



UK National Action Plan

on Social Inclusion 2003–2005



**United Kingdom
National Action Plan
on Social Inclusion
2003–05**

Contents

Introduction	1
1. Major trends and challenges	3
1.1 Overview	
1.1.1 What do we mean by poverty and social exclusion? . . .	4
1.1.2 Major trends	5
Demography	5
Economy and labour market performance	6
Joblessness	7
Low income	8
Gender	9
Over-indebtedness and financial exclusion	10
1.1.3 Main groups of people at risk of social exclusion. . . .	11
Children	11
Large families	11
People from ethnic minorities	12
Disabled people	12
Older people	12
1.1.4 Key risks and other priorities	13
Risk: living in a jobless household	13
Risk: inter-generational transmission of poverty	13
Risk: living with persistent low income	14
Risk: living in a deprived community	14
Other priority areas	15
2. Review of progress following the 2001 National Action Plan	17
2.1 Comments on the 2001 NAP.	17
2.2 Building participation	17
2.3 The indicators	18
3. The UK's anti-poverty strategy	19
3.1 Introduction	19
3.2 Long-term objectives	19
Quantified targets	20
3.2.1 Facilitating participation in employment	20
Jobs are the best route out of poverty	20
3.2.2 Facilitating access to resources, rights, goods and services for all	22

3.2.3	Preventing the risks of exclusion	24
3.2.4	Mobilising all relevant bodies	26
3.2.5	Priorities for the period July 2003–July 2005.	27
	Indicators	27
4.	Policy measures	29
4.1	Objective 1.1: facilitating participation in employment.	29
4.1.1	Pathways to employment	29
4.1.2	Making work pay	31
4.1.3	Making work skilled	32
4.1.4	Balancing work and family life.	33
4.2	Objective 1.2: access to resources, rights, goods and services	35
4.2.1	Modernising social protection	35
	Tax credits	35
	Housing Benefit reform	36
	Asset-based welfare	36
	Reforming social protection for the most vulnerable.	37
4.2.2	Access to decent housing, and tackling fuel poverty	38
	Housing	38
	Fuel poverty.	39
4.2.3	Access to healthcare	40
4.2.4	Access to education.	41
4.2.5	Access to justice.	42
4.2.6	Access to culture, sport and leisure	43
4.2.7	The quality of services provided to the most vulnerable citizens	43
4.3	Objective 2: preventing the risks of exclusion.	44
4.3.1	Tackling health inequalities	44
4.3.2	Prevention of life crises that can lead to exclusion.	45
	Over-indebtedness and financial exclusion	45
	Universal banking	47
4.3.3	Exploiting the potential of the knowledge-based society and IT.	48
4.3.4	Homelessness.	48
4.3.5	Teenage pregnancy.	50
4.3.6	Drugs	51
4.3.7	Supporting families and family members	52
4.3.8	Support for older children and young people	54
4.3.9	Support for carers	55

4.3.10	Support for older people	56
	State pension reform	56
	Long-term care for the elderly	57
4.3.11	Deprived areas	57
4.3.12	Preventing the risk of exclusion in rural areas	58
4.3.13	Asylum seekers and refugees	59
4.3.14	Links to the European Structural Funds	59
5.	Institutional arrangements	61
5.1	Developing the National Action Plan	62
5.2	Responsibilities and competencies of local and regional authorities	62
	Local Public Service Agreements	64
	London and the English Regions	64
	Local Strategic Partnerships: Joining up communities in England	65
5.3	Mainstreaming the fight against social exclusion	65
	Community cohesion	68
5.4	Promoting dialogue with all relevant bodies	69
	The social partners	70
	Monitoring and evaluating implementation of the NAP.	71
6.	Good practice	73
	The Community Legal Service (England and Wales)	73
	The Rough Sleepers Unit (England)	74
	The National Strategy for Neighbourhood Renewal (England)	74
	Lone Parent Childcare Grant (Scotland)	75
	Endnotes	77

Introduction

This plan outlines the most important issues for the UK in the fight against poverty and social exclusion from 2003–05.

Contributing to the European Union's (EU) long-term goal that there should be a decisive impact on the eradication of poverty, across Europe, by 2010, the UK has set itself a target to halve child poverty by 2010 and eradicate it by 2020. The plan has been produced with reference to a common outline agreed between the Member States and the European Commission.

Tackling poverty and social exclusion is primarily the responsibility of UK authorities, whether central, regional or local. The EU plays an important role by enabling the sharing of ideas about what does – and does not – work. The EU also provides resources to support certain activities in the Member States, including the European Social Fund, which aims to develop employability and human resources in the labour market.

We all want to make Europe the most dynamic economy in the world by 2010. With more and better jobs leading to greater social inclusion and less poverty in a way that is recognisable to people in local communities, not just in terms of official statistics.

The development of National Action Plans (NAPs) helps support that agenda, primarily by facilitating practical co-ordination between the Member States, for example by providing the building blocks towards peer review, exchanges of best practices and so on. But the NAPs also add to the work that has been underway nationally since 1997. The NAPs have a focus that covers the whole of the UK. They are more than just reports on progress by central government or the devolved administrations of Scotland, Wales and Northern Ireland. The ambition is that NAPs will be increasingly participative in both preparation and follow-up.

The structure of this document comprises: a strategic overview, including discussion of key trends, risks, indicators and targets in **Chapters 1 to 3**; discussion of most relevant responses, both by government and elsewhere at **Chapter 4**; and analysis of the relevant institutional arrangements and relationships at **Chapter 5**. Finally we report on some UK 'good practice' that we would like to share with our EU partners at **Chapter 6** (although we aim to provide a range of briefer accounts of many interesting and useful initiatives throughout the report).

This plan has been produced to provide a practical tool to enable better comparison between different Member States. Statistical data is presented, where possible, in a format that is directly comparable with data from other Member States. In other cases we cite data from UK sources, for example because it is more timely or because it illuminates areas that EU comparable data cannot. But it is important to note that, for technical reasons, statistics produced using EU criteria may not be directly comparable with statistics produced using national criteria.

Note: This printed version of the NAP does not reproduce any of the Annexes A–G that have been produced in support of the NAP. The full document, including Annexes, can be found at www.dwp.gov.uk/publications/dwp/2003/nap/index.asp

Chapter 1:

Major trends and challenges

1.1 Overview

1. The fight against poverty is central to the UK Government's entire social and economic programme. Tackling the roots of social exclusion – in particular, discrimination, inequality and lack of opportunity – is an essential part of the vision of a successful and prosperous society. And breaking down barriers to employment goes hand in hand with promoting social inclusion.
2. The UK Government, along with all three devolved administrations, fully accept their responsibility for addressing these problems, but also understand that progress can only be made by working with others. The Regional Offices in England and local government throughout the UK have also given priority to social inclusion. And the UK's vibrant and innovative voluntary and community sectors are indispensable to the task of building an inclusive society.
3. The first UK National Action Plan (NAP) on inclusion described how problems of poverty and social exclusion had built up over decades and were comparatively high both historically and internationally. Since then, government has increasingly sought to work together with others, including local government and the voluntary and community sector, to provide joined-up support for those at risk of exclusion.
4. In addition, the recognition that people with a direct experience of poverty have much to offer a successful anti-poverty strategy is beginning to transform the UK's approach. This participative approach, coupled with the broader understanding of the issues derived from the Lisbon process in Europe, provides further impetus to the fight against exclusion.

5. This historical background also explains why tackling poverty is such a priority now. For people of working age, a job is the best route out of poverty. So, efforts have been concentrated on strengthening active labour market policies, making work pay primarily through tax credits and a minimum wage and developing our skills base. This has led to strong labour market performance. Other key approaches include ensuring that those who cannot work have a decent safety net of support and that all people, including those in the most disadvantaged groups or deprived areas, are given access to first class public services.

1.1.1 What do we mean by poverty and social exclusion?

6. Poverty and social exclusion are complex and multidimensional problems. While household income clearly has an important impact on well-being, there are many other factors that can help or hinder efforts to transform the lives of those suffering from poverty. Housing, health, education, and employment status may all have a role to play. And people are influenced by what sort of neighbourhood they live in, and whether they feel safe from crime or anti-social behaviour.

7. In practice the support received from public services is crucial in protecting many people in the

UK from exclusion. Furthermore – even if harder to quantify – exclusion may be made worse by low self-esteem, low aspiration and low expectations. Some of these issues have been explored in discussions between government, non-governmental organisations (NGOs) and people with experience of poverty. The Government recognises the complexity of poverty and social exclusion and reports on a range of indicators including low-income, educational outcomes for children, workless households and health outcomes.

This is what we're told¹

Q: If positive changes were made in your community to tackle poverty, what form would they take?

A: "Children would be properly clothed and at an average size for their age, not small"; "There would be higher levels of employment and more secure jobs and good working conditions"; "There would be fewer boarded houses"; "There would be better quality and affordable housing and reduced homelessness"; "We would have a better environment to live in"; "There would be more community spirit."

8. The Government is developing a measure of child poverty for the long term². The Government has published

preliminary conclusions from its consultation on this subject³, which sought the views of interested parties including: children, people with direct experience of poverty, and academics on how best to measure UK child poverty in the long term. Although there was no consensus on a favoured approach, it did establish agreement around underlying principles of long-term measurement. Before finalising the details of any new measures, the Government intends to carry out further methodological work and discussion with technical experts.

1.1.2 Major trends

Demography

9. This NAP includes findings from the 2001 Census (see Table 1).

10. Other data for spring 2001 relevant to 'at risk' groups discussed below include:
- 8 per cent (4.6 million people) of the UK population were from an ethnic minority group. Between 1991 and 2001 the ethnic minority population in Great Britain grew by 53 per cent;
 - 6.8 million working-age people in the UK had a long-term disability, an increase of 9 per cent from 1998⁴; and
 - there were 23.9 million households in Great Britain, an increase of 7 per cent since 1991. The increases in population size and trends towards smaller households have contributed to this growth – there has been a particular increase in single person households, which

Table 1: Population of the UK (millions)

	1991	2001	2011	Percentage change (projected)	
				1991–2001	2001–2010
Total population	57.4	58.8	60.5	2	3
Aged under 16	11.7	11.9	11.1	1	-7
Working-age	35.2	36.2	37.5	3	4
Pensionable age	10.6	10.8	12.0	3	11
85 and over	0.9	1.1	1.3	29	19

Notes:

- 1 Between 2010 and 2020 the state pension age (now 65 for men and 60 for women) will be increased to 65 for both sexes.
- 2 Sources: Office for National Statistics; Government Actuary's Department; General Register Office for Scotland; Northern Ireland Statistics and Research Agency.

comprised 30 per cent (7.4 million) of households in the UK in 2001.

11. This information underlines the fact that there is a long-term demographic shift towards groups historically more at risk of low income or joblessness. There has been, for example, a rise in lone parent households⁵. Even though lone parent employment is at its highest level for more than 20 years – 54 per cent – demographic change is a big constraint on labour supply and adds to the risk of poverty for 'at risk' groups.

Economy and labour market performance

12. Economic success is vital to securing the jobs that provide a route out of poverty. The UK economy continued to perform well in 2002, growing at 1.8 per cent for the year despite ongoing global uncertainties. This growth rate was slightly higher than the G7⁶ average of 1.6 per cent and significantly above European Union (EU) average growth of 1 per cent. The expansion continued in the first quarter of 2003 when growth was 0.2 per cent, the 43rd consecutive quarter of growth and longest sustained economic expansion on record. And between 1996/97 and 2001/02, real income for the bottom two-fifths of the income distribution grew faster than median income (on an after

housing costs basis)⁷. Moreover, most forecasters expect growth rates to pick up in 2003/04 as the global economy recovers.

13. Stable macroeconomic performance and labour market resilience has allowed the UK to achieve and maintain a working-age employment rate of almost 75 per cent, close to its record high. This means the UK employment rate is the second highest in the G7 group of countries and well above the EU average. Unemployment continued to fall over 2002, contrary to the overall EU trend and is now around 5 per cent, significantly below the EU average of 8.1 per cent⁸. However, some groups continue to struggle to find work. These include those on benefits that are not conditional on jobsearch (particularly sick or disabled people and lone parents), ethnic minorities, the long-term unemployed, older people, and people with few or no qualifications. There are also some localities that suffer from pockets of low employment and high unemployment.
14. The policies reported in the UK's NAP on Employment⁹ have a crucial role to play in tackling poverty. The revised EU Employment Guidelines provide a welcome focus on the need to reform structural barriers to employment, balancing fairness and security to promote job creation and progress towards

full employment. The ambition is to ensure, after accounting for the economic cycle, that at least three-quarters of the working-age population are in work by 2010. The UK already exceeds the quantitative employment targets set at Lisbon and has significantly lower levels of inactivity among the working-age population than most other EU Member States¹⁰.

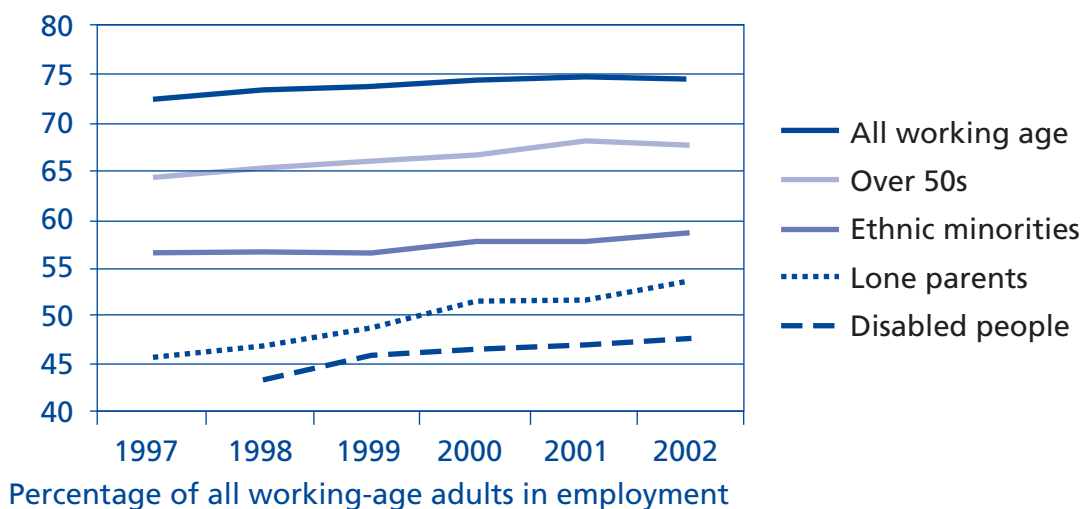
15. The chart below shows the latest information¹¹ on employment rates of key disadvantaged groups and the whole working-age population. The disadvantage faced by people from ethnic minority communities is a matter of particular concern, partly because progress has been less pronounced compared with the other categories. Within the ethnic minority population as a whole, there are disparities between the employment rates of different ethnic groups and

between genders within the ethnic groups¹².

Joblessness

16. Joblessness is now a far more significant driver of social exclusion than unemployment. Although unemployment rates in the late 1970s were broadly similar to those in the late 1990s, significantly higher numbers of people found themselves living with relatively low income in the latter period. The key difference is the large rise in people who are neither in paid employment, living with somebody in paid employment, nor actively seeking work.
17. There are currently 2.7 million people of working-age receiving incapacity benefits¹³. This is 7.6 per cent of the working-age population (rising to 12 per cent in the North West Region of England and in Wales). This number has more than trebled since the 1970s, despite improvements in health

Employment rates



since that time. Most of the developed world has faced similar trends. The total is now far greater than the combined number of lone parents and unemployed on benefit. These numbers represent a waste of talent and opportunity. This recent rise in inactivity primarily affects men with low skills. This is particularly important both because of the large number of working-age people with very low skills and because structural changes to the labour market since the 1970s have produced a weakening labour market for unskilled, as compared to skilled, workers¹⁴.

Low income

18. As the 2002 Joint Inclusion Report¹⁵ showed, a relatively high proportion of the UK's population live in low-income households. Action to tackle low income is at the heart of the UK's anti-poverty strategy but it is generally agreed that this cannot be the only indicator of progress. Strong overall income growth in the past two years has made reduction of the proportion of households with relative low income difficult. Nevertheless, compared with 1996/97, there were about half a million fewer children living in low-income households by April 2001¹⁶.
19. Despite the fact that relative low income is, overall, more prevalent in the UK than in most other Member States, for people in work this is not the case. The figures reported in the 2002 Joint Inclusion Report¹⁷ show that employed people in the UK had the same risk of low income as in The Netherlands or Austria – and less risk than in Germany or France. This underlines the importance of a job for everyone of working age.
20. The UK system of support for families provides targeted support on families on lower incomes. An analysis¹⁸ of the tax and benefit package payable in 2001 to families in 22 countries, including the UK and other EU Member States, shows that the UK does comparatively well for small, low-earning families, lone parents not requiring childcare and families on social assistance. The UK is ranked somewhere in the middle for families on average earnings and dual earner families.

Gender

This is what we're told¹⁹

"The connection between gender poverty and child poverty has to be made in the National Action Plan against poverty. Although there is a long history of shared understanding of policy making between the UK and other English-speaking countries, some of these countries have been less than successful in tackling child poverty and inequality, for example USA, New Zealand. More successful countries can be found in the EU. Sweden has the lowest child poverty in Europe, whereas the UK has the highest. A study of Swedish policies would be useful in addressing child poverty in the UK."

21. It is clear that men and women and boys and girls experience poverty differently and that discussion of gender in this context must involve examination of outcomes for both sexes. Disadvantages faced by women and girls are well documented. But there can also be problems particularly faced by men and boys: for example ensuring that adolescent boys reach their full potential at school. And gender analysis is critical to understanding joblessness. Inactivity among working-age men has risen substantially, whilst falling for working-age women²⁰.
22. However, women are still over-represented in low-income groups and have lower employment rates than men. They are particularly likely to have low incomes at key stages of their life cycle. For example, both lone mothers and single older women are more likely to have persistently low incomes and be more vulnerable to falling into poverty. These disadvantages partly stem from the fact that women are much more likely than men to have caring responsibilities for dependent children and to be concentrated in low paid occupations. And women tend to be the ones who limit careers or earning power to support children.
23. In the UK, lone mothers are less likely to have a job than mothers in couple families. Since children tend to stay with their mothers when parents separate, the relationship between gender and child poverty can therefore be reinforced on family break-up. This can be compounded if lone mothers are then forced to make further sacrifices in terms of job prospects to meet additional family responsibilities. (It is on account of these problems that the issue of child support and the relationship with the non-resident parent can be so important in overcoming social exclusion by lone parents and their children.) The costs of

Women and social exclusion: some key facts

- Women's participation in the labour market has been increasing over the last two decades. In 1984, only 66 per cent of working-age women were in work. In 2001 it stood at 72 per cent.
- Employment rates vary significantly according to whether women have dependent children, and the age of their children. Just 48 per cent of women with a child aged under 2 are in employment, compared with 90 per cent of similar men. However, the employment prospects of women with young children are improving – the employment rate of women with a child under 5 has grown from 42 per cent in 1991 to 54 per cent in 2001.
- Many women have low skilled and low paid jobs. This contributes to the gender pay gap.
- There is also evidence to suggest that income in households on benefit is unequally distributed, disadvantaging women. Household income tended to be more equally distributed if women were used to receiving either direct benefit payments or a high proportion of the family's total income²¹.

appropriate childcare are significant in the UK, creating a further hurdle for mothers on return into the workplace. All of these factors contribute to a relatively large proportion of lone parent families, often headed by women, being at high risk of poverty.

24. Low-income families come in all shapes and sizes. In 2001/02, around 3.8 million children lived in low-income households. Of this group only 2 per cent (around 80,000) lived with a lone parent who is working full-time. In contrast 13 per cent (around half a million) lived with a couple with one full-time worker and no second earner. So, promoting employment of 'second earners' makes an important contribution to tackling poverty.

Over-indebtedness and financial exclusion

25. Working with NGOs active in the fight against poverty – and with people with direct experience of poverty themselves – has highlighted considerable concern about over-indebtedness and how that affects the lives of our most vulnerable individuals and communities. There may still be information gaps, which we are working to overcome. But it is clear that there is a hard core of people who are in very serious difficulties²². It is difficult to see how this group can improve their situation without outside intervention of some sort.
26. Financial exclusion is the lack of access to, and inability to take advantage of, basic financial services and products. For

example, although banking has expanded enormously over the past 20 years, a third of households in Britain have no savings and investments and 7 per cent have no bank or building society account. This has an impact on other social exclusion agendas: it is becoming the norm for employers to expect new staff to have a bank account into which wages will be paid. In some respects, financial exclusion is particularly severe in Northern Ireland: nearly double the proportion of people lack a bank account, as compared to Great Britain²³.

1.1.3 Main groups of people at risk of social exclusion

27. Certain groups are at a particular disadvantage. Overall 22 per cent of the population²⁴ live in low income. But that proportion rises to: 30 per cent of children; 41 per cent of people where the head of the household is from an ethnic minority; and 29 per cent of people in a family with a disabled person. Of course not everyone in these groups is in poverty or suffering from disadvantage. But others may suffer from multiple risks of disadvantage.

Children

28. Children are particularly at risk of low income. There have been significant falls in the proportion of children in low-income households in recent

years. But children in lone parent families remain much more likely to live in low-income households compared with other children. Children in workless families also face a much higher risk of low income. Other 'at risk' groups include children living in large families, those from ethnic minority groups, and disabled children.

Large families

29. Risk of living in a low-income household increases with family size for children in both couple and lone parent families. The rate of joblessness is much higher among lone parents than couples, regardless of family size, though having a large family is an additional factor. Among couple families, large families are twice as likely as small families to be out of work. They are also likely to face poorer incentives to work, for example in terms of overcoming practical barriers such as finding affordable childcare.
30. Just under half of those children in low income families are from large families (three or more children). Over half of those children in low income are from couple families. Children in lone parent households suffer a disproportionate risk of low income regardless of the number of siblings, but the risk does increase with family size. For children in couple households the risk also increases with family size but is below average for

those children living in couple households with one or two children²⁵.

People from ethnic minorities

31. The UK draws great strength from ethnic diversity. However, people from some backgrounds still face substantial disadvantage in certain areas. For example, over six out of ten working-age adults from Pakistani or Bangladeshi backgrounds are in low income: roughly four times the average rate for all people of working age²⁶. Access to services may also be more difficult: the Royal National Institute for the Blind reports that the take up of specific sight loss services for people from ethnic minority communities with sight loss is low, with strong evidence of significant unmet need²⁷. And the additional unemployment risks and earnings gaps inevitably lead to further material disadvantage.
32. It is often the case that specific issues impact differently on different ethnic groups. For example, while Pakistani/Bangladeshi women are twice as likely as women generally

to have no educational qualifications, children from an Indian background show little educational disadvantage.

Disabled people

33. The employment rate for disabled people is significantly below the level for the wider population. This feeds through to the low-income figures: the risk of being in low income for a working-age person living in a household containing a disabled adult is twice that of a person in a household with no disabled adult²⁸. And this report is being produced in the European Year of Disabled People, providing a strong impetus to support the inclusion of disabled people across the UK²⁹.

Older people

34. Using national data, around one in five pensioners are in low-income households, and a high proportion of those – 17 per cent – live in persistent low income³⁰. They have been more likely to live in substandard or difficult-to-heat accommodation. Fear of crime and difficulties with transport may also affect older people

Support for citizens from ethnic minority backgrounds: Jobcentre Plus, Highfields, Leicester

When it became clear that ethnic minority residents were not fully utilising the local Jobcentre Plus service, a wide range of activities were initiated to overcome this. These included tours of the office, production of literature in ethnic minority languages, door-to-door visits and holding recruitment exercises in community centres, temples and mosques.

more than others. Older pensioners can face particular challenges: over-75s are at significantly higher risk of low income than younger pensioners³¹.

1.1.4 Key risks and other priorities

35. Although there may be no single reason driving social exclusion, some factors have a disproportionate impact. The key risks highlighted here – which can be mutually reinforcing – are joblessness, particularly when concentrated in particular households; the inter-generational transmission of poverty; living with persistent low income; and living in a deprived area.

Risk: living in a jobless household

36. Joblessness becomes a particular problem when concentrated in households where no adult works. The latest EU-level comparable indicators³² reveal that whilst the UK continues to enjoy near record levels of employment, it also has high relative levels of people living in jobless households. National indicators show that, while this problem is serious for people of working-age (in 2002, 11.8 per cent of these people lived in workless households), it is more so for children (15.8 per cent). The UK appears to be the only EU country in which households **with** children are more likely than households **without**

children to include no one with a job. This is attributed to the high proportion of UK lone parents without a job³³. And jobless **people** in the UK are particularly likely to live in a jobless **household**, compared with most other countries³⁴.

37. Progress is being made. A long-term trend of rising numbers of children in jobless households has been reversed, with numbers falling to under 2 million in spring 2000. And between 1995 and 1999, there was a reduction of 1.9 per cent on the EU indicator of jobless households: a reduction substantially exceeding the EU average.
38. It is clear that these levels of joblessness at least partly reflect fundamental changes to the structure of society over recent decades. Evidence suggests that some of these changes may be more pronounced in the UK than in many other Member States. This makes meaningful comparisons between countries – for example regarding low income – difficult.

Risk: inter-generational transmission of poverty

39. Low household income in childhood can be at the root of many of the cycles of deprivation. Difficulties in early years can lead to poor educational attainment; thus making adjusting to adult life – especially getting a decent job – harder. We know, for example,

that children growing up in families with low income and where no one works are more likely to be economically inactive in young adulthood. This is particularly true of those who experienced low income either in pre-school years (ages 0–5) or in adolescence (ages 11–15)³⁵. And lack of job skills leads to unemployment/low earnings; relatively poor health can follow on from the above, which itself can hamper people's chances of finding and/or maintaining employment. Teenage pregnancy can exacerbate these risks further. In some cases, circumstances can lead to an increase in risk-taking behaviours damaging to health, such as substance misuse. This all leads to poor prospects in adulthood with the potential to transmit poor outcomes to their own children.

Risk: living with persistent low income

This is what we're told³⁶

"In Britain today most of the people we work with are families who live in poverty and who are struggling against many disadvantages in various aspects of their lives. In this respect, the group referred to when ATD Fourth World speaks of 'people in poverty' are people in a very specific situation with deeper problems than those who dip in and out of poverty during their lifespan."

40. Low income is often a short-term phenomenon for people experiencing it. But some people find themselves having to manage for long periods within low-income households, compounding the impact on life chances of low income generally³⁷. Over the ten-year period 1991 to 2000, 15 per cent of people spent at least five years and 2 per cent spent all ten years in low-income³⁸. Single pensioners, those living in lone parent families, workless households, the social rented sector or those with no qualifications were more likely to experience persistent low income. By contrast, there was very small risk for childless, non-pensioner, families.

Risk: living in a deprived community

41. The area dimension to exclusion is an important one, not least because of the very different social and economic outcomes that exist between our most deprived neighbourhoods and the rest. Many deprived people do **not** live in deprived areas. Nevertheless, a focus on the area aspects of social exclusion complements other policies. Many of our most deprived wards are in well-known inner city urban areas. But rural areas, coastal towns and single-industry towns can be badly affected as well. Neighbourhood decline has been fuelled by a combination

of factors. These have included economic change and the decline of old industries, while new jobs demand higher skills.

42. If neighbourhood renewal is to succeed, all relevant public services will have to raise the quality of services in the poorest districts. We know that deprived areas often have the worst housing, highest unemployment and lowest levels of educational attainment. They also tend to have poorer health and suffer from higher levels of crime than the rest of the country. For example, in 2000 the unemployment rate in the most deprived English wards was 13.8 per cent, while the comparable figure for England as a whole was 3.9 per cent. These problems are particularly acute for people from black and ethnic minority backgrounds – around 70 per cent of people in these groups live in deprived areas compared with 40 per cent of the rest of the population.

Other priority areas

43. Social exclusion in rural areas differs from that in urban areas. In rural areas, aspects like remoteness from public and private services and low institutional capacity are likely to be key. Distance, isolation, visibility³⁹ and poor access to jobs and services compound the problems of poorer people in rural areas.
44. Communities for whom English is not a first language may also be at risk. In Wales, for instance, some of the most deprived areas are predominantly Welsh-speaking. Since over one-fifth of the Welsh population speak Welsh as their first language, this underlines the importance of ensuring that people are able to access rights and services in their mother tongue.

Chapter 2:

Review of progress following the 2001 National Action Plan

1. As explained in the 2001 National Action Plan (NAP), UK Government analysis of poverty and social exclusion is evidence-based. For this reason, progress is primarily measured by means of indicators such as those set out in the last NAP. However, this chapter will also address progress in other, less quantifiable, ways that reveal important developments in our anti-poverty strategy.

2.1 Comments on the 2001 NAP

2. The first UK NAP was generally well received, in particular for its clear expression of Government commitment to tackling poverty and social exclusion and its strong analytical focus. The presentation of the UK's strategy, based on *Opportunity for all*, was seen as clear and well laid out. Particular comments have been received from European Anti-Poverty Network (EAPN), Euronet, Royal

National Institute for the Blind (RNIB) and, more recently from academic commentators Jonathan Bradshaw and Fran Bennett⁴⁰.

2.2 Building participation

3. The UK Government, working together where appropriate with the devolved administrations and local authorities, has sought to develop links with stakeholders in the voluntary and community sectors and with people with direct experience of poverty. This has been both as part of the preparation for this NAP and as part of the development of wider anti-poverty strategies. New links included setting up a Participation Working Group involving government officials, non-governmental organisations (NGOs) and grassroots representatives. This is explained in more detail at **Chapter 5**.

2.3 The indicators

4. A set of indicators has been produced covering a range of social inclusion issues. They were developed for this and future NAPs to cover the most important aspects of poverty and social inclusion, and to show both progress over time and, where appropriate, differences between groups. They include both **indicators common to all Member States**, to allow direct comparisons, and **UK specific indicators**, to highlight areas of particular UK interest.
5. In summary, they show that the number of people in low-income households compared with the **contemporary average** is falling, with the number of children in low income falling particularly quickly. And, reflecting the Government's overall success in raising living standards, the number of people living in households with income below 60 per cent of the real terms equivalent of the 1996/97 median has fallen by a third since that date. This progress is also due to success in reducing the number of people living in workless households and by improvements in the employment rate, particularly for disadvantaged groups such as lone parents and people with disabilities.
6. Health is improving for all groups. There are also improvements in educational achievement. The percentage of children achieving at least one GCSE qualification in England, Wales and Northern Ireland is increasing significantly⁴¹. The number of schools with poor literacy and numeracy results has fallen in each of the countries for which data is available, helping to achieve the aim that no pupil is seriously disadvantaged by the area in which they live. And the pattern of increasing skills is replicated amongst adults – the percentage with at least an NVQ/SVQ Level 2 or equivalent is rising for all working-age groups.
7. Government is also tackling the issues impacting on the most seriously deprived: for example, the number of people sleeping rough has fallen substantially.
8. **Annex A** contains more details of progress in these and other areas⁴². **Annex C**⁴³ summarises progress using the indicators from the *2001 NAP*.

Chapter 3:

The UK's anti-poverty strategy

3.1 Introduction

1. The UK commitment to eradicating child poverty in a generation is well known. But also crucial are wider strategies tackling barriers to work for people of working age and ensuring that those who cannot work receive appropriate support. UK strategies are founded on three pillars.
 - Maintaining a **strong economy**. Economic growth and social justice go hand in hand.
 - Ensuring through **flexible labour markets** that work is available for all who can work. This strategy has more than halved the costs of unemployment, saving £5 billion a year relative to 1996/97. This has freed resources to target on other social priorities.
 - Developing **first-class services** that meet the needs of all our population in a way that is accessible and accountable. Universal access to mainstream services is an important part of wider welfare provision in the UK.
2. This National Action Plan (NAP) emphasises links between government action at all levels and the important role of the voluntary and community sector. It is informed by the views of people with experience of poverty and of the non-governmental organisations (NGOs) which support them. This has allowed us: to identify what works well; to find areas where there are problems; and to plan for more effective participation in the future.

3.2 Long-term objectives

3. The Government's main focus is on working towards **the eradication of child poverty**, in recognition of the fact that in 1997 around a third of all children were living in households in low income and that effective intervention in

childhood can most effectively break ongoing cycles of deprivation. The long-term target remains that set in 1999, namely to eradicate child poverty in a generation and halve it by 2010. This is a challenging objective, but nevertheless one the Government is determined to meet.

4. For the purpose of this NAP, the UK's strategy is set out in accordance with the common European Union (EU) objectives agreed at Nice and updated at Copenhagen. These are: facilitating participation in employment and access by all to resources, rights, goods and services; preventing the risks of exclusion; protecting the most vulnerable; and mobilising all relevant bodies. However, we have linked discussion of protection of the most vulnerable to consideration of more mainstream issues.

Quantified targets

5. This NAP outlines a range of targets relevant to tackling social exclusion. In particular, the UK Government has developed a range of targets – called Public Service Agreements (PSAs) – which currently focus mainly on the period 2003–06⁴⁴. These set out around 130 demanding targets covering key areas underlining the importance of outputs and outcomes – for example, rising standards in education,

improving health and cutting crime⁴⁵. This NAP sets targets based on the PSAs most relevant to tackling poverty, as well as key targets set by the devolved administrations (which do not use the PSA methodology).

6. *A partnership for a better SCOTLAND* sets out the principles that will guide the coalition partnership in Scotland in developing and implementing policies⁴⁶.
7. This chapter highlights just a few of the most critical targets. These comprise just some of the overall number of targets relevant to the NAP. Also relevant are the targets used for local Public Service Agreements (local PSAs)⁴⁷.
8. To underpin the Neighbourhood Renewal Strategy, the 2000 Spending Review for England set minimum standards – **floor and other deprivation-related targets** – for key UK government departments. These were aimed at leveraging up the performance of public services in deprived areas towards the national average. The 2002 Spending Review takes this approach further. Targets are listed in full at **Annex B**.

3.2.1 Facilitating participation in employment

Jobs are the best route out of poverty

9. Work remains the best route out of poverty for most people

of working age and their families, and is the best safeguard against subsequent poverty in old age. The UK employment strategy is supported by policies to promote competition, innovation and enterprise, investment in higher levels of education and skills, active labour market policies to match people to jobs and help disadvantaged groups move into work, and policies to tackle discrimination and make work pay. Central to this strategy are:

- **active labour market policies** to open up employment opportunity for all;
- **making sure work pays**, for example by tax-benefit reform (although some of this is discussed here in the context of modernising social protection), the minimum wage and tackling the gender pay gap (important to overcoming low-income amongst women – and child poverty – both now and in the future);
- measures to support the **creation of a skilled and adaptable work force**. Improving the level of basic skills attained can have a significant impact on individuals' employability – 50 per cent of jobs are closed to those below Level 1⁴⁸. The UK strategy here includes: action to tackle the lack of basic skills (such as literacy,

language and numeracy) in adults; access to lifelong learning; provision of specific work-related training; and action to tackle skills shortages. The European Social Fund addresses all these issues with a particular focus on disadvantaged and socially excluded people. Success will help make transitions to work more financially attractive as jobless people with skills enjoy higher potential earning power than those without; and

- promotion of **family-friendly approaches** to work, and in particular encouraging creation of new childcare places.
10. Flexible working patterns are an essential ingredient of the labour market. The opportunity to work flexibly can help an individual better balance work with family life. They also make the difference to an individual's participation within the workforce, which is particularly key for individuals in low-income families and with caring responsibilities. The Government actively encourages businesses to offer flexible working opportunities across the workforce through its **Work-Life Balance campaign**. This includes the **Work-Life Balance Challenge Fund** where employers can apply to receive advice from consultants to help

develop and implement work-life balance policies. In addition, the Government introduced a new flexible working law in April 2003 to which 3.8 million parents of children under 6 and disabled children under 18 now have a legal right to apply for flexible working and their employers have a duty to seriously consider such requests.

11. The implementation of the *Ethnic Minorities and the Labour Market* report will go further to tackle the disadvantage faced by people in these groups⁴⁹. Significantly, the report shows that all ethnic minority groups – even those enjoying relative success – are not doing as well as they should be, given their education and other characteristics. It is necessary to go beyond traditional anti-discrimination policies to address the many factors that can stand in the way of success in jobs and careers, including targeted action on schools, jobs, housing and discrimination. The specific policy measures fall into four categories:
 - improving employability by raising levels of educational attainment and skills;
 - connecting ethnic minorities with work by reforming existing employment programmes, tackling specific barriers to work in deprived areas, and promoting self employment;

- action to promote equal opportunities in the workplace through better advice and support to employers, and through more effective use of levers such as public procurement; and
- action on delivery.

12. Policies and services that will implement this strategy are set out in section 4.1. Key targets (spelt out in full at **Annex B**) require action to **increase** the employment rates of disadvantaged areas and groups and **reduce** the number of adults in the UK workforce who lack basic qualifications.

3.2.2 Facilitating access to resources, rights, goods and services for all

13. **Social protection systems** have an important role to play in providing fallback support for those who cannot currently work and in helping work pay for those who can. The UK is modernising social protection by a fundamental overhaul of the welfare system, transforming it from a passive benefits payment machine to an active system that tackles poverty, creates opportunity, and helps people become self-sufficient and independent. It will deliver services tailored to meet the needs of people; services which actively engage with them and which are easier to access, more accurate and

- more secure. And the UK is promoting acquisition of savings and assets to provide security, long-term independence and opportunity and comfort in retirement. Pension Credit also supports this agenda by rewarding thrift and not penalising saving.
14. Budget statements for 2002 across the UK showed very significant increases of spending on **education** and **health**. But strategies to increase access to these services require more than money: also important are effective partnerships. Methodologies like floor targets help narrow gaps in outcome between different groups and different areas, complementing strategies aimed at raising the performance of services overall. The UK aims, by 2005/06, to be spending 9.1 per cent of GDP on health, the highest proportion in the EU. These additional resources will mean that, as well as raising standards generally, we will be able to tackle health inequalities and illnesses most closely associated with social exclusion.
 15. Other reforms, such as the creation of Primary Care Trusts, are aimed at ensuring services are sensitive to the needs of local people as well as driving up the quality of services. Similarly, access to top quality education is based on both raising overall standards in our schools as well as measures to narrow gaps between best and worst performers.
 16. **Housing** strategies aim to offer access to decent, affordable and appropriate homes, with social housing meeting acceptable standards. There are clear links between poverty, social exclusion and **homelessness**. Increasingly, strategies and policies to address homelessness are focusing on the personal problems that can contribute to homelessness, as much as on structural issues like the supply of affordable housing. The UK **fuel poverty** strategy aims to eradicate fuel poverty over time, working in partnership with energy suppliers and others.
 17. The early or improved use of **legal and advice services** has an important impact on redressing social exclusion⁵⁰. And it is recognised that sport, arts and cultural activities are vital elements of cohesive and inclusive communities. Key agencies work together to provide opportunities for all to enjoy the widest possible access to museums, libraries and the built heritage, arts and sport.
 18. The **services** necessary to meet these objectives are best provided by a wide range of providers: central and local government, the voluntary and community sectors ('grassroots' groups as well as larger NGOs), other not-for-profit organisations and business. This broadly-based approach

helps ensure that particular groups receive the most appropriate support, such as for people suffering sight loss⁵¹. Also central is the importance of effective delivery mechanisms and strategic frameworks, for example the development of Local Strategic Partnerships in England. And it is vital that services supporting the poorest citizens are delivered with respect and informed by proper understanding of the lives of those experiencing poverty.

19. The key target in this area is the **UK Government's commitment to eradicate child poverty by 2020 and to have halved it by 2010**, which has already been mentioned. (This of course informs work on all four of the EU objectives.) Detailed targets providing interim support of this, and supporting the objective overall, are detailed at **Annex B**. But other particularly important targets require action to **reduce** numbers of children in low-income households and in households with no one in work and to **raise** outcomes for children at risk of exclusion: for example the commitment in England that minimum educational outcomes should be reached in all schools.

3.2.3 Preventing the risks of exclusion

20. A key part of a modern welfare state is action to prevent life crises leading to exclusion.

In practice, women are particularly at risk of these, often following on from caring responsibilities. The UK strategy seeks to address these risks by: breaking cycles of disadvantage that lead to exclusion being passed down from generation to generation; and giving opportunities and incentives to build financial assets (for example during child raising), including a decent pension.

21. Children are particularly at risk from cycles of deprivation. This NAP also features more tailored policies to address children's specific needs and addresses disadvantage in early life through, for example, Sure Start. For older children and young people the NAP features services such as Connexions and programmes seeking to reduce truancy – and, as a consequence, its links to criminality and low educational achievement – and numbers of teenage pregnancies. Government is ensuring that all school leavers with literacy and numeracy needs are able to improve their skills. There is excellent work taking place in Scotland to encourage good behaviour among pupils and ensure that when problems do arise, action is taken to address them. The Scottish Executive aims to spread that expertise more widely and more quickly.
22. The UK Government is also committed to tackling

pensioner poverty. The strategy since 1997 has been to target help on the poorest pensioners. This approach provides a balance between providing a solid foundation of support for all, while targeting support at those who need it most. And the NAP reports on strategies to develop the social care available to the elderly, particularly pressing in the light of demographic trends reported on in **Chapter 1**.

23. Developments in technology and falling prices of communications and computing have transformed many people's lives⁵². Government is committed to reducing the **digital divide** through IT learning centres and in its commitment to improving IT skills and access. New technology can support better face-to-face and telephone transactions as well as direct interaction online.
24. Success in tackling **financial exclusion** is essential to achieving the wider aims of eliminating social exclusion. The way forward lies in continuing to encourage the development of new, alternative and accessible financial services and products as well as in ensuring existing, mainstream services can reach whole communities. In addition, financial advice and literacy measures need to be linked with products and services so that individuals, especially those who do not currently use financial services, can make informed decisions that are most appropriate to their circumstances and needs. This is another area where devolved administrations have been particularly active, for example where Northern Ireland is examining measures to encourage financial inclusion as part of a major review of the credit union sector.
25. The Government is committed to **strengthening protection for borrowers** and to this end, set up a Task Force on Over-indebtedness. This comprised representatives from the banking and credit industry, Government and consumer groups. The aim was to focus on practical ways of achieving more responsible lending and borrowing. The final report of the Task Force was published in January 2003 and the Government, in partnership with industry, is now taking forward the recommendations.
26. The strategy for social exclusion set out in the previous sections is focused on the wider risks of exclusion. However, the UK's anti-poverty strategies include specific action to promote the social integration of women and men, who are particularly at risk of exclusion. As **Chapter 1** showed, people can face a much higher risk of social exclusion simply because they belong to a

disadvantaged group. Action to tackle **discrimination**, including against **asylum seekers** and **refugees**, is essential if we are to develop a truly inclusive society. And **Chapter 1** also demonstrated the significance of overcoming the particular problems encountered by people living in **deprived areas**.

27. Beyond that, we must not lose sight of the needs of the most vulnerable, which are often driven by contexts and problems that do not arise for people living in mainstream society – or indeed by many people living with low incomes. Some of these factors, such as **domestic violence**, are a particular issue for women. It is also necessary to put policies in place that support people living in rural areas at risk of exclusion, as well as carers (who are predominantly female and who make an immense contribution to society, often in very difficult personal circumstances).
28. Policies and services that will deliver this strategy are set out in section 4.2. Key targets include: raising standards of social housing; providing all 3-year-olds an early education place⁵³; providing additional childcare places; and targets concentrating on deprived areas or vulnerable individuals and reducing use of bed and breakfast accommodation for homeless families.

3.2.4 Mobilising all relevant bodies

29. The UK is committed to involving all the relevant bodies in developing its anti-poverty strategy. The UK Government recognises that to tackle poverty and social exclusion effectively, it must work in partnership with a wide range of people. These include women and men with experience of poverty, the voluntary and community sector, the social partners and local government. It is clear that properly including people experiencing poverty requires a degree of proactive attention and support, as ongoing participation is difficult to achieve. This is important as this provides a perspective that other approaches cannot necessarily provide.
30. Discussions during the preparation of this NAP highlighted the important role of civil society organisations in supporting and promoting the participation of people experiencing poverty. Government is keen to continue with this dialogue and understands that it requires support. Relevant to this objective is the target of increasing voluntary and community sector activity.

3.2.5 Priorities for the period July 2003–July 2005

31. Priorities for the period of this NAP must be set within the context of the domestic objectives set at all levels of government. This might include the time necessary for consultation, or existing budgetary or spending review cycles. These may not coincide with the timeframe of this NAP. Notwithstanding that, important priorities for this period include:

- **tackling joblessness:** disadvantaged groups – especially ethnic minorities – are a priority;
- working towards **reduction of income gaps between men and women;**
- taking forwards work on the **eradication of child poverty**⁵⁴;
- making progress on the issues identified by **floor targets** (for example narrowing gaps in educational attainment; health outcomes; housing; narrowing gaps in performance between different areas), thus prioritising the most vulnerable;
- the **Scottish Executive's programme – *A partnership for a better SCOTLAND***⁵⁵;

- the **Welsh Assembly Government's** continued commitment to delivering improving public services within the framework of its guiding principles of social inclusion, sustainable development and equal opportunities; and
- development of an overarching strategy for children and young people in **Northern Ireland**⁵⁶.

Indicators

32. This NAP reports on a range of indicators. Important changes have been made for this NAP to the set of indicators that will be used to monitor progress during the period to 2005. These changes incorporate, where possible, **commonly agreed EU-level indicators**⁵⁷, which will provide far better comparability between Member States than has hitherto been possible. Complementing these 'EU' indicators are a more focused suite of UK indicators to (a) provide information about areas not covered by the EU-level indicators, (b) give a more accurate and up-to date account, or (c) allow more detailed breakdowns of the data.

Chapter 4: Policy measures

4.1 Objective 1.1: facilitating participation in employment

4.1.1 Pathways to employment

1. The New Deals provide new opportunities and new hope for people to move from welfare to work and independence. Five years on, the New Deal has been a tremendous success with well over three-quarters of a million people being helped to find work. Linked to this, the UK Government has launched a new type of service in **Jobcentre Plus**. This will transform a passive benefits system into an active welfare state, helping people into jobs, and meet the needs of potential employers.
2. Recent enhancements to the New Deal, aimed at those most at risk of exclusion, include: StepUP – piloted in 20 areas, providing transitional jobs for the long-term unemployed; ethnic minority outreach schemes – piloted in 5 areas; and Ambition initiatives – helping disadvantaged people gain the right skills in key sectors, for example information technology (IT).
3. The New Deal for Young People, New Deal 25 Plus and New Deal for Partners are discussed in detail in the Employment Action Plan. This National Action Plan (NAP) focuses on those **most** at risk of exclusion and thus focuses on the New Deals for Lone Parents, Disabled People and over 50s⁵⁸.
4. The **New Deal for Lone Parents** (NDLP) had 326,280 participants up to December 2002, with 175,810 moving into jobs. Evaluation found the cost per participant moving into work was £1,388. All lone parents with a youngest child aged 3 or over making a new or repeat claim to Income Support have a meeting to discuss work prospects with a Personal Adviser. Future developments

include Worksearch Premium and in-work credit pilots, where a £20 a week allowance for those actively looking for work followed by a £40 a week credit for the first year of work is to be piloted in eight areas. NDLP will also utilise 'Discovery Weeks', tailored mentoring and childcare 'taster' pilots.

5. **New Deal for Disabled People (NDDP)** started with a pilot phase from 1998 to June 2001, followed by the introduction of NDDP Job Brokers across Britain. Overall, to end of March 2003, there have been 68,558 voluntary participants of which 20,691 moved into jobs. Evaluation shows that the cost per job in the pilot phase was between £2,400 and £4,100 (up to March 2001).
6. The **New Deal 50 Plus** helped over 98,000 participants move into jobs up to March 2003. It is a voluntary programme to help economically inactive people over 50, who have been claiming work-related benefits for six months or more, into paid employment. Support is provided by a Personal Adviser, a £1,500 Training Grant, and access to the over 50s element of the Working Tax Credit.
7. The New Deals are enough to help many people find jobs or suitable training. People with particular disadvantages may need more help. Addressing this need in Scotland is the New Futures Fund, which helped over 5,000 of the most difficult-to-reach people aged 16–34 with intensive support on the road to employment. Scottish Enterprise also contributed by overcoming barriers to labour market participation, aiming to help 4,000 young people with support needs to progress into employment, education, training or voluntary work in 2003/04.
8. In Northern Ireland £14 million is being allocated over the next three years to tackle long-term unemployment in deprived areas following the report of the Employability Task Force. And Invest, Northern Ireland's Accelerating Entrepreneurship Strategy, will include special measures to promote entrepreneurship in disadvantaged areas and amongst under-represented groups.
9. Other initiatives are helping the most vulnerable, for example ex-offenders, drug users, alcohol misusers, and homeless people. Progress2work pathfinders provide additional support to help unemployed drug users into work and progress2workLinkUp provides further help, for example to homeless people and ex-offenders. And Jobcentre Plus, in partnership with the prison services, have developed the 'Surgery' initiative to support ex-prisoners integrate into the world of work.

Nottinghamshire County Council: Bridge to Work

The main priority has been to recognise the responsibility of local authorities as employers and to ensure jobs are accessible to all. New Deal has played an important role, and the Council has now recruited many ex-New Deal employees. The Council has built strong working relationships with Jobcentre Plus and believes recruiting through them has helped to address workforce diversity by increasing the numbers of disabled and ethnic minority employees. The project is part of a local Public Service Agreement (local PSA).

4.1.2 Making work pay

10. The introduction of tax credits represents a shift from a benefit system that created barriers to work to a system that advances labour market flexibility by providing greater rewards from work while promoting stability in incomes. Tax credits are discussed in more detail at 4.2.1, but Working Tax Credit and the minimum wage together provide fair minimum incomes from work, while allowing wages to respond to labour market conditions.
11. To eradicate exploitative levels of low pay the UK Government introduced, in April 1999, a national minimum wage (NMW). Since its introduction the NMW has benefited more than a million people. It is working so well that the Government recently accepted recommendations by the independent Low Pay Commission for a further increase in rates of 7–8 per cent in October 2003 and October 2004: about double the rate of average earnings. Some 1.3 to 1.6 million low-paid workers stand to benefit from the 2003 increase. Over two-thirds of the beneficiaries have been women since they are over-represented in the kind of lower paying jobs which are directly affected by the NMW⁵⁹.
12. Policies may achieve nothing if not implemented properly and the Government is taking steps to address the problem of the minority of employers that fail to comply, either deliberately or inadvertently. Compliance officers investigate 'at risk' cases and overall have received nearly 10,000 complaints about non-payment of the NMW. Officers have investigated more than 24,000 businesses, finding non-compliance in around 30 per cent of these, and identified over £13 million in pay arrears for low paid workers. The UK Government is working in partnership with non-governmental organisations (NGOs) to raise awareness and increase complaints about non-payment in sectors of the population where complaints have been lower than expected. The Low Pay Commission reports that

evidence submissions to them have been complimentary about NMW enforcement.

13. Workers aged 16 and 17 are exempted from the NMW because the Government would not wish to see them encouraged to leave full-time education or training, or place obstacles to finding a job for 16- and 17-year-olds determined to leave school. However, the Low Pay Commission recommend that the Government should ask them to consider in detail the possible introduction of a minimum wage rate for this age group. The Government has agreed that this is an issue that merits further consideration. The Government is also aware of concerns that some homeworkers do not receive the minimum wage rates to which they are entitled. A consultation process is currently underway about reducing non-compliance in this area.

14. The Government is also committed to closing the gender pay gap. It is:
- **leading by example** – equal pay reviews by all government departments and agencies;
 - making it **easier for women to take up equal pay cases** via the Employment Act 2002;

- making it **easier for employers to pay fairly** by funding models for voluntary pay reviews;
- supporting a local authority **Equality Standard**;
- tackling the **wider causes of the pay gap** – helping mothers stay attached to the labour market, for example by tackling women's lower level of work experience and the part-time pay gap; and
- improving the **skill levels** of those already in the labour market⁶⁰.

4.1.3 Making work skilled

15. *Skills for Life*, the strategy for improving adult literacy, language and numeracy skills in England, aims to create a society where adults have the basic skills they need to find and keep work and participate fully in society. It aims to improve the literacy, numeracy or language skills of 1.5 million adults by 2007 by boosting demand for learning, increasing the capacity of provision, improving the quality of basic skills teaching, and increasing learner achievement. Good progress is being made – between April 2001 and July 2002, 319,000 adults improved their literacy, language or numeracy skills. For those not in employment, substantial help is already available. New approaches are being tested to improve take up of basic skills help and delivery

of provision in order to help improve employability.

16. For those already in work, in March 2003 the Government launched a campaign to encourage employers to take the issue of poor basic skills seriously and to offer free training to all of their staff who needed it. Literacy, language and numeracy provision is free to the learner in England no matter who provides it, where it is provided, or in what form. A free telephone hotline, run by *learnirect*, is also available for those who need advice on how to improve their basic skills. The all-age National Basic Skills Strategy for Wales includes measures aimed at improving literacy and numeracy skills overall. In November 2002 employers were asked to make a commitment to improving the basic skills of their employees through the Employer Pledge Scheme⁶¹.
17. *Life Through Learning; Learning Through Life* is the new Scottish lifelong learning strategy, aimed at stimulating demand

for learning and getting every Scot ready for tomorrow's jobs, working towards full and fulfilling employment and closing the opportunity gap. The Further Education sector is a lynchpin of lifelong learning, delivering the education and training many of the most disadvantaged require. Course fees are a major barrier for socially excluded groups in taking up education and training opportunities, so fee waivers, which cover the costs of course fees for further education courses for low income groups, are significant promoters of inclusion. In 2001/02, fee waivers were provided to 40 per cent of all students at Scottish further education colleges.

4.1.4 Balancing work and family life

18. Children need the best possible start in life so they can flourish when they go to school and in later years. Suitable childcare is a particularly important route out of poverty, vital to parents –

Kilmarnock College: providing support for vulnerable young people

Kilmarnock College is a major delivery partner for the Prince's Trust Volunteer Programmes in Ayrshire with 12 programmes a year run in social inclusion areas, such as the Three Towns (Ardrossan, Stevenston and Saltcoats); Cumnock, North Ayr and Girvan. Some 100–120 young people a year between the ages of 16–25 benefit from the programme. Most have backgrounds of unemployment and some are ex-offenders. The college has been awarded the Prince's Trust Partner of the Year Award for the last two years because it has the best record in Scotland of supporting young people into jobs and further education.

- particularly lone parents – so they can work, learn and train with confidence. The Government is committed to improving access to good quality childcare, early learning and family support to ensure all children get a sure start in life, and help secure a better future for families, and stronger and safer communities⁶².
19. In addition, a package of measures was introduced in April 2003 to provide working parents with more choice and more support to help balance work with childcare. These include:
 - an increase in standard Statutory Maternity Pay (SMP) to £100 a week;
 - an increase in paid maternity leave to 26 weeks and additional unpaid maternity leave of up to 26 weeks allowing a new mother up to a year's leave in total;
 - for fathers, two weeks paternity leave paid at the same rate as SMP; and
 - similar rights for adoptive parents.
 20. The Government's new strategy for encouraging flexible working is discussed in **Chapter 3**⁶³. These new rights, together with existing rights to parental leave and time off for dependants, provide more choice to balance work and family life than ever before.
 21. The Government has funded an unprecedented growth in services for young children and families in England in the last few years. It has: substantially expanded childcare provision (over 647,000 new places have been created, benefiting more than 1.1 million children since 1997); guaranteed a free, part-time, early education to all 4-year-olds, and now 88 per cent of 3-year-olds; and also established 492 Sure Start local programmes to provide a wide range of family services in disadvantaged communities. To ensure good quality childcare, the Government has introduced national day-care standards and is strengthening the workforce.
 22. The Government is committing substantial new resources to: sustain this expansion, with targets to create a further 250,000 new childcare places, so more than 2 million children will benefit; and particularly address the needs of the most disadvantaged areas through a network of new children's centres, the first of which were announced in June 2003; and grants to new childminders.
 23. In Wales childcare funding has increased since 1999 by a further £14.3 million with the aim of creating 22,000 new childcare places. The New Opportunities Fund has also created 23,236 new childcare places in Wales. Furthermore,

£2 million has been made available for supporting the sustainability and workforce development of out-of-school childcare provision. The Welsh Assembly Government is also increasing investment through its unified grant Cymorth – the Children and Youth Support Fund, to achieve similar objectives.

4.2 Objective 1.2: access to resources, rights, goods and services

4.2.1 Modernising social protection

Tax credits

24. Two new tax credits launched in April 2003 provide better financial support to families, tackle child poverty and make work pay. These are Child Tax Credit (CTC) and Working Tax Credit (WTC). CTC and the childcare element of WTC will be paid directly to the main **carer** in the family. This contrasts with the Working Families' Tax Credit, which was paid to the main **earner** in the family. Because main carers will often be women, the introduction of the new tax credits will lead to a transfer of resources from men to women of up to £2 billion.
25. CTC provides a single seamless system of support for families with children and nine out of ten families are eligible. It brings together all pre-existing income-related support for children⁶⁴. This will provide significantly greater income security – an important issue for people and organisations consulted about this NAP – for families where individuals move in and out of the labour market.
26. WTC is a system of in-work support designed to tackle poor work incentives and persistent poverty among working people. WTC provides financial support to adults in low-income households aged over 25 without children or a disability for the first time. It also provides help with eligible childcare, covering 70 per cent of childcare costs up to a maximum of £200 a week (£135 a week for families with one child). It tackles poor work incentives and persistent poverty among working people. In combination with the NMW,

Quids for Kids

In recognition of the significance of tax credits in tackling child poverty the Local Government Association has launched a 'Quids for Kids' campaign to promote take up by publication of a good practice guide and electronic toolkit. This encourages take up especially for disabled children, low waged families and lone parent families. See www.lga.gov.uk/quidsforkids.asp

tax credits provide a guaranteed minimum income for working families. From April 2004, for all tenants eligible for WTC, £11.90 of weekly earnings will be disregarded for the purposes of calculating Housing Benefit and Council Tax Benefit, to match the treatment of those working over 30 hours. This further improves the gains to work for 90,000 tenants working part time (generally lone parents and disabled people), with part-time workers eligible for WTC in rented accommodation £10 per week better off. WTC provides financial support for the first time to adults in low income households aged over 25 without children who work over 30 hours a week, or those with a disability who work 16 hours or over a week for the first time.

Housing Benefit reform

27. Housing Benefit is paid to just under 4 million households in Great Britain. It therefore has a key role to play in lifting people out of poverty and promoting opportunity. However, the £11.5 billion spent contributes less than it should to these objectives because of uneven administration between local authorities and a complex structure that creates barriers to work and restricts choice of accommodation for tenants. The reform strategy includes:

- a new '**standard local housing allowance**' in the private rented sector – to be piloted in ten areas later in 2003 – meaning that tenants will know in advance what they are entitled to;
- measures to address the main factors that contribute to variable **administration**;
- **simplification**, for example: removal of the requirement to reclaim periodically from April 2004; rapid reclaim for those starting a job which does not work out; and a new integrated claim form; and
- increased **accountability**, supported by better measurement.

Asset-based welfare

28. Research⁶⁵ suggests that matched contribution schemes may be more effective than tax relief in encouraging saving by low and moderate earners. The **Saving Gateway** offers a transparent Government-funded match of all money saved, up to a limit. It is designed to be an ideal starting point for low-income individuals who would otherwise have difficulty starting on the saving ladder. Tailored financial information and education will be provided to help individuals make informed saving choices.

29. For many younger or low-income individuals, the account provides an effective bridge to other forms of saving. In five pilot locations, low-income individuals are being offered the opportunity to open an 18-month account into which they can save up to £25 a month, to a maximum of £375, which will be matched pound for pound by the Government at maturity. Further development of the Saving Gateway will follow in light of evaluation evidence.
30. The **Child Trust Fund** will build on the financial education delivered through schools and other channels, promoting financial inclusion, strengthening the saving habit and spreading the benefits of asset ownership to all. Children born from September 2002 will be eligible. An endowment of £250 will be payable to all children at birth, rising to £500 for those children from low-income families. Family, friends and children themselves will be able to contribute to the account – helping to reinforce the saving habit within the family. Funds will be accessible at the age of 18, which will promote opportunity by ensuring that all young people, regardless of their families' circumstances, start their adult lives with access to a stock of financial assets. Funds could also be rolled over into other saving products. Full proposals will be published in

September 2003, with the expectation that financial services providers will be able to offer accounts by 2005.

Reforming social protection for the most vulnerable

31. The Government has also introduced specific measures aimed at vulnerable groups.
- Additional cash support for the most severely disabled provided by the Disability Income Guarantee – very severely disabled people under 60, on income-related benefits, get a guaranteed income of at least £146.55 a week for single people over 25, and £192.65 a week for couples. And families with very severely disabled children are benefiting from an extra £16.60 a week for each disabled child.
 - Three successive above-inflation increases to the disabled child premium in the income-related benefits to over £41.30 a week, benefiting around 87,000 families with children. An equivalent disabled child element is also included in the CTC.
 - The Independent Living Funds offer certain severely disabled people the opportunity of living independently at home instead of in residential care by helping to pay towards the costs of their personal

and/or domestic assistance care. Since April 2002 the earnings of beneficiaries and their partners are disregarded, making work pay for severely disabled people.

4.2.2 Access to decent housing, and tackling fuel poverty

Housing

32. Providing decent homes is about more than bricks and mortar – it is also about ensuring that people have the support they need to live independently in their accommodation. The Supporting People programme provides a co-ordinated framework for housing-related support services. Supporting People strategies, developed in partnership between local authorities, Primary Care Trusts and local probation services, will set out how these are met. All services receiving Supporting People funding will also be rigorously reviewed by local authorities by April 2006 to ensure that they are meeting people's needs, are good quality and are cost-effective.
33. The transfer of local authority housing stock to community ownership in Scotland will deliver a step change in investment, creating tenant empowerment by involving them in decision making and providing a solution to housing debt. Over 18,000 new or improved homes for social rent or low cost ownership have been made available in the last three years.
34. The Welsh Housing Quality Standard sets out the aspiration for the physical condition of all housing in Wales. Social landlords are expected to reach these standards by 2012. Furthermore, funding is provided to Care and Repair agencies to provide practical support to older and disabled people needing improvements to their homes. Most also run 'Safety at Home' initiatives and handyperson schemes, providing small-scale, but important, repairs. Together, these can make the difference between older people staying in their home and having to go into supervised care. In Northern Ireland the outcome of recent reviews provides a basis for improving existing arrangements for dealing with the needs of the homeless. A particular issue is housing for the Traveller Community, where two pilot group housing schemes have been completed with a further two due for completion by 2005.
35. In England a home is classed as decent if it: is above the current statutory minimum standard for housing (the fitness standard); is in a reasonable state of repair; has reasonably modern facilities; and provides a reasonable degree of thermal

comfort. In April 2001 there were 1.6 million non-decent social sector homes in England – a reduction of around 700,000 from 1996 – and nearly 1.2 million vulnerable households in the private sector (43 per cent) were living in non-decent homes. The Government will ensure all social housing is decent by 2010 with a third of the improvement taking place by 2004. It will also help 80,000 vulnerable households in the private sector make their homes decent by 2005, and a further 130,000 by 2010.

Fuel poverty

36. Tackling fuel poverty remains a key part of wider policies on energy and social inclusion⁶⁶. Progress is encouraging as the number of fuel poor households continues to fall. Fuel poverty is being tackled through a combination of energy efficiency measures, energy market measures (maintaining downwards pressure on fuel costs, supporting the development of fuel company initiatives, etc), and other measures (for example changes to the benefits system). Warm Front⁶⁷, the main programme for tackling fuel poverty in the private sector in England, aims to lift households out of fuel poverty by providing insulation and heating improvements to those in receipt of qualifying benefits. Other programmes focus on vulnerable households⁶⁸.
37. The devolved administrations each have comparable fuel poverty programmes. The Welsh Assembly Government has provided £41.8 million since 2000 to fund its Home Energy Efficiency Scheme in Wales. Proposed funding for the

British Gas 'here to HELP' Programme

The British Gas⁶⁹ 'here to HELP' Programme (HELP) is a new initiative working with local authorities and housing associations across Britain seeking to address the root causes of household fuel poverty. The scheme offers a package of services to household residents:

- **energy efficiency products and advice**, such as insulation and condensing boilers;
- **increased income** through benefits checks, cold weather payments and discounted fuel bills;
- **essential appliances** including special appliance adaptors for older and disabled people;
- **safety and security** through installation of security devices; and
- **free tailored advice and services** from HELP partners.

scheme between March 2004 and March 2006 is £28.2 million. Since 1999, the Scottish Executive's Warm Deal programme has provided £21.5 million, with an additional £7.5 million allocated for 2003/04. The Central Heating Programme, launched in 2001, provided £50 million in the first two years, with an additional £40 million available for 2003/04. By March 2006, 70,000 eligible householders in Scotland will receive free central heating and insulation and other benefits. Northern Ireland launched a Warm Homes Scheme in April 2001. A total of £15.5 million was made available from a variety of sources, including an energy efficiency levy on consumers. Overall, £10.3 million is available for 2003/04.

4.2.3 Access to healthcare

38. The UK offers universal access to healthcare services through the National Health Service (NHS). The Government is committed to modernising the NHS and launched the NHS Plan in July 2000, setting out a ten-year plan for the improvement of health and social care services in England. The Plan sets out new investment and new ways of working, to ensure services are designed around the needs of patients and service users, and to tackle health inequalities. The Plan includes commitments to raise services overall and sets a stronger role in prevention for the NHS. It also includes a commitment to partnership working with other agencies and local communities to tackle the causes of ill health and reduce inequalities in access to services.
39. National Service Frameworks (NSFs) have been put in place to drive improvements in services and health outcomes by setting nationally applicable approaches and minimum standards on key issues like coronary heart disease, diabetes, mental health and older people. Further NSFs are planned.
40. In Scotland, the *White Paper Partnership for Care* (February 2003) looks forward to a NHS that delivers faster and better quality healthcare, a service which responds to the needs and interests of patients and local communities, and which meets national standards of healthcare. It includes measures to encourage redesign of services by better integration and partnership. An unprecedented commitment to improve health and reduce health inequalities, for example by addressing the health needs of homeless people and other vulnerable groups, is integral to that.
41. *Improving Health in Wales: A Plan for the NHS with its partners* (February 2002) sets out a ten year direction for Welsh health services. A key

feature is the development and implementation of local health, social care and well-being strategies to address the needs of local people, bringing together local government, the NHS and other key partners. A main focus will be to identify and tackle health inequalities and to ensure that people who for one or more reasons are unable to access and/or who do not benefit from high quality care do so⁷⁰.

42. Social exclusion is a factor in the lives of many people with mental health problems. Accordingly, during 2003, the Social Exclusion Unit (SEU) is looking at the issue of adult mental health, focusing in particular on gaining and retaining employment, access to services and social participation. In Scotland, wide-ranging work is underway to remove the stigma attached to mental illness, reduce the rate of suicides, and achieve greater understanding of mental well-being.

4.2.4 Access to education

43. It is crucial that people are equipped early with the education, skills, support and equality of opportunity they need to succeed and so avoid the risk of exclusion. In England, the UK Government is working with local educational authorities (LEAs) to raise achievement at school for all children through the National Literacy and Numeracy Strategy, Summer Literacy Schools, Truancy and Exclusion initiatives, Education Action Zones, Excellence in Cities, and supporting schools in challenging circumstances. In addition, a range of out-of-school hours activities are made available through local authorities, schools and other services. These cover a wide range of activities including breakfast clubs, lunchtime and after-school special interest activities such as languages, sport, IT and the creative arts as well as homework and revision classes. These activities can make a real difference, particularly those disadvantaged or not achieving their full potential, in terms of their self-confidence and interpersonal skills as well as improved attainment and attitudes to learning. Many school activities provide opportunities that would otherwise not be available for some children.
44. In Scotland, education authorities are implementing *Better Behaviour Better Learning* which encompasses recommendations to address the learning support, behaviour support and welfare needs of pupils, to tackle disaffection and ensure inclusion.
45. People with experience of poverty have told us that additional costs arising out of

school attendance can be a problem. In maintained schools the education provided wholly or mainly during school hours must be free⁷¹ (subject to exceptions for certain music teaching). LEAs are responsible for the provision of free transport for pupils who do not live within a statutory distance and must provide free school meals to children whose parents receive Income Support or certain other support payments⁷².

46. Guidance to English schools advises them to take account of cost considerations when determining school uniform policy and that exclusion is not an appropriate response to breaches of policy. LEAs also have the discretion to provide clothing grants to parents: it is for each LEA to determine the criteria. There is nothing in legislation to prevent a school from requesting voluntary contributions from parents and others to fund any school activity. However, no child should be treated differently because parents are unable or unwilling to contribute.
47. Later in 2003, the UK Government is planning to carry out an exercise that will collect information on the subject of costs incurred as a result of children attending school. The study will gather information from a cross-

section of parents and maintained schools in England.

48. The UK Government is committed to closing the educational achievement gap that exists between some groups of ethnic minority pupils and their peers⁷³. This will be taken forwards by:
- maximising delivery through optimum use of existing national policies and programmes;
 - developing the work already underway in LEAs under the Race Relations (Amendment) Act;
 - equipping schools with the skills needed to raise the attainment of ethnic minority pupils;
 - developing specific new support for African/ Caribbean pupils and bilingual learners;
 - helping schools and LEAs to manage the effects of unavoidable pupil mobility better, including for the traveller and asylum seeker communities; and
 - getting better value out of the Ethnic Minority Achievement Grant and general school funding.

4.2.5 Access to justice

49. In England and Wales, the Community Legal Service (CLS) aims to improve access to good quality advice and information

so that people can resolve actual or potential disputes and enforce their rights effectively. This scheme has been chosen as one of the UK's 'best practice' examples, so further details are provided at **Chapter 6**. In Wales, the Partnership Initiative Budget aims to encourage innovation in the provision of advice services, including to excluded client groups. And CLS Partnerships are being piloted in four areas across Scotland, including one rural area.

4.2.6 Access to culture, sport and leisure

50. In England, national priority targets enhance access to a fuller cultural and sporting life for children and young people, and to increase the take up of opportunities by new users aged 20 and above from priority groups. Means to secure this include: Creative Partnerships, a £40 million programme to offer children in deprived areas opportunities to develop creative potential and raise educational attainment; the £459 million PE, School Sport and Club Links project to provide improved sporting opportunities; enhancing access to the historic environment by attracting 100,000 visits by new users from minority and socially deprived groups; and a target to attract 500,000 new visitors to regional museums, including 100,000 from ethnic minorities.

51. The Welsh culture strategy, *Creative Future: Cymru Greadigol* contains a key commitment that all people are able to participate and share in cultural life. Urdd Gobaith Cymru (the league of Welsh youth) will be developing its sports and youth projects through the medium of Welsh, including disadvantaged areas. In Scotland, there is a target to increase the number of under-represented groups, especially children and young people, taking part in cultural and sporting activity by 5 per cent by 2006. And Northern Ireland aims to make access to culture, sport and leisure facilities available to all including concessionary angling permits to people with disabilities, older people, and children for fishing on the public angling estate⁷⁴.

4.2.7 The quality of services provided to the most vulnerable citizens

52. It is essential that public services responsible for supporting those facing the most extreme problems do so effectively and sensitively. Treating all people with respect is an essential element in combating poverty. Similarly, involvement of service users in training can help front-line staff better understand the needs of those they are supporting and the impact poverty has on lives. This agenda is being taken forwards in several ways.

“The importance of respect cannot be overestimated”

Comment by ATD Fourth World: submission on Second UK National Action Plan on Social Inclusion

- **ATD Fourth World** is involved, alongside academics and social work professionals, in a project to bring the knowledge of families living in poverty who are users of social services, into social work training. This will mean that service users will be classroom trainers, giving students an opportunity to learn directly from those who have real experience of poverty.
 - **Jobcentre Plus** recognises the contribution that external representative groups⁷⁵ can make to the development of Jobcentre Plus Personal Advisers. So it is actively engaging with these groups in the development and delivery of training to ensure that Personal Advisers have a detailed awareness and understanding of the issues preventing disadvantaged groups finding and retaining work.
53. Similarly, the UK Government is committed to ensuring that disabled people can participate in all areas of life. The Disability Discrimination Act supports this, protecting disabled people in employment as well as access to goods and services. Draft Regulations, which if approved will come into force in October 2004, introduce meaningful changes to the employment provisions of the Act. These will end the current exemption of small employers and certain occupations from the scope of the Act. The changes would bring some 1 million employers, 7 million jobs and 600,000 disabled people already working in those jobs within the scope of the Act.
- ### 4.3 Objective 2: preventing the risks of exclusion
- #### 4.3.1 Tackling health inequalities
54. As well as raising overall levels of performance, the UK is committed to tackle inequalities between different groups and areas. In July 2002, the Government launched a Programme for Action to tackle health inequalities. This set out the response to the challenging and complex problem of inequalities in health and priorities for action running across government for the next three years. It recognises that to succeed in narrowing the gap between the worst areas and the rest, action is needed on a broad front: at national, regional and local levels. The NHS plan supports this in

- England by, for example: changes to resource allocation; Personal Medical Services schemes to improve access to quality services; modernisation of health centres in deprived areas; development of a new health poverty index; and equitable access to healthcare performance managed for the first time.
55. In Wales, the Inequalities in Health Fund will stimulate and support new local action to tackle health inequalities and the factors that cause it, including inequities in access to health services. The Fund is supporting 66 projects in disadvantaged communities. Targeting Poor Health, a major review of the way resources are allocated within the NHS in Wales, will also help to address inequalities in access.
 56. *Improving Health in Scotland: the Challenge* provides a strategic framework to deliver a more rapid rate of health improvement in Scotland. It aims to improve the health of the most disadvantaged communities at a faster rate to narrow the health gap. It focuses on five key risk factors – tobacco, alcohol, low fruit and vegetable intake, physical activity levels, and obesity – and four specific areas – early years, teenage transition, workplace, and communities.
 57. In Northern Ireland, *Investing For Health* aims to reduce inequalities in health between geographic areas, socio/economic groups and minority groups. This will be achieved through seven cross-cutting objectives concerning wider determinants of health including poverty, educational attainment, mental health and well-being, living and working conditions, the wider environment, reducing accidental deaths and injuries, and enabling healthier choices.
- #### 4.3.2 Prevention of life crises that can lead to exclusion
- ##### **Over-indebtedness and financial exclusion**
58. Over-indebtedness and financial exclusion are often related issues. Whilst there is nothing inherently wrong with borrowing, problems can occur when people are unable to access affordable credit or are not able to manage borrowings. Whilst problem debt is restricted to a relatively small proportion of the population, beneath the statistics lie many individual cases of people who are trapped in a cycle of debt and are likely to need support in getting their debt under control. In addition to this, there will be a wider group for whom debt complicates the handling of other money issues and/or return to work. Work to identify the scale of extreme

Pollok Credit Union: Money Advice and Budget Service

Pollok Credit Union (Glasgow) is offering a money advice and budget service, in addition to existing Credit Union services. The project aims to help local people in financial difficulty, provide debt advice and counselling, reschedule debts and help with financial management. It is linked to the local Citizens Advice Bureau (CAB) which offers hands-on expertise and advice combined with the financial services of the Credit Union. Clients' lodge their money in a budget service account at the Credit Union and regular payments are made as agreed. The Credit Union then pays the creditors on a monthly basis.

- indebtedness will be taken forward during the period of this NAP.
59. The Government's Social Fund provides budgeting loans to people receiving Income Support to help them manage lump sum expenditure. Crisis Loans are available where there would otherwise be a risk to health or safety – these could be for large lump sum expenditure or small amounts to bridge a gap in income for vulnerable people. Loans are interest free, supported by a budget for 2002/03 set at £518 million with that for 2003/04 set at £558 million. In 2001/02 some 1.24 million Budgeting Loan awards (average amount £375) were made and 0.99 million Crisis Loans (average amount £71). The Government continues to consider the scope for improvements to this scheme.
60. Credit Unions make a difference: they are open to low income groups; encourage small-scale savings; provide low cost credit; and can be a bridge to other financial services. The UK Government is therefore helping develop the Credit Union movement. Their education objectives enable them to help members to be effective and responsible users of financial services and many now offer a wider range of services including bill payment and debt reconciliation. In Great Britain, from 1995 to 2000 the number of Credit Unions has

Portsmouth Area Regeneration Trust (PART): another model of community-based support

PART grants loans to people who cannot borrow from mainstream lenders. Prior saving is not necessary. Funding is provided by private investors (for a social return only), Government, Community Fund and other major charitable grant givers. The loans must be for needs and not wants, such as small business start up, clothes, major domestic items, training courses, rent arrears, accommodation deposits, and consolidation of debt. Enquiries come via 'introducers', such as Jobcentre Plus, Housing Benefit officers or debt advisers. To date PART has lent over £0.5million.

grown by around 30 per cent and the value of loans outstanding has increased by around 170 per cent. Credit Union coverage is greater in Northern Ireland, where almost 20 per cent of the total population are members⁷⁶.

A review in Northern Ireland is looking at the impact of Credit Unions on the social economy, including how they might encourage more financial inclusion. The impact on Credit Unions of new financial services or consumer protection legislation needs to be carefully considered.

61. Credit Unions are not the only organised source of affordable credit. There are also different types of small, community-based organisations that lend small sums to those who may be in greatest need. A key difference to this type of organisation is often that prior savings are less relevant – or not relevant at all – to lending decisions. If well supported, for example by a commercial bank, these can provide affordable lending for a range of socially useful purposes.
62. Only 20 per cent of households unable to meet their financial commitments in the past 12 months sought advice. To help promote ‘financial literacy’ the government is pursuing measures aimed at children and adults, piloting new approaches (such as the National Debtline)

and supporting a review on over-indebtedness. The Scottish Executive has provided additional funding to increase the number and effectiveness of debt advisers in Scotland by over 25 per cent, and provide support to advice providers. In 2001, in Scotland alone, the CAB had 180,000 debt enquiries involving £95 million debt, an increase of £25 million from the previous year.

63. Property insurance can be very expensive in some areas. Studies⁷⁷ have identified **insurance with rent schemes** as a way of increasing access to insurance services. These schemes are low-cost group policies for social housing tenants where social landlords collect premiums with the rent. The Association of British Insurers has developed a best practice guide for social landlords.

Universal banking

64. Universal banking services are made up of (i) access to basic bank accounts at Post Offices and (ii) the Post Office card account. They will help to give the estimated 3.5 million adults in the UK currently without bank accounts access to them. Basic bank accounts are designed for people who are new to banking, providing most of the facilities of a standard bank account but have no overdraft facility. Features vary a little from bank to bank, but

they are all provided free of charge by all of the main retail banks and the Nationwide Building Society.

65. The Government's new Direct Payment system for paying benefits is designed to work with these accounts as well as with standard bank and building society accounts. It will assure a safe, convenient, more modern and efficient way of paying benefits that is also much more secure. Direct Payments will open the door to a wider range of banking and financial services, such as direct debit facilities for people who had previously had no access to banking services.

4.3.3 Exploiting the potential of the knowledge-based society and IT

66. Many initiatives are underway to use IT-based solutions to support inclusion.
- The Public Internet Access Points Initiative is creating at least 1,000 new access points in areas of Scotland where public internet access is poor. In addition, there are two pilot 'digital communities' being monitored.
 - In Northern Ireland some 53 per cent of those aged 16 and over stated that they do not have access to computing technology and/or the internet. Other groups also felt particularly disconnected

from the 'information society', including 64 per cent of those in the lower socio-economic groups. A Digital Inclusion Strategy will run from May 2003 until December 2005.

- Local government is also developing the potential of new technologies. Lincolnshire's Rural Academy aims to use IT to bring together over 50 schools and colleges. Specific projects include new multimedia approaches to learning, supporting foreign languages teaching, family learning with adults and children learning together and supporting adult basic and key skills. This will enhance the educational, cultural and social opportunities within the area.

4.3.4 Homelessness

67. In 1999 the Scottish Executive established a Homelessness Task Force, which made 59 recommendations. All have been accepted and all legislative recommendations have been taken forward⁷⁸. These will mean that all homeless people are entitled to permanent accommodation by 2012 and that support will be provided to those who are intentionally homeless. All local authorities are required to produce homelessness strategies, incorporating the need to

Network East Foyers: helping homeless young people in London

Network East Foyers accommodates and supports 450 homeless and vulnerable young people, many of whom are among the most alienated and disadvantaged. Innovative approaches include: *Time for Youth*: working to address offending behaviour by tackling the underlying causes of homelessness and accommodating more challenging and stigmatised young people; and *First Step Assessment Centre*: providing residential short-stay intensive assessment to establish support needs for homeless young people prior to entering a Foyer, or, through family reconciliation, a return home.

- ensure groups at risk should receive appropriate advice and support. These strategies were submitted by all Scottish local authorities in March 2003 and are currently being reviewed.
68. The Scottish Executive is also targeting considerable resources to tackle this problem. Along with local government, it has pledged that any need to sleep rough will end by 2003. The Rough Sleepers Initiative (RSI) has already made considerable progress, receiving funds of £36 million over five years. Revenue funding of £11 million a year is now paid directly through the Rate Support Grant, thus allowing local authorities to match their funding stream to specific local needs. In addition, a further £2 million of capital funding was made available for 2002/03 and 2003/04. A key element is the Glasgow Hostels Decommissioning programme, the staged closure of all of the city's large-scale hostels and replacement by purpose-built accommodation and tailored support services. Finance is provided by the city council's RSI programme plus an extra £47 million from the Executive over the next three years.
69. In England, important changes have been made since the last NAP. By the end of 2001, rough sleeping had been reduced by more than two-thirds, compared with 1998. A new Homelessness Directorate⁷⁹ is working with local authorities⁸⁰ and others to develop more strategic approaches that deliver sustainable solutions. In particular, it is committed to sustaining the reductions achieved in rough sleeping and, by March 2004, to end the use of bed and breakfast hotels for homeless families with children, except urgent cases of less than six weeks duration. New legislation strengthens the rights of homeless people, removes certain limitations on local authorities, gives additional powers to authorities to assist homeless people who do not have a priority need, and widens the groups who do have a priority need⁸¹ for accommodation.

70. Homelessness affects different groups disproportionately. For example, women and lone parents, and people from different ethnic minority communities, are more likely to be homeless. Relationship breakdown is a leading reason for homelessness, with seven in ten such cases involving domestic violence. Over the last seven years, more than 130,000 English households have been accepted as unintentionally homeless and in priority need because of domestic violence – around one in every six acceptances⁸². One response will be the development of a national freephone helpline and a supporting database of information: 'UK Refuges on line'. Additionally, in 2003/04, investment of £18.8 million – with £7 million in each of the next two years – will provide more refuge bed-spaces for people fleeing violence.
71. The introduction of the Supporting People programme from April 2003 makes an important contribution to meeting the support needs of people fleeing domestic violence and other vulnerable households who might otherwise face recurring homelessness. A budget of £1.4 billion is being invested to provide housing-related support services on a more strategic basis during 2003/04, helping a million vulnerable people sustain independent living.
72. The Welsh Assembly Government aims to eliminate the need for anyone to sleep rough in Wales. It has issued statutory guidance to local authorities on engagement with rough sleepers through outreach work, monitoring levels of rough sleeping and ensuring that rough sleepers have access to emergency accommodation. Grants for projects to tackle homelessness have increased by 800 per cent over the past five years. They also have the objective of eliminating the use of bed and breakfast accommodation for homeless families and reducing its use for others.
73. Northern Ireland is reviewing approaches to the causes of homelessness and methods of alleviating its affects. The review findings will be the subject of public consultation in March 2004. Funds are being made available, from 2003/04 to 2005/06, to provide 105 special accommodation units to assist homeless people.
- #### 4.3.5 Teenage pregnancy
74. The last NAP reported on the high levels of UK teenage pregnancy. Developments since include:
- in England, this is being addressed by a dedicated Teenage Pregnancy Unit, promotion of awareness, funding to help school-age mothers back into education,

UK success recognised by the European Union (EU) Social Exclusion Action Programme: Greater Derby Primary Care Trust

Derby led a successful bid for EU funding to lead a transnational project into prevention of exclusion of children and young people resulting from poor sexual health (in practice likely to focus on the issue of teenage pregnancy). This aims to improve understanding and practice by sharing effective policy and practice; influencing future policy development and implementation; preventing the exclusion resulting from poor sexual health; reducing the risk factors leading to poor sexual health; and ensuring that young people are able to influence policy and service development.

development of 20 Sure Start Plus pilot programmes to give greater advice and support, and supported housing pilot projects. There are encouraging signs of early progress with under-18 and under-16 conception rates both falling by 10 per cent between 1998 and 2001;

- in Scotland, the Healthy Respect project is testing the promotion of sexual health, prevention of unwanted teenage pregnancies and reduction in sexually transmitted infections;
- in Northern Ireland the Teenage Pregnancy and Parenthood Strategy and Action Plan 2002–07 aims to reduce unplanned births to teenage mothers; and minimise the adverse consequences of those births. A sexual health strategy is currently being developed; and
- Wales has produced: new guidance on sex and relationships; support for

condom distribution projects; sexual health training for those working with looked after children; and projects to raise awareness of, and access to, emergency contraception.

4.3.6 Drugs

75. Drug problems disproportionately affect the most deprived communities and the sale and use of drugs, with the associated crime that underpins drug use, add to the decline of communities and social exclusion. In England, the links between drugs and neighbourhood deprivation are addressed by close joint working between the Home Office and the Neighbourhood Renewal Unit. In particular, drug-dependent offenders are increasingly directed towards treatment. Crack cocaine abuse strategy focuses on those areas and individuals most at risk and seeks to address issues at the root of crack use. Action on the supply of drugs is targeted at communities with most

extensive drug markets. Treatment is being focused on the needs of those at greatest risk, for example the homeless, and those in deprived areas. Future efforts will prioritise those involved in begging and sex work. Further research will identify the needs of traveller and asylum seeker communities.

76. The Scottish strategy focuses on stifling the supply of drugs, educating and informing young people (for example through 'Know the Score'), and treatment and rehabilitation. Implementation is by Drug Action Teams, working in partnership to deliver local services. Northern Ireland are implementing the Drug Strategy and the Strategy for Reducing Alcohol Related Harm, with additional resources of £9.3 million. In Wales, the substance misuse strategy includes both drugs and alcohol and additional resources of £9 million have been allocated over the period 2003/06.

4.3.7 Supporting families and family members

77. Radical **reform of child support** will be an important change for families. The Child Support Agency will be able to get money to more children faster. A million children will benefit. From March 2003, new cases are dealt with under the new scheme, whereby maintenance liability will take no account of the parent with care's income, making it easier to calculate and understand. This will improve the rate at which applications are converted into maintenance calculations, improve compliance, and so improve work incentives whilst increasing incomes of lone parents – usually lone mothers – through the Child Maintenance Premium⁸³. When parents with care return to work, income from child maintenance is disregarded when calculating tax credit entitlement.
78. **Domestic abuse** must be addressed. So, for example, Scotland is committed to raising awareness, improving information and ensuring that women and their children get the protection and support they need. The Executive will legislate to reform family law.
79. The **Children's Fund** works with children, primarily aged 5–13 years, who are showing early signs of being at risk of social exclusion. The Fund is worth £450 million over three years and spending proposals are built from the bottom up, responding to local needs. Children, young people and parents are expected to be involved in designing and delivering services, which might include mentoring projects, out-of-school activities, or support for parents. In Northern Ireland, the Fund has already allocated over £20 million to 26 projects led by the statutory sector.

Funding – amounting to £17 million to support 102 projects from 2003/04 to 2005/06 – will now be provided for the voluntary and community sectors. And the **Local Network Fund** for children and young people is worth £150 million over five years. The fund aims to empower communities, families and young people to help themselves, and increase the opportunities available to them.

80. The **Special Educational Needs and Disability Act 2001** strengthened the rights of English children with statements of Special Educational Needs (SEN) to mainstream education. The SEN and disability frameworks are designed to complement one another and widen access to education and thus support inclusion. The UK Government proposes to publish a new SEN Action programme in autumn 2003.
81. Action is also being taken to support the most vulnerable children. For example:
 - English local authorities have been asked to agree a local preventive strategy to include systems for identification, referral and tracking of children at risk of social exclusion. And the Local Government Association, the NHS Confederation and the Association of Directors of Social Services have jointly developed the new vision for children's services in England⁸⁴;
 - the SEU has been researching how best to raise the educational attainment of children in care. It will publish its recommendations later in 2003⁸⁵; and
 - in Scotland, the Changing Children's Services Fund provides funding – increasing to £65.5 million by 2005/06 – to support local authorities, health boards and voluntary organisations in delivering better outcomes through more effective and integrated service delivery.
82. The Government will publish a **Green Paper** examining how well services are meeting the children's needs and what can be done to make services more responsive and better able to prevent problems or intervene earlier rather than in response to a crisis. In advance of this Green Paper, the Government has announced that it is bringing together responsibility for children's services at the national government level.
83. The development of **Sure Start** has led to an unprecedented growth in services for young children and families in England. The 2002 Spending Review committed substantial new resources to continue this expansion (rising to £1.5 billion – including more than doubling

childcare spending – by 2006), and particularly addressing the needs of the most disadvantaged through a network of new children’s centres. Sure Start Scotland aims that every child will have the best possible start by targeting support for families with children aged 0–3 in areas of greatest need. Local authorities have been funded to work in partnership with health and voluntary sector organisations. Additional resources will bring the total spend in Scotland to £50 million by 2006⁸⁶.

4.3.8 Support for older children and young people

84. Connexions is the front-line support service for all young people aged 13–19 in England, providing advice, guidance, and access to personal development activities. It has a particular focus on those most in need. A cornerstone is the Personal Adviser who gives direct advice and support on a range of issues including educational choices and careers, relationships issues, and problems with drugs or bullying. A key objective is to increase post-16 participation and reduce the number of young people aged 16–18 not in education, employment or training. The service also has objectives of contributing towards improvements in young people’s behaviour and reducing crime; improving outcomes for ethnic minority young people; and improving the overall effectiveness of services in meeting young people’s needs. Substantial new money has been provided: the budget in 2003/04 is £458 million and £500 million in 2004/05⁸⁷.
85. In Wales, Cymorth is an innovative Welsh Assembly Government grant to Children and Young People’s Framework Partnerships in every local authority area. It aims to provide a network of targeted support for children and young people within a framework of universal provision, in order to improve the life chances of children and young people from disadvantaged families.
86. In England, Connexions Partnerships and local authority social services plan together to ensure **looked after young people** reach their potential and receive help, as needed, to careers advice, learning opportunities and other information. In Northern Ireland, new legislation places enhanced duties on Health and Social Services Trusts. In Scotland, local authorities will have enhanced duties to help young people leaving care from April 2004 and the Executive, local authorities, Careers Scotland and the voluntary sector have been working together to improve services.
87. Measures to reduce **truancy and pupil disaffection** combine targeted interventions to tackle

those schools with the greatest problems with universal approaches supporting all schools.

- In England, a Behaviour and Attendance Strategy promotes, for example, co-ordinated truancy sweeps, electronic registration, and early intervention through the Fast-Track to Prosecution pathfinder. Guidance will support more effective prosecutions of negligent parents. Further sanctions may be imposed in the forthcoming Anti-Social Behaviour Bill.
- In Scotland, work to tackle pupil disaffection includes initiatives to promote positive behaviour and to develop alternatives to exclusion, for example flexible curricula and programmes to provide alternative success and achievement for disaffected learners.
- In Northern Ireland proposals for consultation on a strategy to engage with disaffected pupils will be published in March 2004.

4.3.9 Support for carers

88. Work to support carers builds on the National Strategy for Carers published in 1999. Throughout the UK carers have been accepted as a priority group and a range of measures

are being developed to provide greater support. For example:

- in Northern Ireland the Carers and Direct Payments Act 2002 gives carers access to services in their own right, supporting them in their caring role and improving their quality of life;
- across the UK, the Carer's Allowance (formerly Invalid Care Allowance) earnings limit was increased to £77 a week, after allowable expenses, from April 2003;
- in England the Carers and Disabled Children Act (2000) strengthened the rights of carers to an assessment of their own needs and gave local councils mandatory duties to support carers directly. The Carers Grant supports local authorities in providing breaks and carers services to carers. It has provided an extra £225 million since 1999 and will continue to increase annually to 2006. And money, which is ring-fenced for councils to help carers, will be doubled to £185 million by 2005/06 benefiting 130,000 more carers;
- in Scotland, support for unpaid carers continues through the ongoing implementation of Strategy for Carers in Scotland (1999). Carers and carers' organisations are closely

involved in all stages of this and statutory agencies are obliged to work in partnership with them;

- Wales has seen the appointment of a carers' representative on all Local Health Boards. The All Wales Ethnic Minority Association have been commissioned to produce good practice guidance on improving accessibility and appropriateness of services to ethnic minority groups; and
- a particular group at risk of exclusion is young people that find themselves with onerous caring responsibilities for other family members. Where these are at risk of disengaging from learning, they will receive intensive one-to-one support⁸⁸.

4.3.10 Support for older people

State pension reform

89. The Government wants all pensioners to have a decent and secure income in retirement. The first priority was to focus help on those who need it most. Existing policy measures are:
- basic State Pension as the foundation of income in retirement. Pensioners are over 7 per cent better off in real terms as a result of above-inflation increases over the last three years;

- State Second Pension, for those on lower incomes. This also provides, for the first time, additional pension for some carers and some long-term disabled people. Low earners will get at least double what they would have done under the earlier arrangements;
- Minimum Income Guarantee, creating a new higher income threshold below which most pensioners with little or no savings should fall. Around 2 million people are benefiting; and
- Winter Fuel Payments: in winter 2001/02 over 11 million people received a payment.

90. The Government is now going further, introducing Pension Credit from October 2003. It is designed to make it easier for people to apply and will replace a weekly means test with a less intrusive and burdensome method of assessment. From age 65 most pensioners will have their entitlement fixed for five years and most will not have to notify changes in their financial circumstances for that period. The Government has also announced a £100 payment for pensioners aged over 80 to be paid for the remainder of this Parliament. This 80+ annual payment will be paid as part of the Winter Fuel Payment where an eligible household includes someone aged 80 or over. As a

result of the Government's measures, including Pension Credit, on average pensioner households will be over £1,250 a year better off in real terms and the poorest third of pensioner households will have gained around £1,600 a year in real terms.

91. Most pensioners are women and two-thirds of low-income pensioners are women. Currently over 1.1 million women receive Minimum Income Guarantee and two-thirds of people receiving Pension Credit will be women, half of whom will be aged 80 or over. State Second Pension is of particular benefit to women, who were significantly more likely to work part-time or as carers.

Long-term care for the elderly

92. Older people have specific care needs, and demographic trends make this an increasingly important issue for the social agenda. Reforms will guarantee faster access to a wider range of services for older people, with greater choice. For example, in England, by the end of 2004, all assessments for social care services will begin within 48 hours and will be complete within one month. Stability is being brought to the care home sector by giving local authorities resources to pay higher fees, along with action to ensure that new standards are implemented appropriately and do not drive

existing good homes out of business. And more elderly people, who choose to do so, will be supported to continue to live in their own homes⁸⁹. In Scotland, personal care is now free for people aged 65 and over. Nursing care is also free for people of all ages in care homes.

4.3.11 Deprived areas

93. Tackling the needs of our most deprived areas is a key element in the UK strategy, with different approaches evolving to meet the differing needs of different parts of the country.
- In England, the National Strategy for Neighbourhood Renewal is a step-change in approach to deprived areas. Further details are provided at **Chapter 6**, as a 'good practice' example.
 - In Wales, the Communities First programme is a long-term strategy to regenerate deprived localities through enlisting a high degree of community support and participation and strong commitment from public and private sector bodies and voluntary and community agencies. An interim evaluation of the Communities First programme has recently been commissioned.
 - The Scottish Community Regeneration Statement set out how partners intend to

UK success at tackling social exclusion by supporting people in local communities:

Community Pride is an initiative of Church Action on Poverty in Salford and Manchester. It works with communities to enable them to have a say in the running of their neighbourhoods and cities. Community Pride's approach to poverty is not issue-based, but is about participation – mobilising and networking local people. Community Pride offers space for ongoing training, mutual support and formation and challenges traditional models of voluntary organisations by being neither service provider nor campaigner – but by working to be an enabler. It is currently working to ensure the more effective participation of women, disabled people and young people in the decision-making process.

turn around disadvantaged communities by improving core services and involving communities. The Better Neighbourhood Services Fund is improving the quality of services in deprived areas through support of pilot social justice initiatives identified with communities⁹⁰.

- Northern Ireland will shortly publish a long-term strategy for urban regeneration activities with a sharper focus on neighbourhood renewal areas. Individuals, groups and organisations will be encouraged to play an active part in the economic and social regeneration of their communities and in improving relations within and between communities.

4.3.12 Preventing the risk of exclusion in rural areas

94. A reasonable provision of services in rural areas is seen as key to the sustainability of local communities and promoting

social inclusion for those without access to a car. The Government and devolved administrations are committed to tackling social exclusion in rural areas⁹¹. In England, the Department for the Environment, Food and Rural Affairs (Defra, created in June 2001) aims *“to enhance opportunity and tackle social exclusion in rural areas”*. Defra is responsible for the Government's target *to reduce the gap in productivity between the least well performing quartile of rural areas and the English median by 2006, and improve the accessibility of services for rural people”*.

95. The overall UK policy framework focuses on finding rural solutions for mainstream service provision through the rural proofing of policies and through additional investment into services in rural areas. This can make a difference on the ground. For example the catchment model for Sure Start

UK success recognised by the EU Social Exclusion Action Programme: European Social Network

This UK based-NGO has secured EU funding to lead a transnational study to address the fast growing problem of unaccompanied young asylum seekers and immigrants who arrive daily in the Member States and become the responsibility of local social services. Other partners include the London Boroughs of Hillingdon, and Hammersmith and Fulham.

was changed, after research identified changes to Sure Start criteria which would make the programme more suitable for rural areas where child poverty is more dispersed. In Wales, the Rural Community Action Programme has been introduced which will help target exclusion in rural communities⁹².

4.3.13 Asylum seekers and refugees

96. The National Asylum Support Service (NASS) provides financial support and, where necessary, housing, to eligible destitute asylum seekers while their applications are being considered. NASS currently provides local authority regional consortia with funding to help with the work of co-ordinating services for asylum seekers and planning for the integration of successful asylum seekers.
97. Strategies for refugee integration are based on collaboration with other stakeholders⁹³ to encourage local communities to support refugees, provide access to suitable English language tuition and promote employment of refugees⁹⁴.

4.3.14 Links to the European Structural Funds

98. The UK's policies to promote employment opportunities for all are enhanced by financial support from EU Structural Funds, in particular the European Social Fund (ESF). The ESF provides about £4.5 billion in Great Britain from 2000–06 to help people develop their employability and skills, with a particular focus on unemployed and socially excluded people. ESF's main task, as defined by EU Regulations, is to support the European Employment Strategy and national action plan for employment. It can also support activities to help people access the labour market which are described in this NAP. ESF support for improving the employability of groups at a disadvantage in the labour market is therefore a common feature of both inclusion and employment NAPs. ESF is therefore supporting both the employability and social inclusion agendas by promoting employment opportunities for all.
99. Social inclusion is a key theme within Structural Fund

programmes. For example, one of the five priorities of the Objective 3 programmes in Great Britain is to promote equal opportunities for all in accessing the labour market, with a particular emphasis on those exposed to social exclusion. Specific measures within the West Wales and the Valleys Objective 1 Single Programming Document (SPD) and the East Wales Objective 3 Operational Plan are targeted at reducing exclusion and promoting the social inclusion of all, through community action and targeted project delivery. The EQUAL programme is also designed to identify and test new ways of combating disadvantage and discrimination.

100. Specifically in Northern Ireland, the two Structural Funds programmes operating under the Northern Ireland Community Support Framework from 2000–06 are: the Programme Building Sustainable Prosperity 2000–06, and the EU Programme for Peace and Reconciliation in Northern Ireland and the Border Region of the Republic of Ireland 2000–04.
101. More information about how ESF programmes support this NAP is provided in **Annex D**.

Chapter 5: Institutional arrangements

1. The multidimensional nature of social exclusion requires a broadly-based response. In the UK it is important to note the role played by the devolved administrations⁹⁵, which in this report has been integrated with discussion of central government action. Currently, however, the Northern Ireland devolved administration is in suspension. The Northern Ireland Administration now operates under the direction and control of the Secretary of State for Northern Ireland.
2. There have, however, been some important strategic developments in Scotland, Wales and Northern Ireland since 2001.
 - In Scotland, *Closing the Opportunity Gap* was a cross-cutting theme of the Executive's Budget for 2003–06. All portfolios had to detail with objectives and targets their plans to tackle poverty, build strong, safe communities and create a fair, equal Scotland. Work is underway to allow Community Planning to become the primary means of co-ordinating and taking forward regeneration activity. This will include a staged transfer of responsibility for Social Inclusion Partnerships to Community Planning Partnerships, thus devolving decision-making.
 - The Welsh Assembly Government has formed a **Child Poverty Task Group**. It will establish a set of principles and objectives for the Assembly Government, acting across its functions, which will significantly contribute to sustainable action to tackle child poverty. It will also consider issues of definition and review policies that impact on child poverty in Wales.
 - In Northern Ireland, **New Targeting Social Need** (New TSN) is the main policy for

tackling poverty, through which all Northern Ireland departments will use more of their available resources to benefit the most disadvantaged. The Promoting Social Inclusion initiative involves 'joined up' working to help those at most risk of social exclusion. Additionally, work is continuing to develop suitable, gender disaggregated, poverty indicators. An interim evaluation of New TSN is underway, with the aim of assessing the effectiveness of its implementation and impact. Any proposed change in policy will be the subject of public consultation.

5.1 Developing the National Action Plan

3. The Government – along with the devolved administrations – has been building a dialogue with representatives of non-governmental organisations (NGOs), local government and others, including people with direct experience of poverty, to support work in this area. This has included both 'one-off' events⁹⁶ and regular dialogue between officials and civil society representatives. An important forum for this dialogue has been discussions between officials and the Social Policy Task Force⁹⁷, an ad hoc NGO umbrella group constituted to discuss National

Action Plan (NAP) issues, and to work together on other areas of mutual interest (for example measuring child poverty). One exciting development has been the development of a dialogue between officials and people with direct experience of poverty.

4. This has included the facilitation of a 'Participation Working Group', looking at both ideas for increasing participation in the current NAP as well as looking forwards. The group concluded that establishing a culture of community participation will take a long time, and that the NAPs – and other participative activities underway – are early steps in a longer process. Developing this will require the active support of all concerned, but the lessons that can be learned reward the effort involved. The group's conclusions are set out in more detail at **Annex F**.

5.2 Responsibilities and competencies of local and regional authorities

5. Local government in England and Wales has a duty to produce community strategies and a power to promote the social, economic and environmental well-being of their communities. Local authorities are community leaders, advocates of local regeneration partnerships,

employers, catalysts for economic activity, service providers and experts on information and research. They interpret, and implement, nationally framed measures to suit their local areas and are crucial to the promotion of social inclusion by helping build effective partnership arrangements between central and local government and others. Local authorities⁹⁸ are crucial to the promotion of social inclusion, as are maintaining and building effective partnership arrangements between central and local government⁹⁹.

6. Local government is in a unique position to influence the work going on in communities to tackle social exclusion, for example by supporting individuals and families suffering isolation by offering self-help services to form community groups. Through their involvement in Local Strategic Partnerships and other partnerships, they are helping to join up essential services provided to the public. They play a key role in bringing the

European Union (EU) dimension down to local level, as they:

- have valuable knowledge of, and experience in, developing common indicators of social exclusion and social inclusion and how they fit local and regional circumstances;
 - can advise on translating European guidelines into domestic policies by setting specific targets and adopting measures taking into account national and regional differences;
 - have valuable experience in delivering relevant structural fund programmes; and
 - have valuable experience in transnational co-operation projects in this field.
7. The Local Government Association (LGA) is the representative body for all local authorities in England and Wales. The LGA has launched the 'Six Commitments' initiative, covering areas where councils are finding new ways of tackling issues that matter to local people, working with

The City of Edinburgh Council: Towards Holistic Indicators for Social Inclusion

Holistic Indicators for Social Inclusion is a transnational project, part-funded by the EU and led by the City of Edinburgh Council. It developed a methodology that can be used to gather better indicator sets, which will help to improve the assessment of social inclusion activity. This involves both quantitative and qualitative indicators, measuring both the causes and effects of social exclusion. The model covers a range of dimensions, including the perceptions of excluded people¹⁰⁰.

Government and local partner organisations. Pathfinder authorities develop innovative projects to help the hardest to reach into work; develop Community, now known as Extended, schools for the community; transform local environments where people live; and deliver higher quality, more reliable bus services. See **Annex G**, provided by the LGA, for more detailed case studies.

8. In July 2002 seven Shared Priorities were agreed by the LGA and Government, to take forwards work on the Six Commitments. These balance the Government's legitimate interest in seeing improvements in key public services with local priorities and the need for councils and other local organisations to be free to pursue national priorities, while reflecting local needs¹⁰¹.
9. The Local Government in Scotland Act now places a duty on local authorities to initiate, facilitate and maintain the Community Planning process and a duty on key public bodies to participate in the process. Community Planning has a key

role in improving public service delivery. It has five key concepts: collective engagement by agencies with communities; effective joint working between public, private, voluntary and community bodies; improved connection of national and local or neighbourhood priorities; providing an overarching framework; and community leadership.

Local Public Service Agreements

10. Local Public Service Agreements (local PSA's) have been developed to free up English councils to deliver services in response to local needs, while meeting and exceeding national targets. Local authorities agree to tough targets in return for improved public services. They will be rewarded for this financially and by a more 'hands off' approach from central government. Piloted in 20 authorities, they are being rolled out to a further 130 by the end of 2003.

London and the English Regions

11. The Mayor and the London Assembly constitute a new and unique form of strategic city-

Some local PSAs relevant to tackling exclusion

- Hampshire: increase secondary attainment, reduce absences and exclusions in deprived areas.
- Doncaster: to increase average attendance of pupils in deprived areas.
- East Riding of Yorkshire: to increase the employment rate of people aged 50 or over, taking account of the economic cycle.

wide government for London. The Mayor represents London and Londoners, in the UK and internationally, taking a strategic look at what is happening in London.

12. The Government seeks to bring decision making closer to the public and to involve a range of interest groups in English regional government. This is to ensure that the development and implementation of national policy reflects regional needs and circumstances. Regional Development Agencies promote regional economic development and regeneration. Regional Assemblies provide a focal point to co-ordinate regional strategies and initiatives. Government Offices for the Regions bring together government departments with regional interests and operate on a cross-cutting basis in areas of social policy and on quality of life issues.

Local Strategic Partnerships: Joining up communities in England

13. Local Strategic Partnerships (LSPs) have been established to help communities work together more coherently by providing a single strategic focus within a locality. This focus is provided by a multi-sectoral partnership body, the composition of which varies according to local circumstances. LSPs are a valid model for harnessing local

stakeholders around common goals and outcomes in dealing with social inclusion. In many local areas there are specific subgroups focusing on services for children and young people, the family or older people which will lead on development of local preventive strategies and other joint planning initiatives.

5.3 Mainstreaming the fight against social exclusion

14. Reflecting the centrality of the fight against social exclusion, a wide range of public authorities consciously embeds activity to promote inclusion throughout their work. At the more strategic level, central government and devolved administrations illustrate how they are tackling poverty in a series of **annual reports**. The UK Government produces *Opportunity for all*, which includes challenging indicators of progress and detailed analysis of poverty issues. Similar reports are produced in Wales – *Annual Report on Social Inclusion in Wales*; Scotland – *Social Justice Annual Report*; and Northern Ireland – *New TSN Annual Report*.
15. The **Social Exclusion Unit (SEU)** works to reduce social exclusion by bringing government together to produce joined up solutions to joined up problems. The SEU works on specific

projects and draws extensively on research, external expertise, good practice and the experiences of those living and working with social exclusion¹⁰². All parts of the UK may draw on these findings.

16. And high quality analysis is not the preserve of government.

- Research and analysis in the analytical community makes a significant contribution to our understanding of social exclusion and the impact of policies. For example, each year The Joseph Rowntree Foundation and the New Policy Institute independently monitor a range of indicators of poverty and social exclusion. Analyses carried out by the Microsimulation Unit at the University of Cambridge, and work from the Institute of Fiscal Studies provides independent assessments of the Government's strategy on tackling low income.

- Similarly, the voluntary sector also provides important analytical insights. For example, work undertaken by Save the Children in Wales provided an important contribution to the debate over measurement of child poverty¹⁰³. And *it's like that* from the Prince's Trust provides useful analysis regarding the hopes and views of disadvantaged young people¹⁰⁴.

17. Gender is mainstreamed into the work of government at all levels. For example, in Wales, it is required to 'make appropriate arrangements with a view to securing that its functions are exercised with due regard to the principle that there should be equality of opportunity for all people'¹⁰⁵. All other parts of government in the UK share a commitment to pursue this aspiration¹⁰⁶.

18. Another response to the rise of poverty as an issue has been the development of non-governmental organisations (NGOs) with a focus of

ReGender supporting equal participation of women and men in regeneration schemes

ReGender works with grassroots groups and women in holding local regeneration programmes to account, and considering if gender and poverty needs are being met by doing a gender analysis of regeneration bodies. It is supported by a National Advisory Group who influence national government and regeneration bodies to include marginalised women's voices in their programmes and decision-making structures. The ReGender project National Advisory Group will be able to provide a useful mechanism for getting input from experience on the ground, into future National Action Plan (NAPs).

addressing poverty in a strategic and analytical way. Some of these, such as Oxfam GB, are part of well-known international NGOs. Others have grown up to respond to particular concerns, such as child poverty, or to address the situation arising in particular locations. A recent development is the foundation of Anti-Poverty Network Cymru, to support empowerment of Welsh people with experience of poverty¹⁰⁷.

19. The voluntary and community sector (VCS) plays a growing role in both providing services that alleviate poverty directly, and also working with people experiencing poverty to help them develop their own self-help activities. National organisations, often working locally, make a significant contribution, for example working with children or providing money advice. This is supported by a Compact, published in 1998¹⁰⁸, as a framework for guiding relationships between Government and the VCS in England. The Compact contains
 - a set of key principles for relationships, with undertakings by Government and the VCS, including recognition of the independence of the VCS; involvement of the VCS in policy making; investment funding; procurement of services; partnership mechanisms; and recognition of diversity.
20. At the local level, community groups have sprung up as a direct response to local needs. They might include food co-ops, Local Exchange Trading Schemes, toy libraries and self-help groups. Small grants can have a disproportionate effect in stimulating such grassroots activity¹⁰⁹. There is also a growing recognition that communities can be better enabled by an asset-based development approach. Land and buildings in community ownership can provide a source of income, a base for community activity and security for affordable credit.
21. Social Enterprise – businesses that trade for a social purpose – include development trusts, co-operatives, intermediate labour markets, community

Addressing poverty issues strategically from outside government: The Poverty Alliance

The Poverty Alliance is a national anti-poverty development agency working in Scotland. One of the key objectives is the development of a 'policy bridge' to enable two-way communications between communities and government about the nature of poverty and how it is experienced, about the priorities for addressing it, and about how these priorities should be developed and implemented. They see their role as facilitators of this communication.

Moving to a social firm model: NewLink Project Ltd

This charity works with disabled adults offering a wide range of education and training in and through IT to enhance employment prospects. Specific objectives include: recruitment of trainees with disabilities; offering courses in IT leading to recognised qualifications; providing work experience and meaningful work. NewLink Project Ltd is working with some 500 trainees across the East Midlands, including some people with restricted mobility in their own homes.

businesses and Credit Unions¹¹⁰. One model of social enterprise particularly relevant to disabled people is social firms¹¹¹: businesses set up specifically to create employment for disabled people. All social firms subscribe to three core values: integration through employment, paying market wages; providing a working environment that provides support, opportunity and meaningful work; and combining a market orientation and a social mission. **Social firms** will aim to employ at least 25 per cent of their paid, contracted workforce that are people with disabilities, and achieve at least 50 per cent of income through sales. They sit neatly within what should be a spectrum of services for disabled people, positioned in the gap between sheltered work projects and open supported employment.

22. Community capacity building and the development of civil society in England is supported by the Active Community Unit (ACU). The vision is of a society where the voluntary and community sector flourishes and

where all individuals and communities are enabled to play a full part in civil society. The ACU aims to ensure that the support, assistance and means exist to enable that vision to become reality. In Scotland, a Strategic Review of Funding aims to make support for the voluntary sector more sustainable.

Community cohesion

23. Government, in partnership with local authorities and local and community groups, are tackling similar issues in respect of community segregation and inclusion across the UK. There are strong links between inequalities in quality of life, education, health, and employment and indicators of community tension. In England, for example, many of the areas considered at most risk of lack of community cohesion fall within the 88 neighbourhood renewal areas. It is recognised that choices constrained by negative factors of poverty and from threats of violence and intimidation, could mean that vulnerable communities are frustrated and resentful by

Tackling social exclusion from outside government: Barnardo's

Barnardo's, the UK's largest children's charity, runs over 300 community-based services for children, young people and their families. Dr B's Restaurant and Coffee shop in Harrogate is an example of the way in which Barnardo's services tackle social exclusion. Dr B's operates as a commercial restaurant, coffee shop and outside catering business providing a wide range of training opportunities for young people aged 16–24 with a special learning need. It provides training in NVQS 1 and 2 and seeks permanent employment for all its trainees on completion of their training. Dr B's works closely with local agencies, including further education and the careers service, to raise employer awareness of selection and recruitment of disabled people at both a local and national level.

being concentrated in areas with the worst housing conditions. In real terms they do not have equal access to better areas¹¹². In response to these concerns, guidance on Community Cohesion has been prepared jointly between Government, the LGA and the Commission for Racial Equality.

where there has been proper consultation with the people most affected by those policies. Consultation is most useful for policy makers and most meaningful for those consulted where it is 'accountable', in other words where this is undertaken on the basis of a two-way dialogue, with decent feedback provided to those taking the trouble to become involved with these activities. These principles may be taken forwards in a number of different ways, for example:

5.4 Promoting dialogue with all relevant bodies

24. Effective policymaking requires full understanding of the issues involved and this is only possible

Tackling social exclusion by supporting people in local communities: Haddington Citizens Advice Bureau, East Lothian

Haddington Citizens Advice Bureau is a small local charity serving a mainly rural area. The Bureau is a member of a UK-wide network providing quality assured advice information and representation. The Bureau is staffed by one full-time paid Manager who supports and trains volunteers who gain skills and work experience enabling many to secure employment. A three-year Lottery grant supports an outreach service to people in their own homes and in doctors' surgeries. The service is targeted at those suffering social exclusion from low income, disability and age, and is complemented by a specialist Money Advice service. Over the three years, the known financial gains for individuals were £621,000, with over £3 million debt negotiated.

- the Scottish Youth Parliament and the Older People's Consultative Forum in Scotland;
 - the UK Government has been consulting on how best to measure child poverty over the longer term. As well as seeking views on a technical consultation document, the Government sought to engage debate through a range of events with children and adults experiencing poverty as well as academics and other organisations;
 - informal consultations are underway on proposals for a ten-year strategy for children and young people in Northern Ireland. This includes considering how to give an effective voice to children and young people, their parents and those representing them;
 - launching the UK Disabled People's Parliament, to represent the collective views of disabled people, provide a focus for aspirations and to help develop community leadership skills;
 - the Welsh Assembly Government is committed to treating children and young people as valued members of the community whose voices are heard and needs considered across the range of policy making. The work includes the development of Funky Dragon, the Children and Young People's Assembly as a representative body for the whole of Wales; and
 - the launch of a consultation document on the Northern Ireland Race Equality Strategy, along with the announcement of the establishment of the Northern Ireland Race Forum, which will oversee the implementation of the strategy¹¹³.
- The social partners**
25. The business community plays a key role in tackling social exclusion both directly and indirectly. At one level, this contribution derives from its financial performance, enabling salaries to be ploughed back into communities and tax revenue into all levels of government, as well as providing goods and services to millions of customers. On another, companies are involved in skills development, helping their employees to keep up to date or to progress up the jobs ladder. Some employers, for example National Semiconductor, are working to provide more flexible and creative ways of learning. But beyond that, many businesses have been developing innovative programmes of corporate social responsibility. For example, Barclays Bank is committed to creating and developing

alliances with community partners to improve access to financial services for individuals, businesses and social enterprises, particularly those in deprived areas¹¹⁴.

26. The trade unions play an important role in tackling social exclusion. For example, the Trades Union Congress recognise a network of Unemployed Workers Centres, which help some of the poorest people get jobs and benefits. They are developing new programmes to help excluded people back into the mainstream and campaigning for reforms¹¹⁵.

Monitoring and evaluating implementation of the NAP

27. The UK Government looks forward to further developing links with all those with an interest in the NAP. This will include both those focusing on the strategic level and those with a more subject-specific interest. Importantly, it is anticipated that this will also include input from people with direct experience of poverty.

Chapter 6:

Good practice

1. This NAP lists several examples of 'good practice', and it is hoped that colleagues across the EU may be able to draw inspiration, or at least information, from those references. Where appropriate, details are provided to enable points of interest to be followed up for example via a hyperlink. The NAP does also, however, provide an opportunity for policies and programmes to be suggested as 'good practice' in a more formal sense, and offered up for consideration of systematic peer review, as part of the Social Exclusion Action Programme, by counterparts in other Member States. In that regard, the UK would like to put forward the following examples.

The Community Legal Service (England and Wales)

2. The focus of the Community Legal Service (CLS) is the type of legal problems that most affect

people's lives. These include such problems as housing, debt, employment, welfare benefits, community care, discrimination, immigration, mental health, and consumer disputes. The CLS provides the framework for local networks of legal and advice services known as CLS Partnerships (CLSPs). CLSPs bring together the local funders (such as local authorities, the Legal Services Commission, etc) and local providers of services (Citizens Advice Bureaux, Law Centres, private solicitors, etc). As well as developing and supporting a local network of providers, each CLSP is tasked with assessing local needs for legal services, mapping local service provision, and planning how local priority needs may be met more effectively. Addressing social exclusion in this way last year helped over 400,000 people.

This is what we're told¹¹⁶

"Community Legal Service Partnerships ...have taken on the task of identifying local priorities and agreeing plans for future provision. The Partnerships have considerable skills and experience of engaging local communities and of preparing community development plans. They have the potential for being key members of the emerging Local Strategic Partnerships."

The Rough Sleepers Unit (England)

3. The Rough Sleepers Unit (RSU), established in April 1999, had responsibility for delivering the target of reducing rough sleeping in England to as near to zero as possible and by at least two-thirds by 2002. In December 2001, it announced that the latter target had been met and estimated that the number of people sleeping rough in England on any single night was around 530, a reduction of 71 per cent since 1998. Latest figures show that the reduction has been sustained, and that there are still less than 600 people sleeping on the streets.
4. Measurement of progress was by rough sleeping street counts, based on methodology developed in partnership with the voluntary sector. Independent evaluation has shown consistently that they are the most effective method for evaluating the changing levels of people sleeping rough. Other methods exist to measure wider forms of homelessness.
5. The Government's recent report *More than a roof*¹¹⁷ sets out a new approach, which looks at helping people with the problems they face as well as improving the places they live.

The National Strategy for Neighbourhood Renewal (England)

6. This strategy, launched in January 2001, represents a key departure in government policy towards tackling area-based deprivation. The long-term goals are: to deliver lower worklessness and crime, and improve health, skills, housing and the physical environment in all the poorest neighbourhoods; and to narrow the gap between the most deprived neighbourhoods and the rest of the country. The emphasis is on using all mainstream government policies, not just local area-based initiatives, to regenerate neighbourhoods and improve local public services. Key levers for delivery include:
 - challenging 'floor targets' (owned by individual departments); the Neighbourhood Renewal Unit, part of the Office of the Deputy Prime Minister,

monitors and supports progress on national departmental targets. These floor targets are discussed in **Chapter 3**¹¹⁸;

- Local Strategic Partnerships;
 - programmes such as New Deal for Communities, Neighbourhood Management Pathfinders and Wardens, which enable us to learn practical lessons about the delivery of good local services and importantly, show how to get local communities involved; and
 - better research and data analyses, for example provision of data on small geographic levels.¹¹⁹
7. Factsheets on how the neighbourhood renewal strategy works, including details of local strategic partnerships, are available from www.neighbourhood.gov.uk/factsheets.asp?pageid=93.
 8. Renewal.net (see www.renewal.net) has been developed by the Neighbourhood Renewal Unit to provide an independent, evidence-based view of what works in neighbourhood renewal. The documents commissioned for renewal.net have been produced by a team of independent experts, including academics. It links to a wide range of policy guidance, case studies, research and evaluations of regeneration initiatives across the UK, including those which are part of the National Strategy for Neighbourhood Renewal.
- ### Lone Parent Childcare Grant (Scotland)
9. This is an innovative package, providing £24 million from 2001 to 2004, to assist lone parents into further and higher education through supporting additional childcare costs and childcare supply. The funds were split into three parts:
 - Lone Parent Childcare Grant (LPCG) of £1,000, available to help lone parents in higher education (HE) meet the cost of registered childcare;
 - local authorities were funded to support out-of-school childcare provision in disadvantaged areas to help sustain around 1,500-2,000 places; and
 - further education (FE) colleges were funded to widen childcare provision to meet locally identified needs for lone parents.
 10. An information leaflet¹²⁰ for lone parents was also launched bringing together all the relevant information, including the LPCG, for lone parents going to FE or HE.
 11. Evaluation¹²¹ shows that 96 per cent of LPCG HE claimants described the grant as either

“very helpful” or “helpful”. One student said “Without the additional childcare money, I would not have anyone to look after my child, therefore, would not be able to attend college”. The key incentive to studying was to support their children, by improving their prospects in the labour market, getting a better or better paid job. Some FE colleges were using the new money to attract lone parents and were making links with the local community to address childcare supply problems. It is too early to identify firm trends but 1,585 lone parents in HE claimed the grant in 2001/02 out of a possible 4,021, approximately a 40 per cent take up. 1,506 have claimed in the session 2002/03 to date (January 2003) out of a possible 3,992 to date.

12. As a result of this positive interim evaluation, the funding is to be mainstreamed, ensuring the grants continue to help lone parents achieve their potential.

Endnotes

- 1 Some of the views expressed as part of the 2002 Government consultation on child poverty measurement.
- 2 The Government is still committed to meeting the existing Public Service Agreement target to reduce by a quarter by 2004/05 the number of children in low-income households.
- 3 *Measuring child poverty consultation: Preliminary Conclusions*, Department for Work and Pensions, May 2003.
- 4 Disability data are derived from the Labour Force Survey, covering the UK. These estimates have not been adjusted to reflect the 2001 Census results.
- 5 Nickell, *Royal Economic Society, Presidential Address*, April 2003. Drawing on work by Dickens and Ellwood (2001), this compositional shift was regarded as the single most significant factor in increased levels of poverty (as defined using a relative low income measure) compared with 1979. The increase in single parent households was attributed to increased rates of teenage pregnancy and divorce/separation in families with children.
- 6 The UK, France, Germany, US, Japan, Italy and Canada form the G7.
- 7 Source: Households below average income. This is significant, particularly when median incomes have been growing so fast.
- 8 Using International Labour Organisation (ILO) measure.
- 9 This can be found at: www.dwp.gov.uk/publications/dwp/2002/emp-act/index.htm

- 10 Internationally, the main difference in inactivity rates is for young people aged below 25 and those aged over 50. (Inactivity rates for those aged 25–50 are similar across the EU.) Influences leading to higher UK activity rate for over-50s are company pension schemes providing an incentive for workers to remain in the labour market for longer, the absence of generous early retirement benefits for those who are unemployed, and a more flexible labour market that encourages the employment of older workers.
- 11 Notes. (1) The values in the chart are estimates taken from the Labour Force Survey (LFS). The Office for National Statistics is currently revising the figures used to calculate these estimates. The revisions will take into account information collected. (2) From 2001 onwards, a slightly different definition of ethnic minorities was used, which leads to a discontinuity in the series. (3) No data for disability is available for 1997.
- 12 For example, the Bangladeshi group have an employment rate of 39 per cent and for women within this group the rate is as low as 16 per cent. Black Caribbean women, however, have an employment rate of 63 per cent which is close to that for Caribbean men (67 per cent) and higher than for Bangladeshi men and the remaining black male groups. Source: Labour Force Survey.
- 13 Incapacity Benefit and Severe Disablement Allowance. Figures relate to Great Britain.
- 14 More than half of economically inactive men aged 25–54 are in the bottom skill quartile. In the 25–64 age group, around 70 per cent of inactive men report themselves as sick or disabled. And whilst there has been no increase in inactivity for that age group for those outside the bottom skill quartile, since the early 1980s the inactivity rate for the low skilled has risen over 2½ times (Nickell *ibid*).
- 15 Available at www.europa.eu.int/comm/employment_social/soc-prot/soc-incl/joint_rep_en.htm
- 16 These figures compare the two Family Resources Survey years 1996/97 and 2001/02, over which period the relevant number has fallen by 600,000 before housing costs and 500,000 after housing costs. Low income households are defined as those with less than 60 per cent of contemporary median income.
- 17 Based on uncorrected ECHP data: figures for UK subject to revision.
- 18 What follows is derived from Jonathan Bradshaw and Naomi Finch *A comparison of Child Benefit packages in 22 countries*.
- 19 Single Parent Action Network: *input into NAP against poverty 2003 Government Policies: One Parent Families; Chain Reaction*.

- 20 The increase in female participation is among partnered women whose partners are typically working, counteracting a fall in the participation of single women with children. The rise in inactivity among men has been concentrated on married men whose partners are not, or cease, working and among single men. There have also been rises in households where both partners are working and where neither partner are working. (Nickell, 2003.)
- 21 Goode, Callender and Lister, *Purse or Wallet? Gender Inequalities and Income Distribution within Families on Benefit* (1998), Joseph Rowntree Foundation Report number 853.
- 22 There are several ways of defining this group. For example, we know from Department for Work and Pensions Family and Children Study 2001 that 8 per cent of low to moderate income families say that they have trouble with debts almost all the time, and a further 12 per cent do so “quite often”. Similarly, the same study shows that 11 per cent of low to moderate income families have three or more debts, and lone parents are much more likely than couple families to experience debt. But the same survey shows that, since 2000, there has been a general reduction in the proportion of low to moderate income families in debt. As people have got better off, the **number** of problem debts has decreased. But there is evidence from other sources that the **amounts owed** by those in debt have increased.
- 23 The General Consumer Council for Northern Ireland publication *Short Changed*, the final report in the Council’s *Price of Being Poor* series. The report can be found on the Council’s website at: www.gccni.org.uk. Furthermore, the Scottish Household Survey 2001 shows that 3 per cent of Scottish households have no bank or building society account. This rises to 32 per cent of single-parent households.
- 24 Households Below Average Income 2001/02. This is the overall figure. The gender breakdown is 21 per cent of adult women and 18 per cent of adult men.
- 25 Households Below Average Income 2001/02.

- 26 The UK and other EU Member States draw their ethnic minorities from different countries of origin and have different approaches to inclusion. However, the overall pattern of lower employment rates can be seen in other EU countries. In the UK and other countries a pattern emerges of different ethnic groupings having different employment experiences. The main factors that influence the employment status of people from ethnic minorities are language skills, education attainment and integration into the wider society and labour market. In addition, policies to tackle direct and indirect discrimination are required to reduce levels of unemployment as an 'ethnic penalty' applies so that once educational attainment is accounted for, people from the ethnic minorities still have lower employment rates. Andrew Geddes, *Ethnic Minorities in the Labour Market: comparative policy approaches* (2001): www.strategy.gov.uk/2001/ethnicity/downloads/geddes.pdf and Anthony Heath, *Ethnic Minorities in the Labour Market* (2001): www.strategy.gov.uk/2001/ethnicity/downloads/HeathData.pdf
- 27 *Royal National Institute for the Blind recommendations for the next UK NAP*. This particular comment based on research by Seeability, the Association of Blind Asians, RNIB and various local societies for the blind.
- 28 Households Below Average Income 2001/02.
- 29 Measures taken within Northern Ireland illustrate the activities that have or will be undertaken across the whole country. These include: official launch in Belfast, including a performance-based disability artists event; a Grants Scheme of £100,000; events on issues such as employment and training and access to the Arts; events to coincide with the Special Olympics; a PR campaign on a range of relevant disability issues – access to services, employment, training, language, accessibility of information and websites; and a strong aspiration to ensure an ongoing legacy from the Year. For information about events in Scotland see: www.scotland.gov.uk/eydp
- 30 Households Below Average Income 2001/02. 22 per cent of pensioners are shown as living below the 60 per cent median income threshold on both the before housing cost (BHC) and after housing cost (AHC) measures. Broken down by gender, the equivalent figures are women 23 per cent (both BHC and AHC) and men 20 per cent (BHC) and 23 per cent (AHC).
- 31 Households Below Average Income 2001/02. Using the above AHC measure, 32 per cent of couples where the head of household is over 75 live in low income, as against an average of 22 per cent. For single women the respective figures are 28 per cent and 24 per cent and for men 22 per cent and 17 per cent.

- 32 EU-wide information is based on EU structural indicators, which show the UK to have the second highest proportion of people – 14.3 per cent – in jobless households of all Member States. This is based on a new definition that is neither directly comparable to national indicators nor necessarily to previous EU data in this area. The definition is based on persons living in households with no member in employment as a share of total population (excluding persons in households where all members are aged less than 18 years, or 18–24 years and in education, or 65 years and more and not working). A second indicator is based on age 0–60, not 0–65. Data are provided by Eurostat. The UK definitions are by contrast based on children or adults living in a household where no adult works. A working-age household is a household that includes at least one person of working age (a woman aged between 16 and 59 or a man aged between 16 and 64). Workless individuals are those who are either ILO unemployed or economically inactive. Data are provided by the Labour Force Survey.
- 33 Lone parent households make up two-thirds of workless households (although other adults, grandparents, or non-dependent children may be present in the household). The number of lone parents has risen massively over recent years. Lone parents have had a low employment rate, which fell during the 1980s and only rose above 50 per cent in 2000. Similarly the number of lone parents on Income Support trebled between the late 1970s and the mid-1990s, to over a million. During this period, the employment rate of partnered mothers has typically been 20 percentage points higher than that of lone parents, and is now over 70 per cent. In addition the employment rate of parents is sensitive to the age of their youngest child. Currently only a third of lone parents with a child aged under 5 are employed compared with almost 60 per cent of partnered mothers. (Note: all figures Office for National Statistics [Labour Force Survey] data except Income Support figures [Department for Work and Pensions benefit data].)
- 34 In the UK a person not employed in 1996 had a more than 50 per cent probability of living in a household where no one else worked, higher than any other Organisation for Economic Cooperation and Development (OECD) country except Finland (Nickell, sourced in turn to OECD, 1998, Chapter 1).
- 35 Ermisch, Francesconi and Pevalin, 2001, Outcomes for Children, *Department for Work and Pensions Research Report No. 158*.
- 36 Submission by ATD Fourth World to the Department for Work and Pensions Second UK NAP on Social Inclusion.
- 37 Ermisch, Francesconi and Pevalin.

- 38 Households Below Average Income 2001/02. Low income means households with below 60 per cent of median household income.
- 39 The report on *Poverty and Social Exclusion in Rural Scotland* highlighted the conspicuous nature of people's problems within rural communities, this can sometimes be beneficial in that it leads to early identification, but more often leading to people hiding their problems and not accessing services.
- 40 **EAPN's UK Network** expressed dissatisfaction because it was thought that the UK NAP failed to address Objective 4 – mobilising all relevant bodies. In EAPN's view, the NAP failed to show sufficient intention to combat relative poverty or to meet the needs of new groups at risk. EAPN also felt that the indicators proposed in the UK NAP would not be the best way of assessing the impact of the NAP on the quality of life of poor people. **Euronet's** 'child audit' of the first round of NAPs did not analyse the individual NAPs in detail but instead raised a number of general issues which are of concern to children, using specific NAPs for illustration. The fact that the UK specifically picked out the problem of child poverty in its NAP is mentioned as is the specific reference to disadvantaged young people who were neither in education nor work. Euronet makes the point that the focus on work in the UK NAP may not address the problems of the substantial minority of children who live with a parent in low paid work. Overall, Euronet stressed the need to involve children in drawing up the NAPs. **RNIB's** response commented that the NAP did not specifically address the problems faced by people with disabilities or provide indicators of social exclusion for this group. RNIB's comments stressed the need to look at employment and services for disabled people and mentioned the need to ensure that information was made accessible in a format that could be used by blind and partially sighted people. Improving information about the NAP was specifically mentioned and RNIB highlighted the need to work together with organisations representing disabled people in the future. The report of the **non-Government experts for the UK** on the first UK NAP picks up on many of these points. They also mention that there was little data on gender mainstreaming in NAP 2001–03 and that there was a narrow range of examples of access to services, with no discussion of legal services, sport or culture. In addition, the authors felt that the contribution of some aspects of the European Social Fund had been underplayed.
- 41 The Scottish figures, which are not directly comparable, do not show a clear trend.
- 42 For some issues discussed in this NAP, such as financial exclusion, no appropriate indicator was available, but work is underway to expand the range for future NAPs.

- 43 For full reporting on these indicators see *Opportunity for all, Fourth Annual Report Annex: Indicators of progress* (Cm 5598, September 2002), and the *Scottish Social Justice Annual Report 2002* (Scottish Executive, November 2002).
- 44 These targets are set in accordance with local spending review and budgetary periods. Whilst these are technically outside this NAP cycle it is not feasible to change the parameters of targets already set or focus artificially on the 2003–05 period.
- 45 For a full list of these see www.hm-treasury.gov.uk/performance/index.cfm
- 46 See www.scotland.gov.uk/library5/government/pfbs-00.asp
- 47 This is an initiative developed by the Local Government Association (LGA) and the Government to free up councils to deliver services in response to local needs, while meeting and exceeding national targets. Local authorities agree to achieving tough targets in return for improved public services. They will be rewarded financially and by a more ‘hands off’ approach from central government.
- 48 School level equivalent, the level expected of an average 11-year-old.
- 49 Produced by the Strategy Unit (March 2003).
See www.cabinet-office.gov.uk/innovation/2003/ethnic/html/index.htm
The report’s recommendations apply only to UK Government areas of responsibility.
- 50 The significance of legal and advice services to tackling exclusion is detailed in *Paths to Justice* (Glenn). It confirms that those encountering life problems – in housing, employment, divorce/family relations, debt, or injuries/health – often experience several inter-linked problems simultaneously. Many of these people also have low income, poor education and live in rented accommodation. Solutions can be found by looking at how to break this trend, and pre-empt the worst effects of the incipient problems.
- 51 For example, issues germane to people with sight loss might include: demographic factors (most people’s sight problems start in their late 50s and with increased life expectancy; more people who develop serious sight problems now live with sight loss for 20–30 years); the need for support for carers; any knock-on effects on income at pension age; provision of suitable IT equipment; additional educational services as the availability of readers, eye-screening, access to curriculum materials; access to lifelong learning activities; access to transport and the built environment; the impact of the Disability Discrimination Act and legislation on combating social inclusion; and access to health services and social care.

- 52 From www.ukonline-estategy/context.htm
- 53 The target of providing pre-school education for every 3-year-old in Scotland whose parent wishes it has already been met by the Scottish Executive.
- 54 A major step towards this will be concluding work to develop a measure of child poverty measurement for the long term against which progress towards the UK Government's goal of eradicating child poverty in a generation can be measured. This long-term measure will be announced by the end of 2003. The Government has also announced a Child Poverty Review which will set out what further action is required to halve child poverty by 2010 and eradicate it by 2020. The review will look at increasing employment opportunities, how investment in public services can tackle material deprivation and improve life chances, and dealing with the crisis points that families often face, all with an eye to the particular issues facing families in deprived areas. The review will work across government drawing in expertise from the research community and the voluntary sector.
- 55 This sets out the principles and major initiatives that the new administration will work towards in the next four years of the Scottish Parliament. These include an anti-social behaviour bill; long-term improvement of social housing stock; reducing fuel poverty; effective support for homeless people; provision of childcare support in areas of high unemployment; extension of money advice services; promotion of good health; improving the availability of affordable, quality, healthy food in low income areas; enable 14–16-year-olds to develop vocation skills; and financial support for all 16–19-year-olds from low-income families, to allow them to continue their education.
- 56 Consultations on this are ongoing and it is planned to set up a task group to consider what the strategic outcomes should be, together with associated measures and performance indicators.
- 57 See www.ue.eu.int/pressData/en/misc/DOC.68841.pdf
- 58 Furthermore, statistics provided at paragraphs 3–5 exclude Northern Ireland.
- 59 Women, disabled people and some ethnic minorities benefit more than others from the NMW. 13 per cent of the beneficiaries of the October 2001 increase in the NMW were disabled workers (compared with 8 per cent of jobs held by disabled people), and 70 per cent were women. The Low Pay Commission estimates that 1 million women will benefit from the NMW increase in 2003. Following the 2001 increase, earnings of Pakistani/Bangladeshi workers at the lower end of the earnings scale increased from 84.2 per cent to 93.2 per cent of earnings of white workers at the same end of the earnings scale.

- 60 Employer Training Pilots will explore ways of helping low-skilled employees to access training. Participating employers will receive financial support to encourage them to provide paid time off to employees to train while individuals will be entitled to free basic skills/level 2 training.
- 61 Windowbuild, a Cardiff-based double glazing company, was the first employer to gain the Pledge Award after successfully implementing an action plan approved by the Basic Skills Agency.
- 62 The Government is carrying out a Childcare Review which will consider whether the long-term projection for childcare and early years education is sufficient to meet our aims for employment and educational attainment. It will look at how fast the sector can expand and what more needs to be done, in particular areas such as childcare for school-age children and the role of extended schools. The review will be conducted by officials from relevant departments and draw on the expertise of others. The review reflects the high priority the Government attaches to issues affecting children, as seen also in the recent appointment of the new Minister for Children.
- 63 See Chapter 3, paragraph 10.
- 64 Working Families' Tax Credit, Disabled Person's Tax Credit, Children's Tax Credit and Child Allowances in Income Support or Jobseeker's Allowance.
- 65 See for example HM Treasury, *Medium and Long Term Retail Savings in the UK*, p150, and Kempson, E and Whiley, C, *Understanding Small Savers*, 2000.
- 66 The Government's commitment to reduce fuel poverty is set out in the UK Fuel Poverty Strategy, published in November 2001.
- 67 The National Audit Office recently published (available at www.nao.gov.uk) their report on Warm Front. This acknowledges that Warm Front has made a difference to a large number of households and has helped to reduce fuel poverty. The scheme has a high level of customer satisfaction and attracts few complaints. However, it also suggests that in some areas, such as the eligibility criteria, the measures offered by the scheme and the targeting of the scheme should be reviewed, to improve the impact and delivery of the scheme. The findings will be considered by the Government in development and delivery of current and future schemes.

- 68 An example is the Energy Efficiency Commitment (EEC), which commits suppliers in Great Britain to meet targets for improving domestic energy efficiency. EEC helps low-income consumers, who spend a larger proportion of their incomes on energy, because at least 50 per cent of energy savings must be focused on that group. In respect of 2003/04, a total of £156 million has been allocated to tackle fuel poverty in the private sector in England, of which £152 million is for the provision of Warm Front. Expenditure on EEC is estimated at about £150 million over a three-year period (2002–05).
- 69 British Gas works in partnership with Eaga Partnership Limited and other partner organisations (including Help the Aged, Scope, Gingerbread, RNIB, National Debtline, Family Welfare Association and Save the Children). All deal with family, home and social issues on a regular basis. For more information please visit www.house.co.uk/HELP
- 70 In Northern Ireland, the Department of Health, Social Services and Public Safety embarked, at the end of 2002, on the process of developing a new 20-year Regional Strategy for Health and Well-being. The Strategy will contain a vision for the health and personal social services over the coming decades, establishing priorities for future investment and identifying the steps which need to be taken to achieve the goals of the health service in Northern Ireland. The plans will include the aims of reducing inequalities in health and wellbeing between those who are disadvantaged and those who are not and of contributing to the promotion of a more inclusive society.
- 71 This includes materials, equipment and books necessary to undertake the prescribed education, and transport provided in school hours by the LEA or the school to carry pupils between the school and an activity. This means that parents cannot be charged for activities or visits that take place during school hours. Similarly, they cannot be charged for activities, including educational visits, which take place outside of school hours that are: required as part of the national curriculum and form an essential part of the syllabus for an approved examination that the school is preparing the pupil to sit.
- 72 These are Income Support, income-based Jobseeker's Allowance; support under Part VI of the Immigration and Asylum Act 1999; Child Tax Credit, provided they do not also receive Working Tax Credit and have an annual income (as assessed by the Inland Revenue) that does not exceed £13,230. Children who receive benefits in their own right are also entitled to receive free school meals.

- 73 In March 2003, the UK Government launched a new consultation on strategy to raise the educational attainment of ethnic minority pupils. This strategy was presented in the document *Aiming High: Raising the Achievement of Minority Ethnic Pupils* (DfES/0183/2003). *Aiming High* sets out a framework on which the Department intends to build to ensure the highest possible standards for all pupils in all schools.
- 74 *And Creating our future... ...minding our past: Scotland's national cultural strategy* – see www.scotland.gov.uk/nationalculturalstrategy/docs/cult-00.asp and *Sport 21 2003–2007 Shaping Scotland's Future* (Sport 21 2003–2007) – www.sportscotland.org.uk/contents/sportpolicy/sport21intro.htm
- 75 For example Gingerbread and the National Council for One Parent Families.
- 76 Report of the Registrar of Credit Unions 2001.
- 77 See report of the Policy Action Team 14 *Access to Financial Services*, published by HM Treasury, November 1999.
- 78 Via the Housing (Scotland) Act 2001 and the Homelessness etc (Scotland) Act 2003.
- 79 The Homelessness Directorate is supporting the development of homelessness strategies in England – as well as specific action to reduce rough sleeping and the use of bed and breakfast hotels for homeless families with children – by providing good practice guidance, specialist advice and funding. It has a budget of £260 million over the three years 2003–04 to 2005–06 that is being allocated to local authorities and voluntary sector organisations.
- 80 Local authorities in England have a general duty to ensure that advice and information about homelessness, and preventing homelessness, is available to everyone in their district free of charge. Additionally, authorities must ensure that suitable accommodation is available for anyone who has become homeless through no fault of their own if they fall within a priority need group (for example, if they have children or are vulnerable in some way). The housing authority can provide accommodation themselves or arrange for it to be provided by another landlord. The accommodation must be made available for as long as it takes the household to find a settled home. In 2001/02, 118,360 households were accepted by local housing authorities as being unintentionally homeless and in priority need. Local housing authorities, for the first time, must conduct a review of all forms of homelessness in their area and adopt a strategy which must aim to prevent homelessness and ensure that accommodation and support are available for people who become homeless or at risk of doing so. Authorities must publish their first strategy by 30 July 2003 and revise their strategy at least every five years.

- 81 This now includes 16- and 17-year-olds, care leavers aged 18–20, people who are vulnerable because of time spent in care, the armed forces, prison or custody, and victims of violence.
- 82 However, these figures may under-represent the true level of domestic violence associated with homelessness. Women may turn to family or friends as an immediate respite from violence and may only later make a homelessness application to a local authority. In these cases, the reason for their homelessness may be recorded as parents, relatives or friends no longer being able to accommodate them, rather than violent relationship breakdown.
- 83 The new Child Maintenance Premium will mean parents with care on Income Support or income-based Jobseeker's Allowance can keep up to £10 a week of any maintenance paid for their children, giving both parents an incentive to ensure maintenance is paid.
- 84 This is based on the philosophy that effective support to children and families, early intervention when there are problems, and effective child-friendly alternatives when children are no longer able to live with their birth families is fundamental to building safe healthy communities. The new vision proposes: involving children in planning services and ensuring more community accountability; creating local multi-disciplinary teams to develop more joined up, responsive services for children and their families; and developing a common approach and shared responsibility for child assessment.
- 85 Many children in care enjoy school, and think that education is important. However, in 2001/02, over half of young people leaving care had no qualifications at GCSE level. Just 1 per cent go to university. Many care leavers also have poorer outcomes later in life, with higher rates of rough sleeping, offending and teenage pregnancy. The SEU will build on existing government initiatives to improve outcomes for this group, such as Quality Protects.
- 86 In Northern Ireland, spending on Sure Start has increased to £8.5 million in 2003/04. By March 2004 there will be 25 Sure Start projects across Northern Ireland delivering responsive services in local communities, and developing new roles and new ways of working for individuals and organisations involved with children and families.

- 87 The Government has also announced a Review of Financial Support for 16–19-year-olds, which will examine incentives for young people to participate in education and training and the interaction between this support and any new minimum wage for 16- and 17-year-olds. The review will look at ways of improving the system of financial support in order to increase young people's participation in education and training and at ways to simplify the system radically in the long term. The review will work with children's groups and the Local Government Association, the Low Pay Commission and in consultation with young people and their parents. The review group will include and develop analysis undertaken by Department for Education and Skills, Department for Work and Pensions, the SEU and the Children and Young People's Unit. The review will report in spring 2004.
- 88 In England, local authorities can also make direct payments to young carers aged 16 and 17 though the Act stresses that this is unlikely often to be appropriate. In Wales, the Welsh Assembly Government has established a young carers' advisory panel to provide a focal point for considering young carers' issues. Ongoing work includes the development of a training package for professionals working with children in schools, to increase awareness of the particular needs and difficulties encountered by young carers and how schools can help.
- 89 In England, funds will be provided to ensure that an extra 70,000 older people a year get rehabilitation services. In addition, the number of extra-care housing places available for older people will be increased by 50 per cent compared with the number available in 1997. Older people will have a direct choice over their own care: it is an obligation for every local authority, for the first time, to offer older people the choice of receiving a service or receiving a cash payment to purchase care that better suits their needs. Every older person who is assessed as being able to manage a direct payment will be given the option of a direct payment to meet their assessed need for care whether for rehabilitation after a hip operation or for a bit of help with household chores. The Government will work with older people's organisations to empower older people in a way that has not been possible before.
- 90 *Better Communities in Scotland: Closing the gap*, see www.scotland.gov.uk/library5/social/bcis-00.asp.
- 91 For example, see White Paper *Our Countryside: The Future, A fair deal for rural England* (Cm 4909).

- 92 The Programme is composed of three elements. The first is Rural Community Action, which provides £2 million a year to help build capacity in rural communities and provide financial support for projects that the communities themselves identify. The second is the Rural Retail Scheme, which provides £750,000 a year for free business advice for small retailers providing a vital service to a community (last in village etc.) and to essential businesses in market towns. This advice is coupled with a capital grant scheme to enable such businesses to take forward improvements recommended by the advisory service. The third element is the Wales Rural Observatory, which will receive £300,000 a year to provide impartial and objective evidenced-based support to the Welsh Assembly Government and its partner organisations. Its activities will potentially cover the whole range of rural policy issues including economic, social and environmental issues and the Observatory will itself participate in helping to determine priorities.
- 93 The integration agenda is taken forward through the National Refugee Integration Forum, chaired by the relevant government minister. This reflects the fact that this is not a job for Government to take on its own. That is why it has embraced a partnership approach, working together with local authorities, government departments and the voluntary and private sectors to monitor and steer the integration strategy. Representatives of the voluntary sector include Refugee Council and Refugee Action, and refugee community organisations, such as Refugee Working Party and South London Tamil Welfare Group, are fully involved. It is crucial to draw upon the wealth of knowledge and experience that exists in society so the Forum will be responsible for developing an agreed framework of indicators to find the key element in a successful integration package.
- 94 The main aims are to include refugees as equal members of society, help refugees develop their potential and facilitate access to support necessary for integration. Whilst a lot is known about how to integrate refugees and other migrants, further research is required to identify interventions that are effective in the UK context. Additionally, the cost of different strategies to enhance integration, appropriate measures of outputs and outcomes, and the social and economic impact of integrating refugees and migrants on host communities and services will also need to be examined. One area that the Home Office is particularly interested in is mentoring. Such schemes can be effective in helping refugees find and sustain housing, improve their language skills, find employment, make positive links with the wider community and understand the culture and values of the host country. Canada in particular has some successful schemes.

- 95 Details of the devolution settlements for Scotland, Wales and Northern Ireland were spelt out in the previous NAP and are not, therefore, repeated here.
- 96 For example, the Welsh Assembly Government organised a seminar in November 2002 to raise awareness of NAPs in Wales. It was well attended by representatives of NGOs and others, including representatives of the UK Government. The UK Government organised a national seminar in London on 6 February 2003, involving a wide range of stakeholders including the European Commission and people with direct experience of poverty. The views expressed at that event directly influenced the prioritisation of issues within this NAP.
- 97 This includes active representation by key poverty NGOs such as Oxfam GB, the Poverty Alliance, the Northern Ireland Anti-Poverty Network, ATD Fourth World and the European Anti-Poverty Network (England).
- 98 This does not apply to Northern Ireland, where the responsibilities of local authorities are relatively limited.
- 99 Local authority services include: education; social services; Housing Benefit and Council Tax Benefit; housing; libraries, museums and art galleries; leisure facilities; and collecting Council Tax. Local authorities also have a duty to produce a community strategy and power to promote the wider social, economic and environmental well-being of their communities.
- 100 For more information see www.onecity.org.uk/europe
- 101 The Shared Priorities are: promoting healthier communities and narrowing health inequalities; creating safer and stronger communities; promoting the economic vitality of communities; improving the quality of life of older people and of children, young people and families at risk; meeting local transport needs more effectively; transforming our local environment; and raising standards across our schools.

- 102 Since 2001 the SEU has published reports on *Reducing Re-offending by Ex-prisoners* (June 2002), *Young Runaways* (November 2002), and *Transport and Social Exclusion* (February 2003). The recommendations of these reports are now being taken forward. The SEU has now started work on two major new projects: *Barriers to Employment and Enterprise in Deprived Areas*, and *Mental Health and Social Exclusion*, and intends to publish recommendations from their project on raising the educational attainment Children in Care, later this year. In addition to its ongoing project work the SEU continues to support departments in implementing action plans from its previous reports and works across-government to promote lessons learnt in tackling social exclusion. The SEU is also taking forward a programme of work looking at *Impact and Trends in Social Exclusion*, to develop a clearer understanding of how policies work together to tackle social exclusion for vulnerable groups. It will identify potential futures risks and drivers of exclusion. This will provide a solid analytical basis for future policy making.
- 103 See *Listen Up! Children and Young People Talk About Poverty* (Crowley and Vulliamy).
- 104 Summary available at www.princes-trust.org.uk/Downloads/Its%20Like%20That%20sum.pdf
- 105 Section 120 of The Government of Wales Act (1998).
- 106 For example in Northern Ireland the Office of the First Minister and Deputy First Minister has been tasked to both bring forward and implement a cross-departmental Gender Equality Strategy during 2003. As well as tackling gender inequalities, the strategy will also support the values and principles of New TSN, encouraging the targeting of efforts and available resources on groups of women and men and areas in greatest social need. This requires the mainstreaming of gender at each stage, in the identification of challenges, the design, implementation and assessment of policies, including the selection of indicators and targets, and the involvement of stakeholders involved in gender-related work to identify and tackle those factors which can contribute to women and men being excluded from social and economic life in the province.

- 107 The Anti-Poverty Network Cymru has also been formed as a result of partnership working, and has enabled people experiencing poverty to have access to decision makers and to have their voices and experiences heard. Working partnerships are based on both funding and non-funding relationships and the programme also provides access to and support from specialist advisers in participatory methodologies and gender awareness, support with lobbying, campaigning and communications. The programme also sets up pilot projects and model new ways of working, for example, conducting a gender needs assessment with a community group in Merthyr Tydfil to inform their Objective 1 application. See www.oxfam.org.uk/cymru/ukpp.html
- 108 For more information see www.thecompact.org.uk/
- 109 For Scotland see a review of the Scottish Executive's Policies to promote the Social Economy, published in January 2003, which made a number of recommendations to develop the social economy in Scotland. An action plan is currently being developed to implement these. www.scotland.gov.uk/library5/social/rose-00.asp refers. The development of the Social Economy in Northern Ireland has been designated as a priority area and, during 2003, a draft framework for a cross-departmental approach to the sector will be drawn up. It is recognised that, in combining entrepreneurial zeal with a social conscience, this sector can be particularly effective in the development of deprived areas.
- 110 For more information about social enterprise, see the Social Enterprise Strategy produced by the Department of Trade and Industry in 2002 (www.dti.gov.uk/socialenterprise/index.htm#Strategy), the Social Enterprise Coalition website (www.socialenterprise.org.uk) or the Social Enterprise London (SEL) website www.sel.org.uk
- 111 For more information see www.ermis.co.uk/index.html
- 112 The Home Office response to the disturbances in 2001 was to establish the Community Cohesion Review Team under the Chairmanship of Ted Cattle. The Cattle report that was subsequently issued set out recommendations for action to remove barriers to cohesion at national, regional and local level. A Community Cohesion Unit was established in the Home Office in 2002 which, in consultation with other government departments and stakeholders issued Guidance on Community Cohesion for all authorities and partners. The Beacon Council scheme awards in 2003 recognised four councils for their successes in promoting cohesion. In addition a £6 million Community Cohesion Pathfinder programme is underway jointly funded by the Neighbourhood Renewal Unit (NRU) and operating in 15 areas with local authorities, and the voluntary and community sector.

- 113 The draft Strategy was prepared in partnership with representatives from relevant statutory agencies, ethnic minority representatives and community and voluntary organisations and covers the full range of policy issues which impact on the daily lives of our citizens from ethnic minority communities regardless of whether the policy is made in Whitehall or Stormont. The Race Forum will include representatives from relevant Whitehall and Stormont government departments, statutory agencies and the community and voluntary sector. It will provide a vehicle for community and voluntary organisations – especially those representing the ethnic minority communities – to play a full part in developing and implementing the Race Equality Strategy and advising Government on issues relating to consultation of ethnic minority people.
- 114 With regards to Barclays, this includes access to current accounts, affordable credit, savings opportunities, money advice and financial education. In addition, Barclays has a broad community programme funding initiatives designed to support social inclusion, the arts, education, the environment and people with disabilities. In 2002 its community investment in the UK totalled over £30 million.
- 115 For more information see www.tuc.org.uk/the_tuc/about_uwc.cfm
- 116 *UK National Action Plan on Social Inclusion 2003: ACCESS TO RIGHTS: ACCESS TO JUSTICE*, Submission by the Law Centres Federation, February 2003.
- 117 See *More than a Roof: A Report into Tackling Homelessness* (June 2002), Office of the Deputy Prime Minister.
- 118 For details of the targets see www.neighbourhood.gov.uk/targets2002/targets-floortargets2002.asp
- 119 For information on how the Neighbourhood Renewal Unit has worked with the Office for National Statistics to be able to map information at a local and neighbourhood level see www.neighbourhood.statistics.gov.uk
- 120 *Can I Afford to Go to College?* See www.scotland.gov.uk/library3/misc/lpac-00.asp
- 121 The Scottish Executive commissioned 4-consulting to undertake research to monitor and evaluate the first year of two elements of this package: the LPCG itself as well as new resources for FE colleges. The report was published 13 March 2003: see www.scotland.gov.uk/library5/education/icsl-00.asp

Further copies of this report are available free of charge from:
Welfare Reform
Freepost (HA4441)
Hayes UB3 1BR

Tel: 020 8867 3201
Fax: 020 8867 3264

A service for textphone users is available on
020 8867 3217.

The lines are open Monday to Friday, 9am–5pm.
Please quote NAP2.

Copies are also available in Welsh from the above address.

This report can be accessed on the internet at:
www.dwp.gov.uk/publications/dwp/2003/nap/index.asp

© Crown copyright

Produced by the Department for Work and Pensions
Printed in the UK
July 2003
NAP2

ISBN: 1 84388 185 3