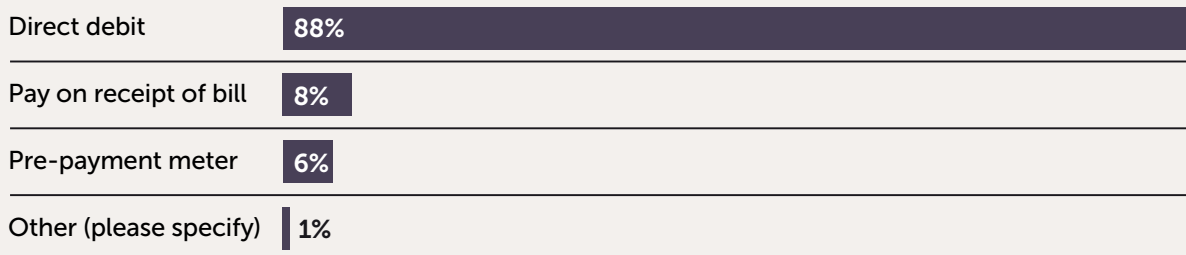
Energy payment methods

Turning to home energy payments, a vast majority of those of pensionable age in Scotland pay for their energy bills by direct debit (88%) (see Figure 7 below). Only 8% pay for their energy when they receive a bill and 6% pay with a prepayment meter, while 1% say they pay for their home energy by alternative means.

Respondents from SIMD 1 are least likely to use direct debit to pay their energy

bills relative to those in more affluent neighbourhoods, with about 3 in 4 (74%) of those from SIMD 1 reporting using direct debit compared to 91% of respondents from SIMD areas 3, 4 and 5. They are also much more likely to use prepayment meters than those from more affluent neighbourhoods, with 1 in 5 (21%) of those in SIMD 1 reporting using these to pay their energy bills, compared to 1% of those from SIMD 5.

Figure 7: Energy payment methods



Groups using prepayment meters



6%

Everyone in later life



21%

Renters



3%

Homeowners



13%

Older people with <£15,000 income

Paying by direct debit



91%

of homeowners pay for their energy by direct debit

70%

of renters pay for their energy by direct debit

Part 2: Costs and cutbacks

Satisfaction with energy

How older people feel about their energy paints a worrying picture. We know 66% – as set out in Figure 6 – have cut back on heating and utilities, and the findings (Figure 8) show confidence in meeting energy costs over the next 12 months remains at less than two thirds (65%) of older people.

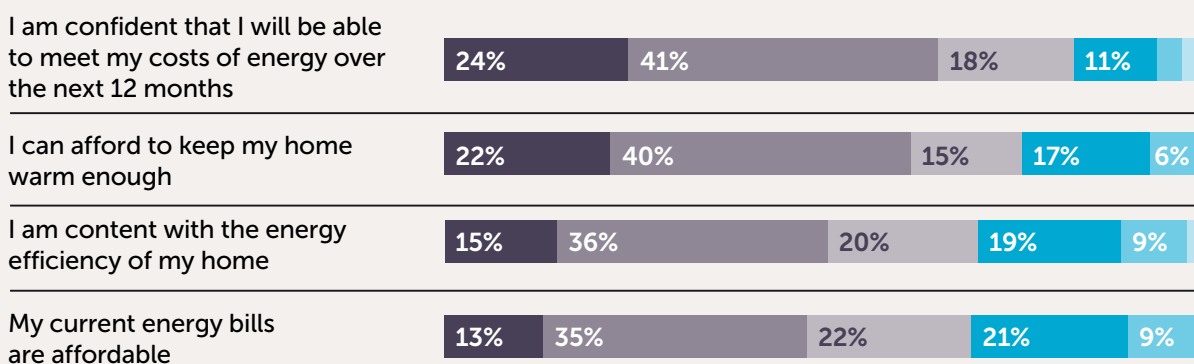
Notably, the proportion of Scottish adults of pensionable age who agree that they are confident they will be able to meet their energy costs over the next year varies substantially from those who agree their energy bills are affordable.

Older people's experiences with energy are influenced by a variety of factors. Homeowners are more likely to respond that they can afford to keep their homes warm enough: about 2 in 3 (64%) older people who own their home outright or with a mortgage or loan (65%) agree with this statement, compared to fewer than half (47%) of those who rent from a private landlord.

Older men are more likely to agree that they are confident that they will be able to meet the costs of energy over the next 12 months than older women (68%; 63%). Confidence in meeting energy costs also varies by neighbourhood deprivation, with fewer than half (46%) of respondents in SIMD 1 agreeing they feel confident to cover their energy bills, compared to fewer than 7 in 10 (69%) of those in more affluent neighbourhoods. Relatedly, bill affordability varies by SIMD, with those in SIMDs 1 to 4 more likely to disagree their energy bills are affordable (33%) than those in SIMD 5 (22%).

Figure 8: Satisfaction with energy

Strongly agree
 Somewhat agree
 Neither agree nor disagree
 Somewhat disagree
 Strongly disagree
 Don't know



I am confident that I will be able to meet my costs of energy over the next 12 months



65%

All older people in Scotland



47%

Older people with <£15,000 income



49%

Older renters



62%

With a health condition



62%

Older carers



63% / 68%

Women/men

I can afford to keep my home warm enough



23%

All older people in Scotland **disagree**



37%

Older people with <£15,000 income **disagree**



41%

Older private renters **disagree**

Part 2: Costs and cutbacks

Helen from Aberdeenshire's story

I started working before my 15th birthday. I had to leave to school because I was the oldest of five children and I needed to earn money to help support the family. I worked as a secretary in catering, and as a children's nanny and a care assistant in a hospital, before going on to train as a nurse.

I'm 73 now but I haven't stopped working – I can't afford to retire. I don't get Pension Credit or any other payments so I need to work to have some extra money. I work as a carer and I live in with people who have mobility issues or dementia. It's physically demanding work and it's harder to do as you get older – I haven't got the same strength I once had and I've also had my left hip replaced.

I pay about £300–350 a month on my utilities, and by the time I've paid my expenses, I have only £50–60 a week left for my food and petrol. When I'm home, I only keep the one heater on. I've also got a wood burner, and I forage for wood so I can heat for myself. You learn to make do and not spend more than you have in your pocket.

I look after my pennies. I don't buy new clothes: I go to charity shops and pick up things. I buy gifts from charity shops too. With grocery shopping, I plan what I am going to spend because I've only got a certain budget for each week, so I have to try and keep within that.

I've been working my entire life but all I get is the basic State Pension and a little extra from working for the NHS for about six years. It's not very much.



Part 3: Housing



A home that is affordable, secure and suitable is essential to our wellbeing and should be a basic human right. This part of the Older People's Economic Wellbeing index explores the experiences of older people in relation to their housing, examining tenure, suitability and affordability.

Part 3: Housing

Key findings



Older people in the most deprived neighbourhoods (SIMD 1) are least likely of all neighbourhoods to own their home outright (**57%** compared to **83%** in SIMD 2 to 5).



34% of older people in SIMD 1 rent from a social landlord, compared to **7%** in SIMD 2 to 5.



3 in 5 (61%) older people feel that their current home is entirely suitable to the needs of their household.



Older people renting from a private landlord were the least likely to say their home is 'entirely suitable' (**40%**).



1 in 4 (24%) older people report a challenge with the affordability of their housing, with it becoming unaffordable for them to live there, but believe they should be able to continue living in their current accommodation.

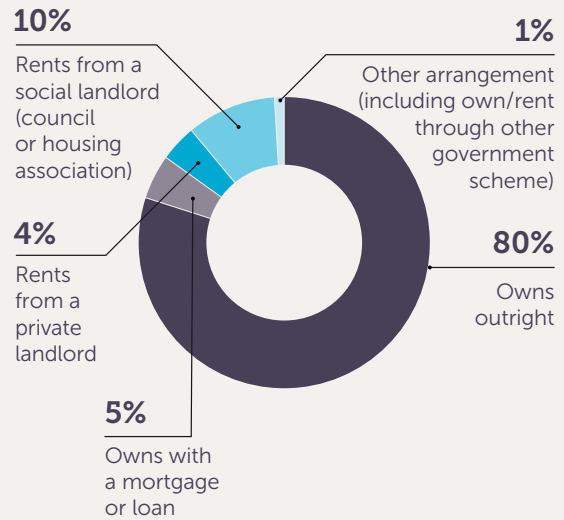


2% (1 in 50) older people report that their housing is unaffordable and that they are concerned about their ability to afford to continue living there – this rises to **4% (1 in 25)** of older people when looking at those with an income of less than £15,000 a year.

Tenure

In our sample, a considerable majority (4 in 5 or 80%) of older people own their home outright. Another 5% own their home with a mortgage or loan. Some 14% rent their home, with more renting from a social landlord (10%) than a private landlord (4%) – see Figure 9.

Figure 9: Tenure



Notable demographic differences in tenure exist for household size and geography

19%

of older people who live alone rent from a social landlord, compared to **7%** of larger households.

34%

of older people in SIMD 1 rent from a social landlord, compared to **7%** of those in SIMD 2 to 5.

83%

of older people in the higher social grade (ABC1) own their own home outright, compared to **75%** in social grade C2DE.



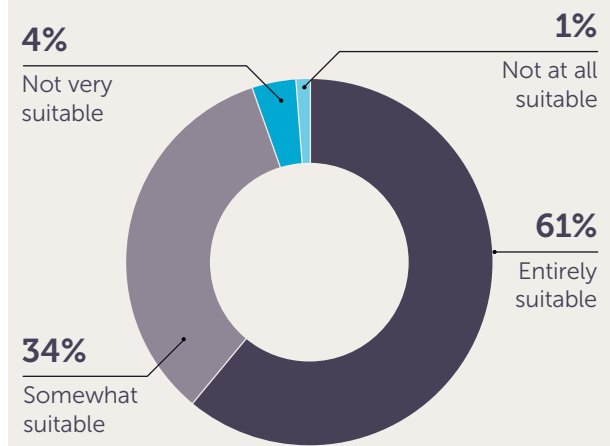
Part 3: Housing

Suitability of housing

Some 3 in 5 (61%) older people feel that their current home is entirely suitable to the needs of their household (see Figure 10 adjacent). Another sizable proportion, 1 in 3 (34%), feels that their home is somewhat suitable to the needs of their household. Just over 1 in 20 (6%) shared that their home is not very suitable or not at all suitable to their needs.

Those in the most deprived neighbourhoods are least likely to find their home entirely suitable to their household's needs. Fewer than half (48%) of older people in SIMD 1 said that their home is entirely suitable to their needs, rising to 3 in 5 (61%) of those in SIMD 3 and 4 and more than 2 in 3 (68%) of respondents in SIMD 5.

Figure 10: Suitability of housing



Breakdown of those saying their home is 'entirely suitable'

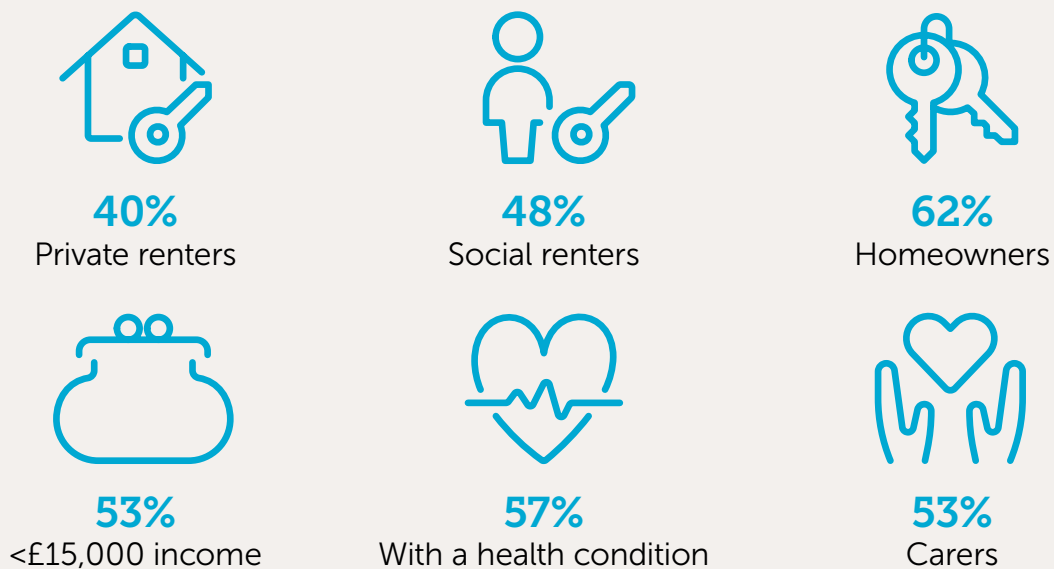
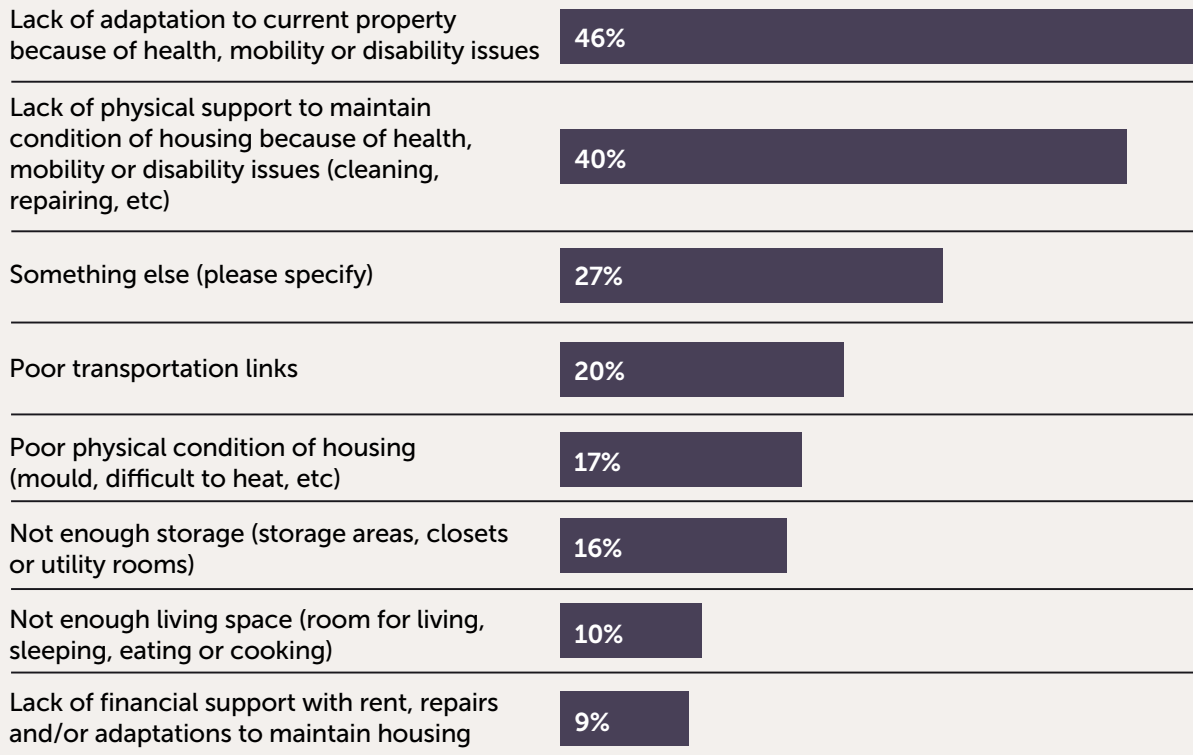


Figure 11: Reasons for non-suitability of home

People in later life who said that their household is not suitable (either 'not very' or 'not at all') to the needs of their household were asked a follow-up question about the reasons their housing is not suitable.

Among those who feel their home is not suitable to their needs – reported by 46% (see Figure 11 above) – the most selected reason is the lack of adaptation to the current property because of health, mobility or disability issues. This is followed closely by 40% who reported that the housing wasn't suitable because of a lack of physical support to maintain its condition, given health, mobility or disability issues.

A few more than 1 in 4 (27%) older people who report their home is not suitable to their needs selected 'something else' as a rationale. The most common written response mentions the size of the home, namely it being 'too big' for their needs.



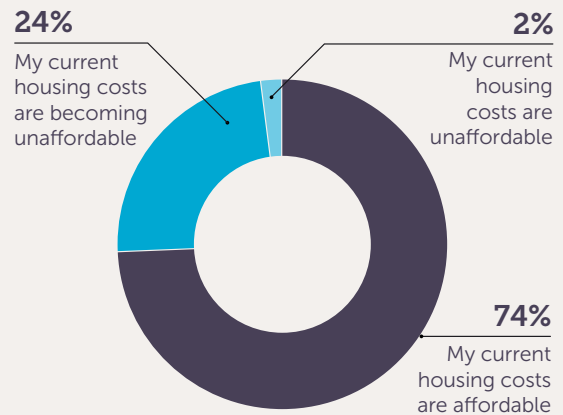
Part 3: Housing

Affordability of housing

Thinking about their current housing costs, 3 in 4 (74%) older people in Scotland believe that their housing costs are affordable and they will be able to continue living in their current accommodation (see Figure 12). Some 1 in 4 (24%) report a challenge with the affordability of their housing, with it becoming unaffordable for them to live there, but believe they should be able to continue living in their current accommodation. Some 1 in 50 (2%) older people in Scotland reports that their housing is unaffordable and that they are concerned about their ability to continue living there.

Perceptions on housing affordability vary by income and by neighbourhood deprivation. Older people with an income of more than £30,000 a year are more likely than those with an income of less than £20,000 to say that their housing is affordable. Likewise, those in SIMD 5 are most likely to consider their housing costs affordable compared to those in more deprived neighbourhoods: more than 4 in 5 (81%) SIMD 5 respondents report their current housing costs are affordable, while this reduces to just 7 in 10 (69%) of those in SIMD 1. Those in SIMD 1 to 4 are more likely to report their housing costs are becoming unaffordable, with more than 1 in 4 (26%) citing concern compared to fewer than 1 in 5 of those in SIMD 5 (18%).

Figure 12: Affordability of housing



Older women are more likely to report their housing becoming unaffordable than older men (26%; 22%).

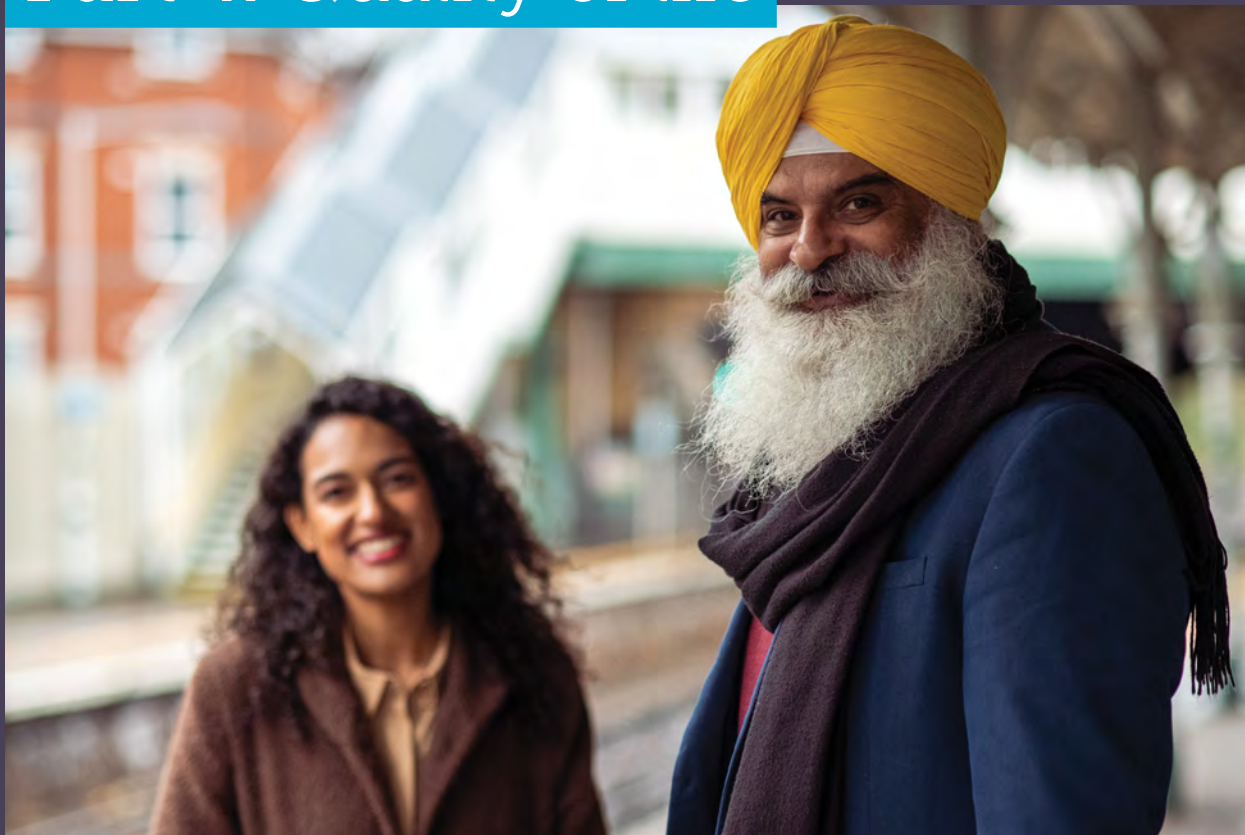


39% of older people on an income of less than £15,000 a year say housing costs are either 'becoming' or 'are' unaffordable.



31% of older renters say their housing costs are becoming unaffordable.

Part 4: Quality of life



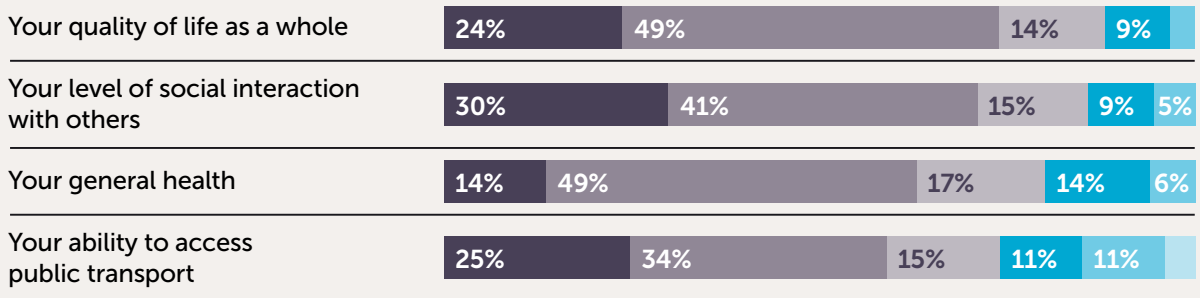
When considering their satisfaction with various aspects of life – including their quality of life, general health, level of social interaction and ability to access public transport – most Scottish residents aged over 66 said they are satisfied ('fairly' or 'very') with each of these aspects (see Figure 13 on page 34). The highest level of satisfaction is reported for quality of life as a whole, where nearly 3 in 4 (74%) report being satisfied, followed closely by level of social interaction (72%). Satisfaction with their general health (62%) and ability to access public transport (60%) are markedly lower.

The percentage of Scottish residents aged over 66 who select that they are dissatisfied ('fairly' or 'very') is low, with just over 1 in 10 saying they are dissatisfied with their quality of life as a whole (12%) and their level of social interaction with others (13%). However, this rises to a notable 1 in 5 when considering their general health (20%) and their ability to access public transport (22%).

Part 4: Quality of life

Figure 13: Reported satisfaction with life aspects

Very satisfied
 Fairly satisfied
 Neither satisfied nor dissatisfied
 Fairly dissatisfied
 Very dissatisfied
 Don't know



Life satisfaction and health conditions

67% of people with a health condition are satisfied with quality of life, compared to **90%** without a health condition



66% are satisfied with social interaction, compared to **83%** without a health condition



50% are satisfied with health, compared to **90%** without a health condition



54% are satisfied with access to public transport, compared to **73%** without



Life satisfaction and deprivation

78% of those in SIMD 4 and 5 (the most affluent neighbourhoods) are satisfied with their overall quality of life



67% of those in SIMD 1 and 2 (the most deprived) are satisfied with their overall quality of life

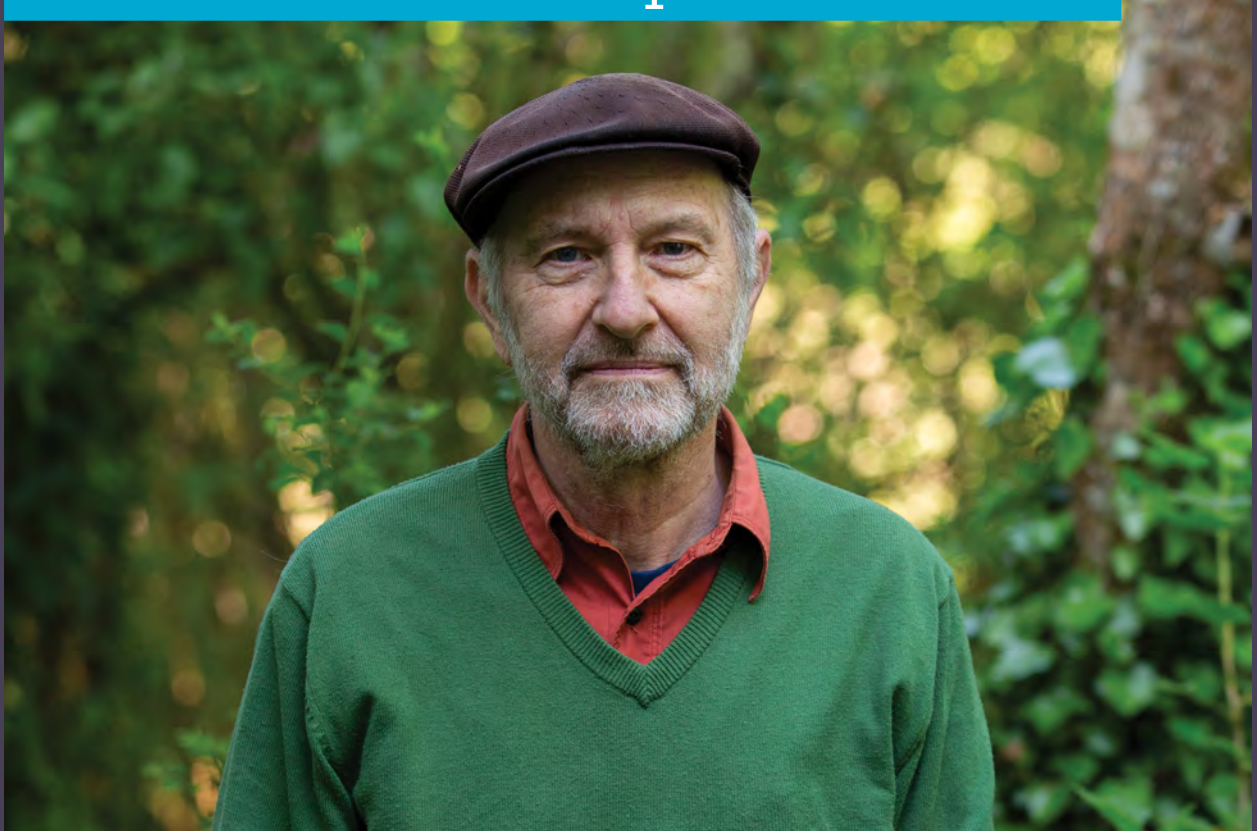


More than 2 in 3 (68%) older respondents in SIMD 4 and 5 select that they are at least fairly satisfied with their general health, compared to 57% of those in SIMD 1, 2 and 3. The inverse can be seen with regards to dissatisfaction – for example, 16% of respondents in the most deprived neighbourhoods (SIMD 1 and 2) said that they are at least fairly dissatisfied with their quality of life overall, compared to just 8% of older people in SIMD 5, while 28% of those in SIMD 1 and 2 report being dissatisfied with their health, compared to only 15% of those in SIMD 4 and 5.

Satisfaction with public transportation access is associated with Scottish parliamentary region. Those in the Lothian, West Scotland and Central Scotland Scottish parliamentary regions are more likely to be satisfied (either 'fairly' or 'very') with their access to public transportation (72%; 62%; 62%), compared to 51% of those in the Highlands and Islands. Residents of the Highlands and Islands are more likely to be dissatisfied with their ability to access public transportation than many other regions, with almost a third (31%) of respondents from the Highlands and Islands Scottish parliamentary region selecting 'fairly' or 'very' dissatisfied for this aspect.



Part 5: Political representation



This chapter explores respondents' perceptions of political representation and policies affecting older people.

Our research found most older people in Scotland feel they are not very, or not at all, represented by political decision makers and institutions.

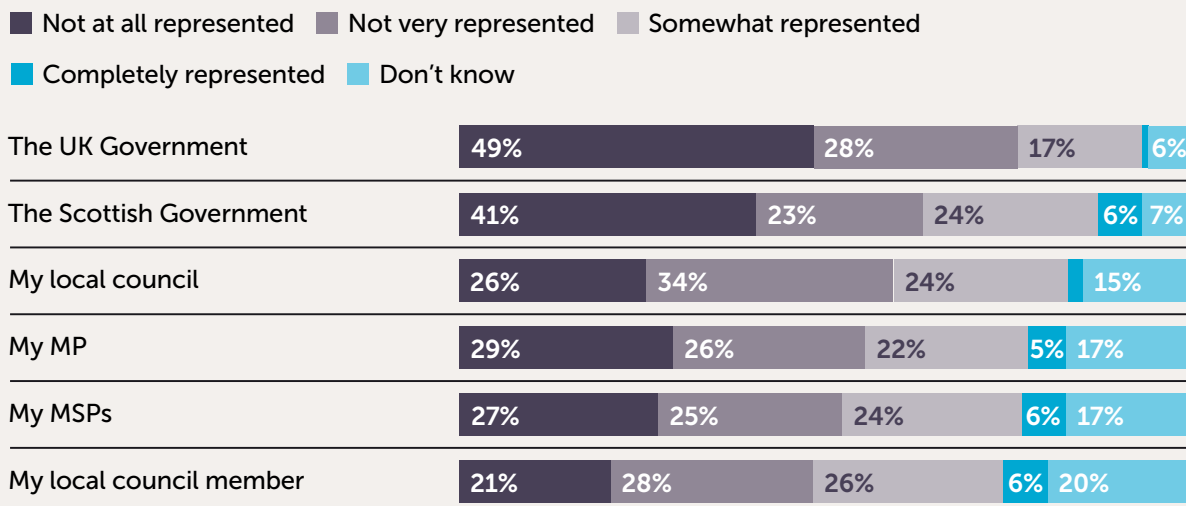


“

“We all talk about the pension not being enough, especially when everything's getting so much more expensive.”

Older Helpline caller

Figure 14: Feelings of representation



Feelings of representation

When considering the extent to which they feel represented by a range of political actors, most Scottish residents of pensionable age feel that they are 'not very' or 'not at all' represented by each political office-bearer or institution (see Figure 14 above).

This is highest for government bodies, with more than 3 in 4 (77%) reporting that they do not feel represented (either 'not very' or 'not at all') by the UK Government, followed by 3 in 5 who say the same for the Scottish Government (63%) and their local council (60%).

While political representatives fare better in representation assessments, about half of older people report that they feel 'not very' or 'not at all' represented by their local council member (48%), their MSPs (53%) or their MP (55%).

When examined together, local governments and representatives fare marginally better in representation assessments than national governments and representatives. However, more

respondents say that they 'don't know' the extent to which they feel represented by their local council (15%) and local council member (20%), as well as their MP (17%) and MSPs (17%). This is likely to reflect that many older individuals may not be familiar with their representatives and local government.

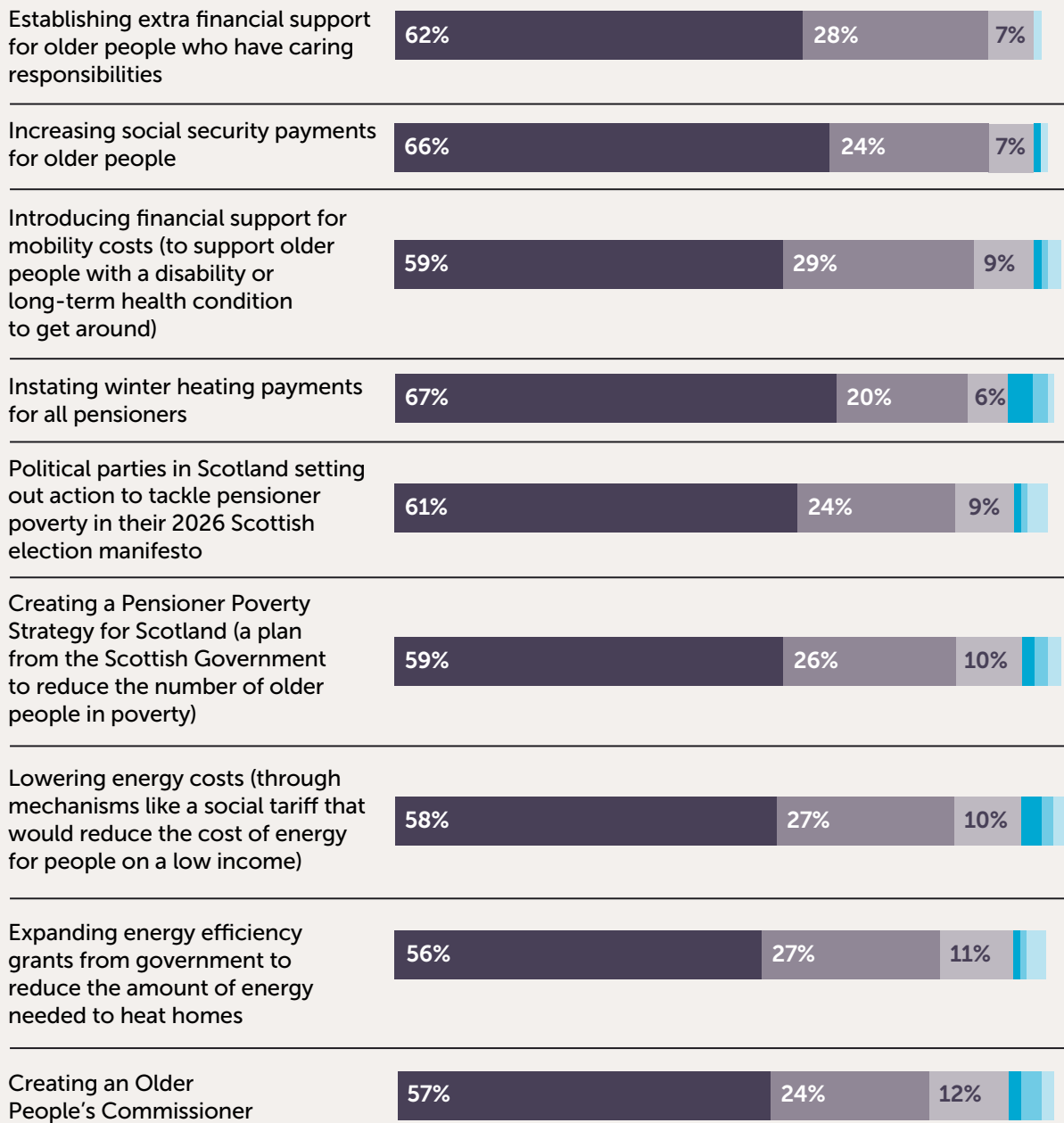
Older men are more likely than older women to feel like they are not represented by political representatives, including their local council member (52%; 45%), their MSPs (57%; 48%) and their MP (59%; 51%). Respondents aged 75+ are more likely than those who are younger to feel represented ('completely' or 'somewhat') by their local council member (35%; 29%) and their local council (29%; 23%). In addition, people aged 75+ are more likely than those aged 66 to 74 to feel represented by the UK Government (21%; 15%).

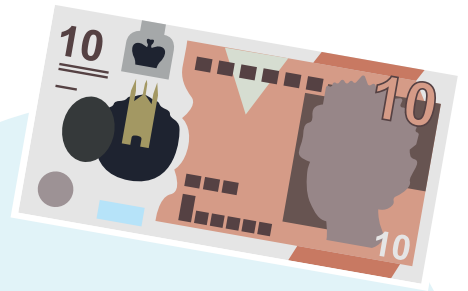
Residents in the Highlands and Islands are more likely to feel 'not' represented by the UK Government, particularly when compared to respondents from the Lothian region (82%; 73%).

Part 5: Political representation

Figure 15: Support for policies affecting older people

■ Strongly support ■ Somewhat support ■ Neither support nor oppose
 ■ Somewhat oppose ■ Strongly oppose ■ Don't know





The government should be really doing more for pensioners, even a tenner a week makes such a difference. To help people live.

Anonymous

Support for policies affecting older people

Among Scottish residents aged 66 and over, there is clear support for a range of policies that will positively affect the lives of older people in poverty – often with 4 in 5 or more supporting (either 'strongly' or 'somewhat') each policy intervention (see Figure 15 on page 38). The policies with the most support among the older population are establishing extra financial support for older people who have caring responsibilities (91%), increasing social security payments for older people living on a low income (90%) and introducing financial support for mobility costs (88%).

Women are more likely than men to support (either 'strongly' or 'somewhat') creating an Older People's Commissioner (84%; 78%), introducing financial support for mobility costs (89%; 87%) and lowering energy costs (87%; 81%).

Respondents in social grade C2DE are more likely than those in grade ABC1 to support creating an Older People's Commissioner (84%; 79%) and increasing social security payments for older people (92%; 89%).

In addition, Scottish residents aged 66+ from the most deprived areas (SIMD 1) are more likely than those from the least deprived areas (SIMD 5) to support most of the policies surveyed: creating a Pensioner Poverty Strategy (90%; 80%), creating an Older People's Commissioner (89%; 79%), reinstating winter heating payments for all pensioners (95%; 83%), introducing financial support for mobility costs (93%; 85%), increasing social security payments for older people (96%; 86%) and lowering energy costs (90%; 80%).

Older people with health conditions are more likely than those without to support creating an Older People's Commissioner (83%; 77%) and increasing social security payments for older people (92%; 88%).

Conclusion



This is the inaugural edition of the *Older People's Economic Wellbeing Index: Scotland 2024–25*. This research and report were produced to develop a deeper insight into the lives of older people in Scotland today.

Independent Age plan to build on this evidence base, repeating the research to track the economic wellbeing of older people in Scotland over time – and deepening our understanding of life for pensioners and the impacts of policy interventions and demographic changes.

This benchmark data release clearly demonstrates that, for many older people, living on a low income – and in groups most likely to face structural inequalities, such as people with a health condition or disability, or women – makes life financially difficult.

While this is no surprise, coming against a backdrop of growing pensioner poverty in Scotland means it should sound an alarm bell.

Our research paints a picture of the varied and diverse group of people in later life whose life experiences vary according to several factors and inequalities. It begins to set out the landscape of economic wellbeing across Scotland's pensioner population – which enables progress towards tackling financial hardship and poverty, and provides rich insight and evidence about the need to develop a strategic approach with interventions across policy areas (income maximisation, energy support, housing, and cost of living for people with disabilities and carers).

Independent Age recommend that:

- all political parties address pensioner poverty as a key priority
- the UK Government:
 - ensure reserved social security pensioner payments are set at an adequate rate
- the Scottish Government:
 - develop and implement a Pensioner Poverty Strategy for Scotland
 - introduce an Older People's Commissioner for Scotland
 - ensure that devolved social security payments are adequate – including introducing a mobility component of Pension Age Disability Payment – and that older people receive all the social security payments they are entitled to through coordinated income maximisation campaigns
 - ensure that no older person lives in fuel poverty, by taking action to achieve this through energy efficiency and social security support
 - ensure that older people can access affordable, secure and suitable housing.

Appendix A: Survey questionnaire

ASK ALL

Q1. Could you please confirm your current employment status?

SINGLE CODE

1. Retired
2. Unpaid/voluntary work
3. Employed, full-time
4. Employed, part-time
5. Self-employed
6. Not currently in work and seeking work
7. In education at college/university
8. Other (please specify)

ASK ALL

Q2. Does your household own or rent your accommodation?

SINGLE CODE

1. Owns outright
2. Owns with a mortgage or loan
3. Part owns and part rents (shared ownership)
4. Rents from a private landlord
5. Rents from a social landlord (council or housing association)
6. Other arrangement (including own/rent through other government scheme)

ASK ALL

Q3. Below, we include a list of various possible sources of income. Which of the following do you and your household receive?

MULTICODE

1. State retirement pension
2. Pension from former employer
3. Personal pensions
4. Pension Credit
5. Housing Benefit
6. Discretionary Housing Payment
7. Personal Independence Payment/ Adult Disability Payment
8. Disability Living Allowance
9. Attendance Allowance/Pension Age Disability Payment
10. Child Benefit
11. Universal Credit
12. Employment and Support Allowance
13. Carer's Allowance/Carer Support Payment
14. Other state benefits
15. Earnings from employment or self-employment (including overtime, tips and bonus)
16. Student grants and bursaries (but not loans)
17. Interest from saving and investments (for example, stocks and shares)
18. Rent from property (after expenses)
19. Other kinds of regular income (for example, maintenance or grants)
20. No source of income (SINGLE CODE)

ASK ALL**Q4. Approximately what is your household's total income from all sources over the last 12 months?**

Count income from every person included in the household, including earnings, pensions, student grants, benefits, tax credits, interest earned, rent from property and any other income. Please do not deduct taxes, National Insurance contributions, Health Insurance Payments, Superannuation payments.

SINGLE CODE

1. Under £10,000
2. £10,000-£14,999
3. £15,000-£19,999
4. £20,000-£24,999
5. £25,000-£29,999
6. £30,000-£34,999
7. £35,000-£39,999
8. £40,000-£44,999
9. £45,000-£49,999
10. £50,000-£54,999
11. £55,000-£59,999
12. £60,000 or more
13. Don't know
14. Rather not say

ASK ALL**Q5. Do you consider yourself to have a long-term health condition?**

This could be a physical condition, a mental health condition, or both. It would include disabilities and conditions such as cardiovascular disease, diabetes and respiratory conditions, for example.

If so, please indicate whether this is a limiting condition (i.e. a health problem or disability which limits your daily activities or the work you can do, including problems that are due to old age) or not.

Please select all that apply. For instance, you may consider yourself to have a limiting physical health condition, and a non-limiting mental health condition.

MULTICODE

1. A limiting physical condition
2. A non-limiting physical condition
3. A limiting mental health condition
4. A non-limiting mental health condition
5. None
6. Don't know
7. Prefer not to say

Appendix A: Survey questionnaire

ASK ALL

Q6. Do you look after, or give any help or support to family members, friends, neighbours or others because of either:

- Long-term physical / mental ill-health / disability; or
- Problems related to old age?

Do not count anything you do as part of your paid employment?

SINGLE CODE

1. No
2. Yes, 1 to 19 hours a week
3. Yes, 20 to 34 hours a week
4. Yes, 35 to 49 hours a week
5. Yes, 50 or more hours a week

Health and wellbeing

ASK ALL

Q7. How satisfied are you with each of the following:

SINGLE CODE

RANDOMISE ORDER

- Your quality of life as a whole
- Your general health
- Your level of social interaction with others
- Your ability to access public transport

SCALE: Very satisfied, fairly satisfied, neither satisfied nor dissatisfied, fairly dissatisfied, very dissatisfied, Don't Know

Housing and community

ASK ALL

Q8. Overall, how suitable do you feel your current home is for the needs of your household?

SINGLE CODE

1. Entirely suitable
2. Somewhat suitable
3. Not very suitable
4. Not at all suitable

ASK IF CODE 3-4 at Q8

Q9. And why is your housing not suitable to meet your needs?

MULTICODE-RANDOMISE ORDER

1. Not enough living space (room for living, sleeping, eating or cooking)
2. Not enough storage (storage areas, closets or utility rooms)
3. Poor physical condition of housing (mould, difficult to heat, etc.)
4. Lack of adaptation to current property due to health, mobility or disability issues
5. Lack of financial support with rent, repairs and/or adaptations to maintain housing
6. Lack of physical support to maintain condition of housing due to health, mobility or disability issues (cleaning, repairing, etc.)
7. Poor transportation links

ASK ALL

Q10. Thinking about your current housing costs, which of the three statements comes closest to your situation?

SINGLE CODE

1. My current housing costs are affordable and I will be able to afford to continue to live in my accommodation

OR

2. My current housing costs are becoming unaffordable but I should be able to stay living in my current accommodation

OR

3. My current housing costs are unaffordable and I am concerned that I may not be able to continue living in my current accommodation

Income and financial wellbeing

ASK ALL

Q11. Thinking about your household income and costs, how would you rate your current overall financial situation?

SINGLE CODE

1. Very Good
2. Good
3. Adequate
4. Poor
5. Very Poor
6. Don't Know

ASK ALL

Q12. How often, if at all, have you taken the following actions in the last 12 months as a result of financial difficulties?

RANDOMISE ORDER

SINGLE CODE

- Skipped meals
- Reduced food quality
- Borrowed money
- Used credit/gone into debt
- Relied on food banks or charitable services
- Cut back on heating or utilities
- Took money out of my pension or savings to cover essential costs
- Reduced my social interactions

SCALE: Never, Rarely, Occasionally, Frequently, Always

Appendix A: Survey questionnaire

Social security

ASK ALL

Q13. Looking at the list below, which of these benefits, if any, are you aware of?

SINGLE CODE

RANDOMISE ORDER

- State Pension
- Pension Credit
- Housing Benefit
- Council Tax Reduction
- Attendance Allowance /Pension Age Disability Payment
- Carer's Allowance/Carer Support Payment
- Scottish Welfare Fund
- Discretionary Housing Payments
- Funeral Support Payment

SCALE: Yes/No

ASK ALL

Q14. To what extent do you agree or disagree with the following statements:

SINGLE CODE

RANDOMISE ORDER

- The amount I receive from the state pension is enough to cover my basic living expenses
- I am satisfied with the amount that I receive from the state pension
- I am confident that I am receiving all of the benefits that I am entitled to
- I am confident that I know how to apply for financial benefits that I am entitled to

SCALE: Strongly agree, Somewhat agree, Neither agree nor disagree, Somewhat disagree, Strongly disagree, Don't Know

ASK ALL

Q15. How well or poorly do you think the current social security system works for people of pensionable age?

SINGLE CODE

1. Very well
2. Fairly Well
3. Neutral
4. Fairly Poorly
5. Very poorly
6. Don't Know

Energy expenses

ASK ALL

Q16. Which of the following methods do you use to pay your energy bills?

SELECT ALL THAT APPLY

1. Pre-payment meter
2. Direct debit
3. Pay on receipt of bill
4. Other (please specify)

ASK ALL

Q17. To what extent, do you agree with the following statements:

RANDOMISE ORDER

- I am content with the energy efficiency of my home
- I can afford to keep my home warm enough
- I am confident that I will be able to meet my costs of energy over the next 12 months
- My current energy bills are affordable

SCALE: Strongly agree, Somewhat agree, Neither agree nor disagree, Somewhat disagree, Strongly disagree, Don't Know

Political representation

ASK ALL

Q18. At the 2024 UK General Election, which party did you vote for?

SINGLE CODE

RANDOMISE

1. Scottish Conservative and Unionist Party
2. Scottish Labour
3. Scottish Liberal Democrats
4. Scottish Green Party
5. Reform UK
6. Scottish National Party (SNP)
7. A different party (Please specify)
8. Don't remember
9. Didn't vote
10. Prefer not to say

ASK ALL

Q19. To what extent do you feel represented by the following political representatives:

SINGLE CODE

1. My local councilmember
2. My local council
3. My MSPs
4. My MP
5. The Scottish Government
6. The UK Government

SCALE: Completely represented, somewhat represented, not very represented, not at all represented, don't know

ASK ALL

Q20. To what extent do you support or oppose the following proposed policies?

SINGLE CODE

RANDOMISE ORDER

1. Creating a Pensioner Poverty Strategy for Scotland (a plan from the Scottish Government to reduce the number of older people in poverty)
2. Creating an Older People's Commissioner (an independent person to hold the government to account and advance older people's rights)
3. Instating winter heating payments for all pensioners
4. Introducing financial support for mobility costs (to support older people with a disability or long-term health condition to get around)
5. Increasing social security payments for older people (including a higher State Pension)
6. Establishing extra financial support for older people who have caring responsibilities
7. Lowering energy costs (through mechanisms like a social tariff that would reduce the cost of energy for people on a low income)
8. Expanding energy efficiency grants from government to reduce the amount of energy needed to heat homes
9. Political parties in Scotland setting out action to tackle pensioner poverty in their 2026 Scottish election manifesto

SCALE: Strongly support, Somewhat support, Neither support nor oppose, Somewhat oppose, Strongly oppose, Don't know

Appendix B: Additional charts

Figure 16: Self-reported income



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