

**NEW TSN – THE WAY FORWARD**

**TOWARDS AN ANTI POVERTY  
STRATEGY**

**A CONSULTATION DOCUMENT**

**PHASE 2**

As part of our commitment to tackling poverty and social exclusion, this consultation document was produced by the Office of the First Minister and Deputy First Minister in conjunction with all other Northern Ireland Government Departments.



Ministerial Foreword

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## **Ministerial Foreword**

In April last year the Secretary of State launched a Consultation Document outlining his proposed framework for the development of a high level strategy to combat poverty in Northern Ireland. This strategy also aims to ensure that we contribute to Government's overall targets for poverty reduction across the United Kingdom.

Since that date, we have held seminars across Northern Ireland on the proposals, in order to clarify our thinking, promote discussion and debate. In addition, we have received a large number of formal submissions from a variety of organisations including political parties, employers, trade unions, charitable and voluntary organisations.

This response has been significant, emphasising the importance that everyone attaches to tackling poverty and social disadvantage. It has however served to highlight the different priorities held by different groups and the need for some further clarification of these proposals. The consultation has importantly served also to highlight the consensus that exists about the importance of tackling poverty, the social inequalities which are both created and result from it and how political leadership is important in that process. We therefore want to 'bank' those proposals, which seemed to attract general acceptance and move on from there to refine and develop our ideas into a full Strategy and Action Plan. This will not create an entirely new set of actions and initiatives. Many actions which are currently in place are

important and should continue. Instead, the strategy sets the context and framework for the continuation of existing measures which are effective and the developing and resourcing of future measures to fight poverty and social exclusion.

The consultation process has been both constructive and helpful in shaping the strategy and for that reason formative and for that reason, I feel it should continue further. I am therefore pleased to publish a further version of the previous text, redrafted in the light of key points which were raised. It aims to provide clarification and importantly to maintain the current momentum towards a strategy to tackle poverty and social exclusion which has the social and political consensus it needs as well as the resources to deliver in the long-term. As with the previous proposals, I would welcome your views before Ministers take a decision on the way forward.

A handwritten signature in blue ink, reading "Jeff Rooker", with a horizontal line underneath.

**Rt Hon Jeff Rooker**  
**Minister of State**  
**Equality Minister**  
**June 2005**

## EXECUTIVE SUMMARY

1. New Targeting Social Need (New TSN) is the Government's high level policy for tackling poverty and social exclusion in Northern Ireland. Originally launched in 1991 as Targeting Social Need and re-launched in 1998 as New Targeting Social Need, this policy aims to tackle poverty and social exclusion by:
  - promoting employment and employability amongst the most disadvantaged;
  - tackling other areas of inequality such as health, education and housing; and
  - establishing formal arrangements for departments working together to tackle social exclusion in vulnerable groups such as people with disability, the homeless etc.
  
2. New TSN is not a separate programme with a dedicated budget, but a general approach to programme development and delivery involving all Departments (including some Agencies Non Departmental Public Bodies and North-South Implementation Bodies) skewing effort and resources towards those in greatest objective need. The previous Executive adopted this policy from the Direct Rule Administration but committed to a review which is now complete.

3. Poverty and social exclusion is tackled through a combination of policies set at UK level and Northern Ireland levels. Collectively, these aim to reduce the risk of poverty by increasing economic opportunities, increasing the capacity of individuals to avail of these, removing barriers to participation including through legislation, integrating and targeting effort to address the needs of the most vulnerable while providing adequate financial systems of social protection and safeguards.
  
4. The range of policies which aim to reduce poverty and disadvantage can be summarised as follows:
  - Growing and strengthening the Northern Ireland economy to increase prosperity and employment opportunities;
  
  - Strengthening the skills and capacity of the Northern Ireland workforce;
  
  - Making work pay by for example targeted tax credits;
  
  - Social protection for those not able to participate in the labour market;
  
  - Tackling inequalities and barriers to participation in social, economic and cultural life; and

- Skewing resources and effort toward those areas, groups and individuals in greatest objective need. (New Targeting Social Need)
  - a. This report outlines and invites comments on proposals for changes in New TSN aimed at making it a broader and more effective policy for tackling poverty and social exclusion. The proposed changes are based on the following:
    - i. The results of an independent external evaluation;
    - ii. Other independent external assessments submitted during the course of the review; and
    - iii. Important socio economic changes since Targeting Social Need was launched in 1991; and
    - iv. Analysis of responses of Phase 1 of the consultation process on the original document.

## **The Evaluation**

5. The evaluation assessed the effectiveness of processes for the implementation of New TSN, the extent to which actions published within Departmental New TSN Action Plans met their objectives, evidence that New TSN had made a

difference 'on the ground' in a number of sample disadvantaged areas and finally whether appropriate indicators were being used to monitor progress.

6. The results indicated evidence of good practice and effective co-ordination through working groups that included non-departmental public bodies but highlighted concern over the varied definitions from department to department of 'social need'.
7. The evaluation also identified around one-third of actions in Departmental Action Plans having met their objectives with a further third having been unmet and the final third not having been linked to a specific output, making it difficult to judge success. The evaluators thought that there were too many actions with too few strategic targets.
8. The evaluation identified limitations in the monitoring of New TSN outputs in disadvantaged areas and therefore the difficulties in assessing their collective impacts.
9. The evaluation pointed to the need for indicators to be more sensitive to trends among different population groups such as those defined in Section 75.

### **Other External Assessments**

10. Among the different proposals received in the light of these were the following:

- The need for a wider strategy to tackle poverty and social exclusion;
- The need for oversight by a forum at Ministerial level drawing on a range of sectors, interests and expertise;
- Greater emphasis on community development and the social economy.

## **Socio Economic Trends**

11. Evidence from a variety of surveys suggest changing patterns of social need in Northern Ireland. In particular, it points to:

- A higher level of 'consensual' ie material poverty (inability to afford essentials) in Northern Ireland generally compared to Great Britain and similar to levels to those in the Republic of Ireland;
- Increasingly households in the bottom 30% of income distribution are made up of lone parents, people with disabilities and working households;
- Certain groups, particularly women, children, households looking after children with disabilities and young households are over represented in terms of having low income and lacking basic necessities;

- Socio economic differentials between the two main communities in Northern Ireland have decreased. However labour market gaps still remain with unemployment among Catholics higher than for Protestants; and
- The number of children living in low income households has decreased over the past decade. However Northern Ireland has relatively higher levels of child poverty than in Great Britain.

## **PICTURES OF POVERTY IN NORTHERN IRELAND**

### ***Northern Ireland Poverty and Social Exclusion Survey***

30% of households in Northern Ireland were in consensual poverty in 2003 compared to 24% of households in Great Britain in 1999.

7% of households in Northern Ireland were below the Republic of Ireland's consistent poverty threshold in 2003 compared to 6% in the Republic of Ireland in 2000.

### **Low Income Household research in Northern Ireland**

The risk of living in a low income household is greater if you live in:

- a household where no-one is in work and the head of the household is unemployed;
- a lone parent household;
- a household living in public rented housing; and
- a household headed by a female.

The most common characteristics of those living in low income households include:

- households where the head completed their education at age 16 or earlier;
- the presence of an adult in the household with a longstanding illness or disability; and
- households headed by a male.

### **The Income Distribution in Northern Ireland**

The greatest risk of living in a household whose income is below 60% of the median household income is if you live in:

- a workless household with the head or spouse unemployed;
- a workless family who are economically inactive;
- a household with one or more adults with a disability; and
- a lone parent household.

## **Proposals For Future Direction Of New TSN**

12. Not everyone has benefited to the same extent from recent improvements in the Northern Ireland economy with overall levels of poverty in Northern Ireland remaining higher than in Great Britain. Socio economic differentials between the two main communities, which New Targeting Social Need aimed to address, have diminished particularly in areas of unemployment and educational performance but gaps between the two communities persist. Also, particular groups in society such as lone parents and people with disabilities are at increasing risk of being in poverty. New TSN is recognised as having been successfully mainstreamed into the planning and implementation of Government programmes and the budgeting process. The recent evaluation however suggests that it lacks a strategic focus and has too many objectives which are concentrated on process as opposed to outcomes. Also New TSN needs to broaden its scope to deal with a wider range of issues linked to poverty and social exclusion, particularly financial hardship.
  
13. New TSN should therefore be the basis of a wider anti-poverty strategy. For that reason a number of changes intended to broaden the scope and improve the implementation of New TSN were proposed in the original consultation document in phase 1 and received broad support. These are summarised in the following table:-

<b>KEY ISSUES</b>	<b>PROPOSED CHANGE</b>
The focus of the previous policy was on the means (targeting) of achieving many programme specific objectives	The revised strategy will focus more on the <u>outcome</u> of key actions taken to address poverty and social exclusion
Strategic Objective	The overall strategic objective of the Anti Poverty Strategy is to improve income and living conditions of the most disadvantaged
Targets	Progress towards this objective will be measured against specific targets (Annex 2)
The scope of the revised strategy is widened	Introduction of a new priority focus on Financial Hardship reinforcing the importance of measures to increase the uptake of financial entitlements and reduce indebtedness and financial hardship.
Clear Strategic Framework	<p>The framework should include 3 high level priorities</p> <ul style="list-style-type: none"> <li>- Building Capacity to (a) participate in the labour market and take advantage of the market economy; and (b) benefit from greater participation in social and cultural life of the community;</li> <li>- Increasing employment opportunities and reduce barriers to employment</li> <li>- Dealing with financial hardship</li> </ul>
Promoting Social Inclusion	A new PSI group will be established to develop a strategy to tackle poverty and social exclusion experience by lone parents.

Regional Poverty Action Plan	The format of the Action Plan is to be consistent with National Action Plans as recommended by the European Commission (Annex 4)
Use of Indicators	A broad range of statistical indicators should be employed (some of which have been recommended by the Social Protection Committee of the European Commission) to monitor progress in reducing poverty and social exclusion in Northern Ireland.
Resources	The resources required to tackle poverty and social exclusion will continue to be those allocated through the skewing of public expenditure towards those areas, groups and individual in greatest objective need.
Leadership, Co-ordination and Monitoring	The revised strategy will be co-ordinated through a Ministerially-led interdepartmental/inter sectoral anti poverty forum comprising of representatives of key public authorities and other stakeholders including local government , trade unions and the private, voluntary and community sectors.
New TSN be renamed	The revised strategy to be named the Northern Ireland Anti-Poverty Strategy

## **Response to Public Consultation on Proposed Changes**

14. The Secretary of State launched the consultation on the document “New TSN – the way forward towards an anti-poverty strategy” on 14 April 2004 and was originally due to close on 3 September 2004.
  
15. A number of public seminars were organised at various venues across Northern Ireland aimed at providing individuals and groups from the Community and Voluntary Sector with an opportunity to express their views on the proposals contained within the original consultation document. While these seminars were very successful, a number of groups indicated that they would have appreciated more time to prepare a response to this important document, so the consultation period was extended from 3 September 2004 to 15 October 2004.
  
16. In addition to the public seminars, on 1 November 2004 a seminar was hosted by the Queens University Institute of Governance. The seminar was designed to encourage frank and open debate around the development and future direction of the policy. Those who attended included academics actively involved in the field of poverty and social exclusion, a senior EU official with responsibility for EU policy on poverty, representatives from the key Government Departments, major stakeholders from the voluntary and community sector and members of Northern Ireland political parties.

The degree of interest in the original proposals was evident within the levels of attendance at the public seminars and during the discussions, which took place. This interest was reinforced by the 103 formal responses, which were submitted. As well as receiving individual responses, views were formally submitted by public, voluntary and business sector organisations, political parties, the education and health sector as well as other government departments. A summary of phase 1 responses is available on the New TSN website- [www.newtsnni.gov.uk](http://www.newtsnni.gov.uk). In general, the consultation process highlighted agreement with the 'broad architecture' of the strategy but also concerns about a number of key issues which this document now addresses. These include for example, the need for fuller consideration of the definition, measurement, causes and extent of poverty in Northern Ireland; and the need for effective poverty proofing processes. There was also a desire to see greater emphasis on social inequalities, social exclusion and specific actions aimed at reducing these and how the Anti-Poverty Strategy related to other departmental strategies and programmes. Consultees were also interested to have more detail on the proposed role of the Anti-Poverty Forum and on the setting and monitoring of targets to reduce poverty and social exclusion.

## **1. INTRODUCTION**

- 1.1 New Targeting Social Need (New TSN) is Government's high level policy for tackling poverty and social exclusion in Northern Ireland. The purpose of this document is to outline proposals for the possible future development of this policy and to invite comments and views.
  
- 1.2 The proposals arise out of a formal independent evaluation which was carried out during 2002. A number of other evaluations and assessments of New TSN have been carried out recently, notably those of the Civic Forum, the Queen's University Institute of Governance and voluntary and community sector organisations. This work has provided a very important input to the policy review. The proposals are also set in the context of the socio-economic changes in Northern Ireland in recent years which provide the focus for policy aimed at reducing poverty and social exclusion in Northern Ireland.
  
- 1.3 In April 2004 the Northern Ireland Secretary of State, Paul Murphy MP, launched a period of public consultation on proposals for developing New TSN into a wider Anti-Poverty strategy for Northern Ireland. The proposals had arisen from an independent evaluation of New TSN carried out by Deloitte and Touche and separate reports and assessments conducted by organisations such as the Northern Ireland Civic Forum, the Northern Ireland Council for Voluntary

Action, the Queen's University Institute for Governance and the Northern Ireland Anti-Poverty Network.

1.4 The proposals in general are aimed at building on the previous policy of New TSN but acknowledged the need for clearer strategic objectives linked to specific targets to which all departmental programmes will, to varying degrees, contribute. The 'architecture' of the strategy is built around 3 key priorities namely developing capacity, creating employment opportunities and tackling financial hardship with actions continuing to target those individuals, areas and groups in greatest objective need. As with New TSN, the proposed strategy seeks to tackle the social inequalities which contribute to poverty and disadvantage, with a new focus on working in partnership. The period of public consultation produced a significant response with over 100 submissions from different organisations. In general the basic 'architecture' of the strategy was accepted but the consultation also showed that many questions remained unanswered about the proposed way forward.

1.5 The purpose of this document therefore is to develop the original strategy proposals following the public consultation. It will provide a fuller description of the context to the strategy, its main elements, along with resourcing, implementation and its strategic targets. It provides both general and specific responses to issues raised and more detail on the original proposals.

## Origins of New TSN

- 1.6 New TSN was a development of a previous policy, 'Targeting Social Need', which was introduced in 1991 as a means of tackling the most acute and serious problems of social disadvantage in Northern Ireland society. This was generally achieved by 'skewing' i.e. concentrating effort and public expenditure on areas scoring highest on measures of multiple disadvantage.
  
- 1.7 Following criticism by the Standing Advisory Committee on Human Rights of a lack of focus in this policy, Government launched 'New TSN Agenda for Targeting Social Need and Promoting Social Inclusion for Northern Ireland' in 1998. The new policy retained the earlier principles of Targeting Social Need but provided a new focus on employment and employability, other areas of inequality such as health, education and housing, and introduced a new initiative, 'Promoting Social Inclusion', designed to address social exclusion experienced by vulnerable groups through the co-ordinated work of different departments and agencies.
  
- 1.8 Following Devolution, the Northern Ireland Executive adopted New TSN as its approach to tackling poverty and social exclusion and published its first Action Plan, "Making it Work", in March 2001. The former Executive in adopting the policy, however, also committed to evaluating it during 2002 in order to inform future policy direction.

1.9 As part of this evaluation process, the Executive invited commentators, practitioners and academics to form an independent panel to provide advice and assessment of both methods proposed for conducting the evaluation and the findings and conclusions. The Executive also conducted extensive consultation between May and July 2002 on the methods to be used before appointing the independent evaluators. The evaluation was completed in early 2003.

1.10 To coincide with the evaluation, a number of organisations including the Northern Ireland Civic Forum, Northern Ireland Council for Voluntary Action (NICVA), the Queen's University of Belfast Institute of Governance and the Northern Ireland Anti-Poverty Network, made separate submissions to Ministers in which they provided assessments of New TSN and made suggestions for changes to existing policy. These submissions are available at [www.newtsnni.gov.uk](http://www.newtsnni.gov.uk)

## 2. POVERTY AND SOCIAL EXCLUSION IN NORTHERN IRELAND

### PICTURES OF POVERTY IN NORTHERN IRELAND

#### ***Northern Ireland Poverty and Social Exclusion Survey***

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#### **Low Income Household research in Northern Ireland**

The risk of living in a low income household is greater if you live in:

- a household where no-one is in work and the head of the household is unemployed;
- a lone parent household;
- a household living in public rented housing; and
- a household headed by a female.

The most common characteristics of those living in low income households include:

- households where the head completed their education at age 16 or earlier;
- the presence of an adult in the household with a longstanding illness or disability; and
- households headed by a male.

#### **The Income Distribution in Northern Ireland**

The greatest risk of living in a household whose income is below 60% of the median household income is if you live in:

- a workless household with the head or spouse unemployed;
- a workless family who are economically inactive;
- a household with one or more adults with a disability; and
- a lone parent household.

## **How Do We Measure Poverty?**

2.1 Measures of poverty, specifically those measures generally adopted by Governments, attempt to achieve two quite distinct aims. Firstly, any measure of poverty must be meaningful in terms of people's lived experience of poverty. Secondly, poverty measures must be of use to Government and others who are tasked with tackling poverty. In objective measurement terms, the first issue is broadly one of validity whilst the second issue is broadly one of utility. There are three 'traditional' approaches to measuring poverty, excluding budget standards approaches.

### **Income Poverty Measures**

2.2 Perhaps the most intuitive approach is that of income as a measure of poverty. However, with income poverty measures, there are two approaches reflecting two distinct perspectives.

2.3 Relative income poverty measures, such as the 60% median income poverty line, focus on households whose income is 60% or less of that of the typical household. As such, these measures are relative comparisons using specific cut-off points (whether 40%, 50%, 60%, or 70% of median income). Relative income measures such as these reflect an inequality perspective and can be supplemented with other inequality-based analyses such as the Gini Coefficient.

- 2.4 Absolute income measures focus, in contrast, on the rise (or fall) of household income in real terms over time adjusting for the effects of inflation. As such, the perspective of an absolute income measure is on ‘the pounds in the pocket’ and whether actual household income has risen or fallen in real terms.
- 2.5 The relationship between these two income poverty measures, and change over time may not be straightforward. For example, if all income levels increase in real terms, the numbers of households in absolute income poverty will fall. However, if in such a case, the incomes of households at the higher end of the income distribution increase disproportionately to those at the lower end, then relative income poverty may increase whilst absolute income poverty decreases.

### **Mixed Income and Material Deprivation Measures**

- 2.6 Mixed approaches combine both income poverty measures and measures of material deprivation reflecting the enforced lack of goods, services or activities because they could not be afforded.
- 2.7 The identification of which items to use as markers of material deprivation has reflected two approaches. One approach is to ask a representative sample of the population to identify which items are considered necessary for every day life. This approach can be seen in the Poverty and

Social Exclusion Surveys of Northern Ireland and of Great Britain. The selection of items in this instance is 'democratised' and will reflect the specific time-bound values and needs of a particular population and is referred to as a consensual measure of poverty.

2.8 A second approach to identifying the items to be used is to select items which are found to have a strong relationship to other measures of poverty and to other correlates of poverty such as poor health.

2.9 Mixed approaches to poverty measurement in part provide a response to the criticism that income poverty measures alone may not sufficiently reflect the broader impacts of poverty, or some of the subtleties of experience. However, the goods and activities used as items in mixed approaches require updating over time which may make trend analysis of change difficult. The need to update these items may also partly reflect absolute improvements in material wealth over time in addition to changed societal perceptions.

### **Subjective Poverty Measures**

2.10 While there are a number of distinct approaches to subjective poverty measures, they essentially involve asking people to assess for themselves whether or not they are in poverty.

2.11 Whilst subjective measures have much utility in research terms, they tend to be attitudinal in nature and can unduly reflect the impacts of broader social, economic and environmental factors. This in turn makes them difficult to be used as a means of policy monitoring and evaluation. It is also likely that different sections of the population may respond differently to these measures. Older people, for example, may have different values and expectations derived from their life experience and may be more likely to effectively exclude themselves under subjective measures of poverty.

## **Social Exclusion**

2.12 There are a number of definitions of what is meant by the term social exclusion. The Social Exclusion Unit of the Office of the Deputy Prime Minister defines social exclusion as “...what happens when people or places suffer from a series of problems such as unemployment, discrimination, poor skills, low incomes, poor housing, high crime, ill health and family breakdown [social exclusion] can also start from birth. Being born into poverty or to parents with low skills still has a major influence on future life chances”. Thus, the term social exclusion covers a multitude of issues related to, but not solely driven by, the concept of poverty.

## **The Picture Of Poverty In Northern Ireland**

2.13 Over recent years, there has been a number of important research and statistical developments which have shed more light on the nature and characteristics of poverty and social exclusion in Northern Ireland.

### **Poverty and Social Exclusion Survey<sup>1</sup>**

2.14 The Poverty and Social Exclusion survey, funded by Government and conducted by academics at both the Queen's University of Belfast and the University of Ulster culminated in the report "Bare Necessities: poverty and social exclusion in Northern Ireland" published in October 2003. The poverty threshold identified in the research comprised the lack of 3 or more material items because they could not be afforded and which were perceived to constitute a basic necessity, combined with a low income.

2.15 The research enabled direct comparisons with consensual poverty measures in Great Britain, and with the consistent poverty measure used in the Republic of Ireland. The consistent poverty definition comprised households with less than 50% or 60% mean household income combined with the enforced lack of at least one of eight indicators of 'basic' deprivation.

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<sup>1</sup> [www.democraticdialogue.org/reports.htm](http://www.democraticdialogue.org/reports.htm)

*Table 1: Northern Ireland Poverty and Social Exclusion Survey: Key findings and comparisons*

<b>Proportion of households below the consensual poverty threshold</b>	
Northern Ireland (2003)	30%
Great Britain (1999)	24%
<b>Proportion of households below the Republic of Ireland's consistent poverty measure</b>	
Northern Ireland (2003)	7%
Republic of Ireland (2000)	6%

2.16 Consensual poverty measured by the poverty and social exclusion survey was higher in Northern Ireland compared to Great Britain, whilst comparisons with the Republic of Ireland using their consistent poverty definition yielded similar levels of poverty (**Table 1**). Importantly, the research indicated that there were particular types of individuals and households who were more at risk of experiencing consensual poverty (**Table 2**).

*Table 2: Northern Ireland Poverty and Social Exclusion Survey: Key risk characteristics*

<b>Rates of consensual poverty amongst specific individual groups and households</b>	
Workless households through sickness/disability	100%
Workless households through unemployment	70%
Lone parent households	67%
Housing Executive tenants	67%
People with a long-standing limiting illness or disability	42%
Younger households	41%
Women [as compared to 25% of men]	29%

2.17 Higher proportions of households without work through sickness/disability or unemployment; lone parent households; and the presence of adults with a long-standing illness or disability were found to be in consensual poverty. Other factors relating to a higher risk of consensual poverty included: being separated, divorced or single; and having a caring responsibility.

## Low Income Households in Northern Ireland 1990-2002<sup>2</sup>

2.18 This research funded by OFMDFM was designed to assess the changing nature and characteristics of those living in low income households between 1990 and 2002, defining those in low income as those in the bottom 30% of the income distribution. There are two perspectives at looking at those in low income households. One approach is to consider which types of households and individuals are more at risk of living in low income, while a second perspective is to look at the composition of all those in low income.

2.19 From **Table 3**, the greatest identified risk related to households where no one was in work and where the head of household was unemployed. Other correlates of low income risk include: lone parenthood; living in public rented accommodation; female head of household; workless households; head of household in lower skilled employment; head of household lacking qualifications; and living in the West and South of Northern Ireland.

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<sup>2</sup> [www.research.ofmdfmi.gov.uk/lowincome.pdf](http://www.research.ofmdfmi.gov.uk/lowincome.pdf)

*Table 3: Low Income Households in Northern Ireland report: Key risk characteristics*

<b>Risk of low-income</b>	1999/2002
Household were no-one is in work and the head of household is unemployed	94%
Households where the head is unemployed	83%
Lone parent household	76%
Households in public rented accommodation	64%
Households headed by a female	57%
Households with no workers where the head of household is sick or disabled	57%
Single adult households	52%
No adults in work in the household	52%
Head of household is an unskilled manual worker	51%
Three or more dependent children in the household	47%
Head of household has no qualifications	47%
Head of household is a semi-skilled manual worker	46%
Households in the West and South of Northern Ireland (NUTS III region)	40%
Couple household with 3 or more children	38%
People aged 16-24	38%
Children	37%

2.20 In terms of the characteristics of all those in low income households, 68% of people living in low income households are in households whose head of household completed their education at age 16 or earlier (**Table 4**). Adults make up 67% of those in low income households with children comprising 33%. Other notable characteristics of low income households include: people with a long standing illness or disability in the household; households headed by a male; workless households; head of household lacking any qualifications; households in public rented accommodation; and households with two adults.

*Table 4: Low Income Households in Northern Ireland report: Key composition characteristics*

<b>Composition of those in low-income</b>	
	1999/2002
Head of household completed education at age 16 or earlier	68%
All adults	67%
Adult in the household with a longstanding illness or disability	61%
Households headed by a male	61%
No adults in the household in work	57%
Head of household has no qualifications	45%
Households in public rented accommodation	42%
Two adults in the household	40%
Household headed by a female	39%
No dependent children in the household	36%
Head of household is a skilled manual worker	33%
Children	33%
Couple with children	33%
Head of household in employment	30%
1 worker in household	29%
West and South of Northern Ireland (NUTS III region)	28%
Head of household is a semi-skilled manual worker	26%
Lone parent household	25%

2.21 In comparing both risk and composition, some interesting contrasts emerge. For example, whilst people living in lone parent households are at great risk of low income (76%), they comprise only 25% of all those actually on low income. Similarly, whilst 64% of individuals living in households in the public rented sector are at risk of low income, such individuals comprise 42% of all those in low income.

### **Main Factors Affecting Risk**

2.22 The low income household research incorporated a number of statistical models to estimate the independent effect of factors on the risk of being in a low income household given that not all factors are independent of each other, for

example the effects of gender interacting with a lone parent effect.

2.23 The main finding in relation to the likelihood of living in a low income household was the employment status of the household. Thus, a household without work, particularly where the head of household is unemployed or sick/disabled or inactive significantly raises the risk of being in a low income household.

2.24 Other significant risk factors can be interpreted as reflecting the influence of disparities in average earnings amongst those in work. These factors include socio-economic group and highest level of qualifications. Dependence on part-time work is also significant. Lone parent households, households headed by a woman, housing tenure and region are also characteristics associated with living in low income households.

2.25 In relation specifically to the two main religious communities, the report indicated that three-quarters of the difference between Protestants and Catholics could be accounted for by socio-economic and demographic differences between the two communities. The residual difference (25%) which could include unmeasured issues such as: labour market history; impact of chill factors; and job search behaviour, had clearly reduced between 1990/94 and 1999/02.

## Dynamics of Change

2.26 Often poverty and social exclusion are viewed as static states, the low income household research has indicated, over a relatively short period of time between 1990 and 2002, how both the risk of poverty of particular individuals and households and the composition of those in poverty can change over time. **Table 5** details the main changes to risk over the period.

*Table 5: Changes to low income risk 1990 to 2002*

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<b>Individual and household characteristics and changes to the risk of low income 1990 to 2002</b>	
<b>Risk Increased</b>	<b>Risk Decreased</b>
Lone parent with two children	Couple with children
Single/couple all in full-time work	Household with no workers where the head of household is retired
Economically inactive	Catholics
Households in private rented accommodation	No adult in household with a longstanding illness/disability
Households in public rented accommodation	Men
Protestants	Two adult households
1 worker household	
No workers in household with the head sick/disabled	
Head of household is in a junior non-manual occupation	
Head of household completed education before age 16 or 17	
Head of household has no qualifications	
Head of household highest qualification is GCSE	
One adult household	
Women	

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2.27 Not only has the risk of living in a low income household changed for some households, the composition of all those in low income has also demonstrated change over time.

*Table 6: Changes to the composition of those in low income 1990 to 2002*

**Individual and household characteristics and changes to the composition of low income 1990 to 2002**

<b>Composition Increased</b>	<b>Composition Decreased</b>
Households with an adult with a long-standing illness or disability	Households where the head is unemployed
Households headed by a female	Couple with children households
Households where the head is employed	Households in public rented accommodation
Households with working adults	Households where the head has no qualifications
Lone parent households	Households where the head is male
Households with a mortgage	
Households in private rented accommodation	

### **Indicators of Social Need for Northern Ireland<sup>3</sup>**

2.28 A range of social and economic statistical indicators were initially compiled to aid the evaluation of the New TSN policy by providing a broad perspective. These indicators were subsequently revised incorporating many of the indicators used in the National Action Plans for Social Inclusion, together with the publications 'Opportunity for All' and 'Monitoring Poverty and Social Exclusion'. This statistical compilation was subsequently revised in 2004.

2.29 With a focus, where possible and appropriate, on categories defined within Section 75 of the Northern Ireland Act 1998, the indicators enable a broad assessment of social need and inequalities within sections of the population.

<sup>3</sup> [www.research.ofmdfmi.gov.uk](http://www.research.ofmdfmi.gov.uk)

## Family Resources Survey<sup>4</sup>

2.30 The Family Resources Survey (FRS) was run in Northern Ireland for the first time in 2002/03. The FRS enables estimates of income poverty to be produced for Northern Ireland on a par to that produced in Great Britain and published in the Households Below Average Income series.

*Table 7: Households Below Average Income: risk characteristics*

<b>FRS Households Below Average Income – Risk characteristics</b>	
<b>Below 60% Median Household Income</b>	
<b>Household Characteristics</b>	<b>Risk</b>
Workless household with head or spouse unemployed	79%
Workless family inactive	48%
One or more disabled adults in household	47%
Lone parent	46%
Household has no bank account	44%
Private rented accommodation	43%
Public rented accommodation	40%
One or more disabled children in household	32%
Household has no savings	28%

2.31 In terms of those living below 60% median household income, living in a workless household is a key risk factor in addition to living in a household with an adult who has a disability, and living in lone parent households. Other factors associated with risk of relative low income included: rented accommodation (public and private); and the lack of bank account or savings (**Table 7**).

2.32 In terms of the characteristics of those who make up those in relative low income poverty, most people living in such households were those who: lacked savings; had bank

<sup>4</sup> [www.dsdni.gov.uk/statistics-research/FamilyResources.asp](http://www.dsdni.gov.uk/statistics-research/FamilyResources.asp)

accounts; had no disabled adults and lived in the West  
(Table 8).

*Table 8: Households Below Average Income: Key composition characteristics*

**FRS Households Below Average Income – Composition characteristics**

**Below 60% Median Household Income**

<b>Household Characteristics</b>	<b>Composition</b>
Households with no savings	69%
Households with one or more bank accounts	69%
Households with no disabled adults	67%
West of the Province	47%
Couple with children	36%
Workless household inactive	35%
Home owned with a mortgage	29%
Public rented accommodation	28%
Lone parent	25%

2.33 The FRS also provided additional information on assets and savings, of relevance to the area of financial hardship. For example:

- a larger proportion of households in Northern Ireland (16%) compared to the UK as a whole (8%) have no savings or bank account;
- fewer households in Northern Ireland (79%) than in the UK (88%) have a current bank account;
- only 57% of lone parent households have some sort of savings account;
- 81% of lone parent households have no savings compared to 42% of all households;
- sickness or disability is similarly associated with having no savings; and
- two-thirds of households whose weekly income is between £100 and £200 have no savings.

## **Causes and Dynamics of Poverty and Social Exclusion**

2.34 A recent report<sup>5</sup> by the Joseph Rowntree Foundation identified a range of factors behind poverty and disadvantage in the 21<sup>st</sup> century in Britain. Many of these have resonance for the situation in Northern Ireland and they include:

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<sup>5</sup> Tackling Disadvantage: A 20-year enterprise (2003). Joseph Rowntree Foundation. See: [www.jrf.org.uk](http://www.jrf.org.uk)

## **Labour Market Trends**

- Changing occupational structures have widened the gap in wages between more or less skilled jobs;
- Premiums placed on higher skills by employers;
- The increasing feminisation of the workplace;
- The increase in both workless and work rich households;
- Households with low skills.

## **Demographic Trends And The Growth Of Vulnerable Groups**

- Increasingly aging population;
- Changes to family and household structures;
- Families and children replacing pensioners as the largest group on low incomes;
- Lone parents as a family group at greatest risk of low income;
- Workless households;
- People with low qualifications;
- Social housing tenants;
- People with a disability;
- Women;
- Pensioners.

## Poverty Entry And Exit

2.35 Further recent research published by the Joseph Rowntree Foundation<sup>6</sup> has explored the extent to which there is movement into and out of poverty over time. While there was considerable income mobility found, movement tended to be short range, in that people did not move very far up or down the income distribution. More movement was found in the middle of the income distribution than those either at the top or bottom, who were more likely to remain in these positions. In addition, a minority of people were found to be persistently poor, largely children, lone parents and pensioners.

2.36 Poverty exit rates were found to be lower for lone parent and pensioner households. Poverty entry rates were found to be the highest for lone parent households with an entry rate double that of the average for the population as a whole. For people of working age, labour market events were more important triggers for poverty exits than either household demographic events or life events.

2.37 However, work was not found always to be a route out of poverty and low pay was found to be concentrated in certain industries and occupations. The types of individuals most likely to be in low paid work included:

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<sup>6</sup> Routes out of poverty: A research review (2004). Joseph Rowntree Foundation. See: [www.jrf.org.uk](http://www.jrf.org.uk)

- Part-time workers;
- Minority ethnic groups;
- Long-term sick and disabled;
- Older male workers;
- People with no or low skills; and
- People with little or no work experience.

## **Push and Pull Factors**

2.38 The research indicated for a range of groups push and pull factors which increased or decreased the likelihood of poverty.

2.39 Moving into paid work is the event most commonly associated with exits from poverty. However, there are a range of factors which can mitigate against this. In relation to work as an effective route out of poverty, low paid work is a clear risk factor. In addition, there are a range of groups who are at greater risk of effective exclusion from work including: men and women without a partner, especially lone parents; people with disabilities; those with low qualifications or skills; people in their fifties; and people living in an area of weak labour demand.

2.40 For young people, success in education and training is an increasingly important route into well-paid and secure employment. Low skill work is often low paid and insecure. Whilst the family can act as an important protective factor for

young people, living in a low income household or lone parent family is associated with a range of risk outcomes. New Deal for Young People was found to have made an important difference in helping young people into work however those hardest to help have benefited less.

2.41 For families with children, changes to tax and benefit systems have had the most impact in lifting children out of poverty. Paid work is an additionally important route out of poverty for families with dependent children. However, higher benefits, increased take-up and better financial support for specialist childcare were seen as important to lift more families with children with a disability out of poverty.

2.42 For older people, income in later life was largely determined by opportunities in working life. The means-tested pension has acted as an effective route out of poverty but in Great Britain a third of entitled pensioners were said not to claim it. The research indicated that an increase in benefit up-take would help pensioners to escape from poverty.

## **Summary**

2.43 Poverty and social exclusion are multi-dimensional issues. However, a consistent number of risk characteristics associated with poverty and low income have been identified through a range of research (completed and ongoing) adopting a variety of approaches (**Table 9**). Whilst the inter-relationships between these characteristics are complex, in

terms of labour market-related and broader demographic and social factors they include:

*Table 9: Poverty key risk characteristics*

<b>Risk Characteristics</b>	
<b>Labour Market Factors</b>	<b>Demographic and Social Factors</b>
Workless households (unemployment, illness/disability)	Disability/long-standing illness
Socio-economic group	Lone parenthood
Qualification level	Rented accommodation
Dependence on part-time work	Living in the West of the Province
Long-term unemployment	Younger age groups
'Enforced' economic inactivity	Caring responsibilities
Skills	Households with 3 or more children
	No bank or savings accounts
	Households headed by a female

2.44 In relation to the characteristics of those who comprise all those in low income and poverty, key characteristics include **(Table 10)**:

*Table 10: Poverty key composition characteristics*

<b>Composition Characteristics</b>	
<b>Labour Market Factors</b>	<b>Demographic and Social Factors</b>
Head of household completed education at age 16 or earlier	Adults in the household with a longstanding illness or a disability
Workless households	Male headed households
Socio-economic group	Public rented sector
Households with an adult in work	No dependent children in household
	Couple with children
	Living in the West of the Province
	Households with no savings

## **Dealing with Poverty In Northern Ireland**

2.45 Poverty and disadvantage in Northern Ireland are tackled by a range of policies and programmes. Some of these are the responsibility of the Northern Ireland Administration, for example, strengthening and improving the economy, while other policies like tax and benefits are set at the United Kingdom level.

2.46 The range of policies which aim to reduce poverty and disadvantage can be summarised as follows:

- Growing and strengthening the Northern Ireland economy to increase prosperity and employment opportunities;
- Strengthening the skills and capacity of the Northern Ireland workforce;
- Making work pay by, for example, targeted tax credits;
- Social protection for those not able to participate in the labour market;
- Tackling inequalities and barriers to participation in social, economic and cultural life; and
- Skewing resources and effort toward those areas, groups and individuals in greatest objective need. (New Targeting Social Need)

2.47 Since its introduction, New Targeting Social Need (New TSN) (or its predecessor TSN) has worked in conjunction with UK tax and benefits policy to target those most in need. An important objective of New TSN policy was tackling socio-economic differentials in areas of the labour market, housing, health and educational performance. This recognises that

these social inequalities leave individuals significantly more vulnerable to persistent poverty and social exclusion. The introduction of equality legislation to tackle discrimination and promote equality of opportunity, sought to reinforce the New TSN aim of tackling social inequalities.

2.48 New TSN therefore provided a high level policy framework which mainstreamed poverty and social need into policy development and implementation.

2.49 Correspondingly, allocation of many mainstream budgets in health, education and economic development takes account of objective indicators and need. Similarly, the regeneration initiatives in urban and rural areas are targeted at the most disadvantaged neighbourhoods. Government has also sought to develop integrated strategies to tackle social exclusion among the most vulnerable in society, including for example, people with disabilities, older people, homeless people, those suffering problems of mental health, minority ethnic communities, travellers and pregnant teenagers.

2.50 In general therefore poverty and social exclusion is tackled through a combination of policies set at UK level and Northern Ireland levels. Collectively, these aim to reduce the risk of poverty by increasing economic opportunities, increasing the capacity of individuals to avail of these, removing barriers to participation including through legislation, integrating and targeting effort to address the

needs of the most vulnerable while providing adequate financial systems of social protection and safeguards.

### **3 STIMULUS FOR CHANGE**

3.1 Following devolution, the Northern Ireland Executive adopted New TSN and its approach to tackling poverty and social exclusion and the first New TSN Annual Report 'Making it Work' was published in March 2001. The former Executive also gave a commitment in its Programme for Government (PfG) to undertake an evaluation of New TSN in order to inform future policy direction.

3.2 The stimulus for change in New TSN comes from four areas:

- A. The commitment of the previous Executive to evaluate New TSN;
- B. The independent evaluation which has exposed strengths and weaknesses;
- C. Other independent external assessments submitted during the course of the review. These have been based on the extensive knowledge and experience of practitioners working in the field of poverty; and
- D. Important socio-economic changes since TSN was launched in 1991.

## **Key Findings Of The Independent External Evaluation (B)**

3.3 The findings of the independent external evaluation of New TSN are central to proposals for the future direction of policy. They highlight both policy shortcomings and strengths.

3.4 The evaluation method was agreed following public consultation on the general approach. It sought to assess:

- the effectiveness of the processes and structures within departments and other public bodies that deliver the policy;
- the effectiveness of action plans; and
- impacts on selected disadvantaged areas chosen as case studies.

3.5 The evaluation also sought to assess the appropriateness of indicators used for monitoring progress in reducing poverty in Northern Ireland.

3.6 This consultation document cannot do justice to the technical detail of the evaluation and the full text of the report can be found at: **[www.research.ofmdfmi.gov.uk](http://www.research.ofmdfmi.gov.uk)**

## Process and Structures

3.7 The key findings of the review of the internal processes driving the policy were:

- a wide range of definitions of ‘social need’ was found within departments, reflecting their different programme objectives;
- there was a general lack of policy objectives and targets in relation to the three core strands of New TSN – employment, employability, and inequalities;
- more detailed policy guidance was required prior to the publication of departmental action plans;
- departments had demonstrated evidence of good practice through the establishment of working groups that included non-departmental public bodies and other stakeholders; and
- lack of control over delivery structures, either through non-departmental public bodies, boards or trusts, limited the departments’ ability to deliver on New TSN.

## **Action Plans**

3.8 In general, the action plans of departments were too heavily focused on processes rather than outputs. Specifically:

- roughly one-third of all actions (amounting to around 150 actions) in New TSN Action Plans had met their objectives, while a further third had not and the remaining third had not been linked to a specific output, making it difficult to judge success. In general the evaluators felt that there were too many actions and insufficient strategic targets;
- there is a need to better understand what New TSN aims to achieve and for proposed actions to be more clearly linked to specific outcomes; and
- there should be greater clarity in terms of the desired outcomes of the policy and, related to this, clearer guidance on target setting.

## **Systems for Monitoring**

3.9 A key strength of the New TSN policy was the development of information systems and 'base-line' i.e. trend information to inform the development of New TSN actions and to improve the identification of impacts arising from them.

- Almost all departments engaged in research and systems development for New TSN;
- departmental action plans paid little attention to the issue of ‘community differentials’ i.e. the differences between the two communities in terms of, for example, levels of unemployment and educational performance;
- there was considerable evidence that financial resources were being targeted within programmes; and
- a number of key departments with limited potential to ‘skew’, i.e. to concentrate financial resources on addressing objective need, nonetheless demonstrated significant **skewing of efforts** in relation to accessibility and the uptake of key services. Examples include: Department for Social Development’s actions in relation to benefit uptake; research by the Social Security Agency into the needs of disadvantaged groups; the targeting by Department of Enterprise, Trade and Investment of initial visits by potential investors to disadvantaged areas; and the outreach activities of the Rates Collection Agency in relation to housing benefit claims in areas of disadvantage.

## **Area Analysis**

3.10 Three small geographic areas of multiple deprivation were studied to assess how the collective efforts of departments impacted on unemployment, employability and promoting

social inclusion, in line with New TSN policy. Departments were also asked to identify how resources or efforts had been targeted on these areas. The areas in question were West Belfast, Outer West Belfast and Castlederg.

- In general, departmental planning mechanisms were found not to be designed to operate at such a low level of analysis;
- the impact of actions on disadvantaged wards was not generally being monitored;
- a number of departments were able to identify actions in the selected areas that were specifically targeted at areas of disadvantage; and
- current monitoring systems are not effective in identifying small area impacts of New TSN.

3.11 Statutory agencies consulted within these areas raised a number of issues such as the need for additional resources for New TSN. It was felt that departmental action plans lacked visibility on the ground and that New TSN had raised community expectations beyond a realistic level.

3.12 The community and voluntary sector was supportive of the policy but was very critical in relation to changes at local community level. A view was expressed that ineffectiveness was related to the absence of additional New TSN

resources, reduced departmental budgets and additional bureaucracy and administration associated with New TSN.

- 3.13 The sector tended to view New TSN in relation to grant aiding rather than mainstream service provision.

### **Evaluators' Assessment of Poverty Indicators**

- 3.14 In order to monitor general levels of poverty and prosperity in Northern Ireland, a list of poverty-relevant social and economic statistics had been developed. Some of these were based on recommendations by the European Commission Social Protection Committee to allow comparisons across Member States and regions. Others were included in the Department for Work and Pensions publication 'Opportunities for All'. These were chosen to allow comparisons with other parts of the UK (**see Annex 5**).

- 3.15 In assessing these indicators, the evaluators felt they should focus more on differences between groups, and should cover longer timeframes. The indicators should be capable of examining the incidence of key trends by a range of population groups, including Section 75 groups, social class, and vulnerable or disadvantaged groups of people.

### **The External Assessment of New TSN (C)**

- 3.16 In addition to the formal evaluation element of the process, independent reviews of the policy were received from various

sources, including the Northern Ireland Council for Voluntary Action (NICVA), the Civic Forum, the Institute of Governance at Queen's University Belfast, Democratic Dialogue and the Northern Ireland Anti-Poverty Network. In addition, views from other organisations such as the Equality Commission for Northern Ireland, the Rural Development Council and the Equality Coalition were received.

3.17 Some of the key and common concerns arising from these submissions are outlined below:

- Government should have a wider strategy to tackle poverty and social exclusion supported by 'primary targets' based on key indicators such as child poverty, income and employment rather than secondary 'process' indicators;
- the strategy should be overseen by a forum drawing on a range of sectors, interests and expertise;
- the link between the policy and Section 75/equality issues should be highlighted;
- the policy should be financed by 'top slicing' of budgets ie. creating a central budget with contributions from all departments, and greater efficiencies within Government;
- there should be more involvement of the social partners and the disadvantaged in the development of the strategy;

- a sub-committee of the NI Executive should oversee implementation of the strategy;
- community development and the social economy should be part of the strategy; and
- there should be greater North–South liaison on poverty issues.

### **New TSN – A View From Europe**

3.18 Northern Ireland, represented by the Office of the First Minister and Deputy First Minister, is a partner in a two-stage European Commission (EC) funded project which compared approaches to mainstreaming social inclusion policy across different EU Member States. A second phase of the work has involved developing practical guidance on the different approaches to mainstreaming social inclusion considerations into policy, budget and programme development.

3.19 The project's stage one report reflected that, "Northern Ireland's New TSN policy effectively constitutes mainstreaming social inclusion in Northern Ireland. It does this by redirecting efforts and available resources within existing public programmes towards people, groups and areas in greatest objective social need. In reality it means that departments have to change the way they target their funds so that more resources can be used to benefit those who are experiencing social need. It is also about changing

the way things are done so that programmes and services are organised and delivered in ways that address the needs of people experiencing poverty.”

- 3.20 The Phase 1 Research Report - “Mainstreaming Social Inclusion - Working for the Prevention and Elimination of Poverty in a Changing Europe” is available at [www.combatpoverty.ie](http://www.combatpoverty.ie). A report outlining the work of Phase 2 will be available later this year.

### **The Independent Panel**

- 3.21 An independent panel consisting of individuals with expertise in the area of social policy was consulted on the findings of the independent external evaluation. The panel generally endorsed the method and conduct of the evaluation and the basis of the findings of the evaluation. Concerns were expressed in relation to how any new strategy would be funded, the need to ensure that departments continue to skew resources and the need to combine equality and anti-poverty policy in a complementary way.
- 3.22 Some members of the independent panel also felt that the Programme for Government should have a clearer anti-poverty focus and that there was a case for an ‘innovative action fund’ to encourage departments to develop anti-poverty initiatives. A greater focus on education and health was suggested to balance the current focus on labour market outcomes.

3.23 Capacity building and social support issues were also emphasised as strategically important actions.

### **The Changing Patterns of Social Need (D)**

3.24 Finally, evidence of changing vulnerability to poverty is supported by independent research which compared data from the Northern Ireland Continuous Household Survey (CHS) over roughly a twelve year period (1990-2002).

3.25 This is also based on research findings of the Northern Ireland Poverty and Social Exclusion Survey<sup>3</sup>. Evidence of reductions in socio-economic differentials, particularly between Catholic and Protestant communities also comes from the CHS study.

3.26 Together these analyses suggest:

- a higher level of consensual poverty in Northern Ireland generally compared to Great Britain and similar levels compared to the Republic of Ireland, using a standard measure of poverty defined as households lacking a number of specific basic necessities e.g. food, housing, clothing;
- increasingly households in the bottom 30% of income distribution are made up of lone parents (92% of whom are women), people with disabilities and working households;

- certain groups, particularly women, children, households looking after children with disabilities and young households, are over represented in terms of having low income and lacking basic necessities;
- socio-economic differentials between the two main communities in Northern Ireland have decreased, particularly in relation to unemployment levels which have decreased by a much greater extent for Catholics than for Protestants in recent years. However, labour market gaps still remain with unemployment among Catholics still higher than that for Protestants; and
- the number of children living in poor households, i.e. in the bottom 30% of income distribution, has decreased over the past decade. However, around 150,000 children in Northern Ireland were found to live in households experiencing consensual poverty. There is a connection between inequalities associated with gender and child poverty - 95% of lone parents in receipt of key benefits are women.

## 4. RESPONSE TO CONSULTATION

4.1 In April 2004 the Secretary of State for Northern Ireland the Rt Hon Paul Murphy MP launched the Public Consultation document “**New TSN – The Way Forward – Towards An Anti – Poverty Strategy**”. The Consultation document outlined a range of proposals for the development and future direction of New TSN.

4.2 During the consultation period, which ended on 15 October 2004, OFMDFM funded a number of seminars across Northern Ireland, which were organised in partnership with the Northern Ireland Anti – Poverty Network. The primary purpose of these seminars was to clarify our thinking, and promote discussion and debate on the proposals. In total, 6 consultative events were held across Northern Ireland in:

- Belfast;
- Derry/Londonderry;
- Enniskillen;
- Cookstown;
- Newry;
- Broughshane;

4.3 In addition, 2 Belfast based workshops were organised in conjunction with West Belfast Economic Forum and the Organisation for the Unemployed Northern Ireland.

- 4.4 The seminars were attended by a wide range of people representing various groups spanning the Section 75 categories.
- 4.5 The degree of interest in the proposals was evident within the levels of attendance at the public seminars and during the discussions, which took place. This interest was reinforced by the 103 formal responses, which were submitted. As well as receiving individual responses, views were formally submitted by public, voluntary and business sector organisations, political parties, the education and health sectors, as well as other government departments. A summary of the issues raised by respondents during the first consultation process is available at: [www.newtsnni.gov.uk](http://www.newtsnni.gov.uk).
- 4.6 As a follow on to the public consultation exercises and in a further effort to inform the debate around the development and future direction of the policy, Queen's University Institute of Governance, Public Policy and Social Research, at the request of OFMDFM, hosted a seminar on 1 November 2004. The event was attended by major stakeholders from the voluntary and community sector, representatives from key Departments and academics actively involved in researching the field of poverty and social exclusion. A copy of the conference paper is available at [www.newtsnni.gov.uk](http://www.newtsnni.gov.uk).
- 4.7 In general, this consultation process revealed a broad support for the general 'architecture' of the strategy including its priorities for targeted actions. The consultation however

also highlighted several areas and issues where further clarification and information was sought. More detail on those issues which required further explanation are outlined within **Annex 1**.

4.8 In general, the consultation process revealed a number of key issues which this document now addresses. These include the need for fuller consideration of the definition, measurement, causes and extent of poverty in Northern Ireland; and the need for effective poverty proofing processes. There was also a desire to see greater emphasis on social inequalities, social exclusion and specific actions aimed at reducing these and how the Anti-Poverty Strategy related to other departmental strategies and programmes. Consultees were also interested to have more detail on the proposed role of the Anti-Poverty Forum and on the setting and monitoring of targets to reduce poverty and social exclusion.

4.9 The current document addresses these issues as far as possible, and it is worth reiterating that it is a high level framework and as such does not seek to identify specific initiatives or actions by individual departments nor to set specific targets. These will be set in the context of the development of a Regional Action Plan to reduce poverty and social exclusion in Northern Ireland, which will be overseen by the proposed Anti-Poverty Forum.

## 5. WORKING IN THE UK AND WIDER EU CONTEXT

5.1 In developing a Northern Ireland Anti – Poverty Strategy we need to ensure that our approach to tackling the issues of poverty and social exclusion is consistent with that of the UK and the EU. This chapter explains the UK / EU context in which New TSN operates and how Northern Ireland currently contributes to the National Action Planning Process (NAPs incl.) at UK and EU level. It therefore outlines the wider policy framework within which a future Northern Ireland Anti - Poverty Strategy must be developed.

### The Open Method of Co–Ordination (OMC)

5.2 In 2000 the European Council of Heads of State and Government of the then 15 Member States pledged in Lisbon to “**make a decisive impact on poverty by 2010**”. This is to be achieved in the context of the overall strategic goal for that ten-year period of making the European Union “the most competitive and dynamic knowledge based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion”.

5.3 The Open Method of Co–Ordination (OMC) has been developed as a process to support and facilitate Member States in meeting the goal on poverty eradication and linked goals in employment and other social areas such as healthcare and making work pay.

5.4 The OMC process facilitates a gathering of knowledge, experience, and best practices from the various Member States in their diversity of traditions, political philosophies, levels of economic development and degrees of State, private sector and family involvement in combating poverty and achieving other positive social outcomes. It is also, however, an open process which leaves Member States free to choose the mix of policies and priorities which they consider is best suited to meet the agreed set of common objectives. Through their participation in the OMC process, Member States can learn in detail how their EU counterparts are meeting the common challenges, and have their approaches evaluated by the Commission and other Member States.

### **The Common Objectives**

5.5 In December 2000 EU Member States agreed a common set of objectives for combating poverty and social exclusion. These were revised in December 2002 and are as follows:

**1. To facilitate participation in employment and access by all to resources, rights, goods and services, this would include:**

- promoting access to stable and quality employment for all women and men who are capable of working;

- preventing the exclusion of people from the world of work by improving employability through human resource management, organisation of work and life– long learning;
- organising social protection systems in such a way that they help, in particular, to: guarantee that everyone has the resources necessary to live in accordance with human dignity; overcome obstacles to employment by ensuring that the take–up of employment results in increased income; and by promoting employability; and
- to put in place policies which aim to provide access for all to decent housing and healthcare as well as the basic services necessary to live normally i.e. electricity, water, heating etc.

## **2. To prevent the risks of exclusion by way of :**

- exploiting fully the potential of the knowledge–based society and new information and communication technologies, ensuring that no one is excluded and taking particular account of the needs of people with disabilities; and
- putting in place policies which seek to prevent life crises which can lead to situations of social exclusion, such as indebtedness, exclusion from school and becoming homeless.

### **3. To help the most vulnerable through:**

- promoting the social integration of women and men at risk of facing persistent poverty, for example because they have a disability or belong to a group experiencing particular integration problems;
- moving towards the elimination of social exclusion among children;
- developing comprehensive actions in favour of areas marked by exclusion. and

### **4. To mobilise all relevant bodies by:**

- promoting, according to national practice, the participation and self-expression of people suffering exclusion, in particular in regard to their situation and the policies and measures affecting them;
- mainstreaming the fight against exclusion into overall policy; and
- promoting dialogue and partnership between all relevant bodies, public and private.

## **United Kingdom European Union National Action Plans (NAPs incl)**

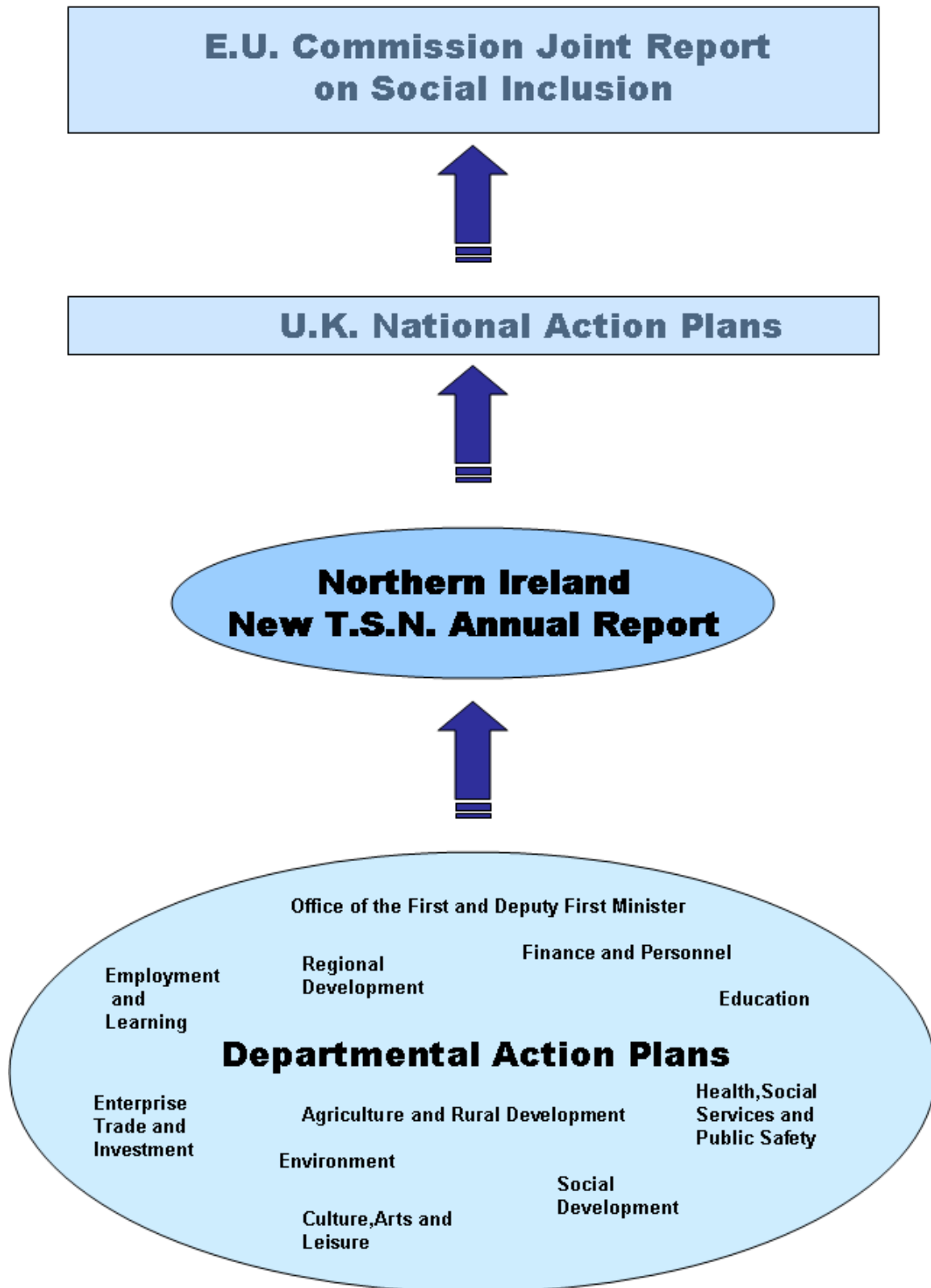
- 5.6 The submission of European Union (EU) National Action Plans against poverty and social exclusion (NAPs incl) is a fundamental component of the open method of co-ordination.
- 5.7 The plans provide an opportunity for assessment of the strengths and weaknesses of the main policy instruments already in place in light of the four common objectives.
- 5.8 While taking into account the overall national situations and existing policy framework, the National Action Plans also allow for the identification of the specific and concrete changes that are proposed to existing policies or programmes and the new initiatives that are planned in order to address identified problems and weaknesses.
- 5.9 The first NAPs Incl were submitted in June 2001 and the second in July 2003. The next Plans are due for submission in October 2006.
- 5.10 The National Action Plan for 2006–2009 will consider what has been achieved under the current plan in relation to poverty and social inclusion and also measure progress against the objectives and targets, which have been set.

## **Northern Ireland's Contribution to NAPs**

5.11 The United Kingdom (UK) NAPs incl sets out what is happening across the UK in terms of tackling poverty and social exclusion. It brings together all the work, which is being undertaken within England, Scotland, Wales and here in Northern Ireland.

5.12 The Central Anti-Poverty Unit, within the Office of the First Minister and Deputy First Minister, has responsibility for the co-ordination of the Northern Ireland contributions to the UK NAPs incl. The Northern Ireland information, which in the future will be gathered from the proposed Northern Ireland Regional Action Plan, is then passed to the Department for Work and Pensions (DWP) in London, the Government Department with overall responsibility for collating, developing, co-ordinating and driving the NAPs incl process.

5.13 Currently the New TSN Annual Report represents the main 'vehicle' for Government reporting progress in tackling poverty and disadvantage in Northern Ireland. The Report is published in a format and through a process agreed by the previous Northern Ireland Executive. Consequently its focus is on measures to improve employment and employability, reduce socio-economic differentials and promote social inclusion. This process is summarised diagrammatically below.



**Fig 1. Departmental Action Plans and the E.U. Context**

5.14 While there is no obligation on EU Member States to report at regional level as part of the Open Method of Co-Ordination, logically we should aim for closer alignment with the wider UK and EU framework and thereby achieve a consistent and more co-ordinated approach.

## 6. THE STRATEGIC FRAMEWORK

6.1 The analysis of responses to 'New TSN – The Way Forward Towards an Anti-Poverty Strategy' highlighted broad support for the following strategic framework:

- That the name of the strategy would be – **The Northern Ireland Anti-Poverty Strategy;**
- That the strategic aim would be – **To improve the income and living conditions of the most disadvantaged.** Previous policy focused on the means (targeting) of achieving many detailed programme – specific objectives. The proposed strategy will therefore focus more on the outcome of key actions taken to address poverty and social exclusion. This outcome is to do with both addressing financial hardship and reducing material poverty where people lack recognised necessities such as warm clothing, waterproof shoes and a healthy diet;
- That there would be a wider scope for policy - **To introduce a new priority focus on financial hardship,** reinforcing the importance of measures to tackle financial hardship, including increasing uptake of financial entitlements and reducing indebtedness;
- That there would be - **a stronger focus on capacity building** emphasising the relevance of a wide range of programmes, such as health, education and employment

and training, to enhance an individual's capacity to participate in economic and social life which in turn acts as an "insulator" against poverty. Participation does not simply mean uptake of services but is characterised by full and confident involvement in community life. Capacity building refers not only to the labour market but also encapsulates the social aspect to poverty, in terms of an individual's broader connection with society as a whole;

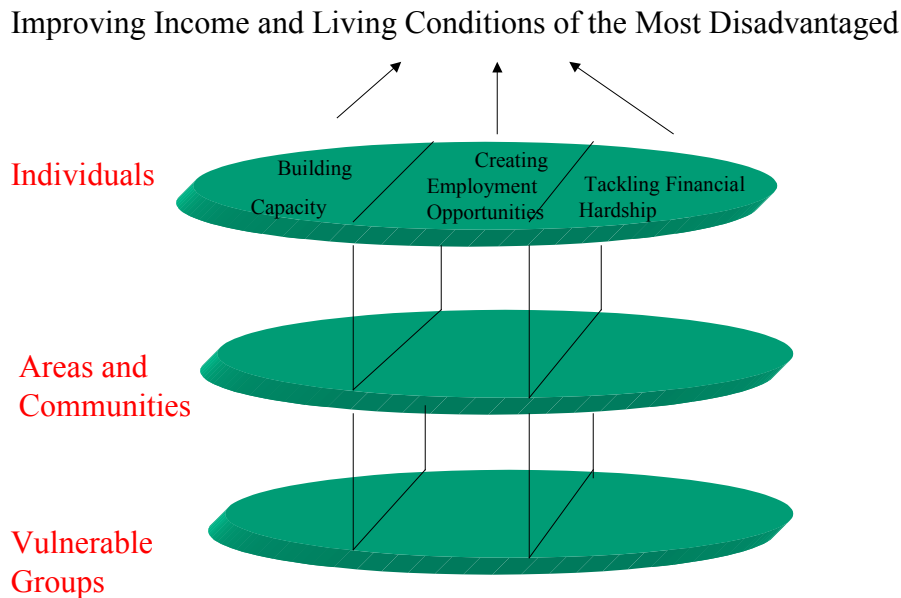
- The strategic framework would include - **three high level priorities:**
  - **building capacity to (a) participate in the labour market and take advantage of the market economy; and (b) benefit from greater participation in social and cultural life of the community;**
  - **increasing employment opportunities and reducing barriers to employment; and**
  - **dealing with financial hardship.**

6.2 Measures and actions within these priority areas will have a different focus depending on whether they are aimed at:

- all individuals in objective need;
- the most disadvantaged areas and communities; and
- groups most at risk of being in poverty.

6.3 This strategic framework for measures to tackle poverty can be represented diagrammatically as below:

**Fig 2.**



- The continuation of the existing Promoting Social Inclusion (PSI) initiative and its further development to include – **a new PSI group to develop a strategy to tackle poverty and social exclusion experienced by lone parents.** This PSI group will be led by the Office of the First Minister and Deputy First Minister (OFMDFM). Through this group, OFMDFM will be responsible for developing a strategic and joined- up approach, working with relevant sectors and organisations to address the particular problems faced by those having to bring up children without the support of a partner.
- **The introduction of a Regional Poverty Action Plan** – to be produced using an approach consistent with National

Action Plans as recommended by the European Commission.

- **The increased use of Indicators** – in addition to statistical indicators used for targeting purposes, a broader range of statistical indicators will be employed to monitor more generally progress in reducing poverty and disadvantage in Northern Ireland.
- The use of Resources – **the resources required to tackle poverty and social exclusion will continue to be those allocated through the skewing of public expenditure (“bending the spend”) towards those areas, groups and individuals in greatest objective need.** This is considered the most effective way of ensuring that measures to combat poverty and social exclusion continue to be mainstreamed within public expenditure, planning and resource allocation.
- **The creation of an Anti - Poverty Forum** – The Northern Ireland Anti-Poverty Strategy will be co-ordinated through a Ministerially led inter-departmental and inter-sectoral forum. The forum will comprise representatives of key public authorities including local government, trade unions, the voluntary and community sector and the financial services sector. It will be the job of the forum to oversee the implementation of the strategy across Government, including monitoring targets for poverty reduction and

progress against these. (See Terms of Reference **Annex 2**)

6.4 The Anti-Poverty Strategy framework will provide a better co-ordinated approach and draw together key policy areas and their impacts including those with cross-cutting issues such as:

- **Targeting Social Need** - The central principle of the proposed Anti-Poverty Strategy continues to promote that of New TSN which is the objective targeting of resources and efforts towards those individuals, areas and groups in greatest objective need.
- **Legislation** - Legislation can complement policy in tackling the causes of inequality and poverty. Also policies often rely on legislation in order to be implemented effectively. In the case of the Anti-Poverty Strategy, legislation such as that regulating minimum pay, addressing social need and tackling inequalities will serve to reinforce policy focused on the needs of individuals, specific areas, communities and vulnerable groups.
- **Access to Services** - The need for improvements in the co-ordination, delivery and access to public services is an issue which has been consistently highlighted within a wide range of responses to recent Government public consultations. However, Northern Ireland Departments are

already seeking to address issues associated with the barriers to accessing services:

➤ the Review of Public Administration (RPA) Team, within their consultation document 'The Review of Public Administration in Northern Ireland – Further Consultation, which was published on 22<sup>nd</sup> March 2005, are recommending the creation of a system within a new two-tier model of public administration, which would significantly enhance the quality of and access to public services in Northern Ireland. Further details of the proposed new system can be found on their website at: [www.rpani.gov.uk](http://www.rpani.gov.uk); and

➤ The Department for Social Development in taking forward their Neighbourhood Renewal Strategy is also seeking to ensure that the public services provided to the neighbourhoods concerned will be improved and made more responsive to the needs of individuals in those areas;

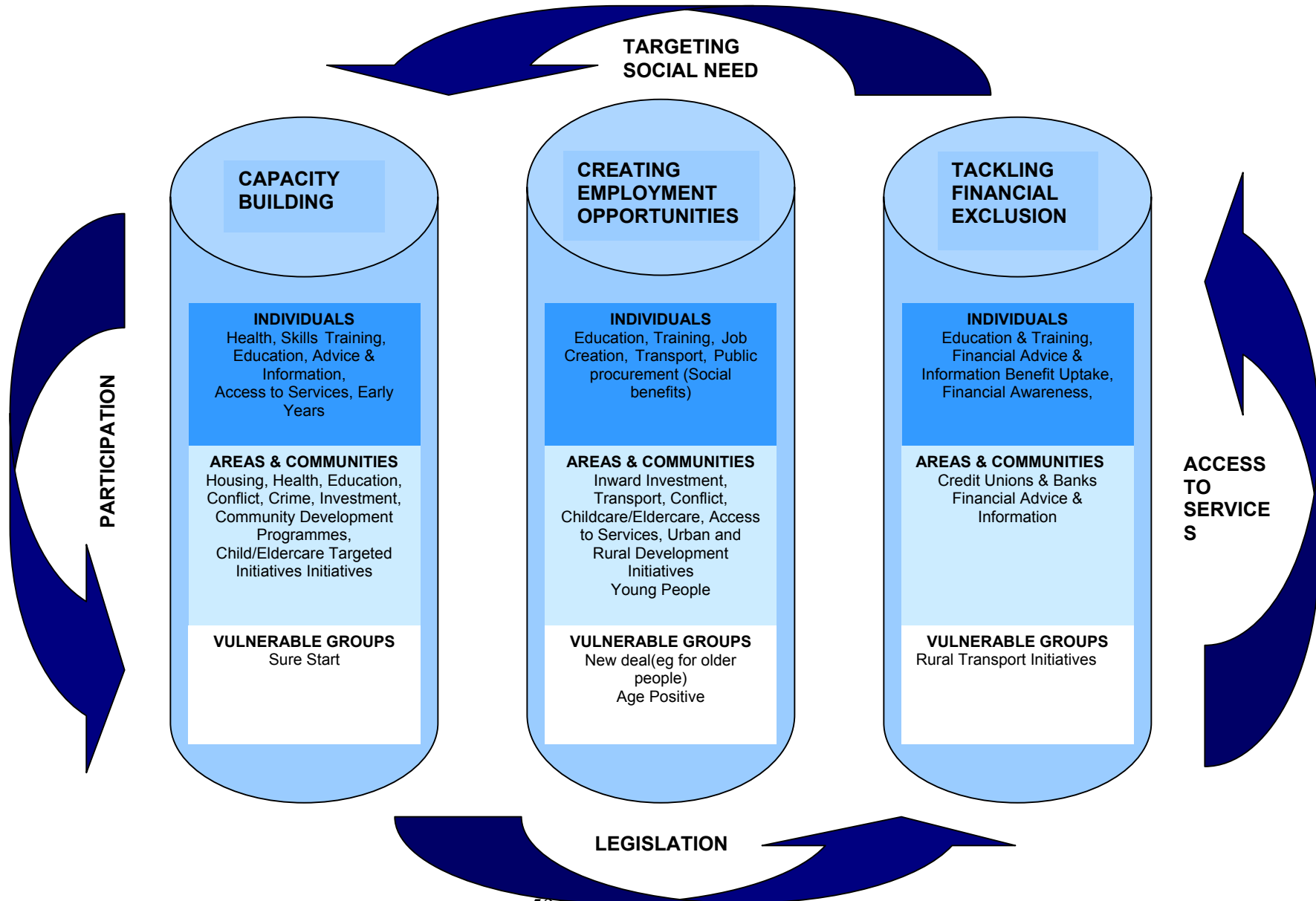
6.5 In addition, it is proposed that the Anti-Poverty Strategy will provide the impetus and environment for Departments from related policy areas to work together, both formally and informally, on issues that have a common interest from an early stage of policy development. This proposed approach will help to promote joined-up working and greater awareness and understanding of the full range of public

services in Northern Ireland, this in turn will ultimately lead to improved access to services for those in need.

- **Participation** - In bringing forward policies and strategies, NI Departments will continue to involve all relevant parties in the development, evaluation and assessment of policies affecting those most in need. In addition, there has been broad support for the establishment of an Inter-Departmental Ministerial Forum where key stakeholders will be represented and given the opportunity to participate and play an important role in overseeing the overall implementation and evaluation of the impact of the strategy.

6.6 The following diagram illustrates the ‘vertical’ and ‘horizontal’ (cross cutting) priorities which make up the ‘architecture’ of the Northern Ireland Anti-Poverty Strategy. This includes indicative areas of action within which more detailed departmental objectives might be set as part of a Regional Action Plan:

**Fig.3. Northern Ireland Anti-Poverty Strategy – Vertical, Horizontal and Cross-cutting Components**



6.7 When the final strategy has been agreed and launched, the Anti-Poverty Unit within OFMDFM will work bilaterally with Departments to develop Action Plans. These will form the basis of the Northern Ireland Regional Action Plan and Northern Ireland's contribution to the United Kingdom National Action Plan on Social Inclusion (see Chapter 5 for further details).

## 6.8 **Building on Existing Policy and Programmes**

Some departments' programmes are, by definition, targeting those most in need. Benefit payment, social housing, and neighbourhood and town regeneration programmes in the Department for Social Development (DSD) and 'Welfare to Work' initiatives in the Department for Employment and Learning (DEL) are obvious examples. Departments also take account of need when allocating budgets. For example, children in disadvantaged areas are specifically targeted through programmes such as 'Sure Start' and outreach initiatives, which promote participation in sport and cultural activities. The purpose of the Northern Ireland Anti-Poverty Strategy is not to change this approach but to promote a more joined-up approach focused on those most in need.

The aim is to make sure important strategies are co-ordinated across departments. For example, projects such as DSD's 'Neighbourhood Renewal Strategy', which works to improve social, economic and environmental conditions in targeted areas, should complement specific employment, health and education initiatives underway in the same areas. Similarly, departmental programmes should not be limited

to identified locations, but should target vulnerable groups, irrespective of where they live.

The Anti-Poverty Strategy will aim to reinforce partnership working at all levels between departments, agencies and non-governmental organisations, as originally recognised under New TSN. The proposed Anti-Poverty Forum and the extension to PSI are tangible mechanisms strategies to achieve this goal.

**Fig. 4. Mapping Departmental Programmes and Initiatives onto the Northern Ireland Anti-Poverty Strategy**

Departmental Policy	Capacity Building			Employability			Financial hardship		
	Communities	Individuals	Groups	Communities	Individuals	Groups	Communities	Individuals	Groups
North Belfast Community Action Unit	Light Blue	Light Blue	Light Blue	Dark Blue	Dark Blue	Dark Blue	White	Dark Blue	White
Developing The Social Economy	White	White	White	Dark Blue	Dark Blue	Dark Blue	Dark Blue	Dark Blue	Dark Blue
Skills Strategy	White	Light Blue	White	Dark Blue	Dark Blue	Dark Blue	White	Dark Blue	White
Sure Start	Light Blue	Light Blue	Light Blue	Dark Blue	Dark Blue	Dark Blue	Dark Blue	White	Dark Blue
Welfare Reform	White	White	White	Dark Blue	Dark Blue	Dark Blue	White	Dark Blue	White
Rural Development Strategy	Light Blue	Light Blue	Light Blue	White	Dark Blue	Dark Blue	White	White	White
Neighbourhood Renewal Strategy	Light Blue	White	Light Blue	Dark Blue	White	Dark Blue	White	White	White

## **7. FINANCE, BUDGETS AND RESOURCES**

7.1 Tackling poverty and disadvantage requires significant investment of effort and resources. Some of these resources, and the related policies, are delivered at UK level by the Treasury, such as minimum wage and tax and benefit policies. However, resources and effort can, and have also been, skewed by the Northern Ireland Administration to reduce social need.<sup>7</sup>

### **United Kingdom Control**

7.2 Reforms have been undertaken to the tax and welfare systems, both of which are key levers in providing resources for and delivering services to, those in need. The reforms include improvements to Working Tax Credit and Child Tax Credit, both of which provide a secure stream of income for families with children, increases to the rates of welfare benefits, and planned changes for pensions, aimed at strengthening protection for company pensions schemes and increasing choices about when people can retire, to include the introduction of the Financial Assistance Scheme, The Pensions Regulator and Pension Protection Fund, as well as State Pension deferral modifications.

### **Allocation of Funds from Westminster**

7.3 Treasury determine how much money will be allocated to Northern Ireland by using a number of mechanisms, including a system called the 'Barnett Formula'. The Barnett Formula provides a population

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<sup>7</sup> [www.dsdni.gov.uk/statistics-research/FamilyResources.asp](http://www.dsdni.gov.uk/statistics-research/FamilyResources.asp)

share of any change in spending on a comparable Government programme in England, or England and Wales as appropriate. Northern Ireland has discretion over how it allocates its Barnett consequential to meet local needs and priorities, whilst at the same time fulfilling its responsibilities to meet UK fiscal rules.

- 7.4 Other sources of funding for public expenditure in Northern Ireland are raised from locally financed expenditure, the European Commission, and through borrowing by Central Government, NI local authorities and public bodies to fund capital investment.

### **Methods Of Resource Allocation**

- 7.5 In Northern Ireland, Government is committed to tackling poverty and social exclusion. The central principle of the proposed Anti-Poverty Strategy will be similar to that of New TSN, which is the objective targeting of resources and efforts towards those who are most disadvantaged so that inequalities can be reduced.

### **New TSN Policy Influence**

- 7.6 The NI Executive, before it was suspended, decided that the New Targeting Social Need policy should be one of the important factors to be taken into account when making decisions concerning the allocation of Departmental resources. Direct Rule Ministers have since reaffirmed, through publication of the 'Priorities and Budget 2005 – 2008' the high degree of importance that New TSN considerations should have when making budgetary decisions. The New TSN policy

theme has run through all Departments, agencies and NDPB's by redirecting – or “skewing” - the money they have for relevant existing programmes so that more of it can be used to benefit individuals, areas and communities, and groups who are in greatest objective social need.

- 7.7 The findings of the independent evaluation of the New TSN policy indicated there was considerable evidence that financial resources within Departmental programmes were being targeted towards the most disadvantaged in society, showing that New TSN principles have been successfully mainstreamed by Departments. For example during 2005/2006 the Department of Education will as a result of New TSN allocate over £48 million directly to schools' delegated budgets, taking account of objective need.
- 7.8 The Department of Health, Social Services and Public Safety, places great emphasis on targeting need in its allocation policy and has recently completed a major programme of research to improve the Regional Capitation Formula. Evidence based revisions to the formula have further enhanced its sensitivity to need and it is estimated that in 2005/06 the formula will move around £214m gross between electoral wards because of needs arising from age/gender differences, while £310m gross will be similarly redistributed mainly because of social disadvantage.
- 7.9 There is also evidence that the most disadvantaged individuals, groups and areas have benefited from New TSN policy regardless of specific resource redirection. The independent evaluation also highlighted that a number of key Departments with limited potential to “skew” its

resources had nonetheless demonstrated significant *skewing of efforts*, for example in relation to accessibility and uptake of key services. Evidence of this can be taken from the policies and practices of Departments such as:

- **Department for Social Development (DSD)** in relation to benefit uptake research by the Social Security Agency into the needs of disadvantaged groups, and the development of a Fuel Poverty Strategy aimed at eradicating fuel poverty in Northern Ireland;
- **Department of Enterprise, Trade and Investment (DETI)** who target disadvantaged areas for initial visits by potential investors. DETI also chairs an Inter-Departmental Steering Group which published a three year strategy for the social economy sector in 2004, “Developing a Successful Social Economy”, and will shortly be reporting progress on its 2004-05 Action Plan. Social economy enterprises have a strong tradition of supporting local communities and include credit unions, housing associations, local enterprise agencies, community businesses, social firms and co-operatives, which are established specifically to fulfil a social, community or ethical purpose. The Inter-Departmental Steering Group, which comprises all NI Departments, is considering how Departmental policies and programmes support or hinder the growth of the social economy sector. It is also encouraging greater cross departmental co-operation, and has identified key action points to maximise the sector’s potential to create wealth and jobs, particularly in disadvantaged areas;

- **Department of Finance & Personnel's Rates Collection Agency (DFP)** who undertake outreach activities in relation to housing benefit claims in areas of disadvantage.

7.10 A number of UK-wide programmes have also been taken forward by Northern Ireland Departments such as:

- **Department for Employment & Learning** – The New Deal initiative, which has had an increased focus on improving the employment prospects of some of the most marginalised and disadvantaged groups in society:
- **Department of Health, Social Services & Public Safety** – The Sure Start initiative, which is designed to improve the life chances of pre-school children and their families in the areas of greatest need by ensuring access to necessary support services.

## **Resourcing The Anti-Poverty Strategy**

7.11 While the initial consultation on the way forward from New TSN towards an Anti-Poverty Strategy highlighted significant support for the 'skewing' approach, there was some criticism regarding its effectiveness. Following careful consideration of all the issues, Ministers have endorsed the continuation of the skewing of resources by Departments.

7.12 The 'skewing' approach is considered to be the most effective way of mainstreaming Departmental measures towards tackling poverty and social exclusion within public resource planning and allocations.

Departments will continue with this practice to achieve the overall strategic anti-poverty aim of improving income and living conditions of the most disadvantaged individuals, areas and communities, and vulnerable groups.

7.13 The Anti-Poverty Unit within the Office of the First Minister and Deputy First Minister will continue to work in close liaison with the Department of Finance and Personnel to ensure that the skewing of resources principles are taken into account in the consideration of all Departments spending proposals. The Anti-Poverty Unit will undertake further research to measure the extent of skewing of resources targeting those in most objective need. This will update the results of previous research published by OFMDFM in 2002.<sup>8</sup>

### **A Focus On Financial Hardship**

7.14 Many people, particularly those living on low incomes, are unable to access mainstream financial products such as bank accounts and low cost loans. This financial exclusion imposes real costs on individuals and their families, often the most vulnerable people in society, and has costs for communities in which they live. Despite the UK having one of the most diverse financial services sectors in the world, financial hardship remains a reality for many people.

7.15 Problems associated with financial hardship are particularly prevalent in Northern Ireland, where an estimated average 42% of households

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<sup>8</sup> [www.dsdni.gov.uk/statistics-research/FamilyResources.asp](http://www.dsdni.gov.uk/statistics-research/FamilyResources.asp)

do not have any savings, and approximately 20% of people do not have access to a bank account.<sup>9</sup>

7.16 Whilst lacking a bank account has costs in itself, the implications of financial hardship can be much broader. For example, families can be locked in a cycle of poverty and exclusion; or can turn to high cost credit or even illegal, predatory lenders, resulting in greater financial strain and escalating unmanageable debt.

7.17 People who experience financial hardship can also lack access to quality advice on how to improve their financial situation, which in turn can contribute to over-indebtedness and further social exclusion.

7.18 Within the high level framework of the Anti-Poverty Strategy, the new high level priority of tackling financial hardship will focus on areas such as methodologies of increasing awareness of financial entitlements, for example: Tax Credits; reliefs and discount availabilities; and social benefit entitlements; and to reduce levels of high interest debt among low income groups. To this end, Departmental policies in Northern Ireland have already progressed to include:

- **The Department of Enterprise, Trade & Investment (DETI)** has taken forward a major review of Northern Ireland's policy on Credit Unions and Industrial and Provident Societies and is developing new legislation which will enhance the services they are able to offer to members;

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<sup>9</sup> DSD Family Resources Survey 2002-2003

- **The Department for Social Development (DSD)** is developing a 10-year Financial Advice and Information Strategy. Whilst the strategy focuses on funding advice on core Departmental business such as welfare benefits and housing, it recognises that such areas cannot be addressed in isolation, and therefore the proposed strategy will also cover money and debt advice, as well as advice on employment and health;
- **The Department for Social Development**, including the Social Security Agency and the Office of the First Minister and Deputy First Minister will work with Atlantic Philanthropies (a major USA-based charity) to explore the scope for increasing benefit uptake by older people in Northern Ireland;
- **The Department of Education (DE)** has set a target date of September 2006 to introduce financial awareness into the NI Schools curriculum; and
- In terms of research, the **NI Statistics and Research Agency (NISRA)** has commissioned a series of questions on debt within its Omnibus Survey, which was carried out in March 2005. This was a small pilot exercise to test the feasibility of asking a range of debt questions and of obtaining a baseline on the extent of debt and over-indebtedness in Northern Ireland. A summary of the outcome is expected to be posted on the NISRA website [www.research.ofmdfmni.gov.uk](http://www.research.ofmdfmni.gov.uk) later in 2005.

7.19 Tackling financial hardship will involve Government working closely with the financial institutions and the voluntary and community sector

to empower individuals to take control of their finances, to access basic financial services and break the cycle of unmanageable debt.

## **8. IMPLEMENTING THE STRATEGY**

8.1 In order to ensure that the strategy is translated into action, there must be clear lines of responsibility and appropriate structures in place to achieve a joined-up, targeted approach to tackling poverty and social exclusion. This chapter outlines the areas of responsibility of the participants and sets out a new structure to monitor and oversee the work on the implementation of the strategy.

### **Ministerial Responsibility for the Strategy**

8.2 While devolved government is suspended, Ministers in the Northern Ireland Office have responsibility for the strategy and its action plan within their Departments and agencies. It is **proposed** that a Ministerially led inter-departmental/sectoral **Anti-Poverty Forum** will oversee the implementation of the strategy across Government, including monitoring targets for poverty reduction and progress against these. **(See Annex 2 for Proposed Terms Of Reference)**

### **The Role Of OFMDFM Central Anti – Poverty Unit**

8.3 The Central Anti–Poverty Unit within the Office of the First Minister and Deputy First Minister (OFMDFM) will have overall responsibility for developing, co-ordinating and implementing the Northern Ireland Anti–Poverty Strategy.

## **Responsibilities of Individual Departments and Agencies**

8.4 There is a range of practical measures that would be important first steps towards the implementation of the strategy. These include:

- having a focal point or unit within each Department to facilitate action on tackling poverty and social exclusion issues, and to work with the Anti-Poverty Unit in OFMDFM;
- communicating to all staff the Department's commitment to tackling the causes and impacts of social exclusion and poverty;
- ensuring that staff have an awareness and understanding of poverty and social exclusion and issues arising for specific action within the Department's policy and operational areas;
- identifying appropriate actions consistent with the strategy's aims and principles, and the Department's priorities for inclusion in the strategy's action plan, and monitoring and reporting progress on these;
- cascading the strategy to non-departmental public bodies and other service providers, and encouraging them and/or working with them to ensure its effective implementation; and
- sharing knowledge, expertise and good practice with others.

## **Action Planning**

8.5 It is proposed that the Northern Ireland Regional Action Plan will be developed using a format consistent with National Action Plans (NAPs)

as recommended by the European Commission. – **Further details on EU National Action Plans is included within Chapter 5 “Working in the UK and Wider EU Context”**

## **Timetable Of Events**

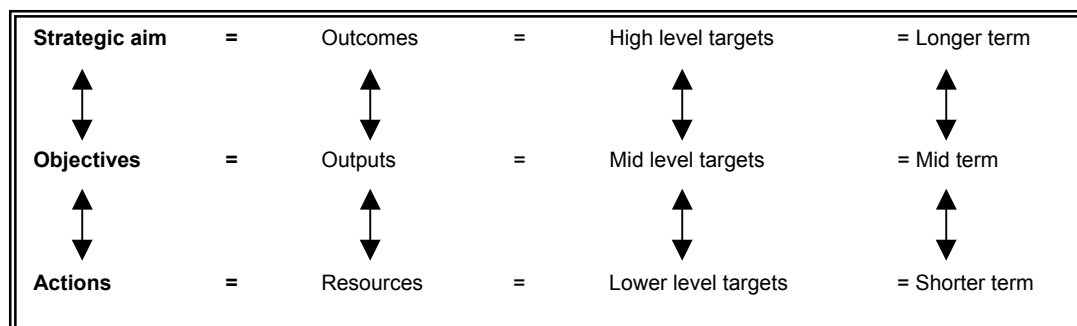
8.6 A timetable, outlining the steps to be taken in implementing the proposed Anti-Poverty Strategy, is attached at **Annex 4**

## 9. SETTING TARGETS AGAINST THE STRATEGY

9.1 There are a number of key considerations when identifying strategic targets. The data and information underpinning the targets must be robust, valid and reliable. The targets must be relevant to stated aims and objectives, set at the appropriate level, and concerned with overall outcomes. Targets set should be both challenging yet achievable. Importantly, target setting should be time-bound at which point outcomes in respect of the targets can be reviewed and new targets agreed. In that context, the proposed Ministerial-led forum represents an opportune environment for discussion, agreement, monitoring and future revision of targets.

### Strategy Architecture

9.2 The Anti-Poverty Strategy is structured around three distinct levels. Targets set at each level will reflect different perspectives and fulfil various roles.



9.3 Within this structure, and from the top down, targets related to the strategic aim are underpinned by targets set against identified objectives, which in turn are supported by targets relating to specific

actions. In terms of strategy outcomes, and from the bottom up, impacts of actions should translate into progress within the objective areas, which in turn should be reflected by progress in achieving the overall strategic aim.

- 9.4 Each level also reflects a different timeframe. Targets set at the high level reflect a longer-term perspective; those targets set alongside objectives reflect a mid-term perspective, whilst those targets set against actions reflect a short-term perspective. Ideally, the number of targets set should be as parsimonious as possible but of high relevance to the achievement of the strategy's aims and objectives.

## **Target Setting**

### **High Level Targets - Strategic Aim**

- 9.5 The strategic aim of the strategy is 'improving income and living conditions of the most disadvantaged'. Targets set at this level represent the means by which an overall assessment of progress of the strategy towards the strategic aim can be made. These targets are likely to comprise accepted measures of poverty. While there has been much debate both nationally and internationally in relation to poverty measurement, it is not possible to rehearse all the arguments here. However, we believe that a single high level poverty target is neither practical nor possible. In that context then, four approaches to poverty measurement can form the targets to aid the assessment of progress in achieving the aims of the strategy (**Table 1**).

*Table 1: Anti-Poverty strategic targets*

<b>STRATEGIC TARGETS</b>	<b>DETAILS</b>	<b>DATA SOURCE(s)</b>
<b>Mixed Measures of poverty</b>	Reduce the proportion of people/households below the mixed measure of poverty threshold	Potentially the Poverty and Social Exclusion Survey as a source of consensual poverty or the Family Resources Survey
<b>Relative income poverty measures</b>	Reduce the proportion of people/households living below 60% and 70% of contemporary equivalised median household income	Family Resources Survey
<b>Absolute income poverty measures</b>	Reduce the proportion of people/households living below an income threshold adjusted year-on-year for inflation	Family Resources Survey
<b>Indicators of Social Need</b>	Broader indicators of social need	Various

9.6 The strategic targets for poverty reduction refer to all individuals in all households. However, there is a particular and current interest in three specific types of households: households with children; lone parent households; and households with people with a disability. The focus on these stems from a range of research, which indicates that they are currently at risk of, and compose a significant proportion of, those in poverty. Importantly, a focus on children represents a commitment to tackle the cycles of disadvantage that can impact across generations within a family.

9.7 Examples of the baseline position at 2002/03 for these strategic targets are detailed below (**Table 2**). More analytical work is required to refine these targets, expressing them both in terms of households and individuals.

*Table 2: Baseline 2002/03 position of strategic targets*

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**POSITION OF STRATEGIC TARGETS BASELINED AT 2002/03**

**Consensual Poverty Threshold**

**(Poverty and Social Exclusion Survey)**

All households below threshold	30%
Households with children below threshold	38%
Single parent households below threshold	67%
Households with someone with a disability below threshold	56%

**Proportion of individuals living in households below 60% median income (Family Resources Survey)**

All individuals below household threshold	19%
Children in households below threshold	26%
Single parent households below threshold	46%
Households with someone with a disability below threshold	47%

**Proportion of individuals living in households below 70% median income (Family Resources Survey)**

All individuals below household threshold	27%
Children in households below threshold	33%
Single parent households below threshold	56%
Households with someone with a disability below threshold	55%

**Absolute income thresholds set at 60% 1996/97 GB median**

All households below threshold	19%
Children in households below threshold	24%
Single parent households below threshold	41%
Adults with a disability living in households below threshold	19%

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9.8 The indicators of social need referred to in the strategic targets (**Table 1**), are not targets as such, but rather represent a broader perspective on poverty and social exclusion by adopting many of those indicators currently reported on within the National Action Plans for Social Inclusion; Opportunity for All; and Monitoring Poverty and Social Exclusion, to enable an assessment in the round of broader impacts.

## Supporting Targets

9.9 There are a number of supporting targets underpinning the strategic targets that relate directly to the three objective areas of: building capacity; creating employment opportunities; and tackling financial hardship.

### 9.10 Building Capacity – Employability (key skills and capabilities)

To increase the proportion of employees earning more than £400 per week and increase the proportion of employees in higher skilled jobs (Standard Occupational Classification) SOC 1-3.

### 9.11 Building Capacity – Health

To reduce the gap by a fifth between 2000 and 2010 in the proportion of people with a long-standing illness between those in the lowest and highest socio-economic groups.

### 9.12 Building Capacity – Education

To reduce the difference in educational attainment between those on free school meals and the NI average.

### 9.13 Creating Employment Opportunities

To reduce the proportion of working age people living in workless households.

#### 9.14 Creating Employment Opportunities

To improve the labour market position of the most disadvantaged wards.

#### 9.15 Creating Employment Opportunities

To reduce differences in economic inactivity rates and employment rates between Catholics and Protestants, men and women, and between people with and without a disability, and reduce the absolute difference in Protestant and Catholic unemployment rates.

#### 9.16 Tackling Financial Hardship

To increase the uptake of financial entitlements including benefits, tax credits, reliefs and discounts.

#### 9.17 Tackling Financial Hardship

To reduce high levels of debt among low income groups.

### **Mid Level Targets – Objectives**

9.18 The proposed strategic framework itself combines three priority areas (building capacity, creating employment opportunities, and tackling financial hardship) with three specific levels of action (individuals, areas and communities, and vulnerable groups) yielding nine distinct objective areas (**Table 3**):

*Table 3: Objective areas within the Anti-Poverty Strategy*

<b>Building capacity to participate in the labour market</b>	<b>Creating Employment Opportunities</b>	<b>Tackling Financial Hardship</b>
Individuals	Individuals	Individuals
Areas and Communities	Areas and Communities	Areas and Communities
Vulnerable Groups	Vulnerable Groups	Vulnerable Groups

9.19 It is not possible at this stage to be explicit about the targets to be set for each of the nine objectives. This will only be possible when the framework for developing the strategy has been agreed and the quantum of Departmental actions and activities in support is clarified.

### **Lower Level Targets - Actions**

9.20 In support of the objectives and overall strategic aim are the actions taken by Departments and their Agencies in support of the Anti-Poverty Strategy.

### **Target Development**

9.21 Final development of the targets within the strategy will be based upon: the evidence base in relation to poverty and social exclusion in Northern Ireland; an assessment of the quantum of relevant and contributory policies and strategies underway; and an assessment of the quantum of policies and strategies developed in support of the Anti-Poverty strategy.

9.22 Departments and their agencies will be asked to identify targets for both the nine objective areas and for their supportive actions underpinning these objectives. Northern Ireland Departments are

committed to making a contribution towards the achievement of existing UK targets such as *'halving the number of children in relative low income households between 1998-1999 and 2010-2011 on the way to eradicating child poverty by 2020.'*

9.23 Ultimately, it will be for Ministers to agree the final targets in relation to the strategy's aims and objectives, informed by the appropriate research and statistical evidence base, and guided by an assessment of the resources and efforts possible within Departments in achieving the overall strategic aims and objectives.

9.24 Responsibility for monitoring these targets, in relation to progress in achieving the strategy's aims and objectives will rest with the Ministerial forum, as will the consideration, in due course, of changes and revisions to these targets.

## 10. HOW TO RESPOND

10.1 While this document contains specific questions on a range of issues, we would particularly welcome views on any of the proposals for change and any other aspect of the supporting work and analysis. Copies of the detailed review report and supporting research can be obtained at:

[www.research.ofmdfmni.gov.uk](http://www.research.ofmdfmni.gov.uk)

**We would welcome any comments you have in relation to this redrafted document and particularly whether or not there are any other issues relating to poverty and social exclusion that should be considered in bringing forward an Anti-Poverty Strategy for Northern Ireland.**

**We would draw your attention to the specific questions relating to Equality Issues in Chapter 11.**

10.2 To respond to this consultation paper, please forward your comments to:

**Liz McMeekin (Tel 028 9052 2236),  
Anti-Poverty Unit,  
Room E3.19,  
Block E,  
Castle Buildings,  
Stormont Estate  
Belfast, BT4 3SR,**

**or e-mail them to : [new.tsn@ofmdfmni.gov.uk](mailto:new.tsn@ofmdfmni.gov.uk)**

- 10.3 If you require additional copies, please contact the above address or telephone (028) 9052 2236/9052 3437. The consultation paper is also available on our website [www.newtsnni.gov.uk](http://www.newtsnni.gov.uk) and on the Central Consultation Register at [www.consultationni.gov.uk](http://www.consultationni.gov.uk).
- 10.4 If this document is not in a format that meets your requirements, please contact the above address or telephone number.
- 10.5 **The closing date for comments is Friday 26 August 2005.** All comments will be treated as public unless otherwise indicated in your response. All comments received will be considered when developing this strategy and a summary of responses to both phases of the consultation will be issued to all those who replied. These summaries will also be placed on our website [www.newtsnni.gov.uk](http://www.newtsnni.gov.uk)

### **Freedom of Information Act 2000 – Confidentiality of Consultations**

- 10.6 The Department will publish a summary of responses following completion of the consultation process. Your response, and all other responses to the consultation, may be disclosed on request. The Department can only refuse to disclose information in exceptional circumstances. **Before** you submit your response, please read the paragraphs below on the confidentiality of consultations: they will give you guidance on the legal position about any information given by you in response to this consultation.
- 10.7 The Freedom of Information Act gives the public a right of access to any information held by a public authority; namely, the Department in

this case. This right of access to information includes information provided in response to a consultation. The Department cannot automatically consider as confidential, information supplied to it in response to a consultation. However, it does have the responsibility to decide whether any information provided by you in response to this consultation, including information about your identity, should be made public or treated as confidential.

10.8 This means that information provided by you in response to the consultation is unlikely to be treated as confidential, except in very particular circumstances. The Lord Chancellor's Code of Practice on the Freedom of Information Act provides that:

10.9 The Department should only accept information from third parties in confidence if it is necessary to obtain that information in connection with the exercise of any of the Department's functions and if it would not otherwise be provided.

10.10 The Department should not agree to hold information received from third parties "in confidence" that is not confidential in nature.

10.11 Acceptance by the Department of confidentiality provisions must be for good reasons, capable of being justified to the Information Commissioner.

10.12 For further information about confidentiality of responses, please contact the Information Commissioner's office or see website at: [www.informationcommissioner.gov.uk](http://www.informationcommissioner.gov.uk).

10.13 Thank you for your interest in this consultation paper. We look forward to receiving your comments.

## 11. EQUALITY ISSUES

11.1 Section 75 (1) of the Northern Ireland Act 1998, which came into force on 1st January 2000, states, 'A public authority shall in carrying out its functions relating to Northern Ireland, have due regard to the need to promote equality of opportunity:

- (a) between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
- (b) between men and women generally;
- (c) between persons with a disability and persons without; and
- (d) between persons with dependants and persons without.'

11.2 In addition Section 75 (2) states that; 'Without prejudice to its obligations above, a public authority shall, in carrying out its functions relating to Northern Ireland, have regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group.'

### **Assessment of Impact**

11.3 While poverty and social exclusion are multi-dimensional issues that cross all Section 75 equality categories, recent research has indicated that certain Section 75 groups are more likely to face poverty and social exclusion.

11.4 Increasingly, evidence shows that membership of some equality groups is an indicator of increased risk of poverty. For example

research has shown that women are more likely to face poverty than men, particularly in households where they are the single parent or have caring responsibilities. Households with one or more disabled members are more likely to be in poverty than those households with no one with a disability. This evidence is detailed further in Chapter 2.

11.5 New TSN influences and drives a wide range of government programmes that have a direct influence on people's lives across Northern Ireland. The objective of this evaluation is to increase the positive impact on those who live in poverty and social exclusion, without causing any negative impacts for them or others. Equality and New TSN analyses are closely linked. All policies must be equality screened and wherever screening indicates that it is necessary, New TSN-driven programmes and policies will be subject to full equality impact assessment. What is important at strategic level is to ensure that equality groups at greater risk of poverty have been identified and that a focus on equality is mainstreamed throughout the strategic development process. This together with Equality Impact Assessment at programme level will ensure that our current view of the likely equality impact of the strategy is correct. Experience throughout the Northern Ireland Civil Service indicates that we cannot assess high level strategies, but that equality impact assessments will be conducted on the specific programmes coming out of these, where screening indicates that this is necessary. Only equality impact assessment of specific policy measures will accurately identify positive and negative impacts. At a strategic level, we will monitor equality impact assessments of New TSN-driven policies, to ensure consistency and to continue to develop our overview of the equality aspects of the strategy and ensure no unforeseen negative impacts.

11.6 It is sometimes said that action on social need is a “zero sum game” in equality terms, because actions to positively impact one Section 75 group will inevitably have a negative impact on others. However this is clearly not the case. Targeting specific groups will disadvantage no one when done in a fair, objective and transparent manner, taking full account of all risks and possible consequences. It is the goal of this strategy to tackle poverty and improve equality of opportunity for everyone.

### **Poverty, Gender and Rural Proofing**

11.7 All Northern Ireland Government Departments are now required to poverty, gender and rural proof all new and emerging Departmental strategies / policies so as to determine whether or not the proposed strategy / policy will have either, positive or negative impacts in these areas. Further detail on poverty, gender and rural proofing can be found within **Annex 1**.

### **Questions on Equality Issues**

11.8 We are seeking views on the way in which equality issues interface with issues discussed in this document and would be grateful for your comments on the following:

**Is there any other data or information we should take into account when thinking about Section 75 (1) equality issues in relation to the strategy?**

**Could the proposals, in your view, impact on any of the groups within Section 75 of the Northern Ireland Act in a way we have not identified?**

**If so, how?**

**Taking account of existing legislation, are there any alternative approaches to tackling poverty and social exclusion in a more equality-friendly way?**

**If so, what are they?**

**Do you have any other comments on the equality issues raised in this chapter?**

## **Decisions and Publication**

11.9 The consideration of these equality issues and any others raised in consultation, will be taken into account prior to final decisions being made by Ministers. This will be fully reflected in the final strategy.

## **ANNEX 1 - RESPONSE TO ISSUES RAISED FROM INITIAL CONSULTATION**

### **ISSUE**

**A vision for the Anti-Poverty Strategy is needed**

### **RESPONSE**

The vision we propose is ***'The Development Of A Society Which Aims To Enable It's Citizens To Be Fully Participative, To Realise Their Full Potential And Live Free From Poverty And Social Exclusion'***

### **ISSUE**

**Dedicated budget is required for the Anti-Poverty Strategy to be effective.**

### **RESPONSE**

The resources required to tackle the issues of poverty and social exclusion will continue to be allocated through the skewing of public expenditure and effort towards those areas, groups and individuals in greatest objective need. It is our view that this is the most effective way of ensuring that measures to combat poverty and social exclusion continue to be mainstreamed within public expenditure, planning and resource allocation. Chapter 7 of this document highlights government spending in general.

## **ISSUE**

**More evidence of poverty-proofing is required.**

## **RESPONSE**

The Anti-Poverty Unit currently assesses policies/strategies of all NI Government Departments so as to identify any positive or negative New TSN impacts, and will continue to do so in the future. The Unit is also involved in the analysis of all Departmental bids and public responses in respect of “Priorities & Budget”, a process through which public expenditure priorities for the forthcoming three years are identified, so as to ensure that the issues of poverty and social exclusion are fully considered and catered for within the budget allocation process. In addition to this, it is proposed through the Anti-Poverty Strategy to develop a poverty-proofing tool to assist Departments in this important area of work.

## **ISSUE**

**More attention must be paid to equality issues.**

## **RESPONSE**

Work under this strategy will complement and build upon the work that the Northern Ireland departments and other public authorities are doing under Section 75 of the Northern Ireland Act 1998 to mainstream equality of opportunity among 9 equality categories into the development and delivery of their programmes, practices and decision making processes.

In addition, legislation and policy when utilised effectively and in a joined-up way are extremely important tools when looking at issues of equality and poverty. Policies are often bedded on legislation or sometimes rely on legislation in order to be implemented effectively. In the case of the Anti-Poverty Strategy legislation such as that regulating minimum pay, addressing social need and tackling inequalities will serve to reinforce policy focused on the needs of individuals, specific areas, communities and vulnerable groups.

Anti-Poverty Strategy driven programmes and policies will be subject to full equality Impact assessment, see Chapter 11 paragraph 11.3.

## **ISSUE**

**Gender dimension should be incorporated into the Anti-Poverty Strategy.**

## **RESPONSE**

In line with EU Guidance, through the proposed Anti-Poverty Strategy Action Planning process, it is intended that Northern Ireland Departments will indicate how a gender perspective has been taken on board.

The Gender Equality Unit within OFMDFM has a central role in working with departments to take forward the implementation of a proposed Gender Equality Strategy and its associated action plan. In relation to the strategy, the Gender Equality Unit has the following roles:

- promoting and encouraging the raising of awareness and understanding of gender issues within policy areas across departments and their agencies. This includes sharing a knowledge and understanding of multiple identities of men and women;
- promoting / encouraging the development and maintenance of a database of the qualitative and quantitative information on gender issues, taking into account the impact of our multiple identities on our needs and our experience of equality of opportunity;
- raising awareness and understanding of the process of gender mainstreaming;
- monitoring and reporting progress towards targets set in the action plan for reducing gender inequalities; and
- identifying and disseminating best practice.

It is proposed that the Gender Equality Strategy will be consistent with the strategic approach taken by OFMDFM, to develop a proposed Northern Ireland Anti-Poverty Strategy, and also with the UK National Action Plan on Poverty and Social Exclusion, with its emphasis on gender mainstreaming. Research has shown that increasingly households in the bottom 30% of income distribution are made up of lone parents (92% of whom are women), people with disabilities and working households.

As poverty and social exclusion are more likely to impact on women, poverty is one of the key action areas of the proposed Gender Equality Strategy, and the proposed strategic goal and objectives have incorporated the theme of targeting social need. Actions to promote gender equality and to tackle gender inequalities such as the gender pay gap, the impact of caring responsibilities on women's job choice – particularly for lone parents - and

employment and career prospects will have positive impacts on tackling poverty and social exclusion.

## **ISSUE**

**Document contains insufficient information on access to services.**

## **RESPONSE**

Access to services is one of a number of cross-cutting issues that are central to policy development – please refer to Chapter 6.

## **ISSUE**

**No consideration in the document of the social aspect of capacity building.**

## **RESPONSE**

Capacity Building does not just focus on preparing individuals for employment – it also aims to increase the ability of every citizen to participate in everyday life and realise their full potential in a society, free from poverty and social exclusion.

## **ISSUE**

**Greater focus on rural poverty is needed.**

## **RESPONSE**

Rural-proofing is a process that ensures that all new and emerging Departmental policies are examined carefully and objectively to determine whether or not they will have a different impact in rural areas, because of the particular characteristics of those areas, and, where necessary, what policy adjustments might be made to reflect rural needs. In particular, rural-proofing ensures that, as far as is possible, public services are accessible on a fair basis to the rural community.

The Anti-Poverty Strategy will focus on both urban and rural areas. In addition to rural-proofing of the main strategy objectives, the geographic spread of people will also be one of the factors taken into consideration at the action planning stage, when more specific targets will be agreed. The strategy will implement rural-proofing at this key delivery level by assessing the policies and actions proposed by Departments to tackle poverty and social exclusion issues in rural areas.

## **ISSUE**

**Lack of focus on child poverty within the proposals.**

## **RESPONSE**

Northern Ireland Departments are committed to making a contribution towards the achievement of the UK Child Poverty target of halving the number of children in relative low income households between 1998 – 99

and 2010 –11, on the way to eradicating child poverty by 2020, see Chapter 9.

As well as this, other Departmental Strategies will impact on Child Poverty, such as the Children and Young People Strategy, Sure Start and the proposed PSI Group on Lone Parents.

The Children and Young People's Strategy includes proposals for a ten year strategy for children and young people in Northern Ireland. The strategy aims to give children and young people a higher priority in terms of decision-making, to address the information gaps that exist, to enable organisations to work together for children and young people and to help realise the rights contained within the UN Convention on the Rights of the Child. The strategy will take into account the role of parents and families and will examine the scope for achieving a more joined-up approach within Government to addressing children's issues. Child poverty is one of the five priority areas focused upon within the strategy.

Sure Start was introduced in Northern Ireland during 2000/01 and is implemented by the Department of Health, Social Services and Public Safety, in conjunction with the four Childcare Partnerships.

In 2000, Ministerial approval was granted for fifteen projects across Northern Ireland, and a further eight were created in March 2001. The Sure Start policy is to improve the health and well being of families and children both before and from birth, so children develop at home and when they enter the education system. This contributes to the overall outcome, which is the enhancement of child, family and community functioning.

Sure Start aims to work with parents-to-be, parents and children to promote the physical, intellectual and social development of babies and young children, particularly from disadvantaged backgrounds. As opposed to providing one specific service, Sure Start strives to change and build upon the existing services within a particular area in order to provide an integrated package incorporating early education and play, childcare, healthcare and family support.

For more information on the proposed PSI Group on Lone Parents, please refer to Chapter 6.

## **ISSUE**

**Need to look at local adjustments to tax/benefits/wages levels.**

## **RESPONSE**

Tackling poverty and disadvantage requires significant investment of effort and resources. The Treasury delivers some of these resources and the related policy at UK level, such as minimum wage, and tax and benefit policy. Please see Chapter 7.

## **ISSUE**

**Impact of conflict on poverty in Northern Ireland must be recognised.**

## **RESPONSE**

It is recognised that Northern Ireland remains a divided society, with many ingrained patterns of division. The causes of this division include fear,

mistrust and, in many cases, a weary acceptance of patterns of living that have developed over many years in response to conflict. This division is costly in both social and public resource terms. For example, divisions in Northern Ireland society have resulted in high levels of segregation in many communities imposing additional costs on a range of public programmes.

## **ISSUE**

**Concerned that there should be no reduction in the importance of Promoting Social Inclusion.**

## **RESPONSE**

The importance of the PSI element is recognised, and currently includes Older People, People with Disabilities, and Homeless people. Within the Anti-Poverty Strategy, the PSI aspect will very much be retained and indeed broadened to include lone parents. In developing the Anti-Poverty Strategy, it is hoped that the success of the PSI process can be further built upon and extended to consider the emerging issues for other vulnerable groups.

## **ISSUE**

**Need for an implementation timetable for the Anti-Poverty Strategy.**

## **RESPONSE**

Timetable detailing key events included at **Annex 4**.

## **ANNEX 2 - Ministerial Forum - Proposed Terms of Reference**

The Forum will:

- Promote the aims and objectives of the Anti-Poverty Strategy;
- Monitor and review success of the Anti-Poverty Strategy including actions arising from the Promoting Social Inclusion (PSI) Working Group on Lone Parents and other PSI groups;
- Facilitate a participative approach to tackling poverty and social exclusion through joint working between Government Departments, statutory bodies, sectoral organisations, and other agencies;
- Provide a focus for consultation on the Northern Ireland Regional Action Plan to tackle Poverty and Social Exclusion;
- Provide an arena for exchange of information, identification of best practice and lessons learned, suggesting possible areas where more research is needed;
- Encourage best practice and innovation through developing, networking and dissemination of best practice within and between departments;
- Facilitate joined-up delivery of programmes and projects in support of the Anti-Poverty Strategy;

- Maintain momentum towards and commitment to the implementation and progression of the Anti-Poverty Strategy.

In fulfilling these terms of reference, the Anti-Poverty Forum will take account of relevant legislation and the impact of other relevant policies such as Neighbourhood Renewal, Rural Development and the Taskforce on Employability and Long-Term Unemployment.

### **Frequency of Meetings**

The Forum will normally meet 3 times a year (not summer) but can meet more or less often as required.

### **Chair**

The Forum will be chaired at Ministerial level.

### **Sub-Groups**

The Forum may remit work as necessary to sub-groups, which will explore issues in more detail. Membership, terms of reference and reporting arrangements for the sub-groups will be prioritised, recommended and agreed by the Forum.

### **Support**

The Anti-Poverty Unit in the Office of the First Minister and Deputy First Minister will support the chair in ensuring that the Forum fulfils its terms of reference. It will provide co-ordination and support to the Forum. Part of its

role will include the drafting of reports and other documents on behalf of the Forum.

## **Review**

The Forum's operation and role will be reviewed as part of the general review of the Anti-Poverty Strategy.

## **Membership**

Membership of the Forum will be agreed by Ministers and include officials from Government Departments, key statutory organisations and sectoral representatives. Members will have the authority to speak on behalf of their organisation and to commit them to action. The Forum will review its membership from time to time and where there is agreement. Where the Forum agrees, individuals may be seconded on to either the Forum or a sub-group for a limited period.

## **Expenses**

With the exception of Government Departmental members, reasonable expenses for attending the Forum will be met, accompanied with relevant receipts.

## **ANNEX 3 Format of NI Departmental Action Plan**

It is proposed that the NI Departmental Action Plans will reflect the three strategic priority areas:

- Building capacity;
- Creating employment opportunities; and
- Tackling financial hardship.

These local priorities will in turn complement the four common objectives, agreed by EU member states, for combating poverty and social exclusion:

- To facilitate participation in employment and access by all to resources, rights, goods and services;
- To prevent the risks of exclusion;
- To help the most vulnerable; and
- To mobilise all relevant bodies.

Further details on the EU common objectives are included within Chapter 5 “Working in the UK and Wider EU Context”.

This information will be initially captured and provided to the Anti-Poverty Unit in OFMDFM for collation and evaluation using the proposed departmental action plan template attached.

## ANNEX 3

## PROPOSED TEMPLATE

## NORTHERN IRELAND REGIONAL ACTION PLAN – DEPARTMENTAL INPUT

<b>DEPARTMENT: YEAR 2004/05 – REPORTING PERIOD</b>				
<b>STRATEGIC OBJECTIVE</b>	<b>RELATED DEPARTMENTAL STRATEGY/POLIC Y</b>	<b>SPECIFIC ACTION/TARG ET</b>	<b>PROGRESS TO DATE</b>	<b>LINKS TO EU COMMON OBJECTIVE (1-4)*</b>
<b>BUILDING CAPACITY</b>				
<b>CREATING EMPLOYMENT OPPORTUNITIES</b>				
<b>TACKLING FINANCIAL HARDSHIP</b>				

**\*EU COMMON OBJECTIVES**

1. To facilitate participation in employment and access by all to resources rights, goods and services
2. To prevent the risks of exclusion
3. To help the most vulnerable
4. To mobilise all relevant bodies

**PROPOSED TEMPLATE**  
**NORTHERN IRELAND REGIONAL ACTION PLAN – DEPARTMENTAL INPUT**

Will the policy have impacts on individuals, group or areas experiencing the effect of poverty and social exclusion?

	Positive	Negative	Neutral	Description of impacts
Gender				
Religion				
Race				
Political Opinion				
Sexual Orientation				
Marital Status				
Disability				
Dependents				
Age				

It is proposed that the Northern Ireland Regional Plan will have a particular focus on areas such as -

### **Major Trends and Challenges**

The Plan will give an overview of the economic and social context and changes that need to be taken into account and then identify the major trends, the key immediate and long-term risk factors and the main groups at risk of poverty and social exclusion.

This section will be supported wherever possible by relevant indicators covering all major aspects of poverty and social exclusion, with particular focus being given to monitoring changes over time and monitoring differences between different groups of the population.

### **Review of Progress**

This section will assess the extent to which previously set overall targets and objectives have been achieved.

### **Strategic Approach, Main Objectives and Key Targets**

Using the Northern Ireland Anti-Poverty Strategy framework, an overall coherent strategy for tackling and preventing poverty and social exclusion will be presented. This will contain long-term objectives for the eradication of poverty and social exclusion.

## **Key Policy Measures**

This section will be structured around the three strategic priorities and will outline in detail those key policy measures which it is intended to implement.

In respect of each of the three strategic priorities it would be intended to:

- summarise existing related policy measures;
- detail any new and additional policies or programmes that are to be introduced;
- identify the groups, areas and/or communities and/or specific problems being addressed by particular policy measures;
- outline as appropriate the policy indicators being used to measure progress; and
- indicate how a gender perspective has been taken on board.

## **Good Practice**

It is intended that this section will focus on examples of good practice drawn from policy measures or institutional arrangements. Monitoring or evaluation results will be available for those examples selected.

## ANNEX 4 PROPOSED TIMETABLE OF EVENTS

### NORTHERN IRELAND ANTI POVERTY STRATEGY – TIMETABLE OF EVENTS FOR 2005

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
<del>Second Consultation</del> Period				■	■							
<del>is of Responses</del>												
<del>ting</del>												
<del>Ministerial</del> Approval												
<del>Publication of</del> Strategy												
<del>Establish Ministerial</del> Forum												
<del>Commence Action</del> Planning with Depts												
Publish Regional Action Plan												2006
Annual Report												2006

## **ANNEX 5 NEW TSN EVALUATION SOCIO-ECONOMIC INDICATORS, DECEMBER 2002**

**See: [www.research.ofmdfmi.gov.uk](http://www.research.ofmdfmi.gov.uk) for full report**

### **Group Indicator**

#### **Children**

- 1.1 Incidence of low birth weight babies
- 1.2 The proportion of children living in workless households
- 1.3 The number of children living in families claiming a key benefit
- 1.4 The proportion of school leavers achieving no qualifications
- 1.5 The proportion of children achieving no GCSE's
- 1.6 The proportion of children not achieving 5+ GCSE's (A\* - G)
- 1.7 The proportion of children not achieving 5+ GCSE's (A\* - C)
- 1.8 The number of births to mothers aged under 16
- 1.9 The proportion of households with at least one child that live in homes that are unfit
- 1.10 The proportion of children that live in homes that are below the bedroom standard
- 1.11 The number of children aged under 16 in residential care

#### **Young adults**

- 2.1 The proportion of young adults aged between 16 – 24 who are unemployed
- 2.2 The proportion of young adults aged between 16 – 24 who do not have a basic education (NVQ level 2 or equivalent)

#### **Adults**

- 3.1 The proportion of working age adults who are in employment

- 3.2 The proportion of working age adults who are unemployed
- 3.3 The proportion of working age adults living in workless households
- 3.4 The proportion of working age adults with disabilities in employment
- 3.5 The proportion of working age lone parents in employment
- 3.6 The proportion of those aged over 50 in employment
- 3.7 The proportion of working age people without a qualification
- 3.8 The proportion of working age people who would like paid work but do not have it
- 3.9 The proportion of workless households where the head of household is long-term unemployed

### **Older People**

- 4.1 The proportion of pensioners with no income other than state retirement pension and state benefits
- 4.2 Pensioners' household weekly spend on necessities
- 4.3 The proportion of households where the head of the household is aged 60 or over that live in homes that are unfit

### **Macro indicators**

- 5.1 The sources of household income by quartile of gross weekly household income
- 5.2 The number of working age people in receipt of a key benefit
- 5.3 The number of individuals claiming JSA or IS for a period of 2 years or more
- 5.4 The proportion of households which are workless

- 5.5 The proportion of households that live in homes that are unfit
- 5.6 The proportion of households that live in homes below the bedroom standard
- 5.7 The proportion of economically active working age people who are long-term unemployed
- 5.8 Life expectancy at birth
- 5.9 Self perceived general health status
- 5.10 The proportion of work rich households
- 5.11 The proportion of lone parent households