



centre for research on  
families and relationships

# CRFR Policy Scoping Seminar Poverty

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## Policy summary

### Overarching policy approaches to poverty

#### *EU Level*

- **Open Method of Co-ordination (OMC)**: co-ordination of member states' national policies through target setting and sharing good practice on common objectives.
- Process known as **Social Inclusion Process**, links to four common objectives agreed at the Nice Summit in 2002 (the **European Social Inclusion Strategy**.)
- 2010 is **EU Year to combat poverty and social exclusion**.

#### *UK Level*

- **Social Exclusion Task Force** replaced Social Exclusion Unit in 2006.
- Welfare reform and eradicating child poverty key focus of current policy. Working through **Public Service Agreements (PSAs)**, including on socially excluded adults, child poverty and poverty in older age.
- The UK Government prepares biannual **National Action Plans** linked into the OMC.

#### *Scottish Level*

- **Achieving Our Potential Framework** launched in November 2008 following consultation period on new approaches to tackling poverty and social exclusion.
- **Achieving Our Potential** was developed in partnership with CoSLA and the Poverty Alliance, based on the 2007 Concordat between Scottish Government and local government. This is the framework for current and future policy developments.
- The **Achieving Our Potential Framework** links to the Scottish Government Solidarity Target on inequalities and to associated National Outcomes and Indicators, as well as to other key Scottish Government frameworks such as the Early Years Framework and Equally Well.

#### *Local Level*

- Achieving Our Potential Framework emphasis on policy at the local level, as defined through **Single Outcome Agreements (SOAs)** established at the local authority level, and associated local indicators relevant to tackling poverty and social exclusion.

#### *The Poverty Alliance*

- National anti-poverty network in Scotland working on a number of current campaigns including **Scottish Living Wage Campaign**, **Scottish Campaign on Welfare Reform**, **Free School Meals** and **End Child Poverty Campaign in Scotland**

## Specific initiatives

#### *Child Poverty*

- **1999 commitment to end child poverty** focus of current policy: includes a UK Government **PSA**, **Child Poverty Unit** and **Child Poverty Strategy**, current consultation on **Child Poverty Bill (Ending Child Poverty: making it happen)**, tax and benefit reform such as Child Tax Credit and Working Tax Credit, increases in Child Benefit, introduction of Child Trust Funds. The Scottish Government does not have a specific target related to child poverty, but shares commitment to UK Government long-term target.
- Scottish Parliament Local Government and Communities Committee current inquiry into **Child Poverty in Scotland** (launched April 2008). Scottish Affairs Committee previously held an inquiry into **Poverty in Scotland** and into **Child Poverty in Scotland** during Parliamentary Session 2007/08
- Currently focus of considerable **campaigning work**, in voluntary sector (such as End Child Poverty, Child Poverty Action Group) and amongst other groups including academics. Free school meals also subject of campaigning.

### ***'Making work pay'***

- Major policy developments since 1997 including New Deal programmes, introduction of Minimum Wage legislation etc.
- Currently new phase of welfare reform, including recent introduction of **Employment and Support Allowance (ESA)** in 2008, and **Welfare Reform Bill** 2009 currently being heard in the House of Lords. Current campaigning on measures within the Welfare Reform Bill with concerns raised by many representative bodies (eg CPAG, Poverty Alliance etc).
- At the Scotland level, former specific policy initiatives (eg Working for Families and Workforce Plus) now subsumed into broader **Fairer Scotland Fund** funding. Other specific policy initiatives include '**More Choices, More Chances**', Scottish Government strategy for young people who are not in employment, education or training (NEET).

### ***Financial Inclusion***

- Planned **reform of the Social Fund** currently being consulted on.
- **Savings Gateway Accounts Bill** currently being heard in the House of Lords.
- In both the UK and in Scotland there are **Financial Inclusion Action Plans** in place.
- Current **Scottish Affairs Committee Inquiry into Credit Unions in Scotland**.

### ***Fuel poverty***

- UK wide **Fuel Poverty Bill** scheduled for Parliamentary Session 2008/09.
- **Scottish Fuel Poverty Statement** sets out target to eradicate fuel poverty by 2016. In 2008 a new **Energy Assistance Package** was launched in Scotland.
- There is an active **Children's Coalition on Fuel Poverty** in Scotland. The coalition submitted evidence to the current **Scottish Parliament Local Government and Communities Committee Inquiry on Fuel Poverty**.

### ***Poor neighbourhoods***

- UK Government **Neighbourhood Renewal National Strategy and Action Plan 2001** to address area disadvantage, included establishment of **Neighbourhood Renewal Unit**. This has now been subsumed into the work of the Department for Communities and Local Government (DCLG), with current initiatives including **Working Neighbourhood Fund**. Many area-based initiatives established by UK Government have now finished – shift from area-based approaches?
- In Scotland, the **Fairer Scotland Fund** now replaces seven previous area-based funding streams, providing funding to Community Planning Partnerships based on deprivation levels (75% area measures of deprivation and 25% on individual measures of deprivation based on Scottish Index of Multiple Deprivation 2006). Investment in **Urban Regeneration Companies** also highlighted as key area-based initiative.

### ***Social mobility***

- UK Government launch of '**New Opportunities**' White Paper on Social Mobility in January 2009, with measures to address disadvantage during early years, education, transitions to employment and progression in work.

### ***Older people***

- In UK and in Scotland there are **strategies in place for older people**. The UK Government has a **specific PSA related to older people and poverty**.
- Tax and benefit changes including establishment of Pension Credit. Universal cash payments and in-kind benefits such as Winter Fuel Payments, free bus travel.

### ***Access to public services***

- Improving access to quality services a key element of anti-poverty approach, as highlighted by Objective 3 of UK National Action Plan on Social Inclusion.
- In Scotland, initiatives such as **Fairer Scotland Fund** and **Multiple and Complex Needs** initiative designed to drive improvements in mainstream services.

## 1. Overarching policy approaches to poverty

### 1.1 EU policy level

Current UK approaches to tackling poverty and social exclusion reflect wider EU commitments. The current approach, **Open Method of Communication**, was established to co-ordinate member states' national policies by setting targets and sharing good practice. This process is known as the **Social Inclusion Process**, and now links with the 4 common objectives of the **European Social Inclusion Strategy**:

- (1) to facilitate participation in employment and to facilitate access by all to resources, rights, good, and services
- (2) to prevent the risk of exclusion
- (3) to help the most vulnerable
- (4) to mobilise all relevant bodies

**National Action Plans** are prepared by EU member states which are brought together in the Joint Social Inclusion Report. This report is assessed by the European Commission and the Council of the National Reports on Strategies for Social Protection and Social Inclusion which can then set priorities and identify good practice and approaches of common interest across the EU member states.

The UK Government has a key co-ordinating role on policy across the devolved administrations with the preparation of the UK National Action Plan every two years.

2010 has been designated the **EU Year to combat poverty and social exclusion**. One of the key networks operating at the European level is the **European Anti-Poverty Network (EAPN)**, a useful source for linking with European level policy developments and one of the key organisations involved with the 2010's EU Year to combat poverty and social exclusion.

***Potential for influencing policy at EU level: Potential for involvement in initiatives related to 2010 EU Year to combat poverty and social exclusion?***

### 1.2 UK policy level

The UK overarching policy approach to poverty was signalled at the start of New Labour Government in 1997 with the establishment of the **Social Exclusion Unit** (1997 – 2006) and a commitment to report on progress on tackling poverty and social exclusion annually. The SEU was tasked with co-ordinating action across government to address social exclusion – signalling shift from a more narrow focus on income poverty to a wider concern with individuals and communities.

The SEU has now been replaced by a **Social Exclusion Task Force** (SETF) with a narrower remit to focus on the most excluded in society. In September 2006, the Social Exclusion Action Plan was published by SETF: *'Reaching Out: An Action Plan on Social Exclusion'*. Current work by SETF includes work in relation to a **Public Service Agreement (PSA) on Socially Excluded Adults** and the **Families At Risk Review**.

**Public Service Agreements (PSA)** provide the performance framework for UK Government departments and are based on key Government outcomes in the current spending period. Each PSA is underpinned by a single Delivery Agreement shared across contributing departments and a number of performance indicators used to measure progress.

The UK Government approach includes working via a number of Public Service Agreements (such as those on socially excluded adults, on child poverty, on poverty in older age) to eradicate poverty, and a significant programme of welfare reform. The **Working Together National Action Plan 2008 – 2010** outlines a range of policy measures designed to address poverty and social exclusion from across the UK Government and devolved administrations.

### 1.3 Scottish policy level

In Scotland, the initial approach in 1997 was the establishment of **Social Justice targets and milestones** to promote social inclusion, the development of the **Scottish Social Inclusion Network (SSIN)**, and initiatives such as **Social Inclusion Partnerships (SIPs)**. This was later changed to **Closing the Opportunity Gap (CtOG)**, a series of targets but of a reduced number, the SSIN and SIPs disbanded and newly established **Community Planning Partnerships** charged with developing work at the local level.

Following the election of the SNP and the creation of the Scottish Government in May 2007, a discussion on developing new targets to tackle poverty was launched in January 2008. Working at the overarching policy level, the **Poverty Alliance** and **COSLA** worked closely with the development of the discussion paper and subsequent consultation on this leading to the development of the **Achieving our Potential Framework**, a framework for tackling poverty and inequalities published in November 2008. This forms the overarching policy framework, in conjunction with wider Scottish Government Economic Strategy Solidarity Targets, National Outcomes and Indicators related to poverty and inequality.

The Achieving our Potential framework is linked to wider Scottish Government policy via the **Scottish Government Economic Strategy**. One of the strategic high level targets is the **Solidarity Target**:

*'to increase overall income and the proportion of income earned by the three lowest deciles as a group by 2017'.*

One National Outcome that supports the solidarity target is an indicator on poverty for all individuals:

*'We have tackled the significant inequalities in Scottish society'*

This will be tracked through a set of **National Indicators** across a number of strategic objectives towards a healthier, safe and stronger, smarter, wealthier and fairer and greener Scotland.

The **Achieving Our Potential** approach is based on partnership between Scottish Government and local government as set out in the Concordat agreed in November 2007 with COSLA. This is underpinned by the **Single Outcome Agreements (SOAs)** developed between Scottish Government and local authorities/Community Planning Partnerships.

**Achieving Our Potential** now forms the framework for current and future policy developments, expressed both in terms of the Scottish Government's own work but also where its responsibilities overlap with the UK Government. Importantly, as tax and benefits are reserved to Westminster, policy such as that related to Child Poverty are largely on a UK basis.

Key elements of the **Achieving our Potential** approach:

- tackling income inequality
- longer-term measures to tackle poverty and the drivers of low income
- supporting those experiencing poverty
- making the Benefits and Tax Credits system work better for Scotland
- supporting partners and engaging wider society

**Achieving our Potential Framework** links to other key Scottish Government frameworks including the **Early Years Framework**, and **Equally Well**, the report of the Ministerial Taskforce on Health Inequalities.

**Achieving our Potential** outlines a number of current Government initiatives including:

- creation of **Fairer Scotland Fund** for community planning partnerships (£435 m over 3 years to target investment at the root causes of poverty in Scotland)

- £87m over 3 years investment in six **Urban Regeneration Companies** over 2008 – 11
- £36 m allocation over three years for **Wider Role Fund** supporting work by Registered Social Landlords to reduce poverty and financial exclusion in the communities in which they work
- **Workforce Plus: Employability Framework for Scotland** - development and support for local employability partnerships within CPPs to 'align services' for those furthest from the labour market to increase employment rates in their areas
- £38 m package of grants for part-time learners in Higher Education to support widened access and participation

### 1.3.3 Local level

The Achieving our Potential approach highlights policy made at the local level. Much of the emphasis of policy is therefore determined at the local authority/Community Planning Partnership level, as defined in **Single Outcome Agreements** (SOAs) established at the local authority level. Achieving our Potential highlights examples from across Scottish local authorities:

**Glasgow City Council SOA** focuses on action to tackle root causes of poverty. For example, the Council has allocated £4.5 m from the Fairer Scotland Fund in 2008/09 to improve childcare services, including particular needs of vulnerable children and young people.

**Angus Council SOA** is prioritised around '*providing more and better employment opportunities*', including specific programmes to get people off incapacity benefit and into work and including a mentoring service for people entering or returning to employment.

**South Lanarkshire Council SOA** demonstrates how people experiencing poverty will be assisted, such as partners targeting financially excluded people through range of activities including money advice and a welfare to work programme.

Local authorities have also established **local indicators** as part of the Single Outcome Agreement process, including those related to poverty and inequality such as:

- reducing the percentage of children in benefit dependent households
- reducing work-related benefit claimants per 1,000 of the population,
- increasing percentage of adults rating neighbourhoods as 'very good' or fairly good'.

Progress on tackling poverty and inequality at a national level will be made available through the Scotland Performs website: [www.scotland.gov.uk/About/scotPerforms/performance](http://www.scotland.gov.uk/About/scotPerforms/performance)

### 1.3.4 Role of the Poverty Alliance ([www.povertyalliance.org](http://www.povertyalliance.org))

The Poverty Alliance, established in 1992 from an informal network of organisations and individuals, has grown as a membership organisation and now performs the function of acting as '*the national anti-poverty network in Scotland, working with voluntary organisations, policy makers and politicians at Scottish, UK and European levels.*'

The Poverty Alliance played a key role in consultation regarding the Achieving Our Potential Framework, and has an ongoing role in responding to consultations, networking, lobbying etc in order to influence national policy. The Achieving Our Potential document indicates ongoing role for Poverty Alliance: '*The Scottish Government will consider with COSLA how The Poverty Alliance's National Forum can be best used to inform the national debate on progress with poverty and inequality.*'

Current campaigns which Poverty Alliance is currently taking a leading role include:

- Scottish Living Wage Campaign
- Scottish Campaign on Welfare Reform Free School Meals
- End Child Poverty Campaign in Scotland

**Potential to explore membership of Poverty Alliance and/or links with its current campaigns?**

## **2. Specific policy areas and associated initiatives**

### **2.1 Child Poverty**

#### **2.1.1 UK**

Current focus on commitment to end child poverty in the UK was signalled in 1999, specifically to halve child poverty by 2010 and to eradicate it by 2020.

The Government published the **Child Poverty Review** in 2004, and built on this in '**Ending Child Poverty: Everybody's Business**' in 2008. In 2007, the Government created the **Child Poverty Unit**, bringing together officials from Department for Work and Pensions, Department for Children, Schools and Families and HM Treasury.

The UK Government's current Child Poverty Strategy as summarised in the Social Inclusion National Action Plan 2008 - 2010 is as follows:

- 'Increasing employment and raising incomes: helping people who can work to move into employment and progress in work.
- Financial and material support: providing additional resources for when work does not pay, or when families cannot work.
- Ensuring that communities are safe, sustainable places where families can thrive.
- Improving poor children's life chances: improving opportunities and outcomes for children from low-income families' (National Action Plan 2008 – 2010).

**PSA 9** is one of the UK Government's Public Service Agreements (HM Treasury): 'to halve the number of children in poverty by 2010-11, on the way to eradicating child poverty by 2020'.

*(see SPICE briefing on Child Poverty, 08/05, 29 January 2008)*

#### **UK Government Consultation on Child Poverty Bill - Ending Child Poverty: making it happen**

**Lead agency:** Department for Children, Schools and Families

The Department for Children, Schools and Families is consulting on legislative proposals prior to the introduction of a Child Poverty Bill in 2009 across the UK. The consultation document '**Ending Child Poverty: making it happen**' was put out for consultation until **11 March 2009**.

Purpose of the Bill to: '*Give new impetus to Government's commitment and ensure a focus across Government on ending child poverty for the long term.*'

*'Eradicating child poverty requires a renewed approach that makes sustainable progress in improving children's life chances for the longer term. The Child Poverty Bill will enshrine in law the commitment to eradicate child poverty by 2020 and help to ensure that we stay on course and take action now to tackle the causes as well as the consequences of poverty.'*  
(from Department for Children, Schools and Families website)

Other UK Government actions to end child poverty:

- Increase in the child element of the Child Tax Credit by £25 above indexation in April 2009. Budget April 2009 announced Child Tax Credit to rise by £20 by 2010.
- Increase in Child Benefit from £18.80 to £20pw for the first child, and from £12.55 to £13.20pw for subsequent children in January 2009.

- Budget April 2009 announced Child Trust Funds for disabled children to rise by £100 a year, £200 a year for severely disabled children

The UK Government has established a taskforce of experts from local authorities and the third sector which will report in **spring 2009**. It will assist local authorities in further improving take up of tax credits and benefits.

Campaigning on the issue includes:

- **End Child Poverty**, a campaigning organisation established to take forward this message, with representation from many of the lead voluntary sector agencies working with and for children [www.endchildpoverty.org.uk](http://www.endchildpoverty.org.uk). Academics are also working to campaign to ensure that the fight to end child poverty does not lessen as a result of the recession, linked to the End Child Poverty campaign. Ruth Lister and Fran Bennett have recently co-ordinated an open letter to Government from 127 academics on this issue via the Social Policy jiscmail (published in 'The Observer', 12 April 2009). This mirrors other open letters from faith leaders, humanists and scientists (published 15 April 2009) and from members of the Royal College of Paediatrics and Child Health (published 5 April 2009), and one from 110 MPs (published 29 March 2009)
- **Child Poverty Action Group**, including Child Poverty Action Group in Scotland.
- **Poverty Alliance** (see above)

**Potential to join End Child Poverty campaigns.**

**Opportunities to influence the Child Poverty Bill as this passes through Parliament.**

### 2.1.2 Scotland

In Scotland, Target 4 of the Scottish Government National Performance Framework is concerned with solidarity:

*'to increase overall income and the proportion of income earned by the three lowest income deciles as a group by 2017'*

and Indicator 14 in the National Performance Framework is to:

*'decrease the proportion of individuals living in poverty'*

Whilst these targets are not specific to child poverty, the Scottish Government is committed to sharing the UK Government's long-term target to eradicate child poverty by 2020. **Achieving Our Potential** notes that Scottish Government approach to tackling child poverty is as follows:

*'...our approach is based on the view that child poverty is best tackled as part of a broader effort to reduce poverty and inequality in Scotland, and that our income inequality target supports our focus on improving outcomes for our citizens.'*

As indicated above related to *Achieving Our Potential*, Single Outcome Agreements (SOAs) are one of the most important aspects of Scottish Government policy. In terms of SOAs and child poverty, the following is taken from Cabinet Secretary for Health and Well-being, Nicola Sturgeon, Oral evidence to Scottish Parliament Inquiry on Child Poverty (18 March 2009):

*'about half of all the single outcome agreements had at least one proxy indicator for child poverty and they all had indicators that were connected to child poverty. For the next set of single outcome agreements, which have been submitted in draft form, we have made clear to community planning partnerships through guidance on the agreements that prioritising "Achieving Our Potential", the Early Years Framework and "Equally Well" is of real importance for next year.'*

The Scottish Government **Early Years Framework** (published in 2008) also highlights the importance of breaking cycles of poverty for improved outcomes for children. This document

also explicitly describes policy links with Achieving Our Potential regarding poverty in the early years.

### **Scottish Affairs Committee**

The Scottish Affairs Committee at Westminster held an inquiry into Poverty in Scotland and an inquiry into Child Poverty in Scotland during Parliamentary Session 2007 – 08:

- Second Report from the Scottish Affairs Committee, Session 2007-08, *Poverty in Scotland*, HC 128
- Third Report from the Scottish Affairs Committee, Session 2007-08, *Child Poverty in Scotland*, HC 277

### **Child Poverty in Scotland**

Scottish Parliament Local Government and Communities Committee launched an inquiry into Child Poverty in Scotland in April 2008.

Key issues to be addressed by the committee include:

- the scrutiny arrangements for the targets for eradicating child poverty by 2020 and halving child poverty by 2010
- the role of Single Outcome Agreements and Community Planning Partnerships in relation to policy and service delivery
- the role of the Committee in measuring what is happening in relation to child poverty targets on a regular basis
- supporting parents into, and remaining in, decently paid work
- practical issues around maximising the take up of benefits
- equality issues and the issue of sections of society being left behind and remaining out of reach of policies designed to reduce poverty

A call for written evidence was issued by the Local Government and Communities committee for interested parties to submit evidence on child poverty in Scotland. The call for evidence has now closed. CRFR submitted written evidence and oral evidence. The Local Government and Communities Committee commissioned research from Hayton Consulting and Research Resource into Child Poverty in Scotland. Hayton Consulting and Research Resource submitted a final report on its findings in March 2009 (available online). Inquiry reported at the end of May.

The report stated that the Scottish and UK governments should collaborate to improve issues such as access to affordable childcare, flexible working and benefits uptake to lift children out of poverty.

The Committee's report also called for:

- Scottish Government policies to be assessed for their impact on poverty
- Local authorities to develop a toolkit to help develop local approaches to child poverty
- Single Outcome Agreements to include specific outcomes on child poverty
- Targeted campaigns to encourage the maximum uptake of benefit entitlements
- A review of the co-ordination of advice provision and of the funding provided to advice agencies

### **Free school meals**

Following pilot schemes in five local authority areas between October 2007 and June 2008, Scottish Government announced all pupils in P1 to P3 are to be entitled to free school meals from August 2010.

**Scottish Free School Meals Campaign** group has been key body pushing for this change, whose membership includes **Child Poverty Action Group in Scotland**.

### ***Potential for involvement via the Scottish Free School Meals Campaign?***

## **2.2 Measures to ‘make work pay’**

### **2.2.1 UK**

Policy developments have included:

- Establishing Jobcentre Plus from Job Centre and Benefits Agency.
- New Deal programmes (New Deal for Young People, New Deal for Disabled People, New Deal for Lone Parents). [nb New Deals will be ‘modernised’ by introduction of the pilot ‘Flexible New Deal’ in 2009, a process of ‘providing tailored support matched by increasing obligations’, as part of proposed welfare reform]
- Minimum Wage legislation (announcement May 2009 to increase to £5.80 per hour for over 22 year olds)
- Tax and Benefit systems reform, specifically Child Tax Credit and Working Families Tax Credit
- Pathways to Work pathfinders and national roll-out, available to those receiving Incapacity Benefit. This is intended to support the introduction of Employment and Support Allowance (ESA). From 27 October 2008 the ESA replaced Incapacity Benefit and Income Support paid on incapacity grounds for new clients. This will eventually replace Incapacity Benefit for all existing clients. Key aspects of the ESA include personalised support, medical assessment, work-focused interviews and support groups.
- Changes from separate disability employment services such as Work Step, Work Preparation and Access to Work to a new integrated programme.
- Increased obligations for lone parents from November 2008. The measures require lone parents who are capable of work and who are claiming benefit only on the basis of being a lone parent, to claim JSA Jobseeker’s when their youngest child reaches a particular age (from November 2008 for 12 years and over, from October 2009 this will be 10 or over, then from October 2010 from age of 7). Those eligible for JSA will be expected to look for and be available for suitable paid work in return for personalised help and support.
- Better Off in Work Credit: pilot programme to ensure those starting employment receive at least £25 more per week than they received in benefits, up to a period of 26 weeks. To be rolled out during 2009/2010 if pilot successful.
- Budget April 2009 announced commitment for all long-term unemployed (defined as unemployed for more than one year) under 25 years to be offered a job or training.

### **Welfare Reform Bill 2009**

**Lead body:** Department for Work and Pensions, UK Government

The Green Paper ***‘No one written off: reforming welfare to reward responsibility’*** consultation on the future of welfare launched in the summer of 2008. It *‘set out plans for improving support and work incentives to create a system that rewards responsibility and delivers greater choice and control over the support that is provided’*. The consultation on the Green Paper closed on 22 October 2008.

The related White Paper ***‘Raising expectations and increasing support: reforming welfare for the future’*** was published on 10 December 2008.

The Welfare Reform Bill following from the above Green Paper and White Paper was presented on 14 January 2009, with a Second Reading debate in the House of Commons on 27 January.

'The Bill includes

- provisions to establish a 'work for your benefit' scheme,
- to pilot the 'personalised conditionality' regime proposed by Professor Paul Gregg, and to enable the future abolition of Income Support.

Other social security measures relate to drug misusers; benefit contribution conditions; the Social Fund; and benefit sanctions for non-attendance at Jobcentre Plus interviews, benefit fraud and violence against Jobcentre staff. The Bill also provides for the 'trailblazing' of a new right for disabled people to control how public resources are used to meet their needs; new powers to enforce child maintenance.' (*from House of Commons Research Paper 09/23, 13 March 2009 Welfare Reform Bill: Committee Stage Report*).

There is considerable concern voiced by various stakeholder groups about the Welfare Reform Bill 2009. Some, such as the Child Poverty Action Group, have argued that the 'work for your benefit' element amounts to the introduction of 'workfare' ie work for your benefit, whilst others such as Citizens Advice have also argued that it is not based on evidence of successful intervention internationally.

The 'personalised conditionality' element has also been raised as an issue of concern, with respect to lone parents and to people with disabilities (eg CPAG, Citizens Advice, Gingerbread/One Parent Families), together with the assumption that adequate childcare is available to enable parents to take part in work-related activities.

#### **Opportunities to influence/future developments:**

- the Welfare Reform Bill is currently being heard in the House of Lords.
- The **Scottish Campaign on Welfare Reform (ScoWR)** is co-ordinated by Child Poverty Action Group, Citizens Advice Scotland, Poverty Alliance, One Parent Families Scotland and others. SCoWR was set up in 2006 to '*highlight the concerns of this diverse coalition of organisations in Scotland to the UK Government's Welfare Reform proposals.*' Over 40 organisations in Scotland, including Oxfam, Barnardos, Children 1st, the Scottish Council for Voluntary Organisations, Unison, the STUC and Scottish church groups have signed up. See [www.cpag.org.uk/scotland/welfare\\_reform\\_scot.htm](http://www.cpag.org.uk/scotland/welfare_reform_scot.htm) for a summary of current activity and to sign up.

### **2.2.2 Scotland**

Whilst the majority of policy in this area is UK wide, there are a number of specific initiatives such as **Working for Families**, the programme funded from 2004 to 2008 providing help to disadvantaged parents in deprived areas with support towards training, education or employment through providing support with childcare and other employability related support. The pilot of 10 local authorities was extended to a further 10 local authorities. The approach is now funded as part of the Fairer Scotland Fund.

**Workforce Plus: an Employability Framework for Scotland** was launched following consultation in 2006. This emphasises partnership working at the local level, as well as links with UK Government. Workforce Plus was targeted at 7 priority areas, this was then extended to another 12 areas. Employability funding has now become part of the Fairer Scotland Fund, with all community planning partnerships encouraged to work on this agenda.

Specific policy initiative related to young people who are not in education, employment or training (NEET): '**More Choices, More Chances**'. The new 16+ Learning Choices model for supporting young people as they approach school leaving age will be in place from the end of 2010, following a pilot period from December 2008.

## **2.3 Financial Exclusion**

### **2.3.1 UK**

The UK Government has in place **Financial Inclusion: an action plan for 2008-11**. The UK Government's **Financial Inclusion Taskforce** was established to monitor and evaluate progress and provide advice on financial inclusion developments. The Task Force will continue until 2011.

### **Reform of the Social Fund - The Social Fund: A new approach**

Linked to Welfare reform, and also being led by the Department for Work and Pensions, is planned reform of the Social Fund. It will be relevant across England, Scotland and Wales.

The Green Paper on Welfare Reform, ***No-one Written Off: reforming welfare to reward responsibility*** highlighted the proposed reform of the Social Fund. This currently *'signposts people to sources of free debt advice but does not itself provide advice or make a direct link to other financial services'*. The consultation document on 'The Social Fund: A new approach' was launched in November 2008 outlining proposals to improve help for those in financial difficulties, such as via partnership with voluntary sector organisations such as credit unions to deliver loans, financial advice and other financial services.

*The Social Fund: A New Approach Response Document* was published in February 2009 by the DWP.

#### **Opportunities to influence/future developments:**

- Debate planned during summer 2009 when the formal consultation document to be published.
- Potential to influence via Welfare Reform Bill?

### **Savings Gateway Accounts Bill (April 2009)**

Proposed Bill to *'provide a financial incentive to save among some of the poorest in society'*. This Bill is being led by HM Treasury.

This Bill establishes a *'Government-subsidised savings scheme for people of working age on low incomes and in receipt of specified benefits. The scheme is voluntary and eligibility is on an individual basis. The Saving Gateway has been trialled in several regions of the UK; the Bill establishes a scheme for the whole country'*.

The Savings Gateway Accounts Bill is the second piece of major legislation to *'provide public subsidy to encourage private savings'*, part of a broader policy area of 'asset-based welfare' (the first was the establishment of Child Trust Funds) (see [www.parliament.uk/commons/lib/research/rp2009/rp09-002.pdf](http://www.parliament.uk/commons/lib/research/rp2009/rp09-002.pdf)).

#### **Opportunities to influence/future developments:**

- First reading in House of Commons on 4 December 2008.
- It is now at the Committee Stage of the House of Lords. First day of committee stage on 2 April Committee Stage continued on 21 April when further amendments were discussed.

### **2.3.2 Scotland**

The Scottish Government **Financial Inclusion Action Plan** was launched in 2005. From 2006/07 to 2007/08, delivery of the Financial Inclusion Action Plan was supported by funding via the Financial Inclusion Fund. Financial inclusion activity from 2008/09 supported via the **Fairer Scotland Fund** which has been allocated to all 32 local authorities (see: [www.scotland.gov.uk/Topics/Built-Environment/regeneration/fairer-scotland-fund](http://www.scotland.gov.uk/Topics/Built-Environment/regeneration/fairer-scotland-fund)).

## **Inquiry into Credit Unions in Scotland, Scottish Affairs Committee, UK Parliament**

The Scottish Affairs Committee is holding a current inquiry into Credit Unions in Scotland considering the future for Credit Unions in Scotland, the problem of financial exclusion and financial literacy; affordable lending, credit and debt.

### **Opportunities to influence/future developments:**

- Call for written evidence closed 19 May 2008.
- The Committee has held public evidence sessions on 18 March 2008, 9 July 2008 and 28 January 2009. It visited South Lanarkshire Credit Union Network on 20 October 2008.

## **2.4 Fuel Poverty**

### **2.4.1 UK**

A **Fuel Poverty Bill** is to be heard in Parliament during 2008/09 Parliamentary Session, to bring in:

- energy efficiency programme to bring existing homes up to current energy efficiency levels;
- social tariffs to limit vulnerable households' exposure to high energy bills;
- and reinforcement of the legal duty on the Government to act to end fuel poverty (*House of Commons Research Paper 09/25, 17 March 2009*)

### **2.4.2 Scotland**

The **Scottish Fuel Poverty Statement (2002)** sets out the target that the Scottish Government will ensure, so far as reasonably practicable, that people are not living in fuel poverty in Scotland by November 2016.

The Scottish Parliament Local Government and Communities Committee's current **Inquiry on Fuel Poverty** is concentrating on Governments' Central Heating Programme, Warm Deal Scheme and other associated grants.

The **Children's Coalition on Fuel Poverty** is an informal network of voluntary sector agencies in Scotland including Barnardos Scotland, Capability Scotland, Child Poverty Action Group Scotland, Children in Scotland, Quarriers and Save the Children working together to campaign for measures to eradicate fuel poverty among children living in Scotland. The Coalition submitted evidence to the Fuel Poverty inquiry held by the Local Government and Communities Committee.

### **Scottish Government Energy Assistance Package:**

In October 2008, a new **Energy Assistance Package**, including advice on energy tariffs, a benefits and tax credit check, and energy efficiency improvements for those struggling to heat homes and pay energy bills, was a key recommendation of the Scottish Fuel Poverty Forum report. The Scottish Fuel Poverty Forum was tasked in May 2008 by the Cabinet Secretary for Health and Wellbeing to produce a strategy making most effective use of existing resources. The Energy Assistance Package has now been introduced by the Scottish Government, replacing the Warm Deal and the Central Heating Programme. The scheme is being managed by the **Energy Savings Trust** on behalf of the Scottish Government.

## **2.5 POOR NEIGHBOURHOODS**

### **2.5.1 UK**

UK Government action previously in the Neighbourhood Renewal Unit, which itself came out of work of the Social Exclusion Unit.

**A New Commitment to Neighbourhood Renewal National Strategy and Action Plan** was produced in 2001 with 'overarching principle that within 10 to 20 years no-one should be seriously disadvantaged by where they live' and a commitment to 'creating sustainable communities'. The strategy was designed to deliver 'ways of attacking the root problems of declining areas such as high unemployment, weak economies and poor schools.'

Many of the area-based initiatives are now nearing the end of their funding periods or have finished, and there is evidence of a shift away from area-based approaches with ring-fenced funding (see Chapter 6 *New Labour and Unequal Neighbourhoods* by Anne Power in Hills et al (eds) (2009) *Towards a More Equal Society? Poverty, inequality and policy since 1997*).

The work of the Neighbourhood Renewal Unit is now undertaken by the **Department for Communities and Local Government (DCLG)**. DCLG initiatives include the **Working Neighbourhoods Fund**. This replaces the Neighbourhood Renewal Fund (NRF) and incorporates the Department of Work and Pensions Deprived Areas Fund (DAF). The fund is described on DCLG website as 'a dedicated fund for local councils and communities to develop more concentrated, concerted, community-led approaches to getting people in the most deprived areas of England back to work'.  
([www.communities.gov.uk/communities/neighbourhoodrenewal/workingneighbourhoodsfund](http://www.communities.gov.uk/communities/neighbourhoodrenewal/workingneighbourhoodsfund))

City Strategy is one area-based initiative, established to tackle worklessness in the most disadvantaged communities, with the involvement of Local Employment Partnerships. Fifteen pilots which were due to be completed in March 2009 will now continue for a further two years.

## 2.5.2 Scotland

Specific initiatives highlighted in the **Achieving our Potential** Framework related to neighbourhood deprivation and regeneration include:

### **Fairer Scotland Fund**

This fund worth £435 million over 2008 – 11 is a simplified fund replacing seven previous funding streams (Community Regeneration Fund, Community Voices Fund, Working for Families, Workforce Plus, More Choices More Chances, Financial Inclusion, Changing Children's Services). Allocation of 75% of the fund is based on area measures of deprivation from SIMD 2006. 25% of the fund's allocation is based on individual measures of deprivation using income domain of SIMD 2006.

### **Urban Regeneration Companies**

Investment in Urban Regeneration Companies to aim to revitalise some of Scotland's most deprived communities (£87 billion).

## 2.6 Social Mobility

### **UK Government White Paper 'New Opportunities: Fair chances for the future'**

**Lead body:** Cabinet Office

The UK Government published a White Paper on social mobility in January 2009. The paper focused on key points in people's lives, including early years, education, and the transition into employment. A new 'Panel on Fair Access to Professions' to be established charged with making recommendations regarding access to the main professions.

Key measures of the New Opportunities White Paper relate to

- Early Years: £57m to extend free childcare for disadvantaged 2 year olds and dedicated family nurse support for vulnerable mothers through pregnancy and first 2 years
- Schools: bonuses to bring in and retain the most effective teachers

- Transitions to work: 35,000 new apprenticeship places; new guarantee for 'high potential young people from low income backgrounds to get the help they need to get to university'; NEET community volunteering programme in 33 local authorities.
- Getting on in work: Establishing panel to identify and remove barriers to access to professions; support professionals retraining through grant programme.
- Supporting families: £500 back to work training entitlement for parents and carers; employment support programme for young care-leavers; communities fund to tackle deprivation in most deprived areas. (See Cabinet Office website for further details).

## 2.7 OLDER PEOPLE

### 2.7.1 UK

The UK Government published its strategy for older people in 2005: '*Opportunity Age – meeting the challenges of ageing in the 21<sup>st</sup> century*'. (see National Action Plan 2008 – 2010 Annex 2.9 Older People Strategy).

The UK Government has also developed a Public Service Agreement (PSA) specifically related to poverty related to older people. PSA17 is to '*tackle poverty and promote greater independence and wellbeing in later life*'.

Specific measures have included:

- Increases in Income Support for older people, renamed Minimum Income Guarantee in 1999 which was then replaced by Pension Credit in 2003
- 2007 and 2008 Pensions Acts – implemented recommendations of independent Pensions Commission
- Introduction of universal cash payments and in-kind benefits such as Winter Fuel Payments (since 1999), free eye tests (1999), free television licences for over 75s (2001), free local bus travel (2006) and free national bus travel (2008), one-off payments to help pensioners pay Council Tax bills (2003/04 to 2005/06 and 2008/09).
- Income Tax changes to remove more pensioners from Income Tax.

### 2.7.2 Scotland

The Scottish Government published '*All Our Futures: Planning for a Scotland with an Ageing Population*' in March 2007.

In December 2008 the Scottish Government presented its first progress report on *All Our Futures: Planning for a Scotland with an Ageing Population* to the Scottish Parliament. It was presented in the context of the Scottish Government's Purpose, its 5 strategic objectives, and of the national outcomes, indicators and targets. The Report looked back to the document published in March 2007, and forward to older people's issues and demographic ageing in the context of the present Government's policies.

## 2.8 Access to public services

### 2.8.1 UK

Key element of UK policy has been importance attached to '*access to high quality public services as an important component of the anti-poverty strategy*' (see Chapter 2 Poverty, Inequality and Redistribution by Sefton et al in Hills et al 2009 (eds) (2009) '*Towards a More Equal Society? Poverty, inequality and policy since 1997: page 23*).

**Objective 3 of the UK National Action Plan on Social Inclusion** is related to improving access to quality services across a range of areas, including individual budgets for people needing social care and associated services, education, health services, housing and homelessness, employment services and skills, transport, fuel poverty, financial inclusion, digital inclusion, and for older people.

### **2.8.2 Scotland**

At the Scottish level, initiatives such as the **Fairer Scotland Fund** is intended to '*drive improvements in local mainstream services provided by local authorities, the health sector and others*' (Annex 2.4 Section 4.1 of the National Action Plan 2008 – 2010). Specific initiatives such as the Scottish Government's **Multiple and Complex Needs (MCN) initiative** is also intended to improve public services for those with such needs.