

TACKLING POVERTY BOARD – STATEMENT JANUARY 2011

This paper sets the context for the recommendations from the Tackling Poverty Board. The recommendations are primarily aimed at Scottish Government Ministers, COSLA Elected Members, and senior local and national leaders across Scottish society.

The Board will meet in April 2011 to discuss the follow up to these recommendations and the extent of their impact, and how it will seek to influence an incoming Scottish Government.

Achieving our Potential, the Scottish Government and COSLA framework for tackling poverty and income inequality, was published in November 2008. It introduced a joint vision and set of principles which were underpinned by 43 specific commitments and actions which acknowledged the complex interface between poverty and its causes and consequences.

The Scottish Government and COSLA-led Tackling Poverty Board was established to take an overview of the implementation of *Achieving our Potential*, as well as to consider broader approaches to tackling poverty in Scotland.

The Board met five times between September 2009 - October 2010 and completed an initial phase of work. The Board consists of senior and influential individuals from local authorities, the third sector, the private sector, the NHS, COSLA and Scottish Government. The Board did not seek to represent the views of their organisations and should be regarded as an independent forum.

Its remit has been to oversee and drive forward policy and practice to reduce poverty in Scotland:

- To scan the horizon so that new challenges and opportunities are identified as early as possible.
- To monitor and challenge how partners are implementing the key actions in *Achieving our Potential*, and the action being taken to meet the UK child poverty targets and the Scottish Government solidarity purpose target.
- To identify and promote the actions that can make a real impact on tackling income inequality, poverty and the drivers of low income.

This has all been set firmly within the context of the additional challenges and opportunities created by the economic downturn.

Increasingly, *Achieving our Potential* is regarded as the “poverty lens” of the three Scottish Government and COSLA social policy frameworks (along with *Equally Well*¹ focussing on health inequalities and the Early Years Framework²). These three social policy frameworks recognise that children's start in life, cycles of poverty and poor health are interlinked and complex problems, involving complex solutions, and which require a long-term approach. Central to the collective force of the frameworks

¹ <http://www.scotland.gov.uk/Publications/2008/06/25104032/0>

² <http://www.scotland.gov.uk/Topics/People/Young-People/Early-years-framework>

is the principle of **early intervention** - moving from crisis management to **prevention** and breaking cycles of poor outcomes in people's lives.

The Board are keen to reiterate their commitment to the shared features of the three social policy frameworks and to highlight their increasing importance in safeguarding disadvantaged individuals, families and communities from the effects of the cuts in public sector expenditure. The core principles across the frameworks include:

- Recognising the particular importance of children's very early life experiences in shaping future health, social, learning and lifestyle outcomes.
- Prioritising early intervention - to break into recurring cycles, including poverty, unemployment, low skills, and poor health, and to prevent crises and problems requiring intensive responses from public services.
- Engaging individuals, families and communities most at risk of poor outcomes in services and decisions relevant to their circumstances, and promoting clear ownership of the issues by all involved.
- Building the capacity of individuals, families and communities to manage better in the longer term.
- Providing effective routes for individuals out of poverty and other life circumstances and lifestyles likely to get in the way of positive wellbeing, health and other good outcomes.
- Promoting an investment approach to the best use of public sector resources, based on the business case for shifting resources over time to prevention and the underlying causes of social problems, rather than dealing with the consequences of those problems.
- Shifting priorities, towards the use of mainstream public sector budgets to address inequalities and underlying causes, and away from discrete project funding.
- Basing current and future action on the available evidence and adding to that evidence for the future, through introducing new policies and interventions in ways which allow for evaluating progress and success.
- Consolidating good practice that already has a robust evidence base eg Working for Families.

These principles describe the things necessary for delivering progress and bringing together action on the three social policy frameworks. They should continue to guide future action, both local and national. The Tackling Poverty Board wish to add further principles and recommendations which reflect their priorities for action and the changing context. We expect that these principles and recommendations will inform the development of future central and local anti-poverty strategy in Scotland.

The Board considered the changes since the publication of *Achieving our Potential*, most notably the global economic recession and the associated increase in unemployment, the passing of the UK Child Poverty Act, and the impact of the UK Conservative Liberal Democrat coalition government, specifically impending welfare reform. It recognised the reality, and the future risk, of the negative impacts of the recession being shared unequally across the population, and the increasing pressure on public sector resources available to respond to the challenge.

Tackling Poverty Board: Broad Principles

- Work continues to be a route out of poverty and we need to do more to recognise and tackle in-work poverty which accounts for a rising share of family poverty. This will require concerted action at Scottish and UK level.
- Dignity, rights and respect around entitlement must be the hallmark of engaging with public services in Scotland. We should avoid the language that stereotypes people or the reasons for their poverty or need for services.
- We recognise that both people and place-based interventions matter for tackling poverty. Place-based interventions should operate equally alongside the personalisation agenda in relation to anti-poverty policy.
- Services should place people at the centre by providing flexible, responsive and personalised care and support which continues across sectors and agencies providing an individualised common thread of service provision.
- There should be continued momentum on growing 'what works' at local and national level, and sharing learning about good practice. The Scottish Government should continue to provide leadership and set expectations to drive this forward.
- Poverty and current rates of income inequality are not inevitable and we must not be fatalistic about our ability to make transformational change, even in challenging economic times. Progress over the last decade shows the potential for improvement in circumstances of economic growth, targeted policies and progressive tax and benefit reform.
- Poverty compromises our abilities to improve outcomes for communities across all social policies. Anti-poverty measures must be a mainstream priority and the responsibility of every community planning partner.

Tackling Poverty Board: Recommendations

- Leadership and direction on tackling poverty is important, even where powers are reserved to the UK Government. Political leaders and influential figures should speak out commending positive action as well as putting the spotlight on areas of bad practice that disproportionately affects poor people – for example high-cost lending, and energy tariffs which disadvantage those on the lowest incomes, breaches of employment rights.
- Central and local government must further embed early intervention and prevention into core service delivery, promoting any shared services agenda which helps to deliver this. Reducing demand for services by acting to prevent incidences of poverty is cost effective to both service deliverers and, more importantly, to households at risk.
- The Board wishes to reinforce the importance of financial inclusion as a powerful lever in tackling poverty. It endorses the recommendations in the financial capability strategy³ and the tackling poverty-related recommendations in the *Equally Well Review*⁴, in particular that public sector organisations should look to mainstream successful approaches to income maximisation and financial inclusion.

³<http://www.scotland.gov.uk/Topics/People/tackling-poverty/TacklingScottishPoverty/Financial-Capability>

⁴<http://www.scotland.gov.uk/Publications/2010/06/22170625/0>

- Financial capability services, which help people build the skills and motivation to make informed decisions about money, should be regarded as preventative spend and protected on that basis against cuts to funding levels. There is a need to highlight the huge impact that low income has on financial capability, and that low income should be seen as part of the problem. Financial capability shouldn't however be regarded as a substitute for the provision of simple and accessible financial products and services.
- We strongly endorse the principles of welfare reform in seeking to make work pay and providing stability through transitions, but have concerns about affordability and the impact of change on some of our most vulnerable people. We need to have a shared understanding of the impact of Welfare Reform on Scotland and identify agreed national and local responses appropriate to protect the most vulnerable across our communities
- We must continue to promote and support local innovation, leadership, participation and improvement and to meaningfully engage with local communities in designing service provision. We need to 'sustain momentum in the co-production approach with Scottish Government, COSLA and service users but we must not underestimate the resources needed to include people effectively'⁵.
- We should highlight what works and maintain a position that what works should continue to be funded, such as services that support access to affordable credit and consumer protection. We should also prioritise learning around good practice.
- The Board supports the principles and priorities contained in the three social policy frameworks which underpin the Child Poverty Strategy, and expects partners to work across sectors with a renewed vigour in tackling the causes and consequences of child poverty, with a particular focus on the importance of boosting parents' employability. The Child Poverty Strategy needs to be embedded across Scottish Government and community planning partnerships with clear ownership and leadership driving this forward.
- The Board acknowledges that the traditional model of childcare provision does not necessarily suit the circumstances of modern employment, especially among lower income earners. There is a need to broaden and diversify the model of delivery and to develop locally appropriate needs-based solutions.
- The Board recognises the critical role of skills and employability policies in tackling poverty and the importance of closely aligning the agendas to deliver identified local needs and national outcomes. A particular focus must be placed on supporting young people at risk of long-term unemployment and the associated consequences.

Areas for future work:

- Identifying potentially negative impacts of Welfare Reform on those in poverty in Scotland, and planning to mitigate the impact

⁵ "Consistent and meaningful community engagement will increase peoples' sense of control over the range of local services which they use and on which they depend...Meaningful engagement recognises the benefit that can be gained by mobilising the assets that communities themselves represent". (Equally Well Review, 2010).

- Looking at how to shift resource from crisis intervention to early intervention and prevention work in relation to poverty
 - Addressing the ways in which we can continue to reduce income inequality
 - The links between the provision of childcare, work, and poverty
 - Engagement with the private sector in tackling poverty and inequality with support.
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The Tackling Poverty Board are:

James Arnott, Development and Regeneration Services, Glasgow Council
Kay Barton, Deputy Director of Health Improvement Strategy, Scottish Government
Fiona Campbell, Head of Policy and Performance Review at Falkirk Council (representing SOLACE)
Val Cox, Deputy Director of Positive Futures, Scottish Government
Margaret Dunne, Service Manager, Environmental Health, Shetland Islands Council
Nuala Gormley, Head of Equalities and Poverty Analysis, Scottish Government
Wai Yin Hatton, Chief Executive, NHS Ayrshire and Arran
Liz Hunter, Director of Equalities, Social Inclusion and Sport, Scottish Government (Chair)
Peter Kelly, Director, The Poverty Alliance
Rena Kinloch, Head of Jobcentre Plus Scotland (from July 2010)
Alastair MacDonald, Head of Jobcentre Plus Scotland
Lindsay Macgregor, Team Leader, Community Resourcing, COSLA (Chair)
Jim McCormick, Scottish Adviser, Joseph Rowntree Foundation
Robert McGregor, Sustainable Communities Programme Manager, Fife Council
Diane McLafferty, Deputy Director of Regeneration, Scottish Government
Dominic Munro, Deputy Director of Communities Analytical Services, Scottish Government
Mike O'Donnell, Head of Employability Delivery Team, Scottish Government
Jane Wood, Chief Executive, Scottish Business in the Community

With support and secretariat provided by the Scottish Government Tackling Poverty Team

All Tackling Poverty Board papers can be accessed at www.scotland.gov.uk/Topics/People/tacklingpoverty/Initiatives/TacklingPovertyBoard