

# Perceptions of Wealth Inequality in Scotland: Wellbeing Economy Alliance (WEAll) Scotland

Report by The Diffley Partnership  
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# Contents

|   |    |
|---|----|
| 1. Background and methodology.....  | 2  |
| 1.1 Background.....   | 2  |
| 1.2 Methodology.....  | 3  |
| 1.3 Presentation and interpretation of findings.....                                  | 6  |
| 1.4 Report structure.....   | 7  |
| 2. Perceptions of wealth.....   | 8  |
| 2.1 Initial conceptualisations of wealth.....   | 8  |
| 2.2 Perceptions of the wealthy.....   | 10 |
| 2.3 Perceptions of the wealth distribution.....                                       | 16 |
| 2.4 Summary.....  | 20 |
| 3. Attitudes to wealth inequality.....  | 22 |
| 3.1 Current distribution of wealth.....   | 22 |
| 3.2 Ideal distribution of wealth.....   | 28 |
| 3.3 Impacts of wealth inequality on society.....                                      | 31 |
| 3.4 Summary.....  | 36 |
| 4. Views on government action to reduce wealth inequality.....                        | 37 |
| 4.1 Responsibility for tackling wealth inequality in Scotland.....                    | 37 |
| 4.2 General attitudes to tax increases.....   | 38 |
| 4.3 Summary.....  | 51 |
| 5. Views on potential policies to reduce wealth inequality, including tax levers..... | 53 |
| 5.1 Redistributive policies and taxes.....  | 53 |
| 5.2 Council tax.....  | 62 |
| 5.3 Summary.....  | 74 |
| Appendix A. Topline survey results.....   | 76 |
| Appendix B. ScotPulse panel administration.....                                       | 85 |
| Appendix C. Discussion guide.....   | 88 |

# 1. Background and methodology

Wellbeing Economy Alliance Scotland (WEAll) commissioned Diffley Partnership, an independent research agency based in Edinburgh, to conduct a mixed-method research project. The purpose of the research was helping to address key barriers to more ambitious political action on tackling poverty in Scotland, particularly the lack of evidence on the levels of public support for redistribution and redistributive policies in Scotland.

This chapter contains an overview of the research context and methodology.

## 1.1 Background

There is mounting evidence that economic growth is unlikely to deliver the reductions in poverty needed to achieve Scotland's targets. Research published by the Joseph Rowntree Foundation, titled "Economic Growth and Poverty"<sup>1</sup>, estimates that even elevated levels of growth and employment over the coming years would only have a negligible impact on levels of relative poverty in the UK. Fuelled by high levels of wealth inequality, public discourse and policy discussions in the UK and Scotland are increasingly going beyond income inequality towards the possibility for redistributing wealth to reduce poverty and fund public services. Official statistics published August 2025 show the 10% of wealthiest households in Scotland own almost 8 times more wealth than the 40% of least wealthy households combined.<sup>2</sup>

However, a frequently cited reason for the lack of ambition to tackle poverty directly through stronger wealth redistribution measures is the perceived lack of public support - with a fear of a political backlash from 'the losers' from redistribution and vested interests<sup>3</sup>. WEAll believe that this perception persists even though there is little robust evidence of public opinion against redistribution.

To help address this gap, this project aims to help answer the following questions:

- Do people in Scotland consider current levels of wealth inequality as fair or would they prefer a more equal distribution?
- What policies would help ensure a thriving economy and reduce wealth inequality?
- What is the level of support for policies that could achieve a more equal distribution of wealth to tackle poverty in Scotland?

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<sup>1</sup> [Economic growth and poverty | Joseph Rowntree Foundation](#)

<sup>2</sup> [Wealth inequality remains high - gov.scot](#)

<sup>3</sup> [Changing the narrative on wealth inequality | Joseph Rowntree Foundation](#)

Similar research has been done on the UK, for example by the Fairness Foundation<sup>4</sup> or Demos<sup>5</sup>, but is not specific to Scotland, and has received limited attention in Scotland's political discussion.

## 1.2 Methodology

Diffley Partnership and WEAll devised a research methodology involving two stages:

- 1) A nationally representative survey of Scottish residents, to provide a headline picture of attitudes to wealth inequality and support for redistributive policies in Scotland.
- 2) Six focus groups with members of the public, split by their self-reported wealth, to facilitate debate about wealth inequality and support for redistributive policies in Scotland.

### Nationally representative survey

Diffley Partnership worked with WEAll to design the survey questionnaire. The final questionnaire was comprised of eight closed questions, which can be seen in detail in Appendix A. Respondents were asked questions on a range of topics, including their views on wealth inequality in Scotland, their attitudes towards raising taxes and their views on specific tax reforms aimed at reducing wealth inequality.

In addition, to provide useful analysis, the survey included additional two closed questions gathering respondents' household tenure and self-reported household wealth. For the purposes of this research, 'low' wealth refers to those with under £60,000 in household wealth, 'medium' wealth refers to those with between £60,000 and £299,999 in household wealth and 'high' wealth refers to those with £300,000 or more in household wealth.

Respondents were also given the opportunity to express interest in taking part in follow-up qualitative research, with focus group participants pulled from those that expressed interest in the survey.

Invitations to complete the survey were sent out through the online ScotPulse panel, the largest and highest-quality online panel in Scotland. More information on the ScotPulse panel is provided in Appendix B.

The demographic information available from ScotPulse panel members completing surveys included age, gender, household size, presence of children in household and a composite variable on social grade. Stored postcode information was also used to create variables on Scottish Parliamentary region and Scottish Index of Multiple Deprivation.

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<sup>4</sup> [Surveys](#)

<sup>5</sup> [Demos](#)

Fieldwork was conducted between 14 and 17 November 2025. The survey achieved 2,321 responses and was comprised of respondents aged 16+ from across Scotland.

## Focus groups

Diffley Partnership designed the discussion guide, in close consultation with WEAll, covering:

- Initial perceptions of wealth.
- General attitudes to wealth inequality in Scotland.
- Potential policies to reduce wealth inequality in Scotland.
- Potential tax policies and reforms to reduce wealth inequality in Scotland, including council tax reforms.

The full discussion guide can be found in Appendix C.

Six focus groups were held online via Zoom online video software on:

1. Thursday, 4 December 2025, from 17:00-18:30.
2. Tuesday, 9 December 2025, from 19:00-20:30.
3. Wednesday, 10 December 2025, from 12:30-14:00.
4. Tuesday, 13 January 2026, from 17:30-19:00.
5. Thursday, 15 January 2026, from 17:00-18:30.
6. Thursday, 15 January 2026, from 19:00-20:30.

As attitudes to wealth inequality and support for redistributive policies were thought to vary by participant's level of wealth, focus groups were split by self-reported household wealth. Therefore, two groups were held with those with 'low' wealth, two groups with those with 'medium' wealth and two groups with those with 'high' wealth.

To ensure a spread of focus group participants by age, gender and region, Diffley Partnership examined demographic information from the ScotPulse survey for those that expressed an interest in participating in follow-up research. Subsequently, Diffley Partnership invited a selection of participants to provide times they would be available to participate. The most commonly selected times for each wealth grouping were chosen for the focus groups. Diffley Partnership then issued rolling invitations to focus groups, until sufficient sign-ups.

Participants were provided with an information sheet and a privacy notice prior to participating in the research, which outlined the objectives of the research and how their data would be handled. To avoid stigmatising participants by their reported household wealth, participants were invited to

participate in focus groups without knowledge of which wealth category each group was sorted into.

A total of 38 people took part in the focus groups. A breakdown of participants by key characteristics is provided in Table 1.2.

**Table 1.2. Breakdown of focus group participants by key demographics**

|   | Demographic             | Number |
|---|-------------------------|--------|
| <b>Date</b>                                   | Group 1 - High wealth   | 6      |
|   | Group 2 - Low wealth    | 5      |
|   | Group 3 - Medium wealth | 5      |
|   | Group 4 - Medium wealth | 8      |
|   | Group 5 - High wealth   | 8      |
|   | Group 6 - Low wealth    | 6      |
| <b>Age</b>                                    | 16-34                   | 8      |
|   | 35-44                   | 9      |
|   | 45-54                   | 9      |
|   | 55-64                   | 8      |
|   | 65+                     | 4      |
| <b>Gender</b>                                 | Male                    | 23     |
|   | Female                  | 15     |
| <b>Household wealth</b>                       | Less than £0            | 3      |
|   | £0 to £14,999           | 2      |
|   | £15,000 to £29,999      | 1      |
|   | £30,000 to £59,999      | 5      |
|   | £60,000 to £119,999     | 6      |
|   | £120,000 to £199,999    | 3      |
|   | £200,000 to £299,999    | 4      |
|   | £300,000 to £499,999    | 3      |
|   | £500,000 to £749,999    | 5      |
|   | £750,000 to £999,999    | 2      |
|   | £1,000,000 or more      | 4      |
| <b>Scottish Index of Multiple Deprivation</b> | 1                       | 4      |
|   | 2                       | 7      |
|   | 3                       | 6      |
|   | 4                       | 14     |
|   | 5                       | 7      |
| <b>Scottish Parliament region</b>             | Mid Scotland & Fife     | 5      |
|   | West Scotland           | 4      |
|   | Central Scotland        | 9      |

|  |                     |   |
|--|---------------------|---|
|  | Highlands & Islands | 1 |
|  | South Scotland      | 4 |
|  | Glasgow             | 2 |
|  | North East Scotland | 5 |
|  | Lothian             | 8 |

## 1.3 Presentation and interpretation of findings

### Quantitative

Responses to survey questions were weighted to the profile of all adults in Scotland aged 16+ by age and gender, according to mid-year population estimates (2023). Subsequently, responses were tabulated and examined descriptively.

To look for relationships or variations between sub-groups of respondents to the nationally representative survey, two-sample t tests for difference in proportions and difference in mean scores were applied, as appropriate. Statistical differences between groups are reported at the 95% level. Differences between groups are only reported when statistically significant. Reporting does not include the result of every statistical test conducted; the most relevant and salient results are highlighted. Where possible, frequencies are provided to illustrate differences between groups, but all frequencies for comparisons across multiple categories are not included in the body of the report.

Where percentages do not sum to 100%, this is due to rounding or multiple answers. Aggregate percentages (e.g. 'agree'/'disagree') are calculated from the absolute values. Therefore, aggregate percentages may differ from the sum of the individual scores due to rounding of percentage totals.

### Qualitative

Focus group discussions were recorded via Zoom software and transcribed using Microsoft software for later analysis. Subsequently, researchers reviewed the recordings and transcripts to ensure accuracy. A coding framework was devised with initial themes based upon the discussion guide. Researchers coded the transcripts thematically, identifying common concepts and threads.<sup>6</sup>

This report quotes and paraphrases points raised in the focus groups. The category of the participant is displayed in parentheses following the quote. The category represents which focus group they participated in, with wealth groupings drawn from self-reported household wealth (see section 2.3).

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<sup>6</sup> [Methods Map: Research Methods: SAGE Research Methods \(sagepub.com\)](https://www.sagepub.com)

In line with qualitative reporting practices, phrases such as ‘many’, ‘several’ or ‘some’ have been used to indicate the volume of responses in relation to the points or themes discussed. Here, ‘many’ or ‘most’ can be understood as the majority of participants, ‘several’ or ‘some’ as a smaller subset of participants, and ‘a few’ as a minority of participants. Phrases like ‘one participant’ are used where a participant raised pertinent points that summarised, or contrasted, the views of others.

## 1.4 Report structure

This report summarises the key findings of the nationally representative survey and focus group discussions. For each survey question, the report outlines results with descriptive statistics and between-group differences, with the aid of data visualisations. Findings from the focus group discussion, including illustrative quotes, are used throughout the report to explore broad impressions and to provide nuance to the quantitative survey findings.

The report structure follows the focus group discussion topics, covering:

- Perceptions of wealth.
- Attitudes to wealth inequality.
- Views on government action to reduce wealth inequality.
- Views on potential policies to reduce wealth inequality, including tax levers.

Each findings chapter concludes with a summary of key points from that chapter.

## 2. Perceptions of wealth

This chapter contains findings related to perceptions of wealth in Scotland, including initial conceptualisations of wealth, perceptions of the wealthy and perceptions of the wealth distribution in Scotland.

### 2.1 Initial conceptualisations of wealth

To begin the discussion, focus group participants were asked what comes to mind for them when they hear the word 'wealth', capturing their immediate associations with the word.

Most participants initially described what the presence of 'wealth' looked like to them, with an understanding that wealth differs from income, but encompasses the value of all of one's assets.

"I think wealth can include like the stuff you own, so whether that be like the clothes in your bag, the furniture you've got, your car, your house, you know? Your stuff, whether it's savings, investments at one end of the scheme or whether it's the table and chairs at the other. I think that all comes into it." (Group 4 – Medium wealth)

Many mentioned specific assets associated with wealth, most commonly property, as well as financial wealth in the form of savings or investments, although assets considered luxuries were also specified, such as big homes, cars and holidays.

Specifically, high disposable income was also cited as a sign of wealth, with which comes "the power to be impulsive." (Group 2 – Low wealth) Others also emphasised the significance of 'disposable income' determining wealth, as high wealth or income might be associated with greater expenses or offset by debt. One participant gave an example of someone with a "massive income" who "wasn't actually wealthy" due to having a "massive expenditure" by living an expensive lifestyle, as well as being "burdened with debt." They continued, "if you're wealthy, you have lots of available money." (Group 1 – High wealth)

Many, particularly those from 'low' wealth groups, also described feelings they associated with having wealth such as "comfort, security" (Group 6 – Low wealth), "stability" (Group 3 – Medium wealth) as well as having "privilege" (Group 6 – Low wealth) and "no worries about the future." (Group 2 – Low wealth)

Some also said that thinking about wealth made them reflect on wealth inequality, and the widening gap between those who are wealthy and those who are not.

“I think the ‘haves’ and ‘have nots’ has become more extreme. I think wealth has become bigger in certain sections [of the population], and I think about all [that was previously mentioned] that you can buy with that wealth, including position and power.” (Group 2 – Low wealth)

Another expressed their perception that there is an increasing concentration of wealth in the hands of fewer people. They felt concerned that “there’s a lot more poor people than wealthy people.” (Group 2 – Low wealth)

Furthermore, some reflected that wealth inequality breeds greater inequality due to the greater opportunities available to those with more wealth.

“[Wealth] sort of provides you with the security and probably an unfair advantage in opportunity. Not necessarily your fault... that equality is never sort of within reach of others.” (Group 5 – High wealth)

One also described some of the negative outcomes which inequality has for those who have very little or no wealth and live in poverty:

“What comes to mind [for wealth] ... is maybe the opposite of that, is poverty. And the different groups of people in Scotland that have poverty and face poverty on a daily basis and how that affects them, both in the kind of physical and mental health aspects.” (Group 5 – High wealth)

Participants also associated wealth with those who they perceive to have the most, who have “obscene” levels of wealth. Large corporations, for example, were seen as having amassed excessive wealth, immorally.

“Likes of your big companies like BP and that are too wealthy. They should be not making all the profit they make and [instead] making things cheaper for Joe blogs. Not just BP, its all of them. But millions of bonuses every year should be passed on.” (Group 3 – Medium wealth)

Some participants acknowledged that wealth extends beyond monetary values, encompassing anything which contributes to one’s quality of life, such as one’s physical health, spiritual fulfilment and family: “I think we do think about [wealth] as financial generally. I suppose you could think of [wealth] as health you know, a good standard of health, be it physical or mental.” (Group 1 – High wealth)

However, as a few participants described, these alternative types of wealth, particularly health, can often be related to or a result of having financial wealth, for example by having access to private healthcare:

“In my previous workplace, the people who were healthy were also wealthy because they could afford – they didn't need to go on the NHS, right? Need a hip operation. ‘I can pay for that on private healthcare.’ So, a lot of people I know who earn a good salary have private healthcare, no question. They don't even talk about NHS.” (Group 1 – High wealth)

## 2.2 Perceptions of the wealthy

### Attitudes towards the wealthy

Focus group participants were also asked what level of wealth they thought makes someone ‘wealthy’ in Scotland.

Following on from the previous discussion, a few participants identified a specific income level or amount of wealth that they thought categorises someone as wealthy in Scotland. One suggested that it's those whose income falls into the top tax band:

“Who's in the highest rate tax band. What's that, 45% in Scotland? So, typically if you're paying that, then you are probably wealthy. But of course... you need to add on to that if you have any other assets, property, land, shares, investments, etc. as well as that.” (Group 5 – High wealth)

Others provided a single figure they thought delineated wealth, although these varied significantly, from, “over half a million regardless of your income” (Group 5 – High wealth) to “10 plus millions.” (Group 1 – High wealth) Many also said that owning a house, or owning land, is an indicator of being wealthy in Scotland.

However, most participants were hesitant to specify an asset or income level that determines wealth. Instead, they leaned into definitions of wealth associated with a sense of comfort and ease related to making financial decisions.

“I'm not sure a figure would necessarily work for me. You know, wealthy is, ‘I don't have to worry about what I'm spending’, ‘I'm quite comfortable’, ‘I'm happy and comfortable knowing that I have what I need’, I would say I'd feel wealthy or I feel wealthy. But if I was to put a figure on it, I would struggle.” (Group 5 – High wealth)

One participant used the example of someone being able to attend the World Cup to illustrate the freedom to make large purchases without having to “weigh up” their decision, which was widely viewed as an indicator of being wealthy. (Group 4 – Medium wealth)

Some said that being free of concerns about money is what makes someone wealthy:

“I think if somebody doesn't worry. If there's somebody that isn't losing sleep at night or isn't [losing sleep] at the end of the month, if they're not worried about money, that, to me, would be wealthy. That if money doesn't come as one of their stresses or it's not causing them any sleepless nights, I think, in this day and age, that is wealthy.” (Group 5 – High wealth)

A few participants acknowledged that the amount of wealth which makes someone appear wealthy is relative and will vary based on each individual's financial circumstances, with those who are ‘wealthy’ always having more than them:

“It's probably a bit like what's the definition of someone that's ‘old’, and it's always 15 years older than you. So, I suppose it's a bit relative. If you're scratching a living at minimum wage, someone earning 50 grand a year is probably wealthy. If you're on 50 grand a year, you probably don't feel wealthy. So, it's probably someone on 150 [grand, to you].” (Group 1 – High wealth)

Some expressed that the level of wealth that one needed to be ‘wealthy’ in Scotland had changed over time due to relative comparisons with those who have accumulated the most wealth. One described this change in terms of the rise of billionaires, making those with millions seem much less wealthy:

“We're talking even millionaires – are they wealthy in the context of modern-day billionaires and even more? Where you don't even have to count the money in the bank, but you can live off the interest you're accumulating without even have to lift a finger from one moment to the next?” (Group 4 – Medium wealth)

While another discussed that over time, as the value of the pound has decreased along with its purchasing power, the threshold for ‘wealthy’ has increased. They said, “A millionaire's not what it used to be.” (Group 4 – Medium wealth)

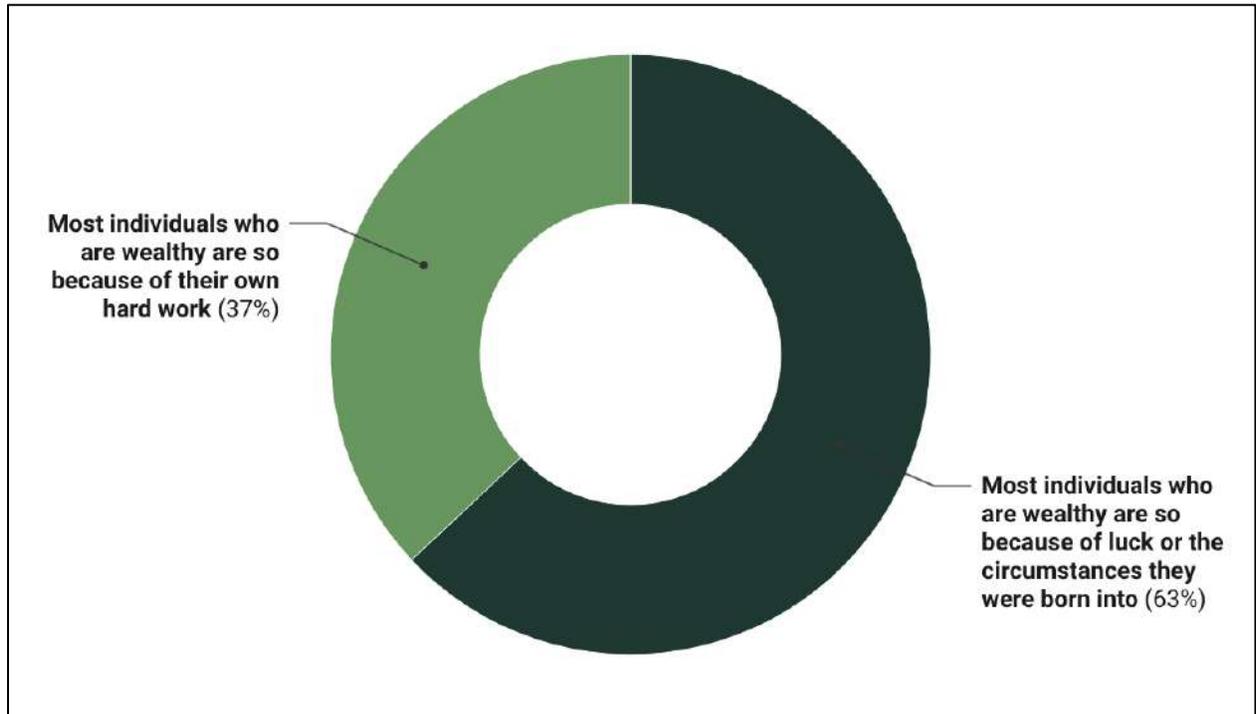
## Attitudes towards the wealthy by source of wealth

Survey respondents were provided with two opposing statements on where most individuals who are wealthy get their wealth and asked to select the statement that comes closest to their view (see Figure 2.2). A majority of nearly two in three (63%) selected that most individuals are wealthy because of luck or the circumstances they were born into, while over one in three (37%) selected that most individuals are wealthy because of their own hard work.

Some notable demographic differences by gender and age in response emerged. Women were more likely than men to believe that most individuals who are wealthy are so because of luck or circumstances they were born into (66%; 60%), while men were more likely than women to believe that most individuals who are wealthy are so because of their own hard work (40%; 34%). A similar pattern was seen with regards to age; younger age groups (16–44) were more likely than older age groups (55+) to cite that most wealthy people are wealthy because of luck or circumstances they were born into (68%; 58%), while older age groups were more likely to cite that the wealthy are so because of their own hard work (42%; 32%).

Respondents' access to resources, assets and wealth were all related to their perceptions of the source of wealth. Those in more deprived neighbourhoods (SIMD 1–2) were more likely than those in less deprived neighbourhoods (SIMD 3–5) to select that most of those that are wealthy are so because of luck/circumstances of birth (74%; 57%), while those in less deprived neighbourhoods were more likely to select that wealth is borne from hard work (43%; 26%). A similar pattern was seen for household tenure, with those who rent their home more likely to believe wealth comes from luck/circumstances of birth than those who own their home (76%; 59%), and those who own their home more likely to believe wealth comes from hard work (41%; 24%). Finally, those who reported a 'low' household wealth were most likely to attribute wealth to luck/circumstances of birth than all others (79%; 57%), while those that reported a 'high' wealth were most likely to attribute wealth to hard work (51%; 34%).

Figure 2.2. Wealth as result of hard work or luck/circumstances of birth



Base: n = 2,261

Focus group participants were also asked how they thought most wealthy people in Scotland achieved their wealth.

Reflecting the response options for the survey, two primary ideas emerged: most people who are wealthy worked hard for it, or alternatively, most people who are wealthy inherited it. Perceptions of whether self-made wealth or inherited wealth were more prevalent in Scotland varied across and within focus groups; both options were discussed as potentially more common in every group.

“I think mostly probably worked for it.” (Group 1 - High wealth)

“That was my initial thought [about where most people achieved their wealth] – that it’d be inherited.” (Group 6 – Low wealth)

As such, most participants acknowledged both pathways as potential explanations for people’s wealth in Scotland and did not provide an estimated split.

“I guess, for me, there's two main sources: number one would be the people who have worked and are self-made, if you like, either through business, corporate, whatever, but, they've earned the wealth. And then there'll be a number of others who have inherited the wealth through family, friends or whatever.” (Group 5 – High wealth)

A couple of participants shared that they thought sources of wealth were shifting, with inheritance becoming less prevalent and wealth achieved through entrepreneurship or hard work becoming more common:

“I think in Scotland, if I read correctly, the generational wealth or the ‘old money’ as they called it, is sort of becoming less and less now, whereas the ‘new money’, which is up and coming entrepreneurs or venture capitalists or people that have started businesses, that seems to be on the rise at the moment.” (Group 6 – Low wealth)

Many participants also reflected that these pathways are often related as coming from an affluent background provides individuals with greater opportunities to achieve more wealth.

“I think it's a tiny percentage [who] ever get to the billionaire-millionaire status with hard work and knowledge. Most of it is having had a significant starting point. If you take it like the 100 metres, we're all 50 metres behind the line. They're at 90 metres before they start.” (Group 3 – Medium wealth)

Some said this can be related to different educational opportunities and familial expectations. One said that someone's parents being wealthy “creates a mindset where everything's possible,” referring to the futures one can aspire to or imagine for themselves. (Group 3 – Medium wealth)  
Another participant felt this was related to individuals being more likely to attend university if their parents went:

“Obviously not in every case, but I do think if your parents went to university, you're more likely to go to university and have higher kind of aspirations. So, I think probably that's got something to do with it.” (Group 4 – Medium wealth).

In one ‘high’ wealth group, participants spoke about wealth giving one the ability to take risks which could pay off in the form of wealth, such as through entrepreneurship or investments.

“I think when people do have wealth behind them, they can take chances. I mean, obviously if you don't have a lot of money, you can't afford, you've got your family to

support. So, you can't afford to take these chances, which may or may not pay off." (Group 1 – High wealth)

Another highlighted the importance one's network can have in accumulating wealth, suggesting this is also something someone could 'inherit' from their family:

"Money tends to hang about with money. It's not very often you get money hanging about with those that don't have as much. So, I think it's the contacts as well. You can build on that, join up, then create more money." (Group 1 – High wealth)

The concentration of land ownership in Scotland was frequently highlighted as a significant source of wealth which is inherited and thus remains in the hands of the wealthiest.

"[Scotland has] one of the most disproportionate kind of percentages of land ownership [compared to] anywhere else in Europe... it's been handed to them, that land, through generations. And how they came about actually getting that land in the first place was all quite controversial as well, in some cases, linked to historic slave trade, etc." (Group 5 – High wealth)

"Yes, there are the big landowners in Scotland like the Duke of Buccleuch and I'm sure there are others that I don't know about... and that's all inherited." (Group 1 – High wealth)

"The 5% elite in Scotland own the majority of the land." (Group 3 – Medium wealth)

Participants were then asked if how someone achieved their wealth impacts how they view them. Many participants felt that this does not influence their perception of wealthy individuals; their opinions are based on a more holistic view of the person "and how they treat other people." (Group 6 – Low wealth)

One explained that regardless of how someone came into wealth, either through their own hard work or an inheritance; if they're working hard, they do not perceive their wealth differently.

"If somebody has been born into money or carried on a family business or whatever they've done, you know, if they're working hard, I don't think you can hold anything against them for that." (Group 6 – Low wealth)

However, in a few cases, participants reflected that they associate the label 'wealthy' more with those that have inherited their wealth, more so than those that have worked or earned their

wealth. For example, one participant reflected on how they view their neighbours who live in a high-value property and appear to have what could be considered 'wealth':

"The people next door, I don't regard them as wealthy because they work really, really hard for the money. They work really, really hard for that one holiday a year." (Group 5 – High wealth)

Considering these types of people, who have worked hard for their wealth, this participant said:

"Are we quite as quick to refer to them as wealthy? No, we'd probably describe them as really blooming hard working people as opposed to somebody who's just inherited it and you know, has been born with a silver spoon in their mouth." (Group 5 – High wealth)

## 2.3 Perceptions of the wealth distribution

### Reported household tenure

Survey respondents were asked if their household owns or rents their accommodation (see Figure 2.3A). Three in four (76%) respondents reported that they own their home, with four in ten respondents (41%) owning outright and one in three (35%) owning with a mortgage or a loan. A minority of one in five (20%) respondents reported that they rent their home, with 12% renting from a social landlord and 9% from a private landlord. A further 4% of respondents have another housing arrangement, including shared ownership, owning/renting through another government scheme, living with parents, etc.

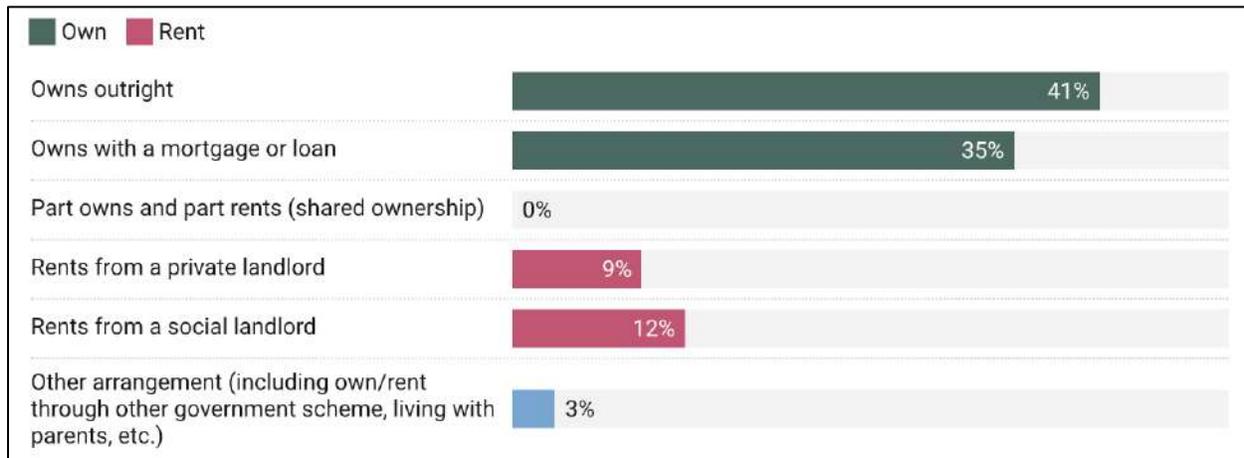
Some demographic groups were more likely to report homeownership. Older age groups were more likely to have their own homes, with 84% of those aged 55+ owning their accommodation either outright or with a mortgage. This proportion is compared to around two in three (66%) of the youngest age group (16–34).

Furthermore, home ownership was also related to social and economic deprivation. Four in five (82%) of those in higher social grades (ABC1) reported owning their home, compared to seven in ten (69%) of those in grades C2DE. Likewise, those in less deprived areas (SIMD 2–5) were more likely to own their own home than those in the most deprived areas (SIMD 1) (80%; 50%)

Looking at household wealth, those that reported a 'high' household wealth were most likely to report that they own their home; almost all (99%) of those that reported a 'high' household wealth reported owning their home, compared to just two in five (41%) of those that reported a 'low' household wealth.

Interestingly, those in the Glasgow and North East Scotland Scottish Parliamentary regions were more likely than those in all other regions to rent their home, at 31% and 29% respectively.

**Figure 2.3A. Reported household tenure**



Base: n = 2,321

### Reported wealth distribution

Survey respondents were given a definition of wealth, including cash, physical wealth, the value of their home and private pension pots, less debts and mortgages, and asked to estimate their household's net wealth (see Figure 2.3B). A plurality of respondents – three in ten (29%) – selected a wealth category between £60,000 and £299,999, associated with 'medium' wealth for the purposes of this study. This percentage was closely followed by the one in four (26%) who selected a wealth category under £60,000, associated with 'low' wealth, and the one in five (21%) who selected a wealth category of £300,000 or more, associated with 'high' wealth. An additional one in four (24%) selected don't know or rather not say. Further breakdowns of self-reported household wealth are provided in Figure 2.3B.

In line with existing literature, there are notable differences in self-reported household wealth by key demographics. Perhaps as a result of the gender pay gap, men were more likely to report a 'high' household wealth than women (26%; 17%). And likely as a result of the ability to accumulate wealth throughout the life cycle, older age groups (45+) were more likely to report a 'high' household wealth than younger age groups (16–44) (28%; 13%). Those 55–64 were most likely than those in all other age groups to report a 'high' household wealth, at 34%.

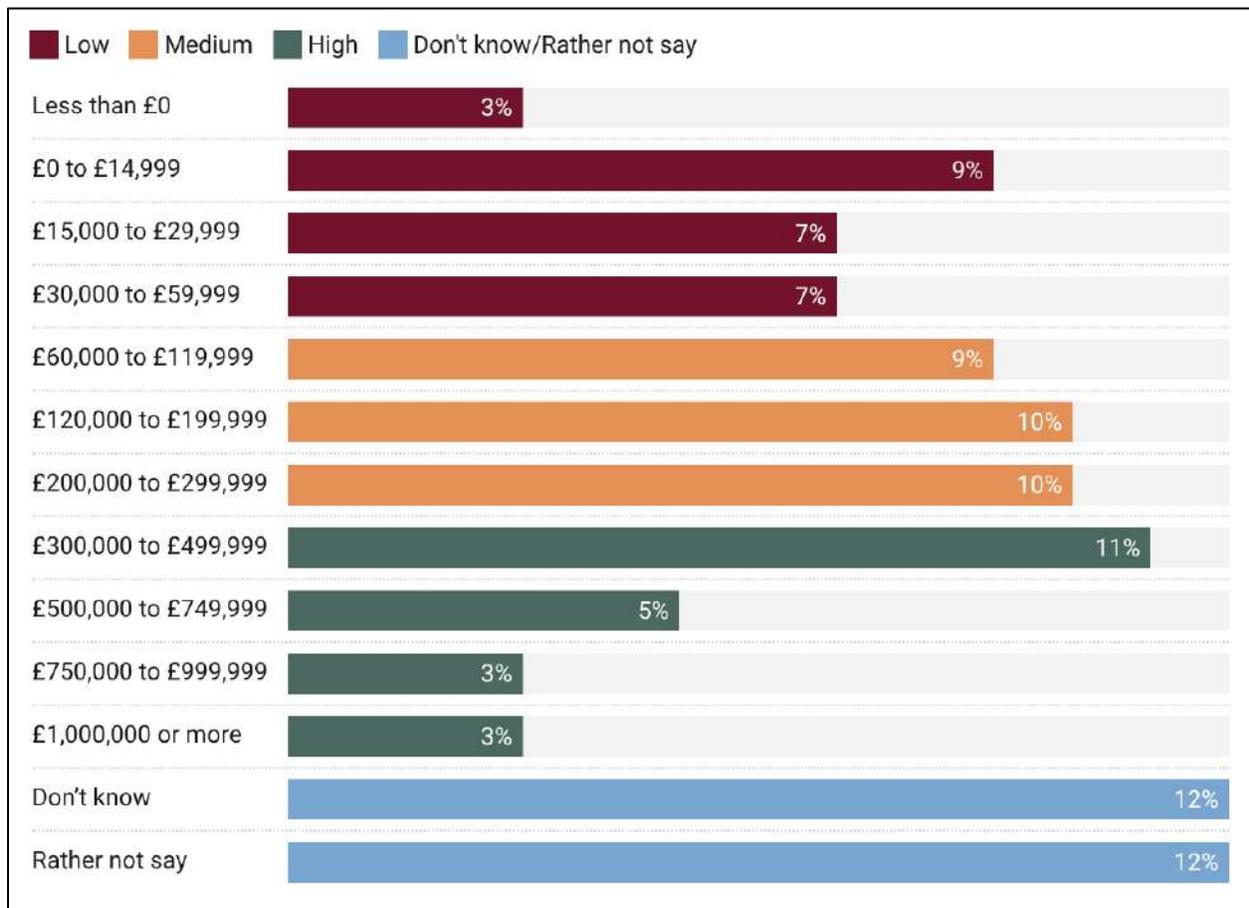
Social grade, household size and neighbourhood deprivation were also correlated with differences in household wealth. Those in higher social grades (ABC1), bigger households (2+ persons) and less deprived neighbourhoods (SIMD 2–5) were more likely than their counterparts – those in lower

grades (C2DE), one person households and the most deprived neighbourhoods (SIMD 1) – to report ‘high’ wealth. In contrast, their counterparts were more likely to report ‘low’ household wealth.

Furthermore, those who own their home were more likely than those who rent to report a ‘high’ household wealth (28%; 0%), whereas those who rent were more likely to report a ‘low’ household wealth than those who own (69%; 14%). Such findings continue to illustrate the substantial impact of asset ownership on accumulation of wealth.

Interestingly, those in the Glasgow Scottish Parliamentary region were more likely than those from most other areas to report ‘low’ wealth. 36% of those residing in the Glasgow Scottish Parliamentary region selected a ‘low’ household wealth category, compared to, for example, 21% of those in West Scotland and 22% of those in Central Scotland, Highlands and Islands and South Scotland regions.

**Figure 2.3B. Self-reported household wealth**



Base: n = 2,319

Subsequently, survey respondents were asked how they think their household wealth compares to that of the average household in Scotland (see Figure 2.3C). Three in ten (31%) thought that their household wealth is less than that of the average household in Scotland, with more believing that their household's wealth is somewhat less (20%) than the average household than much less (11%). A similar proportion (30%) thought that their household wealth is more than that of the average household in Scotland, with much more thinking that their wealth is somewhat more (27%) than much more (4%) than the average household. About a quarter (26%) perceived their household to have about the same wealth as the average household in Scotland, while over one in ten (12%) reported that they don't know or would prefer not to say.

Similar demographic trends emerged as observed for household wealth. Men were more likely than women to believe that their household has more wealth than the average household (36%; 24%). In contrast, women were more likely than men to believe that their household has about the same wealth as the average Scottish household (31%; 22%).

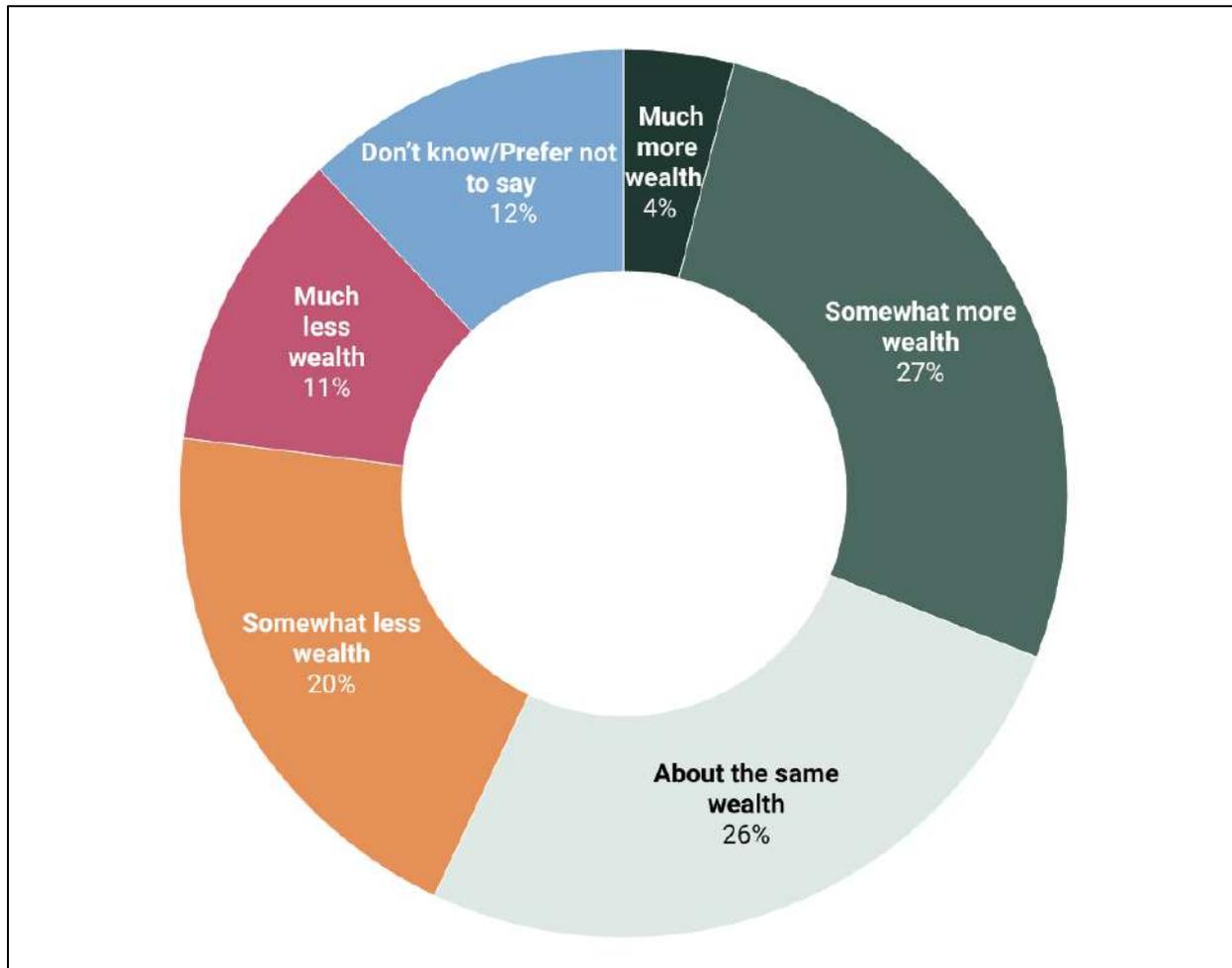
Social grade, household size and neighbourhood deprivation were also related to perception of household wealth compared to the average household in Scotland, with those in higher social grades (ABC1), larger households (2+ persons) and less deprived neighbourhoods (SIMD 3-5) more likely to believe their household is wealthier than the average Scottish household than their counterparts. Those in lower social grades (C2DE), one person households and more deprived neighbourhoods (SIMD 1-2) were more likely than their aforementioned peers to believe their household is less wealthy than the average Scottish household.

Furthermore, home ownership and self-reported household wealth remained paramount to these perceptions. Those who own their house were more likely to think that they have more wealth (37%; 7%) or about the same wealth (29%; 18%) as the average household in Scotland, whereas those who rent were more likely to think that they have less wealth than the average household (62%; 23%). Turning to self-reported household wealth, those who reported a 'high' household wealth were most likely than all others to believe that their household has more wealth than the average Scottish household (68%; 20%), while those that reported a 'low' household wealth were most likely than all others to believe their household has less wealth than average (63%; 20%). Taken together, these findings suggest broad alignment between asset ownership, self-reported household wealth and perceptions of the average household in Scotland.

Considering geographics, those living in the Lothian Scottish Parliamentary region were more likely than those residing in most other regions to think that their household wealth is more than that of the average Scottish household, at 42%. In contrast, those living in Central Scotland and Glasgow

regions were more likely than those in many other regions to believe their household holds less wealth than the average household. For example, 38% of those in Central Scotland and Glasgow, respectively, believed their household holds less wealth than the average household, compared to just 23% in West Scotland.

**Figure 2.3C. Perceptions of household wealth compared to the average household in Scotland**



Base: n = 2,315

## 2.4 Summary

When asked what comes to mind when they hear the term ‘wealth’, focus group participants reported they think of someone who has a high net worth (value of one’s assets less the value of one’s debts) as well as someone who has ‘luxury’ goods such as fancy cars, big homes or nice holidays. Some also said thinking about wealth makes them think about inequality, and the widening gap between those who have accumulated the most wealth (billionaires) and those who

are living in poverty. And many thought that, due to the current cost of living, wealth included freedom from stress or anxiety related to finances.

Focus group participants also discussed that wealth can be considered in non-monetary values, such as one's health and overall wellbeing, although a number noted that those who have more resources are more likely to be able to achieve positive outcomes in these areas, potentially due to less stress related to money and better access to healthcare.

Looking across focus groups, those in 'medium' or 'high' wealth groups tended to emphasise the relationship between wealth and disposable income more than those in 'low' wealth groups, while those in 'low' and 'medium' tended to think of wealth in terms of financial stability and security more than those in 'high' wealth groups.

Survey respondents were asked where they thought most wealthy people got their wealth from. The majority (63%) said most people are wealthy due to luck or the circumstances someone is born into while about one in three (37%) said most people are wealthy as a result of their own hard work. Focus group participants considered where they thought most wealthy people got their wealth from, with most mentioning the same two pathways: hard work or inheritance. A few added the nuance that these can be related; being born into wealth gives one more opportunities to achieve greater wealth.

There were no consistent differences between how focus groups responded to this question based on their wealth levels.

Looking at the current distribution of wealth, most (76%) survey respondents reported that they own their home, while one in five (20%) respondents reported that they rent their home.

Furthermore, respondents were split across wealth categories, with three in ten (29%) who selected a wealth category between £60,000 and £299,999, one in four (26%) who selected a wealth category under £60,000 and one in five (21%) who selected a wealth category of £300,000 or more. Three in ten thought that their household wealth is less than that of the average household in Scotland (31%) or more than that of the average household in Scotland (30%). About a quarter (26%) perceived their household to have about the same wealth as the average household in Scotland.

### 3. Attitudes to wealth inequality

This section details findings related to wealth inequality in Scotland, including the perceived current distribution of wealth, the ideal distribution of wealth and the impacts of wealth inequality on society.

#### 3.1 Current distribution of wealth

##### Perceptions of the wealth gap

Survey respondents were asked whether they believe that the gap between those with lots of wealth and those with little wealth in Scotland is too large, about right or too small. To examine the effects of knowledge of wealth inequality on perceptions of the size of the gap between those with lots of wealth and those with little wealth, half of respondents were shown a statistic reporting that “according to statistics by the Scottish Government, the wealthiest fifth of households in Scotland own 60% of all wealth, while the poorest fifth of households hold only 1% of all wealth” prior to the question, while half were shown this later on in the survey.

Of those who were shown the statistic alongside the question, four in five (81%) selected that the gap between those with a lot of wealth and those with a little wealth is too large. Only one in ten (9%) selected that the gap is about right, while smaller proportions selected that the gap was too small (3%) or that they don’t know (8%).

These proportions are markedly similar to those who were not shown the statistic prior to this question. However, the proportion of those who selected that the wealth gap is too large was marginally higher amongst the sample that was not shown the statistic, over four in five (86%).

Across both samples, a large majority of four in five (83%) reported that the wealth gap is too large, while fewer than one in ten reported that the gap is about right (7%), too small (2%) or that they didn’t know (7%).

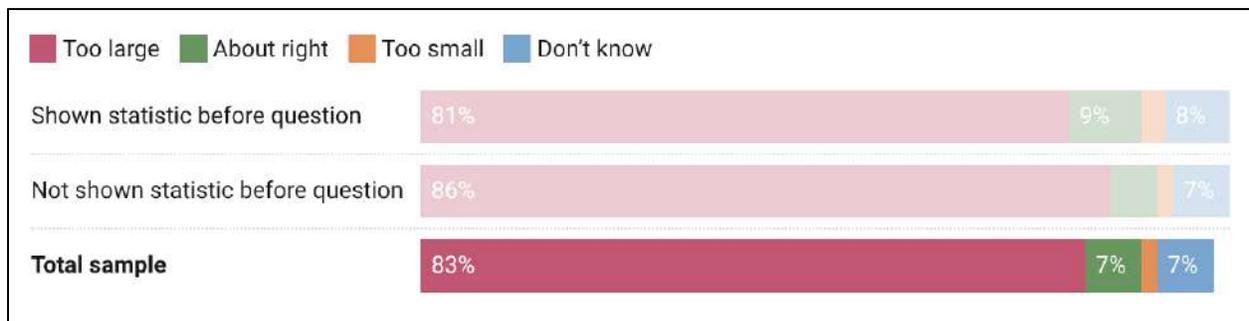
Looking across demographics, women were more likely than men to think that the gap between those with a lot of wealth and those with a little wealth is too large (85%; 81%), whereas men were more likely than women to think that gap is about right (10%; 5%).

Home ownership and self-reported household wealth were also key determinants of perceptions of the gap between the wealthy and the poor. Those who rent their housing were more likely than those that own their housing to believe that the gap between the wealthy and the poor is too large (88%; 82%), whereas those who own their housing were more likely to think this gap is about right (8%; 4%). Meanwhile, those who reported ‘low’ wealth were more likely than those who reported

'high' wealth to believe this gap is too large (91%; 79%), and those that reported 'high' wealth were more likely to think this gap is about right (12%; 3%).

Furthermore, those residing in most other Scottish Parliament regions were more likely than those residing in South Scotland to believe that the gap between the wealthy and the poor is too large. For example, three in four (76%) of those in South Scotland reported that this gap is too large, compared to almost nine in ten (87%) of those in Mid Scotland and Fife.

**Figure 3.1A. Perceptions of the gap between those with a lot of wealth and those with a little wealth**

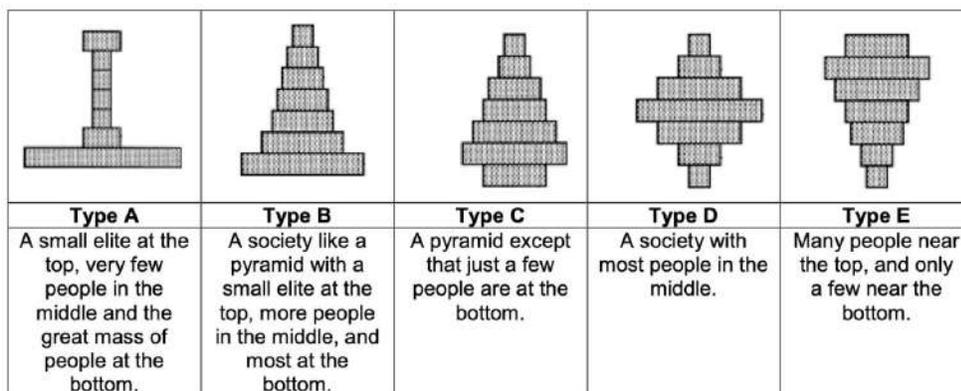


Base: n = 1,138/1,182/2,320

### Perceptions of the wealth distribution in Scottish society

To further understand perceptions of the current distribution of wealth in Scotland, survey respondents and focus group participants were shown Figure 3.1B<sup>7</sup> and asked which diagram they thought best describes Scotland today.

**Figure 3.1B. Diagrams of different types of societal wealth distributions**



<sup>7</sup> Diagrams and question taken from Fairness Foundation, 2023, [National Wealth Surplus](#) who cite the [ISSP social inequality survey 2019](#) as source

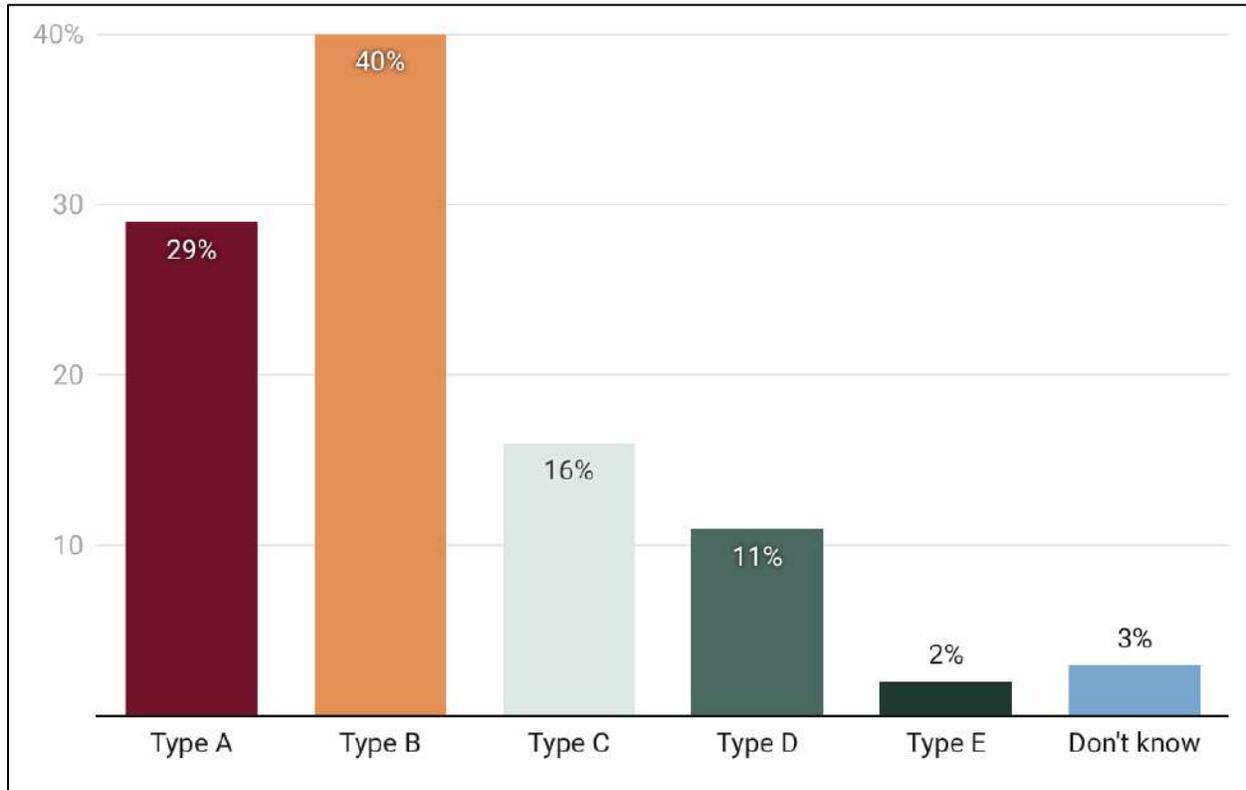
A plurality of survey respondents – two in five (40%) – selected that Type B best describes Scotland today, followed by three in ten (29%) who selected Type A (see Figure 3.1C). A further one in six (16%) selected Type C, while one in ten (11%) selected Type D and one in 50 (2%) selected Type E. Such findings indicate that Scots believe there is significant wealth inequality in Scotland, with few individuals at the top of the distribution with more wealth and more at the bottom of the distribution with less wealth.

Perceptions of the current distribution of wealth were tied to key demographics, such as gender and age. Women were more likely than men to think Type B best describes Scotland today (43%; 36%), while men were more likely than women to think Type C best describes Scotland (20%; 12%). Interestingly, the oldest age group (65+) were most likely to think that Type B best describes Scotland than all other age groups (16–64) (47%; 37%). In comparison, all other age groups (16–64) were more likely than the oldest (65+) to think that Type C best describes Scotland, with this peaking at 23% for those 16–34, before falling to 14% for those 35–64 and 10% for those 65+.

Social grade and neighbourhood deprivation were also related to perceptions of the current wealth distribution in Scotland, particularly to perceptions that society closely resembled Type A. Those in lower social grades (C2DE) and more deprived neighbourhoods (SIMD 1–2) were more likely to think that Type A best describes Scotland today than their peers in higher grades (ABC1) and less deprived neighbourhoods (SIMD 3–5).

In addition, those with rent their home or reported having 'low' wealth were more likely to believe that Scottish society most closely resembles Type A than those that own their home (38%; 26%) or reported having 'high' wealth (39%; 19%).

**Figure 3.1C. Perceptions of current distribution of wealth in Scotland**



Base: n = 2,320

Across focus group participants, most thought that Type B or C best describes Scotland today, while a few said A and a similar number said D. Those who chose A, B or C, or some combination of these, emphasised their perception that there are only a small minority at the top of the wealth distribution and many more towards the bottom:

“As we've talked about, Scotland doesn't seem to have a huge number of people at the top. They do have a lot of, I think they have quite a few people in the middle, but yeah, most would be at the bottom.” (Group 1 – High wealth)

A few said they thought Scotland’s wealth distribution was somewhere in between A and B, “a steeper pyramid with a wider bottom” than what is depicted in Type B. This participant explained how they perceive the majority of people in Scotland in their generation to be closer towards the bottom of the distribution:

“I don't know a lot of people that own their properties. I don't know people that have got money to put in savings at the end of the month. I don't know people that have got any

savings to their name. They're relying on kind of month to month paying their bills and that's it." (Group 3 – Medium wealth)

Another agreed with this sentiment and cited the amount of poverty which persists in Scotland as their reasoning, with many people unable to meet their basic needs due to their lack of resources.

"I think it was split between A and B. B, the bottom bit should be a lot bigger. There's a lot of poverty in Scotland, people going to food banks.... The richer people have the money. You hear about people, you see adverts about kids going to school with no breakfast inside them and it's just not right at all." (Group 3 – Medium wealth)

One explained why they chose B over A, as it shows a larger middle class and fewer at the elite level, but emphasised that they believe most of the population is still in the bottom few rungs:

"I think I would probably go for B being where we currently are, because I think there's probably more people in that middle section than we think. I mean, clearly majority of the population are going to be below the average amount...But certainly the top level is thinner than is in A, but that's where a lot of the wealth is obviously sitting." (Group 4 – Medium wealth)

Another participant expressed they chose C over B because they thought the social security system prevented the proportion of those who are in the very bottom level of the distribution from becoming as large as it appears in B:

"I would say it would be one of the middle ones, B or C certainly, because there is a smaller percentage at the top that have got a majority of wealth. I might head towards C as being the bottom because there are opportunities in Scotland for people to get benefits in. Although I said there might not be a lot of jobs available, there is an opportunity for training for different options for income." (Group 4 – Medium wealth)

Those who thought Type C best described Scotland, rather than Type B, tended to believe that there were more individuals getting by but not necessarily thriving in Scotland.

"The second bottom two [tiers] are the biggest two [in C]. I think that is still kind of on the lower side of things... they're OK, but they don't qualify for a lot of help or anything. And they're just kind of doing all right... They're just surviving. They've got security, but they don't have a lot of disposable income." (Group 4 – Medium wealth)

Reflecting on the differences between Type B and Type C, one participant explained that they think Scottish society more closely resembles Type C, as they think there would be more unrest if those at the bottom “were any more numerous” than the amount depicted in Type C: “nobody would be able to ignore it; it would be quite apparent across the board.” (Group 4 – Medium wealth)

While many had difficulty deciding between two categories, a couple participants said they thought Scotland could realistically be B, C or D. One said, “I think it's probably, certainly not E, pretty sure it's not E. I don't think it's A. I mean, I could be persuaded for B, C and D; frankly, I think any of those three could be plausible.” (Group 1 – High wealth)

A handful of participants expressed that their perceptions are likely biased due to their own experiences and wealth levels. For example, one participant who thought Scotland was between A and B explained that their work and the economic circumstances where they live shaped their decision:

“I suppose the lens through which I kind of see the world is that there's so much inequality, poverty, homelessness, all these kind of like, issues, difficulties. So yeah, I suppose I was thinking more kind of like regionally and then as I say, specific to my job as well.” (Group 6 – Low wealth)

A few said that they thought most people's views would be skewed towards believing a larger proportion are like them, as the majority of people are engaging and interacting with people in a similar circumstance.

“It's difficult to get a view because I suspect we all live in our own little bubbles to something. And you know, your view of where you are in society and whether you're at the top, the middle, the bottom. How many people are like you or not like you?” (Group 1 – High wealth)

“I think, if you're in the lowest possible category, you'll know more people in that same category, so it'll feel like there's more people in the same situation as yourself. Just like, if you're in the top 1%, you generally are surrounded by people of a similar wealth, so, to you, everybody's doing well, because that's the people that you surround yourself with.” (Group 4 – Medium wealth)

After reviewing the diagrams, many participants expressed interest in knowing what the diagram would look like for Scotland, suggesting appetite to understand how their perceptions match with reality and the scale of wealth inequality in Scotland.

### 3.2 Ideal distribution of wealth

Subsequently, survey respondents and focus group participants were presented with the same figure (see Figure 3.2) and asked which diagram they would prefer Scotland to be like, in an ideal world.

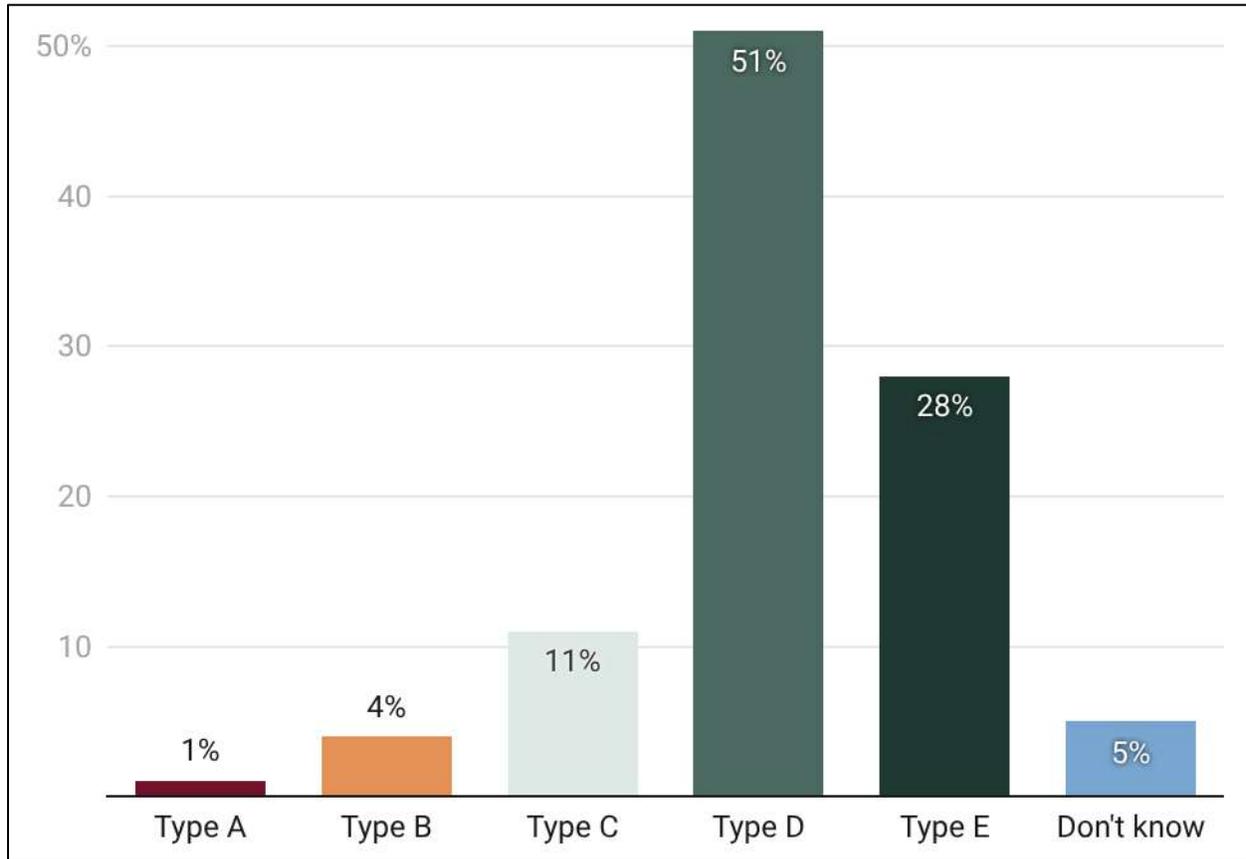
Half (51%) of survey respondents selected that they would prefer Scotland to be like Type D. Following at a distance, three in ten (28%) said they would prefer Scotland to be like Type E and one in ten (11%) said they would prefer Scotland to be like Type C. One in 20 or fewer said that they didn't know (5%), that they preferred Type B (4%) or that they preferred Type A (1%). Overall, these proportions indicate strong support for a society in which most people in Scotland are at least in the middle of the wealth distribution, with small minorities at each end of the wealth distribution.

There are some notable differences in the ideal distribution of wealth by age. Interestingly, those 35–44 were most likely to prefer a Type E society (36%; 27%). Older age groups (55+) were more likely than the youngest (16–44) to say they prefer a Type C society (15%; 8%).

Turning to home ownership, those who own their home were more likely to prefer a Type D society than those that rent their home (52%; 45%).

Finally, perception of too large a gap between the wealthy and the poor in Scotland was correlated with attitudes towards the ideal distribution of wealth. Those who thought the wealth gap is too large were more likely to report preferring a Type E society than those who thought the wealth gap is about right, too small or didn't know (30%; 19%).

**Figure 3.2. Ideal distribution of wealth in Scotland**



Base: n = 2,312

In line with survey results, focus group participants all preferred for Scotland to look like Type D or Type E, in an ideal world.

When sharing their rationale, those who thought Type D would be ideal tended to focus on the fact that this diagram features less individuals at the bottom of the distribution and many thought it seemed the most “fair”. One participant said they chose D because “it’s just a fair looking society,” (Group 2 – Low wealth) while another highlighted that they chose D because “you’re in a healthy place if the majority of your population are in that, kind of comfortable enough zone, but you’re still always going to have obviously outliers, top and bottom.” (Group 4 – Medium wealth)

A couple said the normal distribution made D seem the most ideal. One said, “My gut reaction is Type D by far, yeah. With the majority of the population in the middle band, it automatically means that they’re thriving and surviving.” (Group 3 – Medium wealth) Another explained that they thought a top heavy distribution would drive up prices, making everything less affordable:

“I think E would be actually fantastic. But if we're all wealthy, then is anyone really wealthy? Because then will that push the price of everything up to the point where everything becomes unaffordable for everyone? So I think ideally, everyone should be as close to the middle as possible.” (Group 3 – Medium wealth)

And a few specified that Type D seemed more fair or equal to them than E:

“I mean, I'd love it to be E if everyone had more money. But I would say for a good economy, I think E would just make it a bit again, too top heavy. And I think it's better if it's a more equal society.” (Group 2 – Low wealth)

A few participants also said they preferred Type D as they thought it is more realistic than Type E with regards to the amount of people needed to move up the rungs to achieve each model.

“Type D, I'd think, would still be quite aspirational at the moment. So how possible would it ever be to get to the level, like having so many people at the top for Type E? I think Type D would be more achievable. I mean that and having as few people sitting in those bottom rungs, if you like; I think that would be the first aspiration” (Group 5 – High wealth).

“I think it's D or E. I don't know how realistic it is in a large population to do something like that. But I think E is a bit unrealistic. The chance of having everybody at the top and hardly any at the bottom is – I can't think of any societies like that. But I think D is probably the fairest.” (Group 1 – High wealth)

Those who preferred Type E often discussed how having more people at the top of the distribution would allow them to live better lives. One said, “Why should so many people be in the middle [as in Type D] than actually E with a lot of people being at the top?” (Group 6 – Low wealth)

Some also selected E because it depicts the fewest people in the bottom rungs: “I would say E because obviously the part of the pyramid [at the bottom] is very small and that's really what we want: people not to be poor, to have a bit more money to spend on things.” (Group 3 – Medium wealth)

Many participants however, doubted the achievability of their Types D and E, and questioned what systemic or cultural changes would be needed to reach this in Scotland. One remarked, “You can strive, I think. But how? I don't think, because the human nature and the systems we work in, is that really achievable?” (Group 5 – High wealth)

Many agreed the ideal seemed out of reach, as it would require reforms that would challenge the reinforcing cycle of wealth accumulation. Change was thought to not be in the interest of those at the top of the distribution, who were generally considered to hold most of the power in society, as they would prefer to maintain their wealth rather than share it.

A few participants also highlighted the “vicious” cycle of intergenerational poverty, which they thought made reaching the ideal society unachievable. One cited the complex, multifaceted drivers of poverty, which limits the opportunity for individuals at the bottom to move up the distribution, ultimately impacting the likelihood of Scotland reaching the societal ideal.

“I suppose comes back to exactly what you were saying about the cyclical nature of poverty, inequality and how it feeds through generations. It's so difficult to undo and fix, particularly with the amount of damage that's been done... substance use, mental health difficulties, all that kind of stuff. There's so many factors at play. So, yeah. Will it be achievable? Probably not. But you'd like to keep some kind of hope.” (Group 6 – Low wealth)

Overall, many participants expressed that the ideal society featured a less pronounced gap between the rich and the poor. Some suggested that this type of society would feature improvements in the general wealth of the nation, increasing living standards for all and guaranteeing an adequate standard of living for those at the bottom of the distribution.

“In terms of what type of society would I like Scotland to be, I think it's one where there's less of a kind of ‘us and them’, you know, ‘the rich versus the poor’, [whereas] that gap just keeps getting wider and wider. But one where, I guess we design a system – how you do it, I don't know – but where everybody has security and dignity. Like there's a minimum basic level that just, on a human kind of level, will just give people that security and dignity, opportunity.” (Group 5 – High wealth)

### 3.3 Impacts of wealth inequality on society

Survey respondents were provided with two opposing statements on whether current levels of wealth inequality are good for or harmful to Scottish society and asked to select the statement that comes closest to their view (see Figure 3.3).

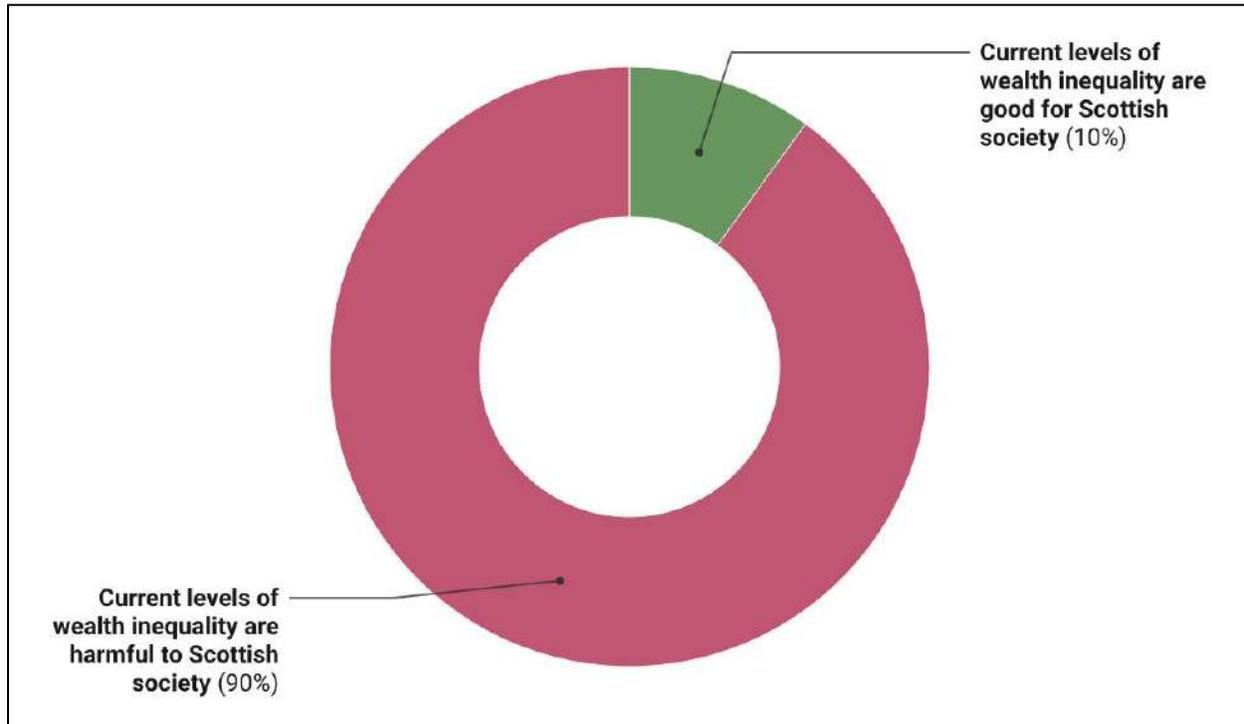
A vast majority – nine in ten (90%) – selected that current levels of wealth inequality are harmful to Scottish society, while only one in ten (10%) selected that current levels of wealth inequality are good for Scottish society.

Notable demographic trends emerged. Concerning gender, women were more likely than men to select that current levels of wealth inequality are harmful to Scottish society (92%; 87%), while men were more likely than women to espouse the opposite view that current levels of wealth inequality are good for Scottish society (13%; 8%). In terms of age, the youngest age group (16-34) was more likely than the oldest (55+) believe that current wealth inequality is harmful to society (93%; 88%), whereas the oldest was more likely to find current wealth inequality good for society (12%; 7%).

Turning to geography, neighbourhood deprivation and region were also related to attitudes towards the current levels of wealth inequality in society. Those in the most deprived neighbourhoods (SIMD 1) were more likely to think that current levels of wealth inequality are harmful to Scottish society than those in less deprived areas (SIMD 3-5) (94%; 88%). In contrast, those in less deprived areas were more likely to think current wealth inequality was good for society (12%; 6%). Interestingly, those in the South Scotland Scottish Parliamentary region were most likely to think that current levels of wealth inequality are good for Scotland, at 18%.

Attitudes also varied by self-reported household wealth and perceptions of the gap between the wealthy and the poor. Those who reported 'low' or 'medium' wealth were more likely to think that current levels of wealth inequality are harmful to Scottish society than those that reported 'high' wealth (93%; 86%), whereas those that reported 'high' wealth were more likely to find this level of inequality good for society (14%; 7%).

**Figure 3.3. Current levels of wealth inequality are good for/harmful to Scottish society**



Base: n = 2,244

Focus group participants were asked in what ways they think that the current levels of wealth inequality impact the day-to-day lives of people in Scotland.

Most participants focused on the detrimental impact of wealth inequality on those at the very bottom of the distribution. Participants described a myriad of different impacts on the lives of those in poverty; some specifically identified housing and health impacts directly related to wealth inequality, while others spoke about the negative overall wellbeing impacts of living in poverty. They felt wealth inequality impacts every part of one’s life, and one individual claimed aggregate “happiness” would be improved with reduced inequality:

“I think that if you don't have a lot of assets and you don't have a high level of income, then it can affect every aspect of your life. Somebody already touched on the mental health aspects. You know, there's anxiety linked to that. There's depression, self-esteem, self-worth and ultimately happiness. And I think there's lots of studies about Scandinavian countries who have a higher level of happiness. How you measure happiness, I do not know. But in general, I think because, if there's less wealth inequality, you generally have a happier population.” (Group 5 – High wealth)

Another said that not only those at the bottom are harmed by inequality; rather, it negatively impacts all of those who are not at the top of the distribution:

“[Inequality] massively impacts the whole of society. So, it goes everything through from if you're unemployed for whatever reason or on benefits, you know, it's a bit of a vicious circle. And there's no, if you like, [re]distribution from the top. So yes, for me, the whole wealth inequality is a massive fundamental part of Scottish society and affects everything right through from health service, local authority provision right through to, you know, employment, investment, etcetera. Between us, it's fundamental to the nation that we live in today.” (Group 5 – High wealth)

Others reiterated points previously made throughout the discussion regarding those at the bottom of the wealth distribution having fewer opportunities and thus lower social mobility. A couple related this sentiment back to expensive public services, such as public transportation, limiting job opportunities:

“Their opportunities, isn't it? It's their opportunity to maybe take the job that they want if they're really at the lower end of the scale. And they might have a job they want, they can get, but actually getting there is a problem. Public transport, you know, it becomes unaffordable, if they're needing to pay £10 a day on bus fares or more than that, maybe on train fares. So that opportunity to move socially and financially is essentially holding them [back].” (Group 4 – Medium wealth)

A few discussed how the decline in the quality of public education harms those who are worse off, reducing the likelihood they will be able to attend university and prevents them from other broader achievements.

“The way schools are just now and stuff. I think the learning capacity, it's certainly down... it's hard if you're coming from a deprived background... and you, as a child are quite clever and have great ambitions, [you] may struggle to achieve going to college, going to university without some form of help. And the parents might not be able to help you there and there might not be such help. So, they just end up falling away to the side and not achieving their true goals sometimes.” (Group 6 – Low wealth)

A couple of participants highlighted concerns that younger age groups were hardest hit by wealth inequality, facing unprecedented challenges accumulating wealth in a changing economic environment.

“I think young people, and I’m talking anyone under say 35, is really struggling; I really do. I think they’re struggling with tax. I think they’re struggling with student loans. I think they’re struggling with getting well paid jobs. I think they’re struggling with housing, and buying a house, and even getting a driving test and all the services are really, really struggling... I think society is really top heavy just now with where the wealth is.” (Group 5 – High wealth)

Young people from deprived backgrounds were thought to be particularly impacted by these challenges, with additional family responsibility and lack of role models increasing the difficulty of moving up in the wealth distribution.

However, a few participants expressed concern that those from a “working class” background may struggle to move up in the wealth distribution, if resources were concentrated amongst those in more deprived circumstances.

“We think of impoverished families, impoverished areas. There’s often funding and opportunities available within those areas... It’s the ones in the middle that I would be worried about, that perhaps don’t qualify for some support or some funding or opportunities. The ones that would be, I suppose if you wanted to put it down as working class...I worry that they’re the ones that are falling through the cracks” (Group 4 – Medium wealth).

In contrast, a couple of participants said that they felt inequality was inevitable if we are to live in a meritocracy or incentivise innovation and did not recognise inequality as harmful. One said, “you’re always going to have people at the top, people in the middle and people at the bottom. It’s a fact of life.” (Group 2 – Low wealth)

Another clarified that they thought wealth inequality in and of itself is not the issue; rather, it’s the lack of wealth at the bottom and the low standard of living which accompanies it:

“There will always be somebody relatively poor. But if the amount of money they have, it’s sufficient to allow them to have a decent standard of living given their skills, talent, work ethic, all the rest of it, then that’s the important thing for me... who cares whether there is remaining inequality.” (Group 1 – High wealth)

### 3.4 Summary

Over four in five (83%) survey respondents said they thought the gap between the wealthiest and the poorest in Scotland is too large; this proportion was similar whether respondents were shown a statistic describing the wealth distribution in Scotland prior to the question or not.

When asked what wealth distribution best describes Scotland, the vast majority – over four in five – of survey respondents selected a diagram that depicted a greater proportion of people at the bottom of the distribution (with the least wealth) than at the top. Focus group participants responded similarly to the diagrams depicting different types of societies, with the majority selecting that Scotland had more people at the bottom than the top. In the survey, Types A and B were most selected, while Types B and C were most selected by the focus group participants. There were not any clear patterns with regards to the diagrams participants picked according to their self-reported level of wealth.

Nine in ten (90%) survey respondents said they thought current levels of wealth inequality are harmful to Scottish society. Focus group participants were asked how they thought wealth inequality impacts society. The majority described negative impacts, particularly for those on the low end of the distribution with the least wealth. Participants described poor outcomes for their health and wellbeing, as well as having limited prospects for the future with regards to getting a good job, buying a house or other major life events, as they did not anticipate inequality decreasing in the future. A few participants, from both the low and high wealth groups, argued that inequality is inevitable and not the primary issue; instead, some said the standard of living for those on the low end needed to be raised, which did not necessarily require inequality to be reduced.

## 4. Views on government action to reduce wealth inequality

This chapter includes findings about views on government action to reduce wealth inequality, including organisations responsible for tackling wealth inequality and general attitudes to tax increases.

### 4.1 Responsibility for tackling wealth inequality in Scotland

Survey respondents were asked how responsible they think five different groups are for tackling wealth inequality in Scotland, on a scale from 0, “Not at all responsible”, to 10, “Very responsible” (see Figure 4.1). Groups included the Scottish Government, UK Government, local authorities, individuals/families and employers.

The Scottish Government received the highest average (mean) responsibility for tackling wealth inequality in Scotland at 7.1, closely followed by the UK Government at 6.9. Both governments received averages associated with ‘high’ (7-10) responsibility for tackling wealth inequality.

Employers and local authorities were also seen as bearing some, albeit less, responsibility for tackling wealth inequality, at 5.7 and 5.6, respectively. Individuals/families were seen as having the lowest responsibility for tackling wealth inequality, with an average (mean) of 4.6. However, all three groups received averages associated with ‘medium’ (4-6) responsibility for tackling wealth inequality.

Across all groups, there were differences by age, household wealth and perception of the wealth gap. Younger age groups (16-54) recorded higher averages than older age groups (55+) for all surveyed groups, barring individuals/families. For individuals and families, all older age groups (35+) assigned higher average responsibility to individuals/families than the youngest (16-34), with average responsibility rising from 4.1 for those 16-34 to a high of 5.1 for those 45-54. Similarly, those with ‘low’ household wealth recorded higher average responsibility for all parties than those with ‘high’ wealth, except individuals and families, where those with ‘high’ wealth recorded an average of 5.0 compared to the average of 4.3 for those with ‘low’ wealth. The same pattern was seen for perception of the wealth gap, with those that think this gap is too large assigning higher responsibility to almost all parties, but those that think this gap is about right assigning higher responsibility to individuals/families.

Turning to the responsibility of individuals/families in tackling wealth inequality, those in almost all Scottish Parliamentary regions assigned higher responsibility to this group, on average, than those

in Glasgow. For example, those in Glasgow assigned this group 4.0 average responsibility, but this rose to a high of 4.9 in Central Scotland. Those that own their own home also assigned more responsibility on average to this group than those that rent (4.7; 4.1).

Interestingly, women were more likely to assign higher average responsibility for tackling wealth inequality to local authorities (5.9; 5.3) and employers (5.9; 5.5), perhaps suggesting that women prefer a joined-up approach to tackling wealth inequality.

**Figure 4.1. Average (mean) responsibility for tackling wealth inequality in Scotland, from 0, “Not at all responsible”, to 10, “Very responsible”**



Base: n = 2,312

## 4.2 General attitudes to tax increases

### Attitudes towards tax increases to fund public services

Survey respondents were provided with two opposing statements about taxes: that taxes should be increased to invest in public services, or should be reduced, even if that means cuts to public services in Scotland, and they were asked to select the statement that comes closest to their view (see Figure 4.2A).

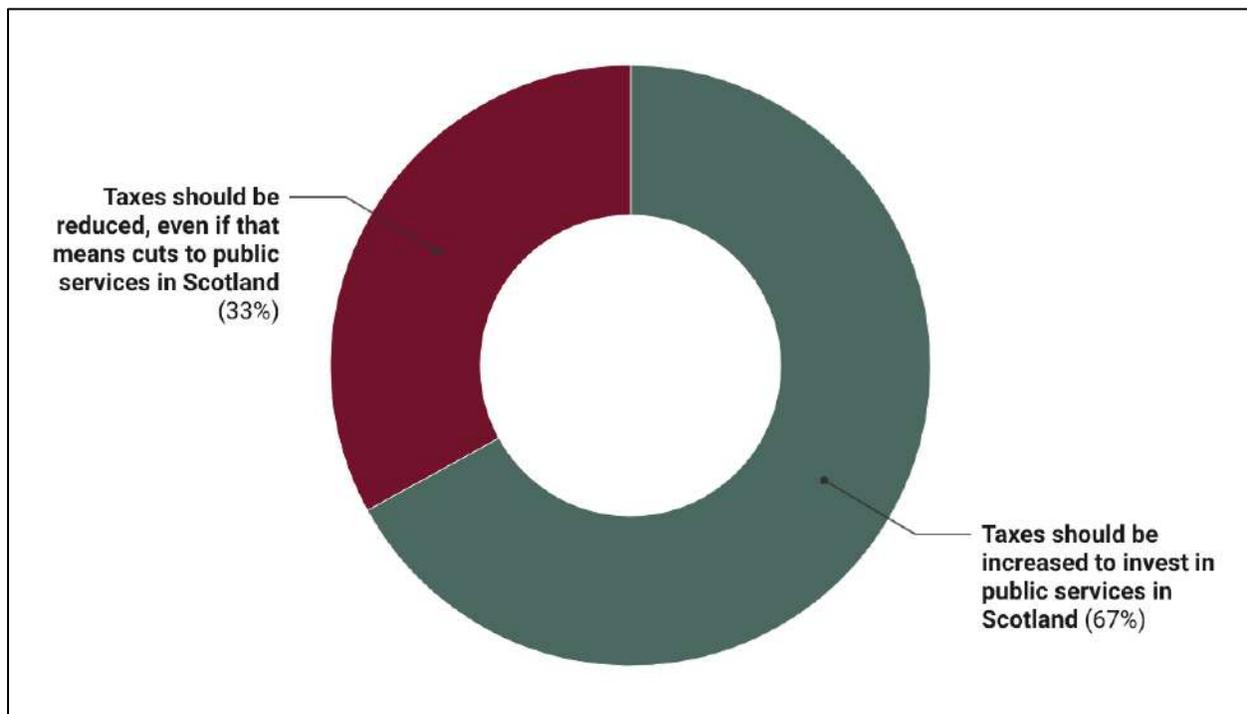
Two in three (67%) selected that taxes should be increased to invest in public services in Scotland, while one in three (33%) selected that taxes should be reduced, even if that means cuts to public services in Scotland.

There were some significant differences in opinions on tax increases to fund public services by gender and age. Women were more likely to select that taxes should be increased to invest in public services (71%; 62%), whereas men were more likely to select that taxes should be reduced, even if that results in cuts to public services (38%; 29%). A similar, albeit smaller difference was noticeable by age; the oldest age group (65+) was slightly more likely to believe that taxes should be increased to invest in public services, when compared to the youngest (16–34) (70%; 63%).

Household wealth was also related to attitudes towards tax increases and reductions. Those who reported 'low' household wealth were more likely to say taxes should be increased than those who reported a 'high' household wealth (70%; 64%). The inverse was true for those who reported a 'high' household wealth; these individuals were more likely to believe that taxes should be reduced, even if that means cuts to public services, than those with a 'low' household wealth (36%; 30%).

However, perceptions of the current wealth gap in Scotland were also tied to support for tax increases or reductions. Those who thought the gap between those with a lot of wealth and those with a little wealth is too large were most likely to support tax increases for public services (71%; 44%), while those who thought this gap is about right or too small were more likely support reductions in public services, compared to those that thought this gap is too large (67%; 29%).

**Figure 4.2A. Taxes should be increased to invest in public services/reduced, even if that means cuts to public services**



Base: n = 2,241

Focus group participants were also asked about whether they thought the government should increase taxes to fund public services, or if the government should maintain or cut taxes alongside reducing public services.

Most participants thought that taxes would need to increase for public services to deliver at the current or better level; a few even said they would be willing and “happy” to pay more tax to ensure that public services continued to deliver for them and their communities.

“If you can, you should. I think it comes down to that. If I'm in a position where I'm able to, then I'll, you know, I would happily pay a wee bit more.” (Group 4 – Medium wealth).

“I think if you've got the money, you pay the tax. I'm quite happy to pay a higher tax if, if it helps people who are less off, who are less wealthy than myself... I'm happy to do that and I'm happy to live in Scotland and I'm happy that we pay a higher tax.” (Group 1 – High wealth)

Some agreed that an increase in tax and public funds was necessary but caveated that the increase should be targeted towards the highest earners to be most fair and effective.

“I think we're already [paying more tax] in Scotland, aren't we? I think it's been a good thing. Yeah. So paying extra to fund the health service, certainly. But again, it's going to be a rubber band. It's going to be that it's more focused at the top, whereas at the moment I think it's more focused at the bottom.” (Group 4 – Medium wealth)

A few also said they thought a tax increase would be met more positively if there was clearly a benefit coming from it, observed through more and better public services. One participant referenced a recent trip to Denmark, where income taxes are higher than in Scotland, but they felt the Danish were getting good value for their taxes in the form of public services, and would like to see services of a similar calibre in Scotland:

“I think we should increase taxes... I was really blown away just by how well everything worked [in Copenhagen], how well put together it was... And they're taxed at around 40, 45%. Whereas in the UK, we're actually not that highly taxed when you compare us to other European countries and countries of a similar size. But it seems that what they get for their money is just a lot better public services. And I do appreciate that there are inefficiencies, but from a structural level, I think it needs to go up.” (Group 5 – High wealth)

They went on to say they thought public support would be high for a tax increase in Scotland if the wealthiest were taxed the most and there were clear improvements to public services:

“So as long as you can see what the benefit is and it's done fairly and you tax the ultra-rich much higher and more consistently than we do, would probably get a lot of support.”  
(Group 5 - High wealth)

One participant explained that while they have become comfortable with the idea of paying more tax, their community in a very rural part of Scotland would be opposed to this due to the perception that it would not benefit them. They emphasised the importance of ensuring public funds are used to improve deprived areas, as well as to support and incentivise people to increase their incomes and move into higher tax bands.

“I think the average wage [in my area] is like about 13% lower than the Scottish average. You know, the aspiration to be able to get an income level, to be paying more tax or more of people around my area to be able to do that. It's got to be something that's seen as a positive thing and if that then therefore benefits society as a whole, that's great. But I think unfortunately, the double-edged sword to that is that there has to be more public money spent in areas like that and in other areas of deprivation to then actually allow people to start to move towards that direction.” (Group 6 - Low wealth)

Still, some participants were opposed to tax increases because they did not feel confident that funds would be spent well and thus, did not think there was any benefit to paying more tax. They spoke about this in terms of “waste” and “inefficiency”.

“There is not enough focus on the inefficiency of [government bodies]. So, for me, the increased tax rates in Scotland is literally going into a black hole. We don't have a balance. I for one, would be comfortable and potentially supportive of tax increases if the money was spent wisely. But I've got zero confidence.” (Group 5 - High wealth)

A couple of participants said they did not think taxes should be increased or decreased, suggesting that the funds from taxes should be sufficient to improve public services if used more efficiently.

“I would say neither of those two - just people are taxed to the whole already. You know, you work and you get taxed. Everything's taxed. You have savings that get taxed. The older people are getting taxed. And then if they cut public services, which they always seem to do, then you're losing out on fund collections and other road repairs, which you know, the roads are in my area horrendous... if there's an option three, I would go with option three.”  
(Group 6 - Low wealth)

“I think if there's not enough money to go around, nobody seems to talk about the cutting waste and expenditure. So, let's stop taxing more and more and more and thinking about the money we've got, can we spend it more wisely or spend a bit less of it?” (Group 1 – High wealth)

Finally, some asserted that taxes should be reduced, as they felt they are “far too high in Scotland” (Group 1 – High wealth) One also argued that, by reducing taxes, people would have more disposable income, which would create more consumption and expenditure, improving the economy: “you cut taxes, that's more money in people's pockets, which is then more spending. The more money that you spend, the more that comes into the country and the better it would be.” (Group 2 – Low wealth)

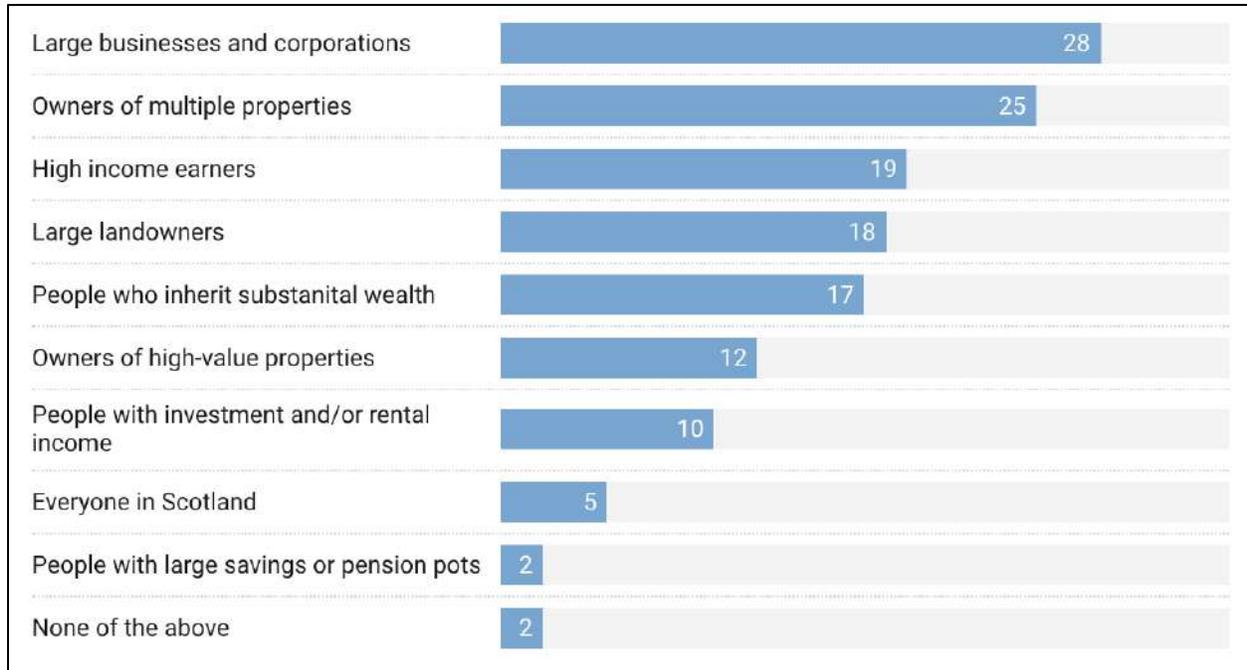
### **Attitudes towards tax increases for a range of groups to fund public services**

Focus group participants were asked to consider a scenario in which government and politicians decided to raise taxes. Participants were then asked to complete a poll, selecting all groups in Scotland who they thought should pay more in taxes in this scenario. 34 of the 38 participants responded to the poll (see Figure 4.2B).

Of the groups shown, the majority of participants (28) selected that large businesses and corporations should be asked to pay more. Closely behind, 25 participants selected that owners of multiple properties should be asked to pay more, followed by the 19 who selected that high income earners should pay more, the 18 that selected that large landowners should pay more and the 17 that selected that people who inherit substantial wealth should pay more.

At the bottom, only 5 participants selected that everyone in Scotland should pay more, and 2 people selected that people with large savings or pension pots or none of the above should pay more.

**Figure 4.2B. Groups who should pay more in tax, should government and politicians decide to raise taxes**



Most participants were supportive of large businesses and corporations paying more in taxes. Some said this was due to the “obscene” wealth accumulated by some organisations. (Group 5 – High wealth)

“I think my main one would be large businesses and corporations because you hear about it all the time, all these businesses making so many millions and billions in profit and it's going to the shareholders in huge, huge pay rises or in bonuses when they're already substantially wealthy. So, I do believe that they should contribute more to distributing the wealth.” (Group 4 – Medium wealth)

Others cited concerns about tax evasion and said they were aware these organisations were not paying the taxes they owe.

“When I see something like large businesses and corporations, my mind immediately goes to some like Amazon or something. And I don't remember the details, but I know that Amazon do not and have not paid the sort of correct level of tax, I think ever, from operating in the UK. So that was kind of what really led me to that.” (Group 6 – Low wealth)

One participant also explained that to them, it makes more sense for large businesses and corporations to take on a larger tax burden as opposed to everyday individuals in the general population:

“[Large businesses and corporations] have some very strategic individuals that will help them kind of waive the taxation. But again, the majority of people that make up Scotland are just average joes. They're the one with the highest population, yet they're getting taxed left, right and centre. Why is it always the little guy that has to pay, but the bigger people don't really seem to get that much back on them?” (Group 6 – Low wealth)

Most participants also said owners of multiple properties should be required to pay more taxes. They saw those who own multiple properties as monopolising housing in different areas and reducing the supply of housing for other potential buyers or renters, including those looking for adequate social housing.

“Somebody owning multiple properties has a disproportionate impact on the abilities of people to buy houses in their areas or be able to afford to buy houses and what have you. So, I do feel that if you have the luxury, the ability to afford multiple properties, or indeed you're using that to make an income, you should pay the tax on that income.” (Group 6 – Low wealth)

Another participant described what they viewed as amoral acquisition of property purely for profit, and specified that these property owners are who they believe should be paying more tax:

“My thinking was the multiple properties, purely for the fact of people generating little business tycoons for themselves and like private landlords then owning all these buildings and charging like an arm and a leg for them... I think if you're somebody going around specifically in an area that's, say, lower income, buying up four or five properties to then charge higher than average rent, it's a little bit morally incorrect. And I think that would also lead to the point: if they're being taxed higher, that should go to the tenant, not the government. But that's another argument.” (Group 2 – Low wealth)

One participant said they did not select owners of high-value properties as a group that should pay more tax, as value of a property may not necessarily align with the owner's current level of wealth, particularly if the value has vastly increased since time of purchase:

“I specifically didn't pick people necessarily with high value houses because I think it's relative, again. You could have someone who lives in a high value house but is cash poor,

particularly older people, pensioners, you know, the house has accumulated in value over their lifetime and they don't necessarily want to move or need to move, but I don't think they should always necessarily be targeted either because the value of their house has increased." (Group 4 – Medium wealth)

As seen above, only a couple of participants selected that people with large savings or pension pots should be asked to pay more. In one of the groups, where no one selected this option, participants discussed how people who have accumulated pensions and savings throughout their working lives “deserve” to have these without being affected by further taxation:

“I think it's quite revealing that none of us chose the pensions or savings. And certainly, my perception would be that that would be earned. It'd be something you'd accumulated over, and it wouldn't be a business or a landowner that wasn't paying their fair share or someone that inherited it from previous generations. That's just my perception of it. If it's saved money, if it's pensions, then we wouldn't touch it because it's something they've earned, and they deserve essentially. Because it's theirs.” (Group 4 – Medium wealth)

Of those who felt that everyone in Scotland should pay more in taxes, there was a sense that having everyone contribute more will lead to greater buy-in for improvements to public services.

“Well, I picked everyone because I just think everyone has their agency. We all have to have some sort of responsibility. And if you are paying something, then you actually see what your money's going to. If you're not paying anything at all, you don't really care what the service is going to be like so much or you've got no right to complain.” (Group 5 – High wealth)

Others said they were comfortable with “everyone paying a little bit more for the services that everybody in this country needs” so long as its progressive and “proportional throughout society”, with the largest burden on the “top percentage income earners” and “large businesses and corporations.” (Group 3 – Medium wealth)

However, others were concerned that raising taxes for everyone would affect those who cannot afford it, including those unable to work due to illness or disability.

“There're always people who really can't pay tax, people who are maybe disabled, through no fault of their own; they don't have the opportunities for work and employment and to earn money that other people do. You know, there's always going to be that element of society. And so we either decide that we don't want to be the society that helps look after

those people – and I would err on the side of that we do want to be a society that looks after everybody – and if they don't have the opportunities to make their own money and drive their own wealth that way, then they should have support.” (Group 4 – Medium wealth)

Similarly, others felt that asking everyone in Scotland to pay more tax might increase levels of wealth inequality, where the lowest earners are required to lose more of their income to tax than they do already. Some raised existing challenges posed by the high cost of living, sensing that increased taxes would put further strain on those trying to support themselves and their families.

“I'm thinking about in this day and age, when you've got people that are choosing between feeding their kids or warming their house... those people that are already struggling for maybe what we would all think of as a decent salary is pretty much just keeping the lights on. I think that's that kind of level that more taxation would really cripple them” (Group 5 – High wealth).

Only a couple of participants said none of the above. One explained this was related to perceptions of inefficiency in the public sector. Interestingly, this participant also selected “everyone” based on fairness:

“I put either ‘everybody’, if we're the fair society that we're always told we are, we should all be in it together. But, based on what I'd said earlier about spending, I also ticked none. You know, there's massive amounts of bloat in the public sector.” (Group 1 – High wealth)

### **Attitudes towards progressive and flat-rate taxation**

To gauge support for different types of tax increases, survey respondents were also presented with a range of statements about possible tax increases, including:

- The government should ask everybody to pay a bit more in tax, with the least wealthy paying the least and the wealthiest paying the most, to adequately fund public services.
- The government should ask everybody to pay a bit more in tax, at a flat rate for all, to adequately fund public services.
- The government should ask only the wealthiest to pay more in tax, even if that will not adequately fund public services.
- The government should not ask anyone to pay more in tax, even if that will not adequately fund public services.

Subsequently, respondents were asked to select the statement that comes closest to their view (see Figure 4.2C).

Over half (56%) selected that 'the government should ask everybody to pay a bit more in tax, with the least wealthy paying the least and the wealthiest paying the most, to adequately fund public services'. This proportion was followed by those that believe that 'the government should ask only the wealthiest to pay more in tax, even if that will not adequately fund public services', at one in five (21%). Only one in ten selected that 'the government should ask everybody to pay a bit more in tax, at a flat rate for all, to adequately fund public services' (11%) or that 'the government should not ask anyone to pay more in tax, even if that will not adequately fund public services' (12%). Taken together, while the most support was provided for a progressive tax for everyone that adequately funds public services, a sizable minority (32%) would prefer a tax increase solely for the wealthy or no tax increases at all, even if these options would not adequately fund public services.

Although about half or more, regardless of gender or age, preferred a progressive tax levied on everyone, in order to adequately fund public services, women were more likely than men to select this option (62%; 50%), while men were more likely to support no tax increases at all (15%; 8%). Similarly, older age groups (45+) were more likely than the youngest (16-34) to prefer a progressive tax for all (61%; 47%). In contrast, the youngest age group was most likely to prefer a tax on the wealthiest, even if that will not adequately fund public services (31%; 16%).

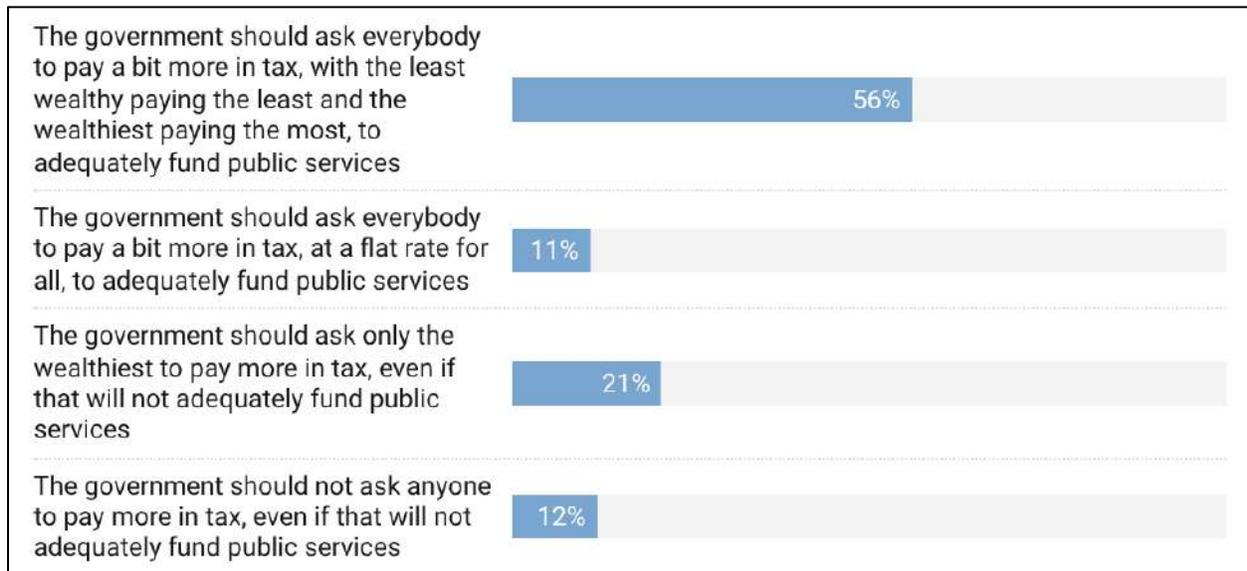
Turning to geography, there were also notable differences by neighbourhood deprivation and region. Like women and older age groups, those in the most deprived neighbourhoods (SIMD 1) were more likely than those in less deprived neighbourhoods (SIMD 4-5) to support a progressive tax for all, adequately funding public services (63%; 54%). Those in more deprived neighbourhoods in general (SIMD 1-3) were also more likely than those in the least deprived (SIMD 5) to prefer raising taxes on the wealthiest, even if that does not adequately fund public services (23%; 15%). Correspondingly, those in less deprived neighbourhoods (SIMD 4-5) were more likely to prefer a flat rate tax for all, or no tax increases, than those in the most deprived neighbourhoods (SIMD 1). Regionally, most other Scottish Parliamentary regions were more likely to support a progressive tax for all, to adequately fund public services, than those in South Scotland (48%) and North East Scotland (47%). For example, the comparative figures for Glasgow and the Highlands and Islands were 63% and 62%, respectively.

Asset and wealth ownership were also related to preferred option. Although there was no significant difference in the proportion of renters or homeowners that preferred a progressive tax for all, those that rent their housing were more likely than those that own their housing to prefer increasing taxes on the wealthy, even if that will not adequately fund public services (30%; 17%). Those that own their housing were more likely to prefer a flat rate tax for all, that adequately funds public services (13%; 6%), or no tax increases at all, even if that will not adequately fund public

services (13%; 8%). A similar pattern was seen for household wealth; although there was no significant difference in the proportion of those with ‘low’ or ‘high’ wealth that preferred a progressive tax for all, those with ‘low’ wealth were more likely to support solely raising taxes on the wealthy (29%; 12%), while those with ‘high’ wealth were more likely to support a flat rate tax for all (15%; 8%) or no tax increases (15%; 8%).

Perception of the wealth gap in Scotland were also tied to preferred option. Those that think the wealth gap is too large were more likely than those that think that gap is about right to prefer increasing a progressive tax for all (61%; 22%) or increasing taxes solely on the wealthy (22%; 4%), while those that think this gap is about right were more likely to prefer increasing taxes at a flat rate (28%; 9%) or not increasing taxes at all (46%; 8%).

**Figure 4.2C. Views on different forms of tax increases**



Base: n = 2,299

Amongst focus group participants, there was general support for more progressive taxation, whereby everyone would pay a bit more in tax – with the least wealthy paying the least and the wealthiest paying the most – to adequately fund public services.

One participant said they were comfortable with this approach so long as it was “properly progressive”, where “those at the very lowest end pay a very, very tiny amount more and those at the higher end, as you go up through the tax bands, pay considerably more.” (Group 3 – Medium wealth)

Another participant proposed having an additional tax for top percentage income earners, such as owners of large businesses and corporations:

“As long as it's proportional throughout society, I think that's okay. And then I think there could be additional tax on people that are maybe in very financially secure situations, like our top percentage income earners, the people with the really large businesses and corporations. But I think there's nothing wrong with everyone paying a little bit more for the services that everybody in this country needs.” (Group 2 – Medium wealth)

Participants also considered the impact of a flat rate tax increase on people with varying levels of wealth, and felt progressive taxation would make it fair.

“Like if you taxed me 10%, okay, I might be able to do that. But that 10% on, just because we've mentioned her before, JK Rowling, is completely different. It has more of an impact on me than it does her.” (Group 1 – High wealth)

Others felt that tax payments calculated according to a person's/household's' circumstances, including number of working adults in the household, would be fairer than a flat rate of taxation.

“It can't be a flat rate for everyone because not everyone, with their own other stuff going on – maybe if they've got children, elderly people, somebody who's not well – then to try and tax everybody in the same level would make it unfair. So, what you would have to do is take it to an individual level and circumstance. You could take their property, who's in the household, how many is in the household, who's working in the household, and then you'd have to calculate from that. That would be a fairer rather than a blanket tax, I think.” (Group 6 – Low wealth)

One participant felt that Scotland already has a level of progressive taxation and was concerned that raising taxes across the bands might disincentivise people from working for a promotion or pay uplift, particularly where they feel a chunk of their new salary will 'go straight to tax':

“Top 1% pay 30% of the tax, you know, so we already have a pretty progressive tax system in the UK, and even more so actually in Scotland. And if you keep putting the tax up, eventually folk won't bother working. It's like somebody's friend was saying they're thinking of [their income] tipping into the next tax bracket and then why the hell would I bother [seeking a promotion or higher income]? Well, that's what happens. People don't bother working any harder because they'll say that the government would take most of it. So, you've got to be careful.” (Group 1 – High wealth)

## Attitudes towards tax increases for the wealthy

Survey respondents were provided with two opposing statements on whether taxes on the wealthy should be increased or reduced and asked to select the statement that comes closest to their view (see Figure 4.2D).

Well over four in five (85%) selected that taxes on the wealthy should be increased, while only one in six (15%) selected that taxes on the wealthy should be reduced.

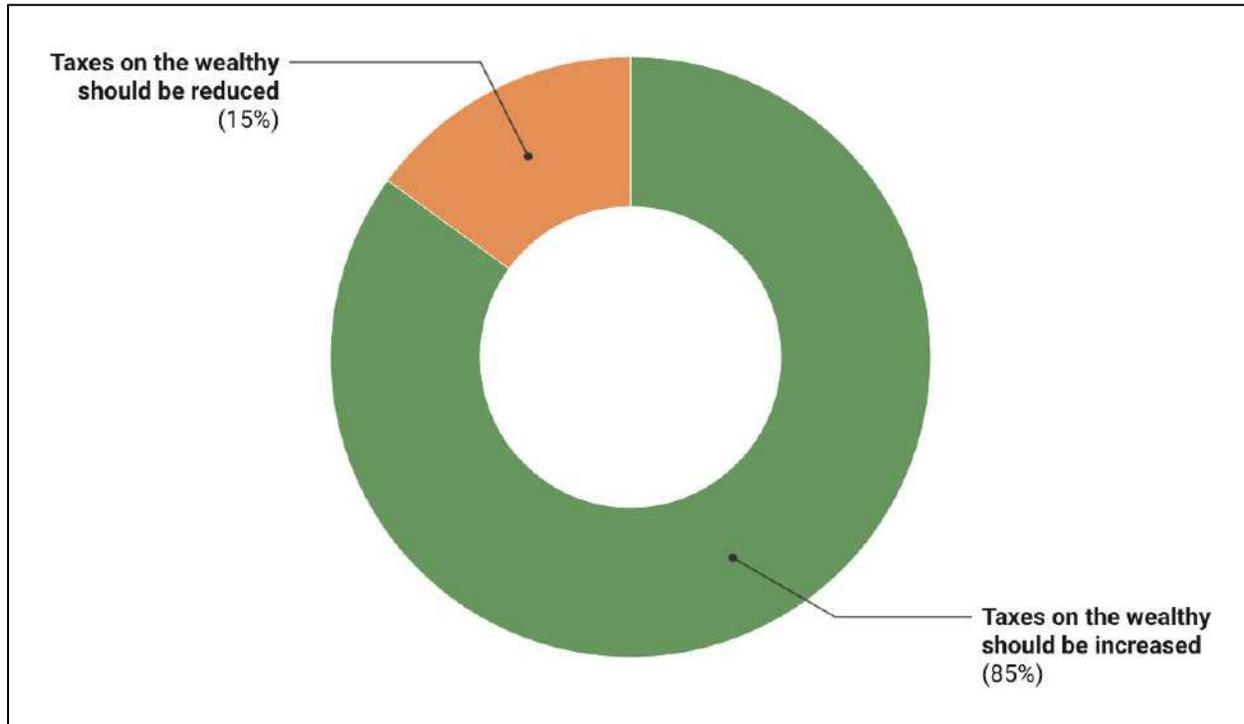
Turning to demographics, women were generally more likely than men to think that taxes on the wealthy should be increased (89%; 80%), while men were more likely to think that taxes on the wealthy should be reduced (20%; 11%).

Differences by geography were also salient. Those in the most deprived neighbourhoods (SIMD 1) were most likely to think that taxes on the wealthy should be increased (94%; 83%), while those in less deprived neighbourhoods (SIMD 2-5) were more likely to favour reductions in taxes on the wealthy (17%; 6%). Considering regional differences, those in the South Scotland and North East Scotland Scottish Parliamentary regions were more likely than those in most other regions to support tax reductions for the wealthy, at 28% and 20% respectively, while the comparative figure in the Glasgow region was as low as 9%.

Homeownership and wealth ownership were also related to attitudes towards increasing or reducing taxes on the wealthy. Those that rent their accommodation were more likely than those that own their accommodation to select that taxes on the wealthy should increase (92%; 82%), while those that own their accommodation were more likely than this group to select that taxes on the wealthy should be reduced (18%; 8%). Furthermore, those that reported 'low' or 'medium' household wealth were more likely than those that reported 'high' household wealth to think taxes on the wealthy should be increased (90%; 76%); those that reported 'high' wealth were more likely to think that these taxes should be reduced (24%; 10%).

Perception of the distribution of wealth in Scotland was also tied to views on tax increases for the wealthy, with those that think the gap between those with a lot of wealth and a little wealth is too large most likely to report that taxes on the wealthy should increase (91%; 55%) and those that think this gap is about right most likely to report that taxes on the wealthy should decrease (62%; 12%).

Figure 4.2D. Taxes on the wealthy should be increased/reduced



Base: n = 2,267

### 4.3 Summary

Amongst survey respondents, the Scottish Government received the highest average responsibility score for tackling wealth inequality in Scotland (7.1), followed closely by the UK Government (6.9). Employers (5.7) and local authorities (5.6) trailed behind with scores of 'medium' responsibility and individuals and families received the lowest responsibility score of 4.6.

Two in three (67%) survey respondents said that taxes should be increased to fund public services while one in three (33%) said taxes should be cut, even if that requires reducing public services. Focus group participants were similarly split on if taxes should be increased or cut, with a slight majority seeming to agree they should be increased. A few of those in the 'high' and 'medium' wealth groups said they themselves should be willing to pay more in tax to improve public services and many agreed that those with higher incomes or wealth who can afford to pay more in tax, should.

Some focus group participants said they would be supportive of paying more taxes to fund public services if they knew that the funds would be used well and services would improve, but confidence was mixed as to whether that was realistic in Scotland. A few cited examples from

other countries such as Switzerland and Denmark where taxes are higher but they observe a markedly higher quality of life, as evidence for why taxes should be increased.

However, across all wealth levels, some participants thought taxes should either be reduced or at least not increased. Some argued that taxes in Scotland are already too high and others said that the government should instead use the current tax revenue they get more efficiently to reduce waste and provide better services, instead of increasing taxes.

Focus group participants took a one question poll, asking them to select which groups they thought should pay more taxes, should the government decide to increase them. The most frequently selected group was large businesses and corporations, followed by owners of multiple properties, high income earners, large landowners and people who inherit substantial wealth. Half or more of those who responded to the poll identified these groups as those who should pay more. A handful said everyone in Scotland should pay more to accommodate this, although many emphasised that these increases should be progressive and a couple of respondents said nobody should have to pay more taxes, as they believed taxes should not be increased.

Survey respondents were presented with a few tax increase options (a progressive tax, a flat rate tax, a tax increase only for the wealthiest or no increases for anyone) and asked to select which they preferred. Over half (56%) preferred a progressive tax, about one in five (21%) preferred that the taxes only increase for the wealthiest, and around one in ten said that nobody should pay more (12%) or that there should be a flat rate increase (11%). Survey respondents were also asked if they think taxes on the wealthy should be increased or reduced; over four in five (85%) said they should be increased while one in seven (15%) said they should be decreased.

Most focus group participants were also generally supportive of a progressive tax, and much less so for a flat rate increase. They primarily cited that the wealthy can afford a greater increase in their taxes and should pay that back to support Scottish society overall. A handful, however, were resistant to any tax increases as they thought current levels of taxation would be sufficient and worried that increasing taxes on the wealthy would disincentivise hard work.

## 5. Views on potential policies to reduce wealth inequality, including tax levers

This section highlights findings about potential policies to reduce wealth inequality in Scotland, such as potential redistributive policies and taxes, and council tax reforms.

### 5.1 Redistributive policies and taxes

#### Attitudes towards general redistributive policies and taxes

Focus group participants were shown three broad categories of redistributive policies:

1. Supporting wealth building by helping people with low wealth build up assets over time, for example through affordable homeownership schemes or government-matched savings accounts.
2. Limiting extreme concentrations of wealth through rules and taxes on very large wealth and inheritances, and high-value properties or large-scale land ownership.
3. Ensuring wealth helps support society by taxing income from investments or assets in a similar way to income from work.

Participants were asked about their impressions of each policy, including whether they would or would not support this policy.

#### **Supporting wealth building by helping people with low wealth build up assets over time, for example through affordable homeownership schemes or government-matched savings accounts**

Many participants were supportive of these ideas, highlighting the need for policies which are focussed on lifting those at the bottom of the wealth distribution.

One participant spoke about their experience with a government matched savings account while they resided in Ireland and explained it was a great introduction to saving and managing money, especially as someone who had not ever been taught or had any experiences with this during their upbringing:

“I never had that opportunity to really save money and build money until that [scheme] came in. And it was a great scheme, and it really helped loads of people to suddenly go, ‘oh, this is how it works. This is how I can actually end up being able to afford to buy a house or buy that car or whatever it is’. So, I think it would be something that would be really beneficial for especially the people who are on the lower brackets.” (Group 4 - Medium wealth)

Another shared a similar experience with this type of scheme and explained how it encouraged positive savings habits which they previously didn't think were possible for them, while they and their partner had "fairly low-income jobs":

"We became aware HMRC were doing a help to save thing ... it was interesting to kind of focus both our minds. Like I said, we hadn't been thinking of saving because it's kind of hand to mouth, but it focused our minds. We thought, 'we probably could both put £50 away.' And then once we did a better number crunching, we looked at it and we thought, 'you know, at the end of this, we'll have £7000 or whatever it was, plus whatever we're going to get back.'" (Group 3 – Medium wealth)

A couple of participants also shared their positive experiences with affordable homeownership schemes. One emphasised that they saw this as a potential option to successfully redistribute wealth in the country:

"I think this is great. I know loads of people who have only been able to afford to buy their own home because of home ownership schemes from the government or elsewhere... I think that's the way to go because if we can get these people off the ground, then we're more likely to get into... the D figure that was shown to us earlier." (Group 4 – Medium wealth)

Another shared that, at the time they had access to this type of scheme, it was the only pathway they saw for themselves to be able to own a house:

"Before moving up to Northeast, I was living in a mid-market rent home... it also had the opportunity for like a help to buy scheme where if I wanted to, over time, there was the opportunity to start to pay off towards the property. And at the time, it was genuinely the only way I ever saw myself possibly owning a house. So, I thought that was a really good scheme and it would be really interesting to see it elsewhere." (Group 3 – Medium wealth)

Despite general support, a few expressed that these policies, while well-intentioned, may not have a significant impact on those at the very bottom of the wealth distribution.

Some reflected that home ownership was well out of reach for many of those at the very bottom of the distribution who are struggling to get by, necessitating continued investment in programmes that alleviate poverty.

“As it currently stands, people find themselves in debt for a variety of different reasons. So if you're in that position or you've got cloud over you, I feel it would be difficult, even with these schemes in place, for you to ever aspire to be able to make the most and maximise these.” (Group 6 – Low wealth)

Others explained that they thought broader changes in the housing market would be more beneficial than help to buy schemes. For example, some emphasised the need for social housing, as homeownership is not everyone's goal.

“[Affordable homeownership] schemes are great, but it shouldn't be at the expense of making sure that enough social housing is being built, because home ownership is not right for everyone and it's not possible for everyone. So actually, making sure that there's good quality, affordable, proper social housing.” (Group 4 – Medium wealth)

Someone also expressed concern that this type of housing scheme would be harmful, making homes more unaffordable: “[I'm a wee bit wary about schemes to try and support people buying houses. [It] tends to drive the whole price of housing up. So it can be a self-defeating thing.” (Group 1 – High wealth)

And another said that more regulation in the housing market and reduced housing prices would be preferable, as these schemes can only help so much if homes remain too unrealistic and unaffordable for many:

“We've seen government schemes... designed for first time buyers that would provide some government funds towards that. That's great. That's really going to help people get on the ladder. What doesn't help people get on the ladder is the fact that the housing prices have gone up enormously over that time... rather than just investing in allowing people to have more savings, investing in creating a housing market where there are properties available.” (Group 3 – Medium wealth)

Some were against government matched savings schemes, as they felt they were unfair – “I don't see why they should get it and everybody else doesn't” – as well as too expensive and “would lead the country to bankruptcy.” (Group 3 – Medium wealth)

One participant expressed concern that this was particularly unfair for those “in the middle” who would not qualify for the benefit but were contributing towards it:

“What if you're just, maybe not classified quite as low wealth and maybe somewhere in the middle, but struggling? What - you don't get the benefit? ... What kind of society are we creating - one where we're taking or you give a perception that you're taking from those who are maybe just about managing to give to those who aren't?” (Group 5 – High wealth)

In another group, someone expressed a similar sentiment: “I think, throwing money at people is not usually the answer and it creates unfairness.” This participant went on to highlight the importance of education, to teach people when they are young about how to save and the importance of savings:

“People should see the sense of saving themselves. And there's an education point there. I used to do financial education in schools, and I think that's sorely lacking. Kids just do not understand debt, interest, mortgages, insurance... Why don't we teach a financial education that'd be more useful to people?” (Group 1 – High wealth)

Others agreed that education about financial management was paramount but thought this could be implemented in tandem with these schemes, to make them more successful.

“There is schemes out there already, whether people know about or not. It's just, you've got to start this kind of chat in primary, in high school; get the kids clued up on what's going on so they can have an idea of what's going on... So as they grow up, they're aware of it... if they put money away, they can invest and they get the house, they get the - whatever they want in life.” (Group 6 – Low wealth)

Others cited that similar policies needed more substantial investment to be successful.

“Well, there are already things like that though. There are so many like shared ownership, shared equity, first time buyer ISAs, that are already things like that in place. And as evidenced by us all picking the [societal] model of quite a lot of people at the bottom, they have not worked... I think probably some things are implemented by way of paying lip service to an issue without actually giving it the resources and the money and the time that it actually needs for it to be successful.” (Group 6 – Low wealth)

However, a couple were strongly opposed to these policies, citing concern that these were “an extension of benefits and handouts”, which they disagreed with in principle:

“The statement as written, I would fundamentally support that, so as an absolutely sound principle... Is it enough to actually break out that loop and get you into either be able to rent

a property or own a property or have a sustainable income in some way? This, the statement itself, if you apply it in practise, feels very much like a sticking plaster.” (Group 5 – High wealth)

### **Limiting extreme concentrations of wealth through rules and taxes on very large wealth and inheritances, and high-value properties or large-scale land ownership**

Attitudes towards this potential redistributive policy were also mixed. Many supported the policy, saying “we need to have limits” and citing the large gap between those with a lot of wealth and those with a little wealth (Group 1 – High wealth). These participants often emphasised the phrase ‘extreme concentrations of wealth’ in the statement, referencing ‘billionaires’, and contrasted this level of wealth with the coexistence of those at the very bottom of the distribution who struggle to get by.

“[Limiting] ‘extreme concentrations of wealth’, that I’m absolutely all for. I’m fed-up hearing about billionaires getting more billions added on to their kind of wealth factor. I definitely don’t think there should be billionaires in this age. I’m fed-up hearing about people who are struggling, and the number of food banks has gone absolutely extreme. It’s shocking.”  
(Group 5 – High wealth)

Along these lines, participants also expressed that they believe many of those with high levels of wealth, particularly those with wealth from large-scale landownership and corporations, are not contributing to society as much as they should, by exploiting loopholes in tax legislation. As such, they felt implementing rules and taxes to limit extreme concentrations of wealth ensures that this disparity is ameliorated.

Many also, however, were immediately opposed to these types of policies, particularly in one of the high wealth groups, where three participants agreed they would be “very against” this. (Group 1 – High wealth)

Others said they were put off by the word “rules” and were confused as to what this could look like with regards to wealth inheritance: “It’s the word ‘rules’ that gives me pause here. I can absolutely get behind more progressive taxation. I’m not sure how you rule that it is impossible to have large amount of wealth inheritance.” (Group 3 – Medium wealth) Another was sceptical of this policy and said they would need to know more about what the particular rules in question were to know to what extent they supported or opposed this: “I’d be very, very cautious. I wouldn’t necessarily oppose, but I think it would depend on what the intricacies were whether I would support.” (Group 3 – Medium wealth)

As had been discussed throughout the groups, many were particularly concerned about the concentration of land ownership in Scotland, and as such were supportive of the redistribution, but some were still hesitant about the term 'rules':

"In Scotland, we've got so much kind of unused land that seems to be in the hands of so little people that land wealth is clearly a problem... about like rules and regulations, you get a wee bit, it doesn't sound great... But when it comes to the land, I think when it's so obvious in a country like Scotland that it's just unfair and imbalanced, then I think generally I would be in favour of policies that seek to redistribute that better." (Group 3 – Medium wealth)

A handful of participants were opposed to rules placed on inheritances as they saw this as money which had been earned and was being passed on "because people have worked hard." (Group 2 – Low wealth)

Similarly, a few perceived a wealth tax to be a tax on "people's hard-earned income." They thought this was unfair and would create larger societal divides between "us and them." This participant did however, concede that large scale land ownership is "a massive issue for Scotland", "completely disproportionate" and "will hold a lot of people back", making this a potentially workable policy. (Group 5 – High wealth)

Furthermore, given concerns about tax avoidance, some feared that these policies would not achieve the intended results and disproportionately impact those with moderate levels of wealth, as those "at the top" will "always find ways to get around it." (Group 6 – Low wealth) Some raised concerns that these types of policies would lead to potential economic decline in Scotland, disincentivising business or innovation in the country, as the wealthiest could decide to leave the country to avoid paying increased taxes.

"If you're at the top of the tree, you're going to get taxed ridiculously and [it's] just going to cost you so much money. That's why maybe a lot of people in businesses now leave Scotland and they have their business down South." (Group 6 – Low wealth)

Considering the issue of loopholes, some said these policies "would need to be accompanied by enough checks and balances to ensure that [they weren't] easy to skirt around." (Group 4 – Medium wealth) Some however, just felt these policies would be ineffective and would not result in a substantial increase to the public purse.

“Even if this came out, I think there would be maybe a few that would be hit with it, but I don't think it would be much effect, to be fair, with the wealthy because they really hide their money as it is at the moment.” (Group 6 – Low wealth)

One participant was hopeful that this could be achieved in Scotland, citing examples from other countries where taxes like these have been successfully implemented, although caveated that political short-termism will make it difficult:

“Switzerland, Scandinavian countries, for example, have much higher tax rates. It's very difficult to get elected [in the UK] if you go on a platform of raising tax. But they are societies with better services, better quality of life. So yes, tricky to imagine this coming in in the short term, but I do think it's an aspiration that's it's achievable because it's being achieved in other places.” (Group 3 – Medium wealth)

### **Ensuring wealth helps support society by taxing income from investments or assets in a similar way to income from work**

Again, reactions to this statement were mixed. Some thought this would be beneficial to prevent excessive accumulation of wealth, but a few also iterated earlier arguments regarding the potential for this policy to disincentivise business or wealth building in Scotland.

One participant said they thought this was unrealistic, beginning with the phrase that wealth would support society: “I feel it's a bit of a dream, really, that wealth helps support society. I just don't see it happening today.” (Group 3 – Medium wealth)

Other participants, who were supportive of this policy, frequently expressed concerns about tax avoidance and loopholes preventing this from being successful. One said,

“They will just move the money to an offshore account or somewhere else that it won't get either properly taxed from Scotland to UK, or such a low amount of tax that it's not going to make a great deal of difference... They know how to hide certain things and move them about... So I don't know whether that would actually be viable, or even worth trying to do.” (Group 6 – Low wealth)

Another participant, who had experience working in the investment services and tax sector confirmed that addressing these loopholes is “essential for making any attempt at repairing inequality” as:

“The amount of perfectly legal instruments that exist to completely shield people with astronomical amounts of wealth from paying even a moderate tax rate is honestly terrifying. It’s far too easy to do, if you’ve got the money to do it.” (Group 4 – Medium wealth)

Participants also caveated that their support for this policy would depend on the level of income from investment and assets that would be taxed, and who this would apply to: “In essence, it’s a good idea; it’s just how it is applied and how it’s applied fairly.” (Group 6 – Low wealth) Some participants described limits at which they would support this policy, such as if it was restricted to those with assets over a certain value or targeted primarily at the wealthiest members of society.

“I think for normal regular people, who are working people, I think this is not great. I think there should be a limit... I’m actually for it, but I don’t think [it should be applied to] regular working people who also do a little bit of investments or have money based in the stock market for pensions and so on.” (Group 5 – High wealth).

As an illustration of a group who should not be targeted by this measure, one participant described an older family member’s situation, who currently holds assets, but would not be able to afford critical care alongside additional taxes on these assets.

“[It] hits a level where they’re being penalised for having worked so hard and paid into it all their life. And now it’s like, it’s not enough to pay for that care because they’re now being taxed. And that to me is the bit where you go, that’s where it’s breaking down.” (Group 4 – Medium wealth)

Those who were opposed to this idea explained that they thought it would disincentivise investment, on a micro and macro level.

On an individual level, one participant described that people in their generation have an understanding that their “pension is never going to be enough” and they are told “you should be putting money into assets or investments”, which they thought was a good idea. Their concern was that, if investments were taxed more heavily, it “might actually discourage people from investing or buying assets”, which could otherwise be a good financial decision for them and the country. (Group 3 – Medium wealth)

Others said that this type of policy could even lead people to leave the country to avoid taxes: “I think something like this would disincentivise people to stay in Scotland. There’s plenty of other

countries offering places to do business and have their money, that that country is going to benefit from.” (Group 1 – High wealth)

Although some participants tended to prefer this policy to target only the wealthiest, or large corporations, rather than lay individuals, one participant espoused the opposite view. They thought it would be fairer for this tax to be applied to individuals, because it was not distinguishable from their working income: “That’s just like income from work. You’re just making your finances work for you and you’re receiving an income and therefore, that should be taxable on a consistent level.” (Group 5 – Highest wealth)

However, with regards to corporations, they feared the repercussions of this tax driving away business, which would be harmful to Scottish society:

“Many of these companies, large or small, will be making investments which will hopefully be creating employment and wider wealth and wider benefits for society. And we live in a competitive global world. So, depending on the approach in Scotland, if you, let’s say, start to tax or overtax these, then they could invest elsewhere. And we’re going to lose out.”  
(Group 5 – High wealth)

Although cognisant of the risk of ‘brain drain’ (the emigration of skilled workers in search of opportunities), others expressed that increasing tax parity and pursuing taxes on the wealthy were essential to decrease inequality.

“I think as well that people sort of get nervous about introducing this because what if we have that ‘brain drain’?... I suppose there is a line to be drawn there, but you shouldn’t be scared to take those difficult decisions against the really high earners or the ones who have been spoken about there... you need to, I guess, hammer them enough to help with the inequality issue. But by the same token, watch how much you’re hammering them that you don’t just lose them completely.” (Group 4 – Medium wealth)

### **Overall**

Looking across these policies, participants were generally more supportive of policies that would support wealth building amongst those with low wealth, rather than those which they perceived to be limiting wealth accumulation.

A few participants also flagged that these types of policies interact with one another, requiring an approach that looks across all available levers. One argued that the additional tax income which

would result from two of the policies would be needed to fund the one which aims to build wealth amongst the poorer members of society:

“You can only afford... the one with the affordable schemes and government matched savings accounts, you can only afford that if you successfully go after one of the other two options. I think you need the money from that in order to be able to kind of make sure that that option works.” (Group 4 – Medium wealth)

### Attitudes towards specific tax measures

Survey respondents were asked to what extent they support or oppose some tax measures that have been suggested to tackle wealth inequality (see Figure 5.1).

A vast majority – almost nine in ten (88%) – supported (either strongly or somewhat supported) the introduction of a tax on private jets landing or taking off from airports, receiving the highest amount of support among respondents. Following at a distance, six in ten (63%) supported the introduction of an annual tax on all wealth paid by the wealthiest households. About half supported a one-off wealth tax paid by the wealthiest households (49%) and the introduction of a tax on all land and property based on land values (49%). Overall, support for each measure far outstripped opposition (either strongly or somewhat opposed), with the most opposition recorded for a tax on all land and property based on land values, at one in four (25%) opposing.

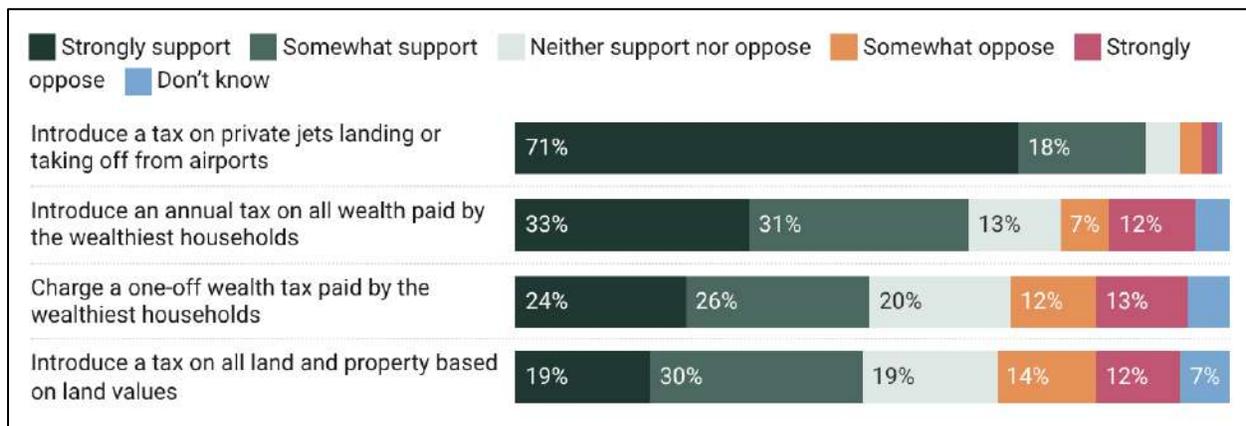
Uncertainty was also low for all statements, with the highest percentage of “don’t know” responses recorded for the introduction of a tax on all land and property based on land values, at 7%.

Turning to demographics, some differences were evidenced for all possible tax measures. For instance, those that reported ‘low’ wealth were more likely than those that reported ‘high’ wealth to support every proposed tax measure, while those that reported ‘high’ wealth were more likely than those that reported ‘low’ wealth to oppose every tax measure. One of the largest differences between those that reported ‘low’ wealth and those that reported ‘high’ wealth was for support of an annual tax on all wealth paid by the wealthiest households, where four in five (79%) of those with ‘low’ wealth supported this measure compared to just half (51%) of those that reported ‘high’ wealth. A similar pattern was seen for those that think that the gap between those with a lot of wealth and those with a little wealth is too large, compared to those that think this gap is about right; for example, seven in ten (70%) of those that think the wealth gap is too large supported an annual tax on all wealth paid by the wealthiest households, compared to just one in five (21%) of those that think this gap is about right.

Other demographic patterns were notable for some, but not all statements. These patterns included higher support amongst women, the youngest age group (16–34), lower social grades (C2DE), home renters and the most deprived neighbourhoods (SIMD 1) compared to their counterparts – men, the oldest age group (65+), higher social grades (ABC1), homeowners and the least deprived neighbourhoods (SIMD 5). For example, the youngest age group (16–34) was slightly more likely than the oldest age group (65+) to support charging a one-off wealth tax paid by the wealthiest households (53%; 47%), introducing an annual tax on all wealth paid by the wealthiest households (69%; 62%) and introducing a tax on private jets landing or taking off from airports (91%; 87%); however, this pattern reversed for a tax on all land and property based on land values, where the oldest age group (65+) was more likely to support this measure than the youngest (16–34) (53%; 42%). The youngest age group (16–34) was more likely to say they don’t know to what extent they support or oppose this measure, suggesting information barriers to support for a land value tax amongst the youngest age group.

Regional differences in support varied by measure. Those residing in the South Scotland Parliamentary region were more likely than those in most other regions to oppose a tax on private jets landing or taking off from airports, with 11% of those in South Scotland opposing this measure compared to just 2% of those in Central Scotland. Those residing in the Glasgow Scottish Parliamentary region were more likely than those in most other regions to support a tax on all land and property based on land value; 58% of those in Glasgow supported this measure, with the corresponding percentage falling to just 43% of those in West Scotland, for example.

**Figure 5.1. Support/opposition for tax measures to tackle wealth inequality**



Base: n = 2,318

## 5.2 Council tax

### Perceptions of the current council tax system and its performance

Focus group participants were asked how well they think the council tax system works, as it currently exists in Scotland. Knowledge of the current system of council tax substantially varied across participants. A few were very knowledgeable about the workings of the current council tax system, including key arguments for and against the current system, and about potential reforms, while most were less aware of some of these details.

Regardless of their technical knowledge level, participants who gave a view largely said that they did not think the council tax system generally works. One, who was particularly knowledgeable, emphasised that the tax bands are based on seemingly outdated 1991 property values, and argued for reworking the band system:

“I definitely think they need to rework the council tax. And it's been something that the government and various parties in Holyrood have flirted with now since devolution but never seem to grasp the nettle. I think it's absurd that we're still basing the tax levels on 1991 bandings.” (Group 6 – Low wealth)

Similarly, many of those who were less certain about the details of the inner workings of the council tax system had the sense that it was not functioning well.

“I'm not going to pretend that I know enough about it to know how to how to fix it like per se, but it is something that I think is unfairly high, considering how much of a state everything is that the council doesn't do anyway.” (Group 2 – Low wealth)

Others recalled hearing arguments in favour of its reform, largely related to it being outdated.

“Well, I'm not sure. I'm not sure how well it works because the values that it's based on are so old and irrelevant now to property values in general that I think that's where a lot of people get really, you know, emotional about it or upset because there seems to be a lot of unfairness within the system... The current system just isn't relevant.” (Group 4 – Medium wealth)

Some volunteered that while they knew very little about council tax, they did not see the investment from it reflected in their communities.

“I don't know enough about the mechanism and how it works. If I look around at my community where I would expect my council tax to be being spent, state of the roads... if I

think about the families that I'm seeing [at work] and the experiences they're having, social work and the pressures they're under, I would suggest it's not getting to the right places.”  
(Group 5 – High wealth)

Many recalled examples of inconsistencies and confusion regarding council tax rates, be that between houses in the same council area or different council areas, which they cited as flaws within the council tax system. One participant described being in a different band than their neighbour despite their houses being seemingly comparable and explained this seemed unfair as it allowed their neighbour to be eligible for a grant which they were not:

“I heard that a neighbour was having insulation installed and he was getting a grant for it. So I investigated it and, and I started and the day before it was used to be installed, I had a phone call from the people providing the grant to say I wasn't eligible because my house is a band D council tax and my neighbour's house is a band C. Now this is all to do with how houses were valued when the council tax was introduced... I don't really quite understand it, but his house is actually bigger than mine.” (Group 1 – High wealth)

One such participant reflected on their experience with council tax bands as someone looking to buy a house, and how current council tax bands had priced them out of certain properties:

“I'm buying a house soon, in about hopefully two or three months... I've seen houses online, and when you're looking at them, and it gives you the council tax band, and honestly, I've not looked at a house because the council tax band is 4x as much as what I'm paying just now.” (Group 5 – High wealth)

Many mentioned that it was “difficult to pin down” how well council tax worked (Group 4 – Medium wealth), as it varies by local authority and “each council area, be it rural or urban, have their own unique problems.” (Group 6 – Low wealth) As such, participants’ view on the council tax largely related to the challenges faced in their local authority and the extent to which they felt that they see benefits from the council tax in their area.

One participant described that the overall council tax bands for the houses in their local authority are too low, meaning the council is underfunded and unable to deliver the services needed in the area:

“The majority of houses in Dumfries and Galloway where I'm from are paying A, B, C band properties; that's nowhere near enough money in a year to fund the challenges that a rural area Dumfries and Galloway have got.” (Group 6 – Low wealth).

On the other hand, one participant felt like the council tax in their area was “a bit high, for what it’s worth”, and despite the increasing rates, they still were not seeing the services needed in their area:

“Where I’m from in Glasgow has a lot of pothole areas that have been there for many, many months. They don’t seem to be getting fixed. Just the general upkeep of the area, for what they’re increasing [council tax], I don’t see any repercussions of it. I don’t see any change.” (Group 6 – Low wealth)

Most participants named specific services, typically bin collection and road maintenance, that they felt reflected a lack of investment in their communities. In addition to this lack of investment, many perceived the quality of council services to decline over time, citing service closures and reductions. These changes left them confused on where money generated from council tax ultimately ended up, with participants citing a “black hole” of council tax funding (Group 5 – High wealth).

“Services locally, you know, libraries being closed. They might not seem like much, but these are the indicators that the money is not being spent effectively, not being spent efficiently. Whether it’s potholes in the road, libraries closing down, you know. Our council in Clackmannanshire, but certainly I’m sure other councils as well, the garden waste bin is no longer included with the normal bin collections... it feels like there’s a whole lot of money gets chucked into a big hole in the ground and the council sometimes decide to throw some of it back out.” (Group 4 – Medium wealth)

This frustration was particularly pronounced for those that do not believe they frequently use council tax services, as they feel like they disproportionately feed into a system that does not benefit them. As a result, some participants reflected that they would like to see significant council tax reforms.

“I don’t think I use the council services that often, if at all. So, I think it’s kind of crippling actually. I think there should be a fairer way of bringing in more money and revenue to the local council, whether that comes off just a general taxation or someone suggested earlier on a kind of local sales tax.” (Group 5 – High wealth)

Similar to attitudes towards other forms of taxation, participants called for greater transparency and equity regarding how council funds are spent, which they felt would increase buy-in to the council tax system.

Others agreed they would like to, and had the right to, know where the council tax funds are going.

“But I think we need to question all those that are responsible in the councils... We have to just accept, ‘this is the budget, this is how it’s getting sorted’... And that again, that then engenders the anger with people like, what am I paying my council tax for, do you know?”  
(Group 5 – High wealth)

## Support for changes to the council tax system

Survey respondents and focus group participants were asked to what extent they support or oppose a range of changes to council tax (see Figure 5.2).

About seven in ten survey respondents supported (either strongly or somewhat supported) increasing the number of council tax bands (71%), reforming council tax so that those owning high-value properties pay more (71%) and reforming council tax so that it reflects updated property values (68%). Slightly below, three in five (60%) supported introducing regular revaluations of property values for council tax purposes. In all cases, support outstripped opposition (either strongly or somewhat opposed), with one in five or fewer opposing each possible reform for council tax.

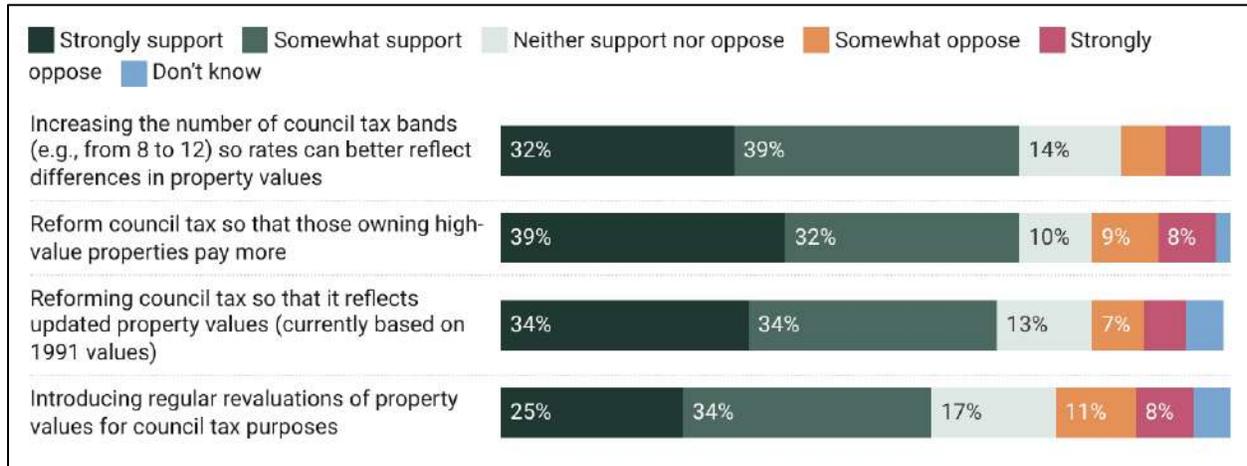
Some demographic patterns were prominent across all surveyed reforms. These trends tended to include variance by home ownership, wealth ownership and perceptions of wealth inequality in Scotland, with those that rent their homes, those with ‘low’ wealth and those that think the wealth gap is too large all more likely to support each potential reform to council tax than those that own their own home, those with ‘high’ wealth and those that think the wealth gap is about right.

Other patterns were pronounced for only one or two possible reforms to council tax. For example, for the top two most supported possible reforms, women were more likely than men to support these changes, while men were more likely to oppose these changes. In addition, those residing in the most deprived neighbourhoods (SIMD 1) were more likely than those in less deprived areas (SIMD 3-5) to support reforming council tax so that those owning high-value properties pay more (82%; 68%), whereas those in less deprived areas were more likely to oppose this change (19%; 10%).

Other differences were notable for the two least supported potential reforms. Interestingly, those in higher social grades (ABC1) were more likely to support these initiatives than those in lower social grades (C2DE). In addition, the youngest age group (16-34) were more likely than older age groups (45+) to support reforming council tax so that it reflects updated property values (75%;

64%), while older age groups were more likely to oppose this measure (17%; 7%). Such differences may result from the ability to accumulate assets and wealth, particularly homes, throughout the life cycle, leaving older age groups with more at stake in the case of council tax revaluations.

**Figure 5.2. Support/opposition for measures to reform council tax**



Base: n = 2,315

Focus group participants discussed their support for each of these potential changes and provided rationales for their support or opposition.

Note that half of the focus groups took place after the release of the Scottish Budget for 2026 to 2027 on January 13th, in which the creation of two new bands for residential properties valued at over £1 million was announced. In these later groups, participants expressed familiarity with these changes, colloquially referred to as a “mansion tax”, which they felt represented some progress towards council tax reform.

“I think in the recent budget they introduced a couple of new council tax bands for higher like properties, over £1,000,000 or something. So I think there is reform already underway from what I read in the budget.” (Group 5 – High wealth)

Most spoke positively about reforming council tax by increasing the number of council tax bands, so rates could better reflect differences in property values. Participants spoke positively about the how additional bands would improve the progressive nature of council tax.

Although some individuals highlighted concerns that revaluations could price people out of their homes, given that property values were likely to have increased substantially since 1991, they felt

that increasing the number of bands provided an alternative that incorporates increased property values without being punitive:

“To change it from 8 to 12 [bands] might make it less of a hit for people, you know, rather than saying, ‘well, your house is now worth twice as much. So, we’re going [to double the tax]’, you know? Maybe if there’s a slightly different band, you’ll pay a little bit more, not quite the double.” (Group 5 – High wealth)

Others highlighted that, if house values have all generally increase, then new rates would account for this rise in house prices overall.

Some thought this potential reform could be implemented without revaluing all properties, which would save significant resources:

“The spread [range of property values] from top to bottom isn’t going to have changed massively other than the number [because all have increased], which is where, I think, bringing in additional bands probably makes more sense. It’s probably more effective, to be able to sort of like split it out a little bit more, you know, rather than necessarily just like revalue everything.” (Group 4 – Medium wealth)

However, some felt that the addition of more bands, while progressive, did not go “far enough” to reform the council tax system. (Group 2 – Low wealth)

“I think, you know, with arbitrary bands, even if there are 12, if it makes no differentiation between our £1,000,000 property and a £10,000,000 property, then that’s, again, not terribly progressive.” (Group 3 – Medium wealth)

Views on reforming council tax so that higher value properties pay more were mixed. Some participants felt this change unjustly penalised those who worked hard and invested in their home or would negatively affect those who have a high value property but are cash poor. Groups who participants thought fell into this category included pensioners or large families.

“It feels like punishing those who made good decisions, maybe years ago. You know, if you made good decisions, got house in a big area, the house value went up. That’s on you, you know. It just feels like, again, you’re punching someone for doing well or being fortunate.” (Group 5 – High wealth)

A few participants expressed concern about how this change would impact those that rent their home, who tend to be less wealthy overall.

“All I was going to say is [one reform] says those that owning high value properties [would pay more] - just because you live in a house that's worth a lot, that doesn't mean you own it. You can rent it. And that's not been factored in here either... they're assuming that you earn a lot and you've bought the house. If you're renting it, that's an assumption that's completely wrong.” (Group 4 – Medium wealth)

However, many were still supportive of reforming council tax so that higher value properties pay more, and believed these reforms would benefit those struggling in society. However, those who supported this change still acknowledged that the new system would need to be sensitive to individual household factors, such as income or number of people in the household.

“I think every household circumstance would have to be taken into consideration and not just a blanket rise, and you should be able to contest it for whatever reasons, number of people in the house, etcetera, you know, the income of the house as well, maybe have to be taken into it. So, I would agree with it, but there's got to be lots other things put in there to make sure it's fair for everyone. And there'll people who will be upset and people who will be happy, but isn't that just the way of life unfortunately sometimes?” (Group 6 – Low wealth)

Reflecting on all the potential changes, some suggested that this reform may be put into place alongside other mechanisms, such as increasing the number of council tax bands.

“That's really goes back to the bands, isn't it? If you're kind of reforming what the bands are, it's in your gift to decide that the higher bands have a higher percentage increase maybe than those that at a lower valuation.” (Group 4 – Medium wealth)

However, one participant wondered if reforming so high value properties pay more was “moving towards a sort of land value tax type approach, where you pay a set percentage rather than being in an arbitrary band.” (Group 3 – Medium wealth)

A few participants believed that there appears to be low political will to reform council tax so high-value properties pay more, linking this issue to the prominence of wealth amongst those in politics.

“I mean, I think all the points are good. They would all bring value. I think the question is whether or not there's any appetite to actually do any of it. And there's a perception, as I understand it, is that... whether it's political or council level, there's no appetite for actually changing these things. And maybe that's because it's something as simple as, the people who are making the decision tend to live in higher value properties, so it's Turkeys voting for Christmas, I don't know, but it's whether or not anything could actually be done about these. They're all good ideas, but whether or not we could actually have any implementation.” (Group 4 – Medium wealth)

Overall, participants were supportive of reforming council tax so that it reflects updated property values. Although most participants were generally aware that council tax was based on outdated property values, many expressed surprise to hear that council tax values were originally set in 1991 and had not been updated since, increasing their support for a new evaluation. As a result, such changes to the council tax system were described as fundamental, compared to other potential reforms.

“I think at the very least they should do it and revalue. The fact that we're working on valuations from 1991, which I suggest may be before a couple of people on this call were even born, you know, that's lunacy.” (Group 1 – High wealth)

“1991. Geez, that was a long time ago. So, in these, I think if you reflected current values, then that would actually take care of some of the other points.” (Group 5 – High wealth)

Support for introducing regular revaluations of property values for council tax purposes was mixed. Many participants felt like regular revaluations were critical to maintain the council tax system.

“I like all of them, but I think the re-evaluations of property values is probably the most pressing out of them, just because, if that's the main quantifier that the tax is being calculated on, you need to be doing that regularly. If the HMRC were charging you based on what your income was 10 years ago, and only re-evaluate every 10 years, the system would be unsustainable. And I think that's the impression a lot of people have of the council tax system as it is anyway.” (Group 4 – Medium wealth)

However, some thought the introduction of regular revaluations would seriously impact the housing market. Those who were concerned about the impact of regular revaluation stressed how this change might impact current homeowners, the home buying process and home repair. One

participant even stated that frequent revaluations could lead to people “weaponising that in some way when it comes to buying and selling homes.” (Group 3 – Medium wealth)

“I think it could bring up a lot of issues with, if an area is gentrified, and someone's owned a property for generations, and then all of a sudden they're actually pushed out of their property because they can't pay their council tax... But I think it also then comes into when you're buying a house, how do you buy a house if something's currently at point B, but you could end up at point E in a couple of years?” (Group 3 – Medium wealth)

“If you've bought a rundown, kind of ramshackle house and you spent a lot of time and money and energy and whatever, like doing it up so it's actually worth more – are you disincentivised from doing that further down the line if you're suddenly then going to find yourself in a higher council tax bracket?” (Group 4- Medium wealth)

In addition, many participants mentioned that frequent revaluations could increase bureaucracy and administrative costs. Participants desired more information about how frequently revaluations would be brought it, with many saying this frequency would impact their support. As a result, one participant suggested having “a set time period when [values] will be refreshed,” which could then be planned around. (Group 3 – Medium wealth)

One participant expressed that such changes could set property prices more stable, helping more buy a home and get onto the property ladder.

“If that council tax banding moved real time... it would set property prices more stable. You wouldn't see property as a huge investment you're going to make and put money on because you know, every, I don't know, 2-3 years if you're banding changed based on value of houses.” (Group 5 – High wealth)

Throughout the groups, participants referenced or suggested other possible reforms to the council tax model. Examples included a local sales tax, a local income tax and linkage of council tax to council service usage. Of these potential reforms, one or two expressed strong support for a local income tax, particularly as this tax is based “on the money that you have, as opposed to the property that you have.” (Group 1 – High wealth) This participant went on to discuss the issues with a council tax system based around property as a proxy for wealth, with some echoing the belief that property may not be the best foundation for a tax system:

“I mean, it's a problem with using property as a proxy... you might as well use the value of your car. You know, if you're skint, you're probably driving an old banger. If you're loaded,

you've got a Range Rover...It doesn't really reflect people's wealth. It sort of does... But it's a pretty poor proxy and therefore, it's going to have all sorts of stupid results.” (Group 1 – High wealth)

However, participants did not coalesce around any specific reform. Instead, many participants cited large implementation costs that may make reforms inefficient and ineffective. Some cited that the aforementioned reforms were preferable to wholesale reform, as they would cost less to implement.

“It looks like each of the reforms have something of value to offer and it would probably be cheaper to the public purse to actually just reform things than to try and get something new, because putting in a new policy, which might be better, but it would cost a lot, as we mentioned, will cost a lot to implement.” (Group 4 – Medium wealth)

Nonetheless, others desired to see more large-scale changes, although the proposed reforms were still desirable compared to the current system. For example, one participant said “all of [the proposed reforms] would make [the system] better, or less bad, probably. But none of them is really going to make...it brilliant.” (Group 1 – High wealth)

Participants also described issues they thought should be considered alongside any potential reforms to the council tax system. For example, some suggested that council tax should take into consideration each household's use of resources, with those using more resources paying more into the council tax system.

“I don't know that the value of your property reflects the services that you actually use and the proportion of services that you might use within your location. You know, is property values the right way to measure what people should be paying for council tax?” (Group 5 – High wealth)

However, a few others expressed strong dissent to this position, highlighting that those who tend to use council services more are less likely to be in a position to pay more into the system. In their view, contributing to council taxes was less correlated with your use of services and more about making sure that council services could support community needs.

“I think that's an important point as well, that council tax, to me, should be there for supporting community. So it's not about the services that you might use, because I could argue other than the roads and the bins, that's probably the extent of it. But I understand that my council tax contribution goes to making sure that there's support for the elderly,

support for children. I don't think it's about the services that we as individuals use. It's about the services that the community needs.” (Group 5 – High wealth)

A few individuals referred back to the previous discussion on the meaning of wealth, highlighting that living in a nation where everyone is taken care of presents a type of wealth in and of itself.

“A lot of people wouldn't like the idea [of] paying more council tax because they would say things like, 'well, I just get my bins emptied, that's all I do. I don't use the libraries, I don't use the local nurseries, I don't have kids who go to school'. But I think it's about what society you want and the wealth of that for Scotland.... We looked at the models earlier on. Is it possible we can reach something more like E? Well, I think for me that depends on changing what the idea of wealth is and fundamentally, if we don't pay for things like even the bins just being emptied on their own, saying what kind of society are we going to have? I think it leaves us a lot poorer off both financially and holistically as well.” (Group 6 – Low wealth)

### 5.3 Summary

Attitudes towards potential policies to reduce wealth inequality were generally spread across focus groups, regardless of wealth category.

Opinions of redistributive policies varied. Many focus group participants were in favour of supporting wealth building, highlighting the need for policies which are focussed on lifting those at the bottom of the wealth distribution. However, a small minority thought that these policies were an extension of government 'handouts' and were strongly opposed to them. Some focus group participants were supportive of policies that would limit extreme concentrations of wealth through rules and taxes, or that would tax income from investments or assets in a similar way to income from work. Those who supported these policies emphasised the extreme concentration of wealth amongst those at the very top of the wealth distribution, and their perception of their lack of contribution to society by dodging tax. Yet many were concerned that these policies would disproportionately impact those with moderate wealth, rather than those at the very top. Furthermore, a minority were fundamentally opposed to these policies, as they felt that those with more wealth that earned it legitimately should not be penalised.

Considering specific tax measures, a vast majority of survey respondents supported the introduction of a tax on private jets landing or taking off from airports and the introduction of an annual tax on all wealth paid by the wealthiest households. About half supported a one-off wealth tax paid by the wealthiest households (49%) and the introduction of a tax on all land and property

based on land values (49%). Overall, support for each potential tax measure far outstripped opposition.

Turning to council tax, most focus group participants agreed that they did not feel like the current system of council tax worked well and desired reforms. Among survey respondents, about seven in ten supported most reforms, including increasing the number of council tax bands (71%), reforming council tax so that those owning high-value properties pay more (71%) and reforming council tax so that it reflects updated property values (68%). Slightly below, three in five (60%) supported introducing regular revaluations of property values for council tax purposes.

Focus group participants were generally supportive of increasing the number of council tax bands and reforming council tax so that it reflects updated property values. However, participants were mixed on reforming council tax so that those owning high-value properties pay more, citing the impact this policy could have on the cash poor, and on introducing regular revaluations of property values for council tax purposes, citing the impact this policy could have on the those with homes or looking to buy homes, and the cost such revaluations could incur.

## Appendix A. Topline survey results

This survey explores your views on inequality in Scotland.

### Question 1

Does your household own or rent your accommodation?

| Base: All (2321)  | %         |
|---|-----------|
| Owns outright   | 41        |
| Owns with a mortgage or loan  | 35        |
| <b>NET: Owns</b>  | <b>76</b> |
| Part owns and part rents (shared ownership)   | *         |
| Rents from a private landlord   | 9         |
| Rents from a social landlord  | 12        |
| <b>NET: Rents</b>   | <b>20</b> |
| Other arrangement (including own/rent through other government scheme, living with parents, etc.) | 3         |

## Question 2

Thinking about your household's wealth (cash, physical wealth, the value of your home and private pension pots, less debts and mortgages), what would you estimate is your net wealth?

| Base: All (2319)             | %         |
|------------------------------|-----------|
| Less than £0                 | 3         |
| £0 to £14,999                | 9         |
| £15,000 to £29,999           | 7         |
| £30,000 to £59,999           | 7         |
| <b>NET: Under £60,000</b>    | <b>26</b> |
| £60,000 to £119,999          | 9         |
| £120,000 to £199,999         | 10        |
| £200,000 to £299,999         | 10        |
| <b>NET: £60,000-£299,999</b> | <b>29</b> |
| £300,000 to £499,999         | 11        |
| £500,000 to £749,999         | 5         |
| £750,000 to £999,999         | 3         |
| £1,000,000 or more           | 3         |
| <b>NET: £300,000 or more</b> | <b>21</b> |
| Don't know                   | 12        |
| Rather not say               | 12        |

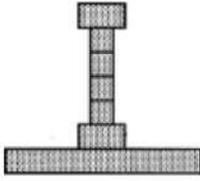
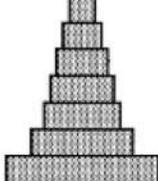
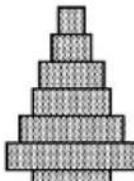
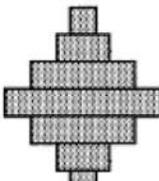
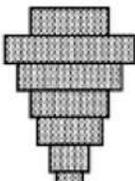
### Question 3

And how do you think your household wealth compares to the average household in Scotland?

| Base: All (2314)        | %         |
|-------------------------|-----------|
| Much more wealth        | 4         |
| Somewhat more wealth    | 27        |
| <b>NET: More wealth</b> | <b>30</b> |
| About the same wealth   | 26        |
| Somewhat less wealth    | 20        |
| Much less wealth        | 11        |
| <b>NET: Less wealth</b> | <b>31</b> |
| Don't know              | 10        |
| Prefer not to say       | 2         |

### Question 4

These five diagrams show different types of society. Please read the descriptions and look at the diagrams.

|   |  |   |  |   |
|---|--|---|--|---|
|                    |                           |  |  |  |
| <b>Type A</b>   | <b>Type B</b>  | <b>Type C</b>   | <b>Type D</b>  | <b>Type E</b>   |
| A small elite at the top, very few people in the middle and the great mass of people at the bottom. | A society like a pyramid with a small elite at the top, more people in the middle, and most at the bottom. | A pyramid except that just a few people are at the bottom.                        | A society with most people in the middle.  | Many people near the top, and only a few near the bottom.                           |

| Base: All   | Type A | Type B | Type C | Type D | Type E | Don't know |
|---|--------|--------|--------|--------|--------|------------|
|   | %      | %      | %      | %      | %      | %          |
| Which do you think best describes Scotland today? (n=2320)              | 29     | 40     | 16     | 11     | 2      | 3          |
| Which would you prefer Scotland to be like, in an ideal world? (n=2311) | 1      | 4      | 11     | 51     | 28     | 5          |

According to statistics by the Scottish Government, the wealthiest fifth of households in Scotland own 60% of all wealth, while the poorest fifth of households hold only 1% of all wealth.

### Question 5

Thinking of wealth levels generally in Scotland today, would you say that the gap between those with lots of wealth and those with little wealth is too large, about right, or too small?

| Base: All (2320)               | Too large | About right | Too small | Don't know |
|--------------------------------|-----------|-------------|-----------|------------|
|                                | %         | %           | %         | %          |
| Shown statement above after Q4 | 81        | 9           | 3         | 8          |
| Shown statement above after Q6 | 86        | 6           | 2         | 7          |
| All                            | 83        | 7           | 2         | 7          |

## Question 6

Which of these statements comes closest to your view?

| Base: All (2252)   | %  |
|--|----|
| Most individuals who are wealthy are so because of luck or the circumstances they were born into | 63 |
| Most individuals who are wealthy are so because of their own hard work                           | 37 |

| Base: All (2231)  | %  |
|---|----|
| Current levels of wealth inequality are harmful to Scottish society | 90 |
| Current levels of wealth inequality are good for Scottish society   | 10 |

| Base: All (2260)                         | %  |
|--|----|
| Taxes on the wealthy should be increased | 85 |
| Taxes on the wealthy should be reduced   | 15 |

| Base: All (2231)  | %  |
|---|----|
| Taxes should be increased to invest in public services in Scotland              | 67 |
| Taxes should be reduced, even if that means cuts to public services in Scotland | 33 |

### Question 7

Which of the following statements come closest to your view?

| Base: All (2296)   | %         |
|--|-----------|
| The government should ask everybody to pay a bit more in tax, with the least wealthy paying the least and the wealthiest paying the most, to adequately fund public services | 56        |
| The government should ask everybody to pay a bit more in tax, at a flat rate for all, to adequately fund public services   | 11        |
| <b>NET: Everybody should pay a bit more, to adequately fund public services</b>  | <b>68</b> |
| The government should ask only the wealthiest to pay more in tax, even if that will not adequately fund public services  | 21        |
| The government should not ask anyone to pay more in tax, even if that will not adequately fund public services   | 12        |

### Question 8

On a scale of 0-10, with 0 being “Not at all responsible” and 10 being “Very responsible”, how responsible do you think the following groups are for tackling wealth inequality in Scotland?

| Base: All            | Low (0-3) | Medium (4-6) | High (7-10) | Don't know | Mean |
|----------------------|-----------|--------------|-------------|------------|------|
|                      | %         | %            | %           | %          | N    |
| Scottish Government  | 13        | 19           | 62          | 5          | 7.14 |
| UK Government        | 19        | 18           | 59          | 5          | 6.87 |
| Employers            | 17        | 37           | 38          | 9          | 5.70 |
| Local authorities    | 23        | 33           | 37          | 7          | 5.61 |
| Individuals/families | 30        | 39           | 20          | 12         | 4.62 |

### Question 9

To what extent would you support or oppose the following taxes that some have suggested could be used to tackle wealth inequality?

| Base: All  | Strongly support | Somewhat support | NET: Support | Neither support nor oppose | Somewhat oppose | Strongly oppose | NET: Oppose | Don't know |
|--|------------------|------------------|--------------|----------------------------|-----------------|-----------------|-------------|------------|
|  | %                | %                | %            | %                          | %               | %               | %           | %          |
| Introduce a tax on private jets landing or taking off from airports (n=2318)     | 71               | 18               | 88           | 5                          | 3               | 2               | 5           | 1          |
| Reform council tax so that those owning high-value properties pay more (n=2316)  | 39               | 32               | 71           | 10                         | 9               | 8               | 17          | 2          |
| Introduce an annual tax on all wealth paid by the wealthiest households (n=2313) | 33               | 31               | 63           | 13                         | 7               | 12              | 19          | 5          |
| Charge a one-off wealth tax paid by the wealthiest households (n=2315)           | 24               | 26               | 49           | 20                         | 12              | 13              | 25          | 6          |
| Introduce a tax on all land and property based on land values (n=2312)           | 19               | 30               | 49           | 19                         | 14              | 12              | 25          | 7          |

### Question 10

And thinking specifically about council tax, to what extent would you support or oppose the following?

| Base: All  | Strongly support | Somewhat support | NET: Support | Neither support nor oppose | Somewhat oppose | Strongly oppose | NET: Oppose | Don't know |
|--|------------------|------------------|--------------|----------------------------|-----------------|-----------------|-------------|------------|
|  | %                | %                | %            | %                          | %               | %               | %           | %          |
| Increasing the number of council tax bands (e.g., from 8 to 12) so rates can better reflect differences in property values | 32               | 39               | 71           | 14                         | 6               | 5               | 11          | 4          |
| Reforming council tax so that it reflects updated property values (currently based on 1991 values)                         | 34               | 34               | 68           | 13                         | 7               | 6               | 14          | 5          |
| Introducing regular revaluations of property values for council tax purposes   | 25               | 34               | 60           | 17                         | 11              | 8               | 19          | 5          |

#### Technical details:

- The survey was designed by Diffley Partnership and invitations were issued online using the ScotPulse panel,
- Results are based on a survey of 2,321 respondents,
- Fieldwork was conducted between 14 – 17 November 2025,
- Results are weighted to the Scottish population by age and gender,
- Bases are unweighted to reflect total responses,
- Asterisk (\*) represents result of under half a percent while dash (-) represents zero responses.

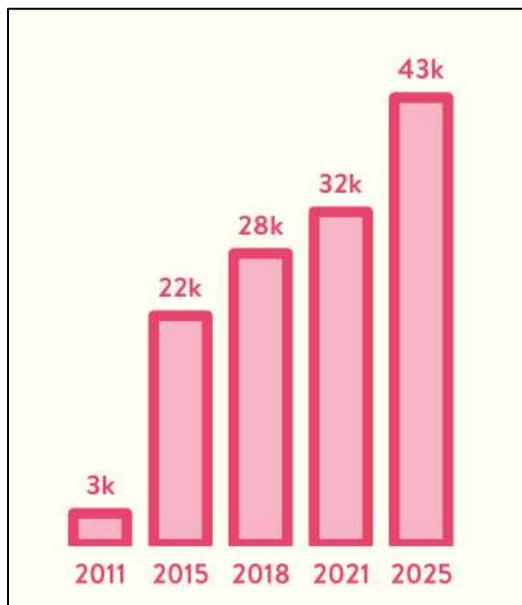
## Appendix B. ScotPulse panel administration

The survey was administered online through the ScotPulse online panel. With more than 43,000 adults (aged 16+) on the panel from across all areas of Scotland, ScotPulse is Scotland's largest online research panel.

Figure B.1 shows the consistent and organic growth of the ScotPulse panel since its inception in 2011. This growth highlights the success in recruiting a large and representative cross-section of the population to take part in surveys across a range of important issues.

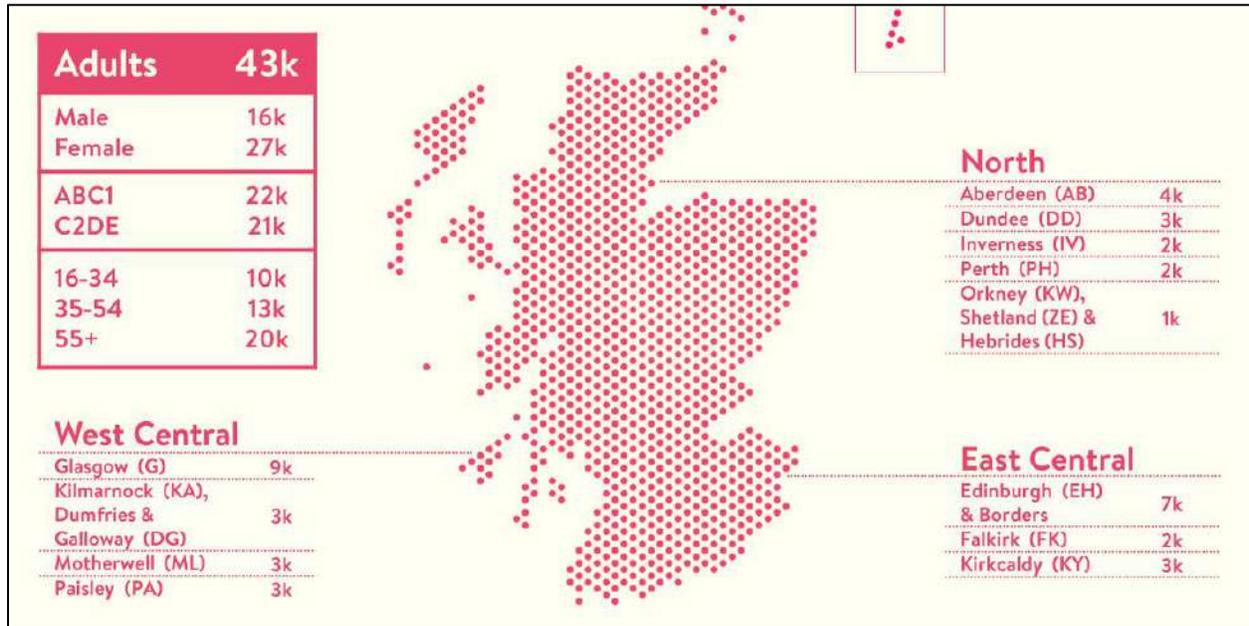
ScotPulse has been used to measure attitudes to significant government policy, attitudes to a range of social issues and customer behaviours in a range of sectors. ScotPulse has also been used for substantive research projects on behalf of Scottish Government, Third Sector organisations, and private sector businesses of all sizes.

**Figure B.1: ScotPulse panel membership**



The benefits of the panel are not simply a matter of its size but also its quality and representativeness. Figures B.2 below highlights the profile of the panel in terms of a number of important geographic and demographic considerations, including coverage in remote and rural areas.

Figure B.2: Panel breakdown



The panel is a high-quality tool and offers a range of benefits, including:

- *Panel quality and impartiality* – it is not used for surveys on voting and political attitudes, thereby being free from the types of interference which affect other panels,
- All surveys are *device-agnostic*, meaning the respondent can participate in surveys on the device, which is most convenient for them, and with the survey tested on each device type before issue,
- Ability to *segment* the panel to focus on particular interest groups,
- *Flexibility* in terms of timing (it can take just days to organise) and outputs (from simple toplines, to data tables or raw data).

## Panel membership and sampling

Panel members sign up on a voluntary basis. The panel is recruited through a range of advertising; this includes advertising on national television as well as on social media, ensuring that it is available beyond those who have social media profiles. Panelists receive a survey about once a month or more on average.

Participants were chosen at random to participate from the ScotPulse panel and received a link to complete the survey in their email; for this study, simple random sampling was used.



No prior explanation of the topic or content of the survey was included in the email text, although participants were shown a short introduction (see Appendix A) before they completed the survey.

While participants were not compensated for completing the survey, the panel uses incentives in the form of a monthly prize draw to increase participation. Email reminders to non-respondents were also used to boost response and enhance the data quality.

## Appendix C. Discussion guide

# WeAll – Perceptions of Wealth Inequality in Scotland

Discussion Guide, January 2025

### Set up (0:00–0:05)

Introduce Diffley Partnership Team

Introduce WEAll staff as observer and invite to turn camera off

Welcome to the interview/ focus group–

- Explain the discussion will last up to 90 minutes
- There will be plenty of time to get your views across and discuss issues between yourselves, something we encourage; my role is to keep the conversation flowing, ensuring we cover the broad areas we need to and ask any follow-up questions,
- Fully anonymous and confidential; The Diffley Partnership abide by the Market Research Society Code of Practice and the SRA Ethical Guidelines. Request permission to record discussion – with your permission I will record the discussion; this is just so we can go back and listen again after the discussion

**DP START RECORDING**

**Do you have any questions before we start?**

### Introductions and opening discussion (0:05–0:15)

**Just to get us started and warm us up, what comes to mind when you hear the word ‘wealth’?**

*[PROMPTS: Do you think of a specific type of wealth: pensions, housing, savings, ownership of companies/shares? Do you think of the gap between the very rich or the very poor? Are you more concerned about the concentration of wealth at the top or the lack of wealth at the bottom? Anything else that comes to mind?]*

**[SHARE SLIDE 0]**

**For the purpose of this discussion, we’ll refer to ‘wealth’ as ‘the amount of assets someone owns, including their house or houses, cars, savings, stocks and shares, investments, and so on,**

minus the amount of debts they have’. This is different from income, which is ‘the flow of money you receive, such as from wages for employment’.

[STOP SHARING]

What level of wealth do you think makes someone ‘wealthy’ in Scotland?

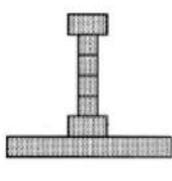
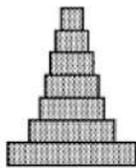
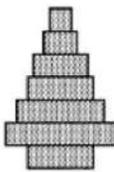
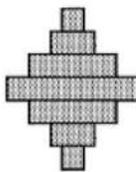
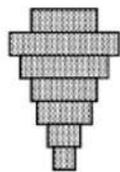
[PROMPTS: Is it a certain income level? Is it determined by assets e.g. homes, etc.?)

Thinking about wealthy people in Scotland, how do you think most of them achieved their wealth?

[PROMPTS – Did they achieve wealth through hard work? Did they get their wealth from the circumstances they were born into or luck? Does the way someone achieved wealth impact the way you view them?]

**General attitudes to wealth inequality (0:15-0:30)**

[SHARE SLIDE 1]

|   |  |  |   |  |
|---|--|--|---|--|
|                   |                          |  |  |  |
| <b>Type A</b>   | <b>Type B</b>  | <b>Type C</b>  | <b>Type D</b>   | <b>Type E</b>  |
| A small elite at the top, very few people in the middle and the great mass of people at the bottom. | A society like a pyramid with a small elite at the top, more people in the middle, and most at the bottom. | A pyramid except that just a few people are at the bottom.                         | A society with most people in the middle.   | Many people near the top, and only a few near the bottom.                            |

The figures on your screen show five different types of society. In each of these figures, the bars represent different levels of wealth from the poorest at the bottom to the richest at the top (kind of like a tax band). The width shows how many people in that society fall into each group.

Which type of society do you think that Scotland currently is?

[PROMPTS – Why do you think this? Is this motivated by observations of your local area or perceptions of the country on a whole? Do you think this level of inequality is generally good or bad for Scotland?]

**In what ways do you think that this level of inequality impacts the day-to-day lives of people in Scotland?**

*[PROMPTS – Does it impact on education and employment opportunities? Ability to accumulate more wealth? Intergenerational chances of success? Does it impact health and care? Politics or influence in society?]*

**Which type of society do you think Scotland should strive to be?**

*[PROMPTS – How would this type of society help the country? Would this help you personally or your family and friends? Do you think this is an achievable goal?]*

**[STOP SHARING]**

### **Government action on reducing wealth inequality (0:30-1:05)**

**We are now going to discuss some policies that are aimed at helping reduce wealth inequality in Scotland. I am going to show you a series of statements and we will have a quick discussion about each one.**

**[SHARE SLIDE 2, 3, 4 ONE AT A TIME]**

- Supporting wealth building by helping people with low wealth build up assets over time, for example through affordable homeownership schemes or government-matched savings accounts
- Limiting extreme concentrations of wealth through rules and taxes on very large wealth and inheritances, and high-value properties or large-scale land ownership [IF MOSTLY MENTION TAXES, PROMPT ON ANY OTHER POLICIES THAT WOULD ACHIEVE THIS THAT COME TO MIND].
- Ensuring wealth helps support society by taxing income from investments or assets in a similar way to income from work

**FOR EACH STATEMENT – What are your impressions of this type of policy?**

*[PROMPTS – Do you think it would help reduce wealth inequality? Do you think this type of policy is achievable? Would you support something like this?]*

**[SHARE SLIDE 5]**

**We showed you three different approaches to reducing inequality: supporting wealth building, limiting extreme concentrations of wealth, and ensuring wealth helps support society. Which of these do you think would be the most effective?**

*[PROMPTS – Which approach would you support the most? Why?]*

**[STOP SHARING]**

**There have been suggestions from some people in recent years that governments should increase taxes to fund public services and reduce wealth inequality. Others believe that a better approach would be to maintain current levels of taxation or even cut them, alongside a reduction in public spending.**

**Which argument do you find more convincing? Do you think that generally taxes should increase, decrease or stay the same?**

*[PROMPTS – What makes you say that? Is your answer motivated by your own circumstances (i.e. don't want to pay more in tax or want better access to public services?)]*

**I would like you now to think about a scenario in which government and politicians decided to raise taxes. We are going to ask you to complete a quick one question poll, asking which groups in Scotland you believe should pay more in taxes in this scenario. We will then discuss the results.**

#### **[DP LAUNCH POLL]**

Thinking about a scenario in which government and politicians decided to increase taxes, which of the following groups in Scotland, if any, do you believe should be asked to pay more? Select all that apply.

- High income earners
- Large businesses and corporations
- Owners of multiple properties
- Owners of high-value properties
- Large landowners
- People who inherit substantial wealth
- People with investment and/or rental income
- People with large savings or pension pots
- Everyone in Scotland
- None of the above

**Why did you pick the groups that you did?**

*[PROMPTS – Will taxing these groups help lower wealth inequality? Do you think that implementing these taxes is achievable? Do you think this is something that politicians will do in the near future? If not, what would need to happen to achieve this?]*

**IF PARTICIPANTS PICKED 'EVERYONE IN SCOTLAND'**

**For those of you who believe that everyone in Scotland should be asked to pay a bit more, what do you think is the best way of doing this?**

*[PROMPTS – Should it be progressive, where everyone pays more but the wealthiest pay the most? Should it be at a flat rate for all? Should it be done through specific taxes, like income tax, VAT, national insurance? Or through the institution of new taxes, like a wealth tax?]*

**Are there any other groups that aren't listed that you think should be asked to pay more?**

### Council tax (1:05–1:25)

**The final portion of our discussion today will focus on council tax. To get the ball rolling, thinking about the council tax system as it currently exists in Scotland, do you think it generally works well?**

*[PROMPTS – Do you think it is progressive (i.e. wealthier people pay more in tax)? Do you think it is simple enough for people to understand? Do you think it helps fund council services? Is it fit for purpose? Does it need reform?]*

**[SHARE SLIDE 6]**

**We're now going to show you a few different reforms that have been considered to council tax. What do you think of these options?**

- Reforming council tax so that it reflects updated property values (currently based on 1991 values)
- Introducing regular revaluations of property values for council tax purposes
- Increasing the number of council tax bands (e.g., from 8 to 12) so rates can better reflect differences in property values
- Reform council tax so that those owning high-value properties pay more

*[PROMPTS – Do you think it would help reduce wealth inequality? Would you support something like this? Why/why not?]*

**[SHARE SLIDE 6]**

### Conclusions and wrap-up (1:25–1:30)

Thank you very much for this discussion. Is there anything else you would like to mention that we have not already covered?

Explain will be in contact to arrange incentive payment