

FALKIRK COUNCIL

2011 - 2021

TOWARDS A FAIRER FALKIRK

Tackling Poverty and Inequalities

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Executive Summary

The overall purpose of this Poverty Strategy - Towards a Fairer Falkirk is to reduce poverty and the impact of poverty on individuals and communities within our area. We want to ensure that inequalities between the wealthiest and the poorest in our communities are reduced and that everyone has a better life.

The causes and impacts of poverty are complex and often inter-related. This can make it difficult to be clear about the best approach to tackling poverty. However, we believe that it is useful to make a distinction between actions which are focused on the causal factors and those that are focused on mitigating the impacts of poverty. Both types of actions form a part of this strategy, but we will consistently emphasise the importance of focusing on actions that can tackle the root causes of poverty.

In terms of tackling the root causes of poverty, our key aims are to:

- Maximise the number of people in better paid, secure employment
- Reduce levels of debt across the population and maximise the income of households who rely on benefits
- Increase the financial choices available to our population and increase people's understanding of the consequences of financial choices

We will also aim to mitigate the impacts of poverty in a number of key areas:

- Impacts in relation to housing
- Impacts in relation to health and wellbeing
- Impacts on children
- Impacts on communities and participation

For the purpose of this strategy, when we refer to people in poverty, we are using the standard government definition of households below 60% of median income adjusted for household size.

We know that there are a number of groups within the population of the Falkirk Council area who have a significantly greater risk of entering or remaining in poverty. When implementing the actions contained within this strategy, we will ensure that we target our efforts on these groups:

- Lone parents with dependent children;
- Single working age people without children, who are either in receipt of benefits or in low paid work;
- Single pensioners
- Households with younger children and with more than 2 children, who are either in receipt of benefits or in low-paid work;
- Households affected by disability, including those with mental health problems;
- Looked after children and care leavers;

- Households affected by homelessness;
- Households affected by drug and alcohol use; and
- Offenders and ex-offenders and their families.

We also know that there are geographic communities within the Falkirk Council area which exhibit substantially higher concentrations of poverty than other areas. When implementing the actions contained within this strategy, have regard to the following areas:

- Bainsford/Langlees;
- Camelon;
- Grangemouth (area around Avonbank Avenue, Kingseat/Craighleith, Torwood Avenue);
- Denny (area around Bridge Crescent, Church Walk);
- Maddiston; and
- Westquarter.

In addition, a number of areas have been identified as being 'at risk' of multiple deprivation. These areas are not consistently identified as experiencing multiple deprivation according to the statistical definition, but fall below the line in some years and rise just above it in other years. The 5 areas that fall into the category of being 'at risk' are:

- Callendar Park High Flats
- Hallglen
- Stenhousemuir (the Valley area)
- Bo'ness (Deanfield)
- Falkirk (area around Thornill Road, Westfield)

One of the key mechanisms which we will use to ensure that all of our efforts are targeted on the groups and areas most at risk of poverty is through a Poverty Impact Assessment (PIA). All of the actions contained within this strategy and also all changes to services and strategies will be subject to a PIA.

What we will try to achieve

Employment

In order to maximise the proportion of working age residents attaining and sustaining better paid, secure employment we will aim to:

- Increase the number of young people participating in post 16 learning;
- Increase the proportion of school leavers entering a positive sustained destination on leaving school;
- Increase the number of young people attaining literacy and numeracy to SCQF level 4 and above;
- Increase skills and qualifications of the workforce within the Falkirk Council area;

- Reduce the proportion of working aged residents in receipt of employment related benefits; and
- Look at how we can improve the conditions of service for our own workforce including the provision of training.

Financial Security

In order to improve financial security we will aim to:

- Ensure our citizens have increased choices when it comes to financial products and services
- Increase people's understanding of the consequences of the choices they make with regards to their finances
- Maximise the income of households that rely on benefits
- Reduce levels of debt
- Ensure that people are not pushed into poverty or prevented from accessing essential services, by revising our charging and concessions policy

Working towards all of the above outcomes in relation to employment and financial security will also help to moderate the impacts of poverty, by reducing the number of people entering and remaining in poverty. However, we also aim to mitigate the impacts of poverty in the following areas:

Housing

In order to reduce the impacts of poverty in relation to housing, we will aim to:

- Improve the Council's core housing stock, in terms of improved energy efficiency and heating systems
- Prepare housing development strategies which meet local priority needs
- Provide a range of affordable housing options which meet the needs of local people, including those with specific needs
- Prevent and alleviate homelessness wherever possible
- Provide support to vulnerable people in their homes
- Reduce the number of households that live in fuel poverty

Health

In order to mitigate the impacts of poverty in relation to health and reduce health inequalities, we will work with Community Planning partners and aim to:

- Routinely consider inequalities in planning and delivery and thereby maximise the potential for Falkirk to successfully reduce health inequalities and deliver on health outcomes;
- Focus our interventions and health promotion activities on specific areas of need;
- Integrate an approach based on prevention and early intervention;

- Promote health and wellbeing across our communities particularly focusing on individuals, communities and groups in need; and
- Ensure we promote well being and good mental health as essential to addressing the impacts of poverty.

Children

In order to mitigate the impacts of poverty on children, we will aim to:

- Develop our Early Years Framework that sets out the Council's approach to targeting and working with our most vulnerable children and young people aged 0-8 years and their parents;
- Build on our approach to Corporate Parenting and ensuring our most disadvantaged children have the encouragement and support to achieve;
- Develop an approach to ensure that children and young people are not disadvantaged educationally as a consequence of living in poverty;
- Increase young people's confidence and self esteem;
- Develop services for young people with a disability;
- Reduce the potential for our young people to develop harmful lifestyles; and
- Ensure that our approach to charging and concessions includes services for children and young people.

Communities and Participation

In order to reduce the impacts of poverty on communities and people's ability to participate in society, we will aim to:

- Develop an approach to service provision that ensures that our most disadvantaged geographic communities are not adversely effected by reductions in public sector budgets;
- Develop a pro-active approach within our most deprived areas to ensure that our most vulnerable communities are supported;
- Continue to develop our approach to Community Safety and Anti-Social Behaviour so that our most vulnerable communities are supported; and
- Promote community participation and volunteering across the Council area but particularly in areas of deprivation.

1. INTRODUCTION

- 1.1 The overall purpose of this Poverty Strategy - Towards a Fairer Falkirk is to reduce poverty and the impact of poverty on individuals and communities within our area. We want to ensure that inequalities between the wealthiest and the poorest in our communities are reduced and that everyone has a better life and equity of opportunity.
- 1.2 Falkirk Council area has a number of towns and villages each of which form separate and distinct communities. Each town and village is made up of a number of groups or communities, for example men and women, the elderly, children, religious communities, ethnic groups. We are all part of one or more of these many diverse communities and we all have our requirements for services.
- 1.3 Being fair means that everyone living in each of these communities has the same opportunity to reach their full potential and access all the services our public agencies provide to support daily life. We recognise that through disadvantage such as disability, socio-economic status, ill –health, some people might find it harder to participate in community life, so being fair means that we will work to remove the barriers that prevent our most disadvantaged from participating fully in our society.
- 1.4 As a Council we see being fair meaning:
 - Some services being targeted to ensure that the most disadvantaged in our communities have the same opportunity to reach their full potential.
 - Our employees understanding the barriers that poverty imposes on individuals and communities and will work to identify and reduce discrimination and disadvantage.
 - Understanding the impact on poverty of all the decisions we take on budgets, policies and activities to improve the lives of the most disadvantaged in our community.
 - Communities and individuals are enabled to participate as equals in society.
- 1.5 Put simply we want to reduce the number of individuals, families and households living in relative poverty and as well as reduce the impact of poverty on individuals and communities. This strategy is aimed at achieving this.
- 1.6 This strategy sets out our long term ambitions. To ensure we achieve these ambitions we have established our interim outcomes. These interim outcomes include:
 - maximising the number of people in better paid and secure employment;
 - having housing that meet the needs of the population;
 - ensuring that our population has increased financial choices and understand the consequences of those choices;

- reducing levels of debt and increasing household income amongst the population; and
 - Supporting those who are least resilient to the effects of poverty.
- 1.7 This strategy is aimed at making sure individuals, their families and communities have the same opportunities as we would all expect.

What Is Poverty?

- 1.8 **How poor is poor? What does a person need to be able participate in their communities? What is the minimum standard of living to which everyone should be entitled? Who falls below these minimum standards? What are the consequences of falling below the minimum level and what can we do to minimise the impact of this?**
- 1.9 These questions are important in that they are the very benchmarks that Governments use when establishing policy. They are essential for determining questions of fairness.
- 1.10 How should we measure poverty? Official government measures take 60% of median income as the poverty line. While this is easy to measure and does provide a useful comparison over time, it is essentially arbitrary and does not relate directly to need.
- 1.11 The policy background that this strategy complements is set out in appendix one. In developing this strategy we have sought to understand why people experience poverty and how being in poverty impacts on them. We have provided a range of links at the end of the strategy which have been used in the development of it. These links provide a range of source information that has been used in developing this strategy.

What causes poverty?

- 1.12 There are a number of inter-related factors that can result in people entering or remaining in poverty. The most obvious cause of poverty is not having enough money to live on because of a lack of adequately paid work. The job market needs to provide a sufficient supply of jobs that pay enough to keep families out of poverty. However, even when unemployment is low, the jobs market may have many low-paying, part-time jobs and a limited number of full-time, well paying jobs. This can contribute to families and individuals being in poverty. Individuals who are not working due to disability, ill-health or who are unemployed, rely on the benefits system to keep them from poverty. The welfare benefits system does not provide sufficient income in some cases to prevent some households from experiencing poverty. Whilst Falkirk Council cannot directly control some aspects of these causes of poverty, our key aims are nevertheless to:
- Maximise the number of people in better paid, secure employment;
 - Reduce levels of debt across the population and maximise the income of households who rely on benefits; and

- Increase the financial choices available to our population and increase people's understanding of the consequences of financial choices.

Impact of poverty

- 1.13 Poverty means more than not having things that most of us take for granted. Poverty has a profound effect on the life of those who are in poverty and their families. Poverty is not simply about being on a low income and going without, it can also mean being excluded from decision making, being denied respect, good health, education and housing, basic self-esteem and the ability to participate fully in community activities. Being in poverty also affects people's ability to make the choices that those who are better off take for granted – including choices that could alleviate the poverty they suffer.
- 1.14 We all make choices regarding where we live, what food to eat, keeping warm, the clothes we wear, where we keep our money and how we pay our bills. However for people on a low income there are fewer choices and greater financial pressures. This may mean that individuals:
- become isolated from family and friends;
 - lack hope and feel powerless - having little control over the decisions that affect their day to day life;
 - lack information about the support and services available to them;
 - have problems in getting their basic needs met and accessing decent housing, health services and schools and life long learning opportunities;
 - live in an unsafe neighbourhood with high levels of crime and violence and poor environmental conditions or in a remote and isolated rural area;
 - go without basic necessities because they may not be able to afford essentials like heat and electricity or to buy healthy food or new clothing or to use public transport;
 - be unable to afford to buy medicines or visit the dentist;
 - live from day to day with no savings or financial reserves for times of crisis such as repairing cookers, washing machines;
 - are exploited and forced into illegal situations;
 - experience discrimination; and
 - are unable to participate in normal social and recreational life such as going to the cinema or sports events or visiting friends and family.

Who is at risk?

- 1.15 We know that there are some groups and areas which exhibit levels of poverty significantly worse than the average. When implementing the actions contained within this strategy, we will ensure that we target our efforts at these groups and areas. One of the mechanisms for achieving this targeting is through the use of Poverty Impact Assessments, as detailed in Appendix 2.
- 1.16 There are several groups that are at a higher risk of poverty. Traditionally pensioners, lone parents, people with disabilities and ethnic minorities were most at risk of poverty; however this has changed in recent years. Single

working age adults (with or without children) have become one of the most disadvantaged groups. This is due to positive changes in the benefits and taxation system which have protected pensioners and families with children, from poverty.

- 1.17 The rate of poverty is lowest for two income households. However over 1/3rd of people live alone. The rate of poverty is now highest for single people of working age with or without children, particularly those on benefits. It is then highest for single pensioners and working age families with children.
- 1.18 There are a number of specific groups who are at risk of poverty due to illness, ill health or other circumstances. Other issues that can impact on an individual and their family and heighten their risk of poverty can include an alcohol or drug dependency, lack of family support etc. It must be stressed that these issues do not automatically mean that individuals and families are poor but that some of these characteristics are evident in those households in poverty.
- 1.19 The household groups most at risk of poverty are:
- Lone parents with dependent children;
 - Single working age people without children, who are either in receipt of benefits or in low paid work;
 - Single pensioners
 - Households with younger children and with more than 2 children, who are either in receipt of benefits or in low-paid work;
 - Households affected by disability, including those with severe and enduring mental health problems;
 - Looked after children and care leavers;
 - Households affected by homelessness;
 - Households affected by drug and alcohol use; and
 - Offenders and ex-offenders and their families.
- 1.20 There are areas within Scotland and within the Falkirk Council area that have been identified as having high concentrations of individuals living in poverty. People in these areas suffer from multiple issues of disadvantage and deprivation and therefore we have regard to specific geographic areas. The areas in the Falkirk Council area with the highest levels of deprivation are:
- Bainsford/Langlees;
 - Camelon;
 - Grangemouth (area around Avonbank Avenue, Kingseat/Craigleith, Torwood Avenue);
 - Denny (area around Bridge Crescent, Church Walk);
 - Maddiston; and
 - Westquarter.
- 1.21 In addition, a number of areas have been identified as being 'at risk' of multiple deprivation. These areas have not been consistently identified as experiencing multiple deprivation according to the statistical definition, but

fall below the line in some years and rise just above it in other years. These areas are:

- Callendar Park High Flats;
- Hallglen;
- Stenhousemuir (the Valley area);
- Bo'ness (Deanfield); and
- Falkirk (area around Thornhill Road, Westfield).

1.22 This poverty strategy cannot hope to address all the issues that require to be addressed if the poverty experienced by all communities and individuals is to be alleviated. We will focus our attention on the things we can make a difference to and ensure that we do all we can to alleviate the impact of poverty on the lives of individuals and communities within our area.

2. OUR COMMITMENT

- 2.1 Falkirk Council is committed to addressing the causes and impacts of poverty. The Council believes that sustainable and well paid employment is the best way to increase household income and reduce poverty. However we recognise that many people are unable to work through age, caring responsibilities, ill health etc and we want to ensure that the income of those who are unable to work is maximised.
- 2.2 We are clear that there are actions we can undertake to mitigate the effects of poverty specifically around issues of training, employment and financial security. We have developed these as critical aspects of our poverty strategy and have action plans in relation to employment, training and financial security and wellbeing.
- 2.3 As well as ensuring we tackle the root causes of poverty, we are committed to ensuring that as an organisation we do what we can to address the impacts that poverty can have on health, housing, children and communities.
- 2.4 As stated earlier, it is important that we are fair in our approach to this work. As a Council we see being fair meaning:
- Some services being targeted to ensure that the most disadvantaged in our communities have the same opportunity to reach their full potential.
 - Our employees understanding the barriers that poverty imposes on individuals and on communities and will work to identify and reduce discrimination and disadvantage.
 - Understanding the impact of our decisions on budgets, policies, and activities to improve the lives of our most vulnerable and specifically those in poverty.
 - Communities and individuals are enabled to participate as equals in society.
- 2.5 To achieve this we will tackle the root causes of poverty by aiming to:
- Maximise the number of people in better paid, secure employment
 - Reduce levels of debt across the population and maximise the income of households who rely on benefits
 - Increase the financial choices available to our population and increase people's understanding of the consequences of financial choices
- 2.6 We will also aim to mitigate the impacts of poverty in a number of key areas:
- Impacts in relation to housing
 - Impacts in relation to health and wellbeing
 - Impacts on children
 - Impacts on communities and participation
- 2.7 In order to ensure that we target those groups and areas most at risk of poverty, we will:

- Adopt a poverty impact assessment process that we will apply to all our key policies and processes. The main purpose of this is to ensure that we do not inadvertently disadvantage individuals, families or communities in poverty in our decision making or service delivery;
 - Ensure we do not discriminate or disadvantage individuals unnecessarily by the charges we apply to our services; and
- 2.8 The Council's Poverty Strategy fully supports the outcomes contained within our Strategic Community Plan and monitored through our Single Outcome Agreement. Progress and improvement in people's lives and standards of living cannot be realised by the Council alone. To achieve our aspirations we must have the support of all our partners. The individually and collectively have a significant contribution to make in tackling poverty – its causes and impacts.
- 2.9 In order to have a significant impact on poverty, its causes and impacts, there are a number of key areas we have identified that we will take address over the coming years. These include internal processes that help us determine what services we deliver and how we deliver them, and two specific areas where intervention by the Council can help move people out of poverty.

Poverty Impact Assessment

- 2.10 Poverty Impact Assessment is a process by which we will assess working practices, programmes, policies and resource allocation in relation to the likely impact they will have or have had on poverty with a view to poverty reduction.
- 2.11 The recession and the subsequent reduction in public sector spending have given greater prominence to the issues of poverty. The impact of the Spending Review, proposals announced in relation to Welfare Benefit Reform and other austerity measures announced by the UK government all increase concern that poverty and disadvantage will increase unless effective intervention is taken.
- 2.12 In the Council's recent budget consultation exercise respondents intimated that vulnerable groups or the less well off should be protected from the impact of any budget decisions.
- 2.13 Poverty Impact Assessments do not dictate what the Council or services should do but they do help us better understand the consequences of the decisions we take for certain groups and individuals. They also help us over time to understand the impact a range of services and decisions have on our communities over time.
- 2.14 When assessing the impact of a budgetary, policy or service change, we need to answer two key questions:

- Will the change result in a negative impact on one or more of the groups most at risk of poverty?
 - Will any negative impact increase the risk of people in these groups entering or remaining in poverty?
- 2.15 Appendix two of this strategy sets out the process that the Council and our services will apply to ensure that we understand the impact of our decisions and our services on those most in poverty.

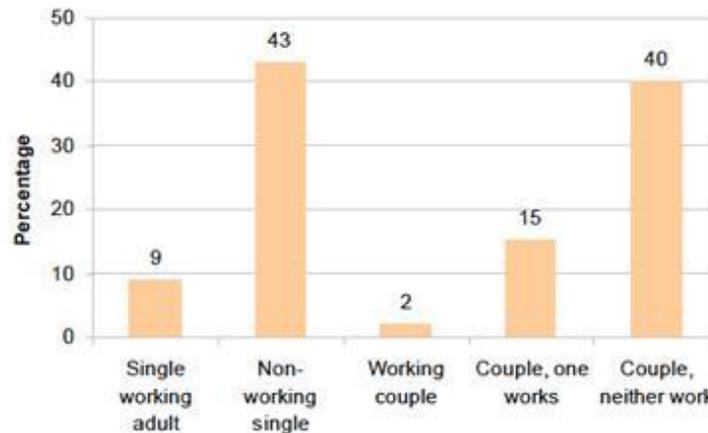
Charging for our Services

- 2.16 Falkirk Council charges for certain services, although concessions are available for a number of them. The level of charges and concessions levied by Services is determined by Members. Historically these have been made on a case by case basis. Members have asked that a comprehensive passporting system be developed to improve consistency and fairness in our approach to charging and concessions.
- 2.17 If charges and concessions are set without regard to citizens' circumstances, particularly those experiencing poverty, there is a risk that the Council may increase barriers to accessing services. The impact of the continuing economic situation potentially widens the gap between those in poverty and those who are not. The Council has agreed that our most vulnerable citizens, which include those in poverty, should be given support.
- 2.18 Developing a corporate approach on charging and concessions will therefore:
- Improve access to services for those experiencing the greatest level of poverty through an entitlement passport;
 - Bring transparency, clarity and greater consistency to the process of determining charges and concessions through the application of decision-making criteria;
 - Ensure that better alignment with local outcomes and priorities is achieved;
 - Retain Service discretion in setting charges and concessions;
 - Ensure that decision-making considers people experiencing poverty through the application of a Poverty Impact Assessment framework; and
 - Reflect the cost of providing a service whilst ensuring sustainability, having conducted a thorough market assessment.
- 2.19 Appendix three of this strategy sets out the Council's approach to ensuring our charging and concessions do not disproportionately impact on those most in need and in poverty.

3. EMPLOYMENT

- 3.1 Being employed reduces the risk of living in poverty. The graph below shows that you are much more likely to be in poverty if you are out of work. It also demonstrates that double income households are least likely to be poor. One of the key elements of the reducing poverty in the Falkirk Council Area is to maximise the number of people in adequately paid and sustainable employment. As part of our approach to tackling poverty, we will prioritise employability initiatives for those most at risk of poverty and exclusion.

Relative poverty by number of workers in household head couple:



Source: Scottish Household Survey 2008

Employment and Low Pay

- 3.2 Paid work is not, on its own, a guarantee of being free of poverty. In 2008/09, 61 per cent of income-poor children were in households where one or more parent was in work. Low hourly pay, working part-time work and single household income all increase the risk of in-work poverty.
- 3.3 In the Falkirk Council area less than 20% of the local workforce i.e. those living in the Council area, earn less than £7.00 per hour. Traditionally Falkirk has a higher proportion of people employed in manufacturing industry which generally pays more than tourism and the service sector, which partly explains the relatively good position of Falkirk Council in relation to low pay.
- 3.4 The Living Wage Movement started in Baltimore, USA, in 1994, to tackle the issue of in-work poverty. Its focus on the Living Wage is to reduce in-work poverty. The Living Wage is calculated using the Minimum Income Standard (MIS) which is described 'as what members of the public think that people need to achieve a socially acceptable standard of living.' In 2010 a single person in the UK needed to earn at least £14,400 a year before tax, to afford a basic but acceptable standard of living - a couple with two children needed £29,200.
- 3.5 For households in work, the salary required to meet the minimum standard, remains well above the National Minimum wage (currently set at £5.93 aged 21 and over). A living wage is defined as the wage needed for a couple with

two children to meet the MIS, if they are both working full time, since this will also provide enough for the majority of other household types. For the UK this is currently set at £7.60 an hour.

- 3.6 According to figures available from the Department of Work and Pensions, 49% of individuals living in the Falkirk Council area earn less than £15,000 per annum. The Department of Work and Pensions statistics suggest that 24.1% of households earn less than £15,000, and 55.5% of household earn less than £30,000. We have to recognise that whilst many families and individuals may be above the 60% median income many might still struggle to afford an acceptable standard of living.

Employment in the Falkirk Council Area

- 3.7 The employment market in Falkirk has changed primarily driven by increases in the number of women becoming employed. In the 10 years from 1998 to 2008 there was no change in the number of men working but an increase of 11% in the number of women working. More than half of all women work part-time but only 13% of men work part-time. The largest employers in Falkirk are public services, retail and catering and manufacturing accounting for more than two thirds of all jobs.
- 3.8 78.1 % of the population is economically active and 72.5% of the population are currently employed. Economically active means that you are either currently working or are unemployed and available for work.
- 3.9 In Falkirk the average hourly pay in 2010 was £12.38 per hour, compared to £12.28 for the whole of Scotland. The average pay rate for men in full time employment was £13.15 per hour, which is above the Scottish average of £12.75. However this only provides part of the picture as the average pay rate for women in Falkirk working full-time is £11.25 which is less than the equivalent rate for women in Scotland of £11.64.
- 3.10 The employment by occupation type highlights some potential differences and gaps in the employment market. The table below shows Falkirk's profile of social class based on occupation type and provides some evidence of inequality within the Falkirk Council area particularly when compared to Scotland. Within Falkirk we have more people in employed soc 2000 major groups 1-3 and in soc group 8-9 than in Scotland as a whole with fewer in the middle socio-economic groups.

Socio Economic Status of the Working Population of Falkirk in Comparison to Scotland

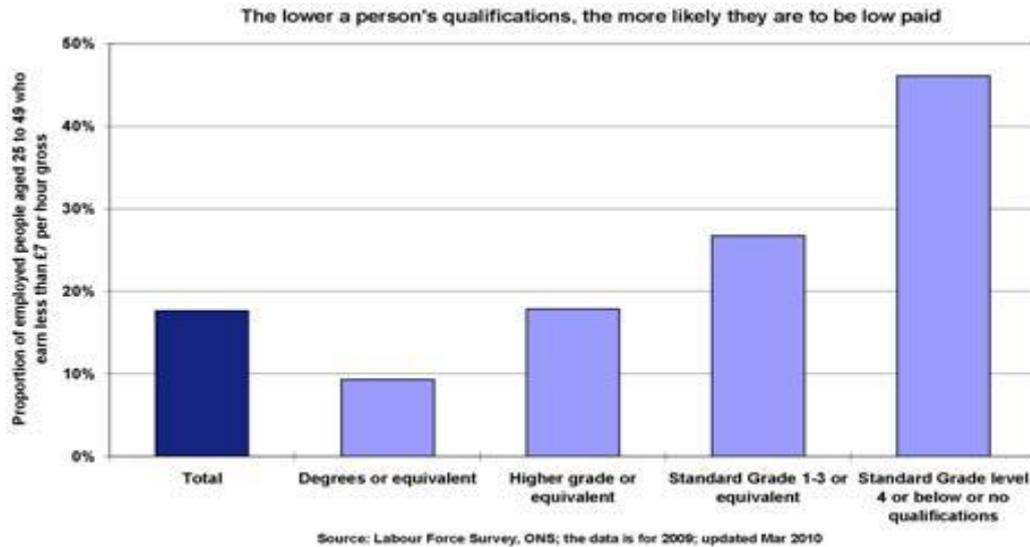
Socio-economic status	Falkirk	Scotland
Soc major group 1-3	41.2%	40.9%
Soc major group 4-5	20.3%	22.6%
Soc major group 6-7	18.3%	17.8%
Soc major group 8-9	20.2%	18.8%

(Nomis (Jul 2009 - Jun 2010))

Nomis annual population survey - % is proportion of all those in employment.

Link between Educational Attainment and Low Pay

3.11 It is widely accepted that the less qualifications an individual has, then the more likely they are to be low paid employment or indeed be unemployed. The graph below highlights that the link between qualifications and pay rate.



3.12 As a local authority our Education Service has a crucial role to play in ensuring that all young people when leaving school have achieved their full potential. Employers also have a role to play in ensuring that their employees have the relevant skills and opportunities for training and for career advancement. The table below shows that within the Falkirk Council area, although we have fewer individuals with no qualifications than in Scotland as a whole, there are fewer people with higher level qualifications.

Qualifications in January 2009 – 2010

	Falkirk %	Scotland %
NVQ 4 and above	31.1	33.9
NVQ 3 and above	52.3	54.8
NVQ2 and above	69.3	69.3
NVQ1 and above	80.5	79.1
Other qualifications	7.8	7.6
No qualifications	11.7	13.3

ONS annual population survey - % is for those aged 16-64

3.13 There is therefore scope to improve and build the skills and educational qualifications of the workforce. Providing opportunities for training and employment is not only an important way for employers to retain staff but also can reduce poverty in the wider community. Evidence suggests that those with the lowest level of qualifications are least likely to have

opportunities for training and career advancement. The Council through the Workforce Plus Partnership will take steps to address these issues.

Being an Exemplar Employer

- 3.14 In Scotland a large proportion of the work force is employed in the public sector. Local government through its procurement and tendering processes can have significant influence on employers and the wider employment market. As part of the Council's role as a community leader we can also influence our public sector partners through our Strategic Community Plan.
- 3.15 We understand that approximately 30% of people in poverty are in work. This includes people on reduced hours or part time work so that whole household income is below that considered to be a living wage. In order to alleviate the affects of poverty in our communities, we can try as an employer to ensure we give our employees the best terms and conditions possible whilst recognising the need to deliver efficient and effective services that are value for money.
- 3.16 To achieve this, we can ensure our employees are properly skilled and have access to accredited training opportunities. We can also look at what we pay our employees. As a Council we have sought over a number of years to introduce equal pay through the introduction of Single Status.
- 3.17 The Living Wage Campaign is an international campaign to deal with the issue of in-work poverty. Improving rates of pay for low paid workers can have a significant impact in tackling both poverty and worklessness. A barrier to taking up employment can be that the work on offer does not pay enough to make coming off benefits attractive or viable. In addition to the clear economic and social benefits for the Falkirk Council area, the payment of a Living Wage can also have a positive impact on value for money and service delivery of contracts. This can be evidenced from contractor feedback in London. Contractors who have adopted the living wage have noted the following benefits:
- Easier recruitment and retention of staff;
 - Reduced recruitment costs;
 - Higher quality staff;
 - Better attendance at work;
 - Better productivity, motivation and loyalty; and
 - Better quality of service.
- 3.18 Introducing a Living Wage however would be only part of the solution to tackle poverty and to reduce disadvantage. We understand the introduction of the living wage can have an impact on people in receipt of top up benefits.
- 3.19 Whilst the introduction of a Living Wage would help support the Council in achieving its outcomes in relation to the Poverty Strategy, there are implications for the Council in relation to its role as an employer. The Council will therefore make an assessment of any risks and costs associated

with the Living Wage with a view to seeking a method of implementing this for the Council workforce.

Unemployment

- 3.20 Being unemployed and dependant on benefits increases the risk of experiencing poverty. Barriers to well paid employment include low or no educational qualifications and lack of available jobs. Other barriers to work include caring responsibilities such as childcare, caring for a disabled or sick partner or relative, poor transport links and discrimination in the labour market. In addition, individuals can perceive a lack of advantage of moving from benefits to work with an equivalent monetary value.
- 3.21 The unemployment rate is calculated based on the number of people who are claiming Job Seekers Allowance. Those who qualify for Job Seekers Allowance have to be available for and seeking work. This means that a number of people are excluded from the statistics primarily those who are unable to work because of poor health or caring responsibilities or if their overall household income excludes them from claiming Jobseekers Allowance although some may be in receipt of other benefits.
- 3.22 In November 2010 unemployment in the Falkirk Council area was higher than both the Scottish average and the UK average. The rate of unemployment claimants for men (6.2%) was also higher than the Scottish average of 5.7% and the UK rate of 4.9%. The rate of unemployment for women in Falkirk was 2.2%, higher than the Scottish rate of 2.1% and the same as the UK average of 2.2%.
- 3.23 Youth unemployment is a particular issue in Falkirk especially when compared to the rest of Scotland. We are aware that this has become a significantly greater issue, both nationally and within the Falkirk Council area, since the recession of 2008. Youth unemployment can have significant long-term effects, both in terms of the employment and earnings potential of the individuals concerned and in terms of wider social impacts.
- 3.24 The age profile of unemployed claimants in September 2010 was as follows:

Age of claimant	Falkirk		Scotland
	No's	%	
18-24	1,175	28.3%	27.6%
25-49	2,265	54.7%	55.7%
50+	640	15.5%	15.5%

What we will do:

- 3.25 In order to maximise the proportion of working age residents attaining and sustaining better paid, secure employment we will:

- **Increase the number of young people participating in post 16 learning;**
- **Increase the proportion of school leavers entering a positive sustained destination on leaving school;**
- **Increase the number of young people attaining literacy and numeracy to SCQF level 4 and above;**
- **Increase skills and qualifications of the workforce within the Falkirk Council area;**
- **Reduce the proportion of working aged residents in receipt of employment related benefits; and**
- **Look at how we can improve the conditions of service for our workforce including the provision of training and the introduction and promotion of the living wage.**

3.26 When implementing these actions, we will ensure that we target our efforts at the groups and areas most at risk of entering or remaining in poverty, as laid out above. We will use the Poverty Impact Assessment process to help focus our efforts.

3.27 More detail on specific actions underpinning these outcomes is contained in the action plan in Appendix 4.

4. FINANCIAL SECURITY AND WELL-BEING

- 4.1 Everyone regardless of whether their income is derived from employment, benefits, pensions or other investments or from a combination of the above, has to have the ability to make key financial decisions. This is an essential life skill that enables people to manage their day-to-day expenditure, cope with unforeseen emergencies and to enjoy their retirement. It is this sense of managing or coping that gives people a sense of financial security and wellbeing.
- 4.2 As the financial market becomes more complex these skills are even more important. Most people rely on bank accounts to pay their bills and to receive their salaries or benefits. Products such as mortgages enable them to purchase their homes and pensions and savings enable them to save for the future and plan for unexpected expenses. Many of us have debts or credit of one form or another.
- 4.3 Whilst most people can generally manage their finances or their debt, it is often a life event or transition that can highlight financial difficulties, for example redundancy, the death of a partner, the birth of a child. Financial difficulties are more likely to occur at the times when individual resilience is low and individuals are under stress. People generally become unable to manage their finances when their financial circumstances change perhaps through the loss of a job, illness and the ability to meet payments reduces or stops. Households, with only one income are particularly vulnerable to change and the breakdown of a relationship can have significant financial implications on the newly single individuals. Providing appropriate support and advice to individuals at these key transition points will not prevent a crisis or a major reduction in household income, but it could reduce the impact on individuals and communities.
- 4.4 It is important for the Council as community leader to provide services that will increase financial security and well-being by maximising household income and reducing individual and household debt.

Welfare Benefits

- 4.5 For many people who are unable to work because of disability, illness, caring responsibilities or because they cannot find work, it is the benefits system that can provide a safety net against poverty. Although we would hope to have full employment across the Council area, ensuring that individuals claim their full entitlement to benefits can be as important for some groups as finding work is for others.
- 4.6 There are a range of benefits that people on a low or no income can apply for including Attendance Allowance, Carer's Allowance, Child Benefit, Child Tax Credit, Council Tax Benefit, Disability Living Allowance, Housing Benefit, and Income Support in addition to the Jobseeker's Allowance.
- 4.7 In recent years poverty amongst older people and children has decreased significantly as a result of changes to the benefits system. The Institute of

Fiscal Studies and the Joseph Rowntree Foundation in a recent study forecast that childless adults will experience the greatest increases in poverty rates as the value of their benefits is not protected in the same way as it is for adults with children. However the same report states that if a full take up of benefits could be achieved then child poverty would be over 25% lower and childless adult poverty nearly 15% lower. Individual awareness of maximising household income through benefits and reducing expenditure through accessing services is a key part of individual financial capability and can have a significant impact in reducing poverty.

Financial Capability

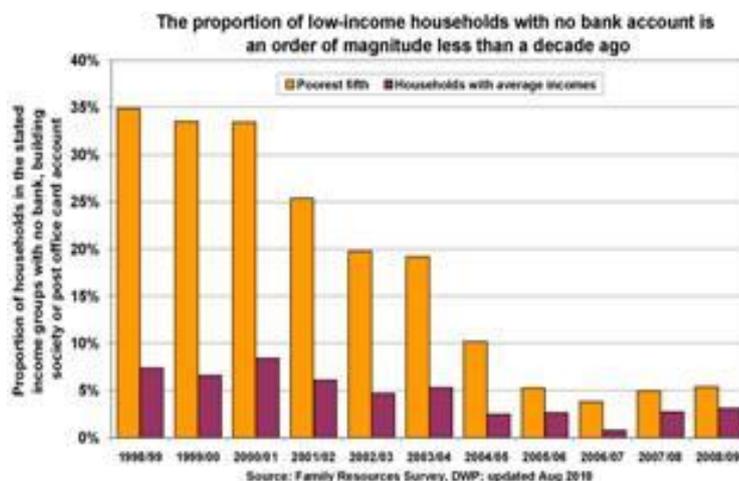
- 4.8 The term ‘financial capability’ has emerged relatively recently. For many years, policy-makers referred to ‘financial literacy’, which the National Foundation for Educational Research defined as ‘the ability to make informed judgements and take effective decisions regarding the use and management of money’. More recent thinking has emphasised people’s ability to choose and utilise financial products, as well as their understanding of financial issues. This wider concept of financial capability was defined by the UK Treasury in 2007 as:

“...a broad concept, encompassing people’s knowledge and skills to understand their own financial circumstances, along with the motivation to take action. Financially capable consumers plan ahead, find and use information, know when to seek advice and can understand and act on this advice, leading to greater participation in the financial services market.”

- 4.9 The Financial Services Authority (FSA) identifies five key areas of financial capability:
- Being able to manage money;
 - Keeping track of finances;
 - Planning ahead;
 - Choosing financial products; and
 - Staying informed about financial matters.
- 4.10 It is easier to be financially capable on a high as opposed to a low income as the choices, services and resources that are available are greater. Unplanned life events such as redundancy, illness or death of a partner can make decisions that were correct and well thought out at one point, appear as if they were not e.g. taking out a 25 year mortgage and then being made redundant 10 years later.
- 4.11 It is important that these skills are learned at an early age and through Curriculum for Excellence it is anticipated that all school children will learn these key skills. The Council plans to target its advice and support service to those in need i.e. those on a low income or who are vulnerable to a financial crisis to enable them to have access to the information they need to make informed decisions.

Financial Inclusion

- 4.12 Financial inclusion is defined by Transact, the national network for financial inclusion as ‘*A state in which all people have access to appropriate, desired financial products and services in order to manage their money effectively. It is achieved by financial capability on the part of the consumer and access on the part of financial product, services and advice suppliers.*
- 4.13 Transact defines ‘financial exclusion’, the opposite to financial inclusion, as a state where individuals cannot access the financial products and services that they need.
- 4.14 People experiencing financial exclusion typically exhibit one or more of the following characteristics:
- A lack of key financial products such as a bank account, insurance, savings products and pensions and the financial services that come with them
 - A reliance on alternative forms of credit such as doorstep lenders and pawnbrokers
- 4.15 It is relatively easy to improve access to key financial products, for example, the take up of basic bank accounts for those individuals who earn less than £15,000 per year. This is dependent on the willingness of the financial sector to develop appropriate and affordable products for those on low incomes. While there has been an increase in the number of people with basic bank accounts, there are still a number of individuals and households that do not have such facilities. This is shown in the graph below.



- 4.16 In the Falkirk Council area the uptake of basic bank accounts is for people who earn less than £15,000 per annum is 42%. There are available indicators that show how effective individuals with basic bank accounts are at using these accounts. This information is noted in the table below for the Falkirk Council area and Scotland.

- 4.17 It is considered to be good financial practice to make more ATM withdrawals of lesser amounts than a few withdrawals of higher amounts i.e. its better only to take out the maximum money you need at that time rather than take out more than you need at any one time. Also the more direct debits an individual has set up is considered to be better than fewer direct debits. A high level of returned items is considered to be poor as this refers to the amount of charges made against the account e.g. a direct debit not being paid as there is no money in the account.

	Falkirk	Scotland
% of population earning less than £15,000	49%	47%
Basic bank account	42%	44%
Returned items e.g. insufficient funds to pay direct debits etc at the first time of request	23%	20%
4 or more ATM transactions per month	23%	20%
4 or more direct debits	23%	22%
Use credit	55%	53%
Use of credit to borrow money in past 12 month	40%	33%

- 4.18 The information above has been provided to Financial Inclusion Champions (FIC), employed by the Department of Work and Pensions. The FIC's have worked with Banks and other lenders to review who has bank accounts and how these accounts are used. The information provided by Banks suggests that although people within the Falkirk Council area use ATM's and have more direct debits set up, they are also more likely to face bank charges.
- 4.19 Although the use of direct debits is to be encouraged as savings can be made, it is clear from the evidence above that this is not always of financial benefit for individuals on a low income, if they have to pay bank charges on top of the bill. Take up of basic bank accounts and how these are used can vary considerably across the Council area. There is some indication that in those areas where there are more direct debits and greater usage of the accounts there are more charges, particularly in the geographic areas where there are more likely to be young families. The reasons for this are not clear although perhaps families are more likely to have unexpected expenditure or greater financial demands at times like birthdays and Christmas.
- 4.20 However one good sign is the increase in people joining credit unions. While the number of people in the Falkirk Council areas is still somewhat below the Scottish average, the largest local credit union has seen over 250 people join in the last 2 years. Credit unions can be an important way to help people manage their money, those who cannot access bank accounts and also access low cost loans.

Who typically experiences financial exclusion in the UK?

- 4.21 Financial exclusion can be the result of a number of factors. These include but are not limited to: financial products that do not meet the needs of low income consumers, high interest rates and other charges, lack of information, self-exclusion, disability, geographical factors and cultural barriers. However, it is most closely associated with poverty and low income.
- 4.22 Key facts about financial exclusion in the UK include:
- 7.8 million people in the UK are unable to access mainstream credit;
 - In a recent poll by the Resolution Foundation, 45% of respondents reported that they had had to make cutbacks on saving as a result of the recession, leaving them vulnerable to drops in income or unexpected expenditure;
 - Total consumer debt in the UK stood at £232 billion at the end of February 2009, with the average household debt standing at £9,500 (excluding mortgages);
 - It has been estimated that people on low incomes pay a 'poverty premium' of around £1,000 a year in accessing basic financial services and utilities;
 - In a recent poll by the Resolution Foundation, only 43% of respondents had made provision for a drop in income while 51% of respondents had not;
 - Half of the poorest households do not have home contents insurance, this is more than twice the rate for households with average incomes;
 - If seeking general financial advice, 45% of respondents say they would go to friends or family, while 29% would go to their bank or building society and 20% would go to an Independent Financial Advisor;
 - Around two-thirds of households with no bank account have an annual income of under £14,500;
 - 7% of those with weekly incomes below £100 do not have a bank account, compared with 2% of those with incomes of £400-£500; and
 - People on benefits borrow an estimated £330 million a year on home credit, paying £140 million in interest.
- 4.23 However, financial exclusion does not always just affect the poorest. For example, the 2009 recession created an environment in which credit tightened and fewer products became available on the market. Such a change creates a shift in who is affected. The Consumer Credit Counselling Service (CCCS) for example, found that debt problems had spread to the more affluent: 12% of those seeking their help have net household incomes of more than £30,000 a year and nearly half (47.4%) of those seeking help were homeowners.
- 4.24 Home credit, pawnbrokers and payday loans charge some of the highest interest rates. Unfortunately, for some people in poverty these are the only sources of credit available. While High street banks charge less interest, getting a loan can take time and will not be available to some due to for example, due to a poor credit history. Use of credit in the Council area is higher than average for Scotland - 40% of the population has used credit to

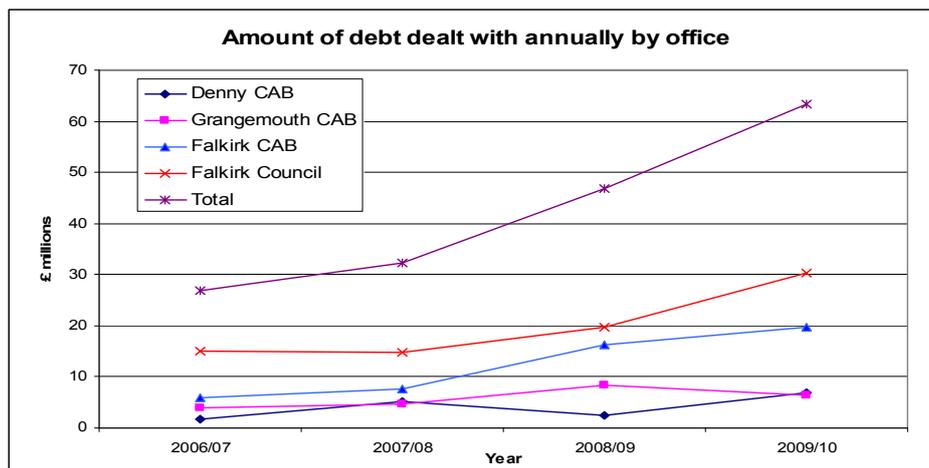
borrow money in the past 12 months as opposed to 33% of the population of Scotland.

- 4.25 If a large proportion of the household income is being used to pay debt this can have a significant impact on the ability of a household to buy and pay for essentials.

The Costs of Financial Exclusion and Debt

- 4.26 Financial exclusion is closely associated with poverty and social exclusion and imposes significant costs on individuals. Those who are unable to access basic financial services often pay more to manage their money, find it difficult to plan for the future, and are more likely to become over-indebted. The Council has its own debt advice service and also provides funding to the Citizen Advice Bureaux to provide advice services.

- 4.27 The graph below shows how the amount of debt dealt with by each CAB office and the Council has increased over period 2006-2010, with a big increase especially since 2007/08.



- 4.28 31 different types of debt are measured. By far the largest amount of debt related to mortgage payments – almost 44% of all debt fell into this category amounting to over £74m, with a further 2.6% on mortgage arrears (£4.35m).

Who gets into debt?

- 4.29 As might be expected those on low incomes are more likely to be in debt. Of those who are in debt and that we provide advice and information to, 50% of clients lived in single person households and 20% were single parents. This is significantly higher than the Council average which shows 35% of households as single persons and only 7% as single parent households. Given that almost half of all single adult households are pensioners but pensioners make up only a small proportion of debt clients, this suggests that single adult households are almost three times more likely to approach debt counsellors than their representation in the population would suggest. Single parent households

were also almost three times more likely to be receiving support for debt problems than others.

- 4.30 This highlights again that single working aged people are more vulnerable to debt than other groups.

What we will do?

- 4.31 In order to improve financial security we will aim to:
- **Ensure our citizens have increased choices when it comes to financial products and services**
 - **Increase people's understanding of the consequences of the choices they can make with regards their finances**
 - **Maximise the income of households who rely on benefits**
 - **Reduce levels of debt**
 - **Ensure that people are not pushed into poverty or prevented from accessing essential services, by revising our charging and concessions policy (see appendix 3)**
- 4.32 When implementing these actions, we will ensure that we target our efforts at the groups and areas most at risk of entering or remaining in poverty, as laid out above. We will use the Poverty Impact Assessment process to help focus our efforts.
- 4.33 More detail on specific actions underpinning our financial security and wellbeing outcomes is contained in the action plan in Appendix 4.

5. HOUSING

- 5.1 Poverty can reduce the housing options that are available to an individual. This does not only mean the area, type of housing or size of home where an individual lives, it can also mean that it might be hard to heat the home or to pay for essential repairs. Poverty can lead to living in overcrowded or unsuitable housing and the most immediate form of housing need – homelessness.
- 5.2 All Councils are required by the Housing (Scotland) Act 2001 to prepare a Local Housing Strategy, which will assess the need, demand and condition of housing across all tenures in its area, then identify problems and set in place actions to address them.
- 5.3 The new Local Housing Strategy is currently being prepared and is subject to an extensive consultation exercise. It will take account of the principles within the Poverty Strategy and target resources accordingly. However the outcomes for Housing within the Council's Corporate Plan are that:
- Our housing continues to meet the needs of people who live and may wish to live in our area
 - Our citizens continue to access critical services that meet their needs
 - Disadvantaged communities will benefit from better services
- 5.4 We would also hope to ensure that
- There is enough affordable housing in the area to meet people's needs.
 - By 2012, no one in the Falkirk Council area need be homeless.
 - The number of empty homes in the Council area is reduced and best use is made of every type of housing.
 - Housing and support services for people with particular needs are joined-up and focussed on the needs of the individual.
 - People with disabilities are able to adapt their homes or gain access to housing that better meets their needs.
 - Everyone can access high quality housing information and advice to help them make informed choices about the housing they want to live in.
 - All housing in the Council area is in good repair, has modern facilities and services and is healthy, safe and secure.
 - All housing in the Council area is warm, dry and well insulated and households can afford to heat them.
 - Council and housing association properties are managed effectively and efficiently and make best use of the available resources.
 - Private rented housing is well managed and offers a good standard of accommodation

Homelessness

- 5.5 The most acute form of housing need is homelessness. The Council's Homelessness Strategy and the 2010 Annual Homelessness Statement sets out

the three key aims that have been identified which underpin all the actions set out to resolve homelessness:

- 5.6 **Prevention:** we will prevent homelessness by raising awareness of the help that is available in the area and by developing new services to meet local needs,
- 5.7 **Accommodation:** we will make best use of the available accommodation by assisting people to explore the full range of housing options available in the area,
- 5.8 **Support:** we will help vulnerable people to access the support they need so that they do not become homeless.
- 5.9 The Annual Homelessness Statement 2010 shows homeless trends in the Falkirk Council area and in Scotland as a whole over the period 2004-09. The principle issues to note are:
- An 8% decrease in homeless presentations compared to 2008-09,
 - An increase in the number of single applicants,
 - An increase in the number of applicants assessed as having a priority need for housing, in line with the requirements of the 2009 Interim Target,
 - An increase in the number of applicants provided with temporary accommodation that reflects new duties in respect of the provision of such accommodation to non-priority applicants,
 - The main reasons for homelessness are relationship breakdown and disputes within households,
 - Households with children account for roughly a third of all applications.
- 5.10 The Council owns and manages 24% of all the housing stock in the area and is the biggest local provider of social rented housing. The Council has approximately 16,300 houses spread across the Council area in the main towns of Falkirk, Denny, Stenhousemuir, Grangemouth, and Bo'ness as well as outlying areas and villages. The Council can offer a range of good quality, affordable housing to help meet the needs of local people including those with specific needs.
- 5.11 However, there are a lot more people on the housing register than there are houses available for letting. As at 31 December 2010, 8,618 people / households were registered with Homespot, the Council's letting scheme, whilst in 2010 1,200 Council properties were let. Demand for housing varies across the Council area with some locations being more popular than others and there is sometimes a mismatch between supply and demand in particular areas.

Housing and Poverty

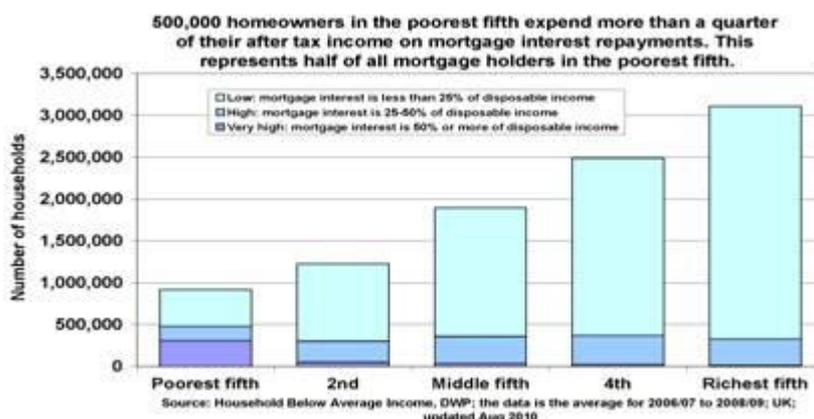
- 5.12 Individuals who apply for Council housing are asked if they can provide information on their income. In March 2010 around 60% of the 7,000 or so applicants on the waiting list provided the Council with income information.

- 5.13 It is evident that the vast majority of those applying for Council Housing are in relative poverty thus demonstrating that without access to Social Housing, homelessness would be much higher than is currently the case. The table below shows that 65% of people applying for a Council house had an annual income of £15,000 or less.

Income of Council House Applicants 2010

Income Band (per year)	Number	Percentage
Under £10,000	1927	45%
£10,000-£15,000	1062	25%
£15,000-£20,000	552	13%
£20,000-£25,000	321	8%
£25,000-£30,000	204	5%
£30,000-£40,000	126	3%
Over £40,000	42	1%
Total	4234	100%

- 5.14 Although social housing can be associated with poverty, those with mortgages may also be affected by poverty due to housing costs. The graph below shows that for those on low income their mortgage is more than a quarter of their total income.



- 5.15 Fuel Poverty is a key element of our housing strategy. The Government definition of fuel poverty is “a household is said to be fuel poor if, in order to maintain a satisfactory heating regime, it would be required to spend more than 10% of its income on all household fuel use.” In 2002 the Scottish Executive published its Fuel Poverty Statement under paragraph 88 of the Housing (Scotland) Act 2001. It set a target for eradicating this situation for every home in Scotland by 2016.
- 5.16 There are three factors that influence fuel poverty and these are household income, energy efficiency of the home and fuel price. Falkirk Council agrees that it is unacceptable that many households are forced to make choices between basic needs, such as adequate heating and healthy eating, that arise as a result of fuel poverty and is working towards achieving this target.

- 5.17 Falkirk Council's Housing Investment Programme's for 2005/6 – 2009/10 made provision for energy efficiency improvements in approximately 4,000 Council dwellings. These included the installation of central heating systems, insulation measures and double glazing. During 2010/11 it is planned for a further 2,000 homes to benefit from these measures. This will satisfy the energy efficiency criteria of the Scottish Housing Quality Standard (SHQS) which requires all Local Authority housing stock to have a National Home Energy Rating (NHER) of 5 by 2015. Future Housing Investment Programmes will continue to address the energy efficiency criteria of the SHQS. In order to monitor progress a comprehensive stock condition survey which includes an energy performance audit of Falkirk Council's housing stock, is taking place. This will provide information down to individual property level.
- 5.18 In addition to the Housing Investment Programme, Falkirk Council has been successful in obtaining external funding to enhance its programme of installing insulation measures to its properties. These have enabled the Council to install cavity wall insulation into a further 3,500 properties and loft insulation into approx. 5,000 properties throughout the Council stock.
- 5.19 Historically the owner occupied sector has been slow to take up energy efficiency measures. In order to address this, a targeted free or subsidised offer to around 18,000 homes to fit insulation measures for owner occupiers in the area is underway. All houses undergoing the extensive cavity wall insulation programme planned will be offered a free benefits health check by the Energy Saving Scotland Advice Centre (ESSac), to ensure that income is maximised within these households. Once these projects have finished the Council will maintain its longstanding partnership with the ESSac to ensure that households within the area can continue to access its services.

Fuel prices

- 5.20 Fuel prices are important as a recent report by the Scottish Government suggests that for every 5% rise in fuel prices an extra 46,000 households will fall into fuel poverty ('Progress Report on the Scottish Fuel Poverty Statement' November 2010). Although the Council is not directly able to influence the prices fuel suppliers charge, we are actively working on ways to maximise income to tenants through a variety of methods.
- 5.21 To achieve this, opportunities to expand the provision of lower cost fuels are being investigated. This includes extending the gas network where possible as has been demonstrated in Hallglen and parts of Camelon. In addition, Falkirk Council has had success in utilising innovative and more efficient technologies such as combined heat and power (CHP) units and ground source heat pumps in some new build properties. Falkirk Council was awarded a grant from the Energy Saving Trust to install a large CHP heating system within six of the high rise towers at Callendar Park. We have now completed this project and over 300 properties now benefit from the new CHP system and enjoy access to constant heating and hot water. The Council will continue to consider options to offer lower fuel costs to Falkirk Council tenants.

What We Will Do?

- 5.22 In order to mitigate the impacts of poverty in relation to housing, we will aim to:
- **Maximise the proportion of working age residents attaining and sustaining better paid, secure employment in order to improve their chances of sustaining appropriate housing;**
 - **Improve financial security of our population in order to improve their chances of sustaining appropriate housing;**
 - **Improve the Council's core housing stock, in terms of improved energy efficiency and heating systems;**
 - **Prepare housing development strategies which meet local priority needs;**
 - **Provide a range of affordable housing options which meet the needs of local people, including those with specific needs;**
 - **Prevent and alleviate homelessness wherever possible;**
 - **Provide support to vulnerable people in their homes; and**
 - **Reduce the number of households that live in fuel poverty**

6. HEALTH

6.1 As a nation we are getting healthier and living longer. However the length of time you live can depend on where you live and if you are male or female. We also know that while great strides have been made in health improvement and health care, health behaviours such as poor diet, physical inactivity, smoking and alcohol use provide significant challenges for our society into the future. It is with these factors in mind that our local outcomes in this area are as follows:

- Our citizens will be supported to make positive health choices and lifestyles so they can live longer;
- People will have equitable access to local health support and care;
- Our citizens and communities will be encouraged to take responsibility for their own health and wellbeing;
- Our citizens continue to access critical services that meet their needs; and
- Disadvantaged communities will benefit from better services.

6.2 We know that there are significant differences in health and wellbeing depending on where people live and their income.

In Scotland

- Deprived populations have considerably higher levels of mortality from coronary heart disease (CHD). This relationship is evident for all ages, but is strongest in those aged under 75 years for whom mortality rates from CHD in the 10% most deprived areas are 3.5 times higher than in the 10% least deprived areas.
- Mortality rates from cancer in the most deprived 10% areas are around 1.5 times those in the least deprived 10% areas.
- Between 1995 and 2006 the mortality rate amongst those aged under 75 years in the most deprived fifth of the population fell by 16%. The corresponding decrease for those in the most affluent fifth of the population was 20%.
- Smoking accounts for 24% of all deaths in Scotland, rising to as much as 34% in some areas. It has been estimated that lifelong smokers die on average about 10 years younger than non-smokers. Smoking also causes a great deal of long-term ill-health due to diseases of the heart, lung and arteries and a long list of cancers and other conditions.
- Adult smoking rates increase with increasing deprivation. In Scotland in 2005-06, smoking rates ranged from 11% in the least deprived 10% of areas to 44% in the most deprived 10% of areas.

In Falkirk

6.3 Being healthy, feeling healthy and leading a healthy lifestyle are essential to people's sense of wellbeing and is proven to improve life expectancy. People are living longer in the area and some indicators suggest overall improvements in health and lifestyles. The coming years will see significant changes in the way in health and care services are delivered in the Falkirk Council area.

Health and Wellbeing Challenges

- 6.4 The coming years will see significant growth in the number of elderly people aged 65 plus and importantly those over 85. These factors alone have the potential to significantly increase the burden on health and care services at a time of diminishing financial resources. We will see a shift in the balance of care with people taking more responsibility for their own health and lifestyle and much more self management of care. This will focus on much earlier determination of need and as a result, acting more proactively.
- 6.5 Members of the public will be full partners in improving their health and wellbeing, with care provision increasingly taking place in the community. In shifting the balance of care, we will need to ensure that carers and community volunteers are supported and also make sure that this change is managed in a sensitive, balanced and consistent manner. There will also be an important ongoing role for the Third Sector in the provision of service and the attainment of health and wellbeing outcomes.
- 6.6 Significant emphasis is being placed on reducing health inequalities and their causes and on early intervention with children and young people and all ages to challenge generational health challenges and traditional behaviours. Obesity continues to be a challenge to good levels of health in the area as does the pressing need to continue to focus on smoking cessation, alcohol and substance misuse. People's mental wellbeing and prevalence of depression and prescription of medication are issues which continue to pose a challenge.
- 6.7 We are also aware of the need to tackle the underlying causes of health inequalities which is why every aspect of our approach on Community Planning will make a contribution to this.

Future Priorities

- 6.8 We will continue to make sure that we look after the health and wellbeing of all our communities and individuals in our communities. Within this however, there will be a need to target services and support to those in greatest need. We will also be mindful of the important changes in the provision of health and care services we need to oversee as well as effectively meeting the demands posed by changing local demographics and diversity of need. We will therefore give priority to addressing:
- Harms to people's health, including alcohol, drugs and violence;
 - The big killer diseases and associated risks, such as with coronary heart disease or cancer;
 - Early intervention to make a positive long term difference to the area's health and wellbeing; and
 - Improving mental wellbeing.
- 6.9 Unfortunately the evidence-base for what works in reducing inequalities and influencing underlying causes remains limited.

What We Will Do.

- 6.10 In order to mitigate the impacts of poverty in relation to health and to reduce health inequalities, we will work with Community Planning partners and aim to:
- **Maximise the proportion of working age residents attaining and sustaining better paid, secure employment**
 - **Improve financial security**
 - **Routinely consider inequalities in planning and delivery and thereby maximise the potential for Falkirk to successfully reduce health inequalities and deliver on health outcomes**
 - **Focus our interventions and health promotion activities on specific areas of need**
 - **Integrate an approach based on prevention and early intervention**
 - **Promote health and wellbeing across our communities particularly focusing on individuals, communities and groups in need**
 - **Ensure we promote well being and good mental health as essential to addressing the impacts of poverty**

7. CHILDREN

7.1 The outcomes we want for all our children are:

1. Vulnerable children will be protected. Children and young people will:
 - i. Be happy and healthy and enabled to make positive decisions about their own health and wellbeing;
 - ii. Achieve their potential through learning and creativity, developing skills and knowledge to make them fulfilled, happy adults; and
 - iii. Grow up in a safe environment where they are protected, loved and enabled to enjoy their lives.

7.2 In order to achieve these outcomes for all children we must make sure our most vulnerable and disadvantaged children are given additional support and help to achieve all they can. The impact of poverty on children is well documented. Poorer children do not only have poorer educational outcomes, they are more likely to experience poor health, have more absences from school, be more likely to be overweight and have poorer dental health. Children from disadvantaged areas are more likely to have accidents in the home or in their community and to require hospitalisation. In a study by the Joseph Rowntree Foundation comparing the poorest and richest fifth of households, poorer children had fewer opportunities for activities and entertaining friends, for example being unable to pay for school trips, having friends over for tea or going on holiday.

7.3 However the impact of poverty on children is complex. Children have little control over their environment and are dependent on their parent (s) or guardians. Children understand the circumstances they live in and can learn to lower their expectations. They learn not to ask their parents for basic things, like not mentioning a school trip because they know the extra costs will cause difficulty in the home. Instead they may make excuses and say they do not want to go, or sometimes even pretend to be sick on the day of the trip.

7.4 Poverty means children being cold, becoming sick more often and getting illnesses that affect them for the rest of their life. It means their parents being stressed over fuel bills and getting into debt. Poor children attain less in education for these reasons and more. Children whose parents are unemployed are more likely to be unemployed themselves when they are of working age. They are more likely to leave school earlier and earn less throughout their life. The reasons for this are complex but recent research suggests that having a strong supportive family with an interest in education can mitigate the impact of poverty and income.

7.5 The Integrated Children Service's Plan and the Early Years Framework set out Falkirk Council's approach to reducing child poverty. These plans recognise the importance of improving outcomes for our most vulnerable groups, including:

- Looked after children (LAC)
- Children who live in our most deprived areas

- Children with a disability
 - Children from minority communities
 - Young carers
 - Children on the Child Protection register
- 7.6 Our Early Years Framework Joint Action Plans set out our approach to Early Intervention and support for children aged 0-8years and their families.
- 7.7 Our Corporate Parenting Strategy places a particular emphasis on the needs of looked after children and young people as the outcomes for this group of young people are particularly poor. Our intensive family support service seeks to support vulnerable families, where parents are under stress, to ensure that all children have access to high quality parenting.
- 7.8 ‘Getting it Right for Every Child’ – the Government’s key strategy for children, aims to improve outcomes for all children and young people through a shared approach to service provision including adult services where parents are involved. Falkirk Council and its partners have in recent years developed a model to ensure that the needs, experiences and wishes of young people and adults are at the heart of our service provision. Our Integrated Assessment Framework for children will ensure that the most disadvantaged or vulnerable children and families in need of services will be prioritised.

What We Will do.

- 7.9 In order to mitigate the impacts of poverty on children, we will aim to:
- **Maximise the proportion of working age residents attaining and sustaining better paid, secure employment**
 - **Improve financial security**
 - **Develop our Early Years Framework that sets out the Council’s approach to targeting and working with our most vulnerable children and young people aged 0-8 years and their parents**
 - **Build on our approach to Corporate Parenting and ensuring our most disadvantaged children have the encouragement and support to achieve**
 - **Develop an approach to ensure that children and young people are not disadvantaged educationally as a consequence of living in poverty**
 - **Increase young people’s confidence and self esteem**
 - **Develop services for young people with a disability**
 - **Reduce the potential for our young people to develop harmful lifestyles**

- **Ensure that our approach to charging and concessions includes services for children and young people**

8. COMMUNITIES and PARTICIPATION

- 8.1 While unemployment and low pay impact directly on individual household and families, we know that there are certain areas that, because of the concentration of families and individuals in poverty, suffer from the multiple affects of deprivation. Many such areas not only show the affects of poverty on individuals such as unemployment and poor health but also have other societal issues such as higher crime, poorer access to services, lower expectations of achievement and a poorer external environment.
- 8.2 The outcomes we want for all our communities include:
- The quality of our infrastructure will help promote the growth of the local economy;
 - We will be greener;
 - We will improve the built environment;
 - Our open spaces will be attractive, accessible and safe;
 - The wealth and prosperity of our area will increase;
 - Our area will be recognised as having a culture and ethos of aspiration and ambition;
 - Our profile will reflect our area as a destination of choice; and
 - Our citizens will be protected.
- 8.3 Research carried out by the Joseph Rowntree Foundation in 2008, *People's attachment to place: The influence of neighbourhood deprivation* by Mark Livingston, Nick Bailey and Ade Kearns, showed that the characteristics of places are critical for the choices people make about where to live. This research showed that it was who is moving in and out of the area that matters most in determining its character.
- 8.4 Poor housing management and upkeep of the area, poor facilities and housing, crime and antisocial behaviour and, in some cases, isolation, can lead to areas becoming neighbourhoods of last resort. Improving housing both in terms of quality and choice, collaborative development, and the 'clean safe and green' agenda play a key role in improvement, increasing residents' quality of life but also making an area attractive to potential residents.
- 8.5 This research also showed that 'Community outlook' can explain why some neighbourhoods improve and others do not. It also showed that improving neighbourhoods have active, well connected networks of residents both within and outwith their areas. In improving areas there are indications that residents have wider travel horizons and wider work search areas, suggesting more interaction with a wider area. Negative community outlook is more likely where there are high levels of worklessness combined with a strong attachment to place, negative reputation, tight social networks, weak community leadership and relative isolation. Understanding these links will help us focus our actions.
- 8.6 The Scottish Index of Multiple Deprivation (SIMD) identifies those communities where poverty and disadvantage is most concentrated. Similar indices have been used over the last 30 years to identify areas of concentrated poverty and disadvantage. Analysis of the SIMD and previous indices

between 1981 and 2009 shows that six communities within the Falkirk Council area have been consistently identified as areas of deprivation:

- Bainsford/Langlees
- Camelon
- Grangemouth (area around Avonbank Avenue, Kingseat/Craigleith, Torwood Avenue)
- Denny (area around Bridge Crescent, Church Walk)
- Maddiston
- Westquarter

8.7 In addition, a number of areas have been identified as being 'at risk' of multiple deprivation. These areas are not consistently identified as experiencing multiple deprivation according to the statistical definition, but fall below the line in some years and rise just above it in other years. Five areas fall into this category of being 'at risk':

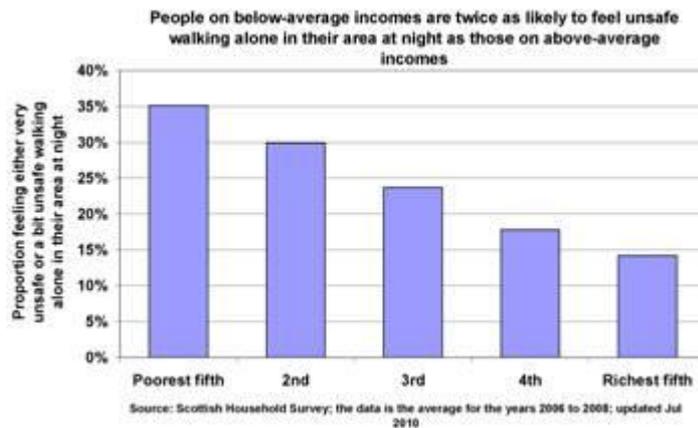
- Callendar Park High Flats
- Hallglen
- Stenhousemuir (the Valley area)
- Bo'ness (Deanfield)
- Falkirk (area around Thornill Road, Westfield)

8.8 These areas require specific action if we are to make sure that people who live within these areas have access to the same opportunities and services we would want all our communities to access.

8.9 In Falkirk we have looked at the issues of the movement of the population and found that in our deprived areas people moved into and out of these areas more than in better off areas. Where the deprived areas improved position in relation to the deprivation index, we have found that this can often be attributed to mixed tenure housing being built within area, and even if this did not lift an area out of the bottom 15% of communities, its relative position improved. This suggests that the physical regeneration of an area has an important role to play in reducing concentrations of deprivation.

8.10 All Council services have an important role to play in ensuring that our most vulnerable geographic communities do not decline or suffer a more during and following this recession. Continuing to maintain or improve vulnerable communities builds community cohesion and well-being. It is therefore important that our most vulnerable communities at least maintain their physical appearance to prevent communities developing poor reputations.

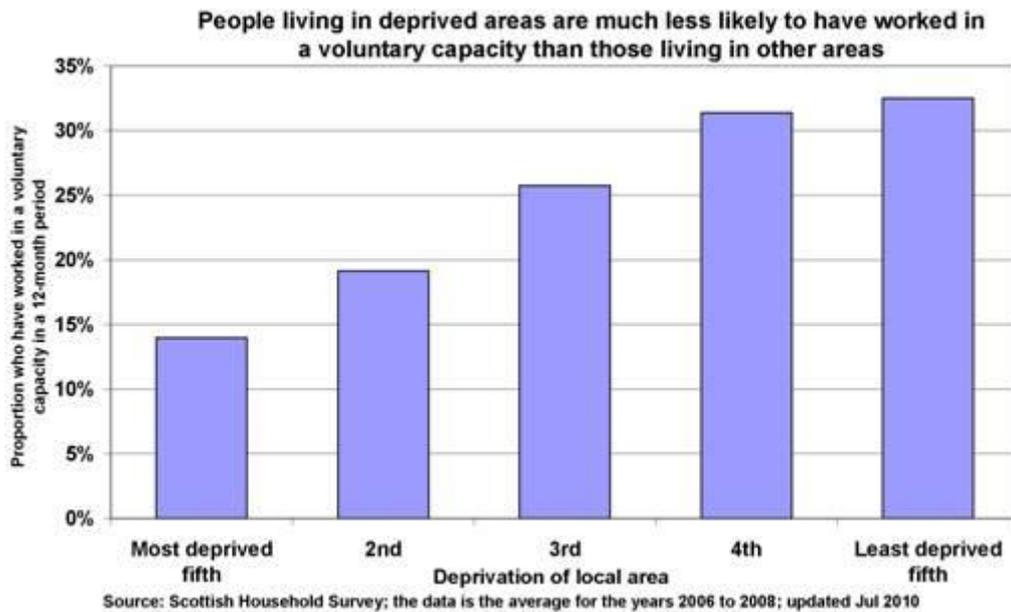
8.11 Living in a deprived area or being on a low income affects how people feel about their neighbourhood or community. The graph below shows that people on low incomes are more likely to feel unsafe at night than those on higher incomes. From surveys undertaken by the Council, we know that people in more disadvantaged areas are particularly concerned about anti social behaviour and youth disorder.



- 8.12 Our partnership groups that focus on regeneration, community safety identifies will take forward a range of actions necessary to support our most vulnerable communities.

Participation

- 8.13 Poverty isolates people, reducing their ability to engage in social and community life. Poverty can stop people from taking part in social activities within their families and communities, for example weddings, birthdays and school trips.
- 8.14 It also impacts on individual ability to participate in voluntary and other forms of community work. Those living in deprived areas are often the recipients of voluntary or community based initiatives as opposed to being active participants or volunteering in their own or in other communities.
- 8.15 Falkirk Council supports and funds a number of organisations that provide opportunities for local people to become more involved in their community e.g. the Volunteer Centre, Citizen's Advice Bureaux, community councils and old people's welfare organisations. Volunteering can provide many benefits to individuals living in poverty, particularly those who are ill, have a disability or are retired, in relation to social isolation. However in the context of the poverty strategy, volunteering, if structured appropriately, can also provide accredited training and build employment related skills for working aged people.
- 8.16 The Council is committed to listening to local people and responding to their views. The Council is seeking to improve the ways in which we engage with individual citizens and communities. As part of this, we will try to ensure that the methods we use to engage with people are as inclusive as possible, so that everyone in the Council area has the opportunity to make their voice heard.



- 8.17 Although many people enjoy being part of community organisations, this is not the case for all people. We also know from the latest household survey that people in deprived areas are less likely to have worked in a voluntary capacity than those living in other areas, as outlined in the graph above.
- 8.18 There is a perception that society has changed and because of work, travel and general increased mobility people are less likely to know their neighbours and will be less involved in their communities in informal ways, like looking in on elderly neighbours. While this is the case in most communities, it is often those most in need that are dependant on these informal links and supports.
- 8.19 The challenge is that we need to find ways to build links with individuals in communities and to establish positive mechanisms to harness energy within and between communities.

What we intend to do.

- 8.20 In order to mitigate the impacts of poverty on communities and people's ability to participate in society, we will aim to:
- **Maximise the proportion of working age residents attaining and sustaining better paid, secure employment (see Employment section above)**
 - **Improve financial security (see Financial Security section above)**
 - **Develop an approach to service provision that ensure that our most disadvantaged geographic communities are not adversely effected by reductions in public sector budgets**

- **Develop pro-active approach within our most deprived area to ensure that our most vulnerable communities are supported**
- **Continue to develop our approach to Community Safety and Anti-Social Behaviour so that our most vulnerable communities are supported**
- **Promote community participation and volunteering across the Council area but particularly in areas of deprivation**

POLICY BACKGROUND

Our Vision

Ten years ago a vision for our area was established. This vision is:

- **The legacy of our past and the potential of our future are protected.** We will invest in opportunities that support our local communities and groups, citizens, businesses and organisations in a balanced and environmentally sustained way. In facing the current economic climate we will continue to support our most disadvantaged communities and those facing hardship. The principle of sustainable development will go hand-in-hand with resilient communities.
- **Our area is at the centre of Scottish life.** We will strive to become the focus of a new Scottish network of travel, tourism and employment opportunities and use the unique attributes our area has to underpin this.
- **Our future is as one of the most culturally diverse and distinct places in Scotland.**
- Our area has a rich historical, industrial and natural heritage. We will celebrate the diversity of our citizens and support cohesive communities as well as maximise the benefits we all enjoy as a result of our distinct heritage. We will build on the inherent spirit and pride to help all the communities within our area to thrive and retain their distinctiveness.
- **Our future has investment in jobs, learning, homes and leisure for all.** We will also support our communities and citizens to participate in influencing the decisions that affect their area and in further enhancing community cohesion, vibrancy and sustainability. We will continue to invest in developing our local economy and infrastructure to continue our drive in moving the area forward. Priority will also be given to the provision of lifelong learning and leisure which is accessible to all our citizens.

Our area is the place to be in the third Millennium.

We will support innovation and forward thinking to take the area's rightful place at the heart of Scotland. We will use our collective influence on the national stage for the betterment of our area.

Government Policy

Since 2007 the Scottish Government has a concordat with local government that sets out the working relationship and shared aims of local and national government within Scotland. The overarching shared aim of both is to:

Create a more successful country where all of Scotland can flourish through increasing sustainable economic growth.

The Scottish Government's Economic Strategy supports delivery of this overall purpose and is underpinned by a set of targets.

- The **Solidarity** target commits the Scottish Government to increasing overall income and the proportion of income earned by the three lowest income deciles as a group by 2017.

- The **Participation** target aims to maintain the existing position on labour market participation as the top performing country in the UK, and to close the gap with the top five OECD economies by 2017.
- Linked to this, through the **Cohesion** target the Scottish Government are focused on narrowing the gap between Scotland's best and worst performing regions by 2017.

These targets form part of a comprehensive national performance framework. Supporting these targets are activities organised across five Strategic Objectives: - Smarter, Healthier, Safer and Stronger, Greener and Wealthier and Fairer.

Social Policy Frameworks

The Scottish Government and COSLA have published three linked social policy frameworks: Achieving Our Potential; Equally Well; and the Early Years Framework. These complementary frameworks outline joint aims for tackling poverty, overcoming inequalities related to health and wellbeing, and giving children the best start in life. The emphasis running through all three social policy frameworks is to support those currently experiencing poverty and inequality, while making a longer term shift towards prevention, early intervention and shifting the focus of action towards the drivers of poverty in our society.

Equally Well

This national policy framework addresses the underlying causes of Scotland's health and other inequalities. Equally Well (Scottish Government 2008) sets out the agreed approach and recommendations for reducing health inequalities through tackling their underlying causes. The Equally Well Review (Scottish Government 2010) re-emphasised this approach whilst acknowledging that although it is important to continue to promote healthy behaviours (such as stopping smoking, reduced alcohol consumption, taking regular exercise, having a balanced diet and maintaining a healthy weight), we need to promote and foster people's assets and capacities for health and wellbeing. The review also encourages community planning partnerships to focus on early intervention and prevention, on early year's experiences and poverty and income inequality as determinants of future health outcomes.

In summary, the review of Equally Well advocates a re-orientation of focus towards:

- Shifting resources towards early intervention and prevention at different life stages;
- Increasing the level of partnership working and integrated approaches aimed at addressing the determinants of health and health inequalities;
- Increasing the level of involvement of the third sector: and
- Support for community led approaches to improving health and reducing health inequalities

Early Years Framework

The Early Years Framework sets out the government's approach to working with children under 8 years of age. The Framework recognises that the pre-birth and the early years have a significant effect on outcomes for children in relation to educational attainment, lifelong income and health.

The Early Years Framework states the importance of valuing children and providing for them within communities; the importance of strong, sensitive relationships with parents and carers; the right to a high quality of life and access to play; the need to put children at the centre of service delivery; to provide more support through universal services when children need it; and that children should be able to achieve positive outcomes irrespective of race, disability or social background. Parents and communities play a crucial role in outcomes for children. That role needs to be valued by parents and communities themselves, but also supported by the community planning process. The vision also highlights the importance of high quality, flexible and engaging services provided by a valued and appropriately qualified workforce in delivering the ambitions of this framework. The Framework identified elements of transformational change. These are:

- a coherent approach;
- helping children, families and communities to secure outcomes for themselves;
- breaking cycles of poverty, inequality and poor outcomes in and through early years;
- a focus on engagement and empowerment of children, families and communities;
- using the strength of universal services to deliver prevention and early intervention;
- putting quality at the heart of service delivery;
- services that meet the needs of children and families;
- improving outcomes and children's quality of life through play;
- simplifying and streamlining delivery;
- more effective collaboration

Achieving Our Potential

Achieving Our Potential sets out the Scottish Government's approach to Tackling Poverty. On the basis of the available evidence and the response to the Government's consultation, the Framework sets out further priorities for action and investment to deliver improvement across four main areas:

- reducing income inequalities
- introducing longer-term measures to tackle poverty and the drivers of low income
- supporting those experiencing poverty or at risk of falling into poverty
- Making the tax credits and benefits system work better for Scotland.

Falkirk Council's Policy Context

This Poverty Strategy, 'Towards a Fairer Falkirk - Tackling Poverty and Inequality' sets out Falkirk Council's approach to implementing Achieving Our Potential and to reducing relative poverty in the Council area. It does this by ensuring we contribute to ensuring all individuals and communities can achieve the outcomes we have set out in our Strategic Community Plan, Corporate Plan and monitor through out Single Outcome Agreement.

Within the Council there are a number of strategies and plans that underpin the work of the Poverty Strategy; these are the Housing Strategy, Employability Strategy, Health Improvement Health Inequalities Plan and the Integrated Children's Service's Plan. In addition each service plan sets out service's contributions to achieving our key outcomes and policy imperatives.

Measuring Poverty

In Britain there are four measures of poverty or deprivation,

- relative poverty;
- absolute poverty;
- persistent poverty; and
- material deprivation.

The Child Poverty Act 2010 sets out UK wide targets in relating to the eradication of child poverty. The targets for the Child Poverty Act relate specifically to these measures. The target for the whole of the UK in relation to child poverty are:

- less than 10% of children live in households that have a household income of less than 60% median income
- less than 5% of children live in households that have a household income of less than 70% median income and experience material deprivation
- to reduce the proportion of children that live in households of less than 60% median income for three years out of a four year period.

Relative Poverty

This is defined as living in a household where income is below 60% of UK median income in the same year. This measures the extent to which those in lowest income thresholds are keeping pace with those in the highest income thresholds.

Absolute Poverty

Absolute poverty means Individuals living in households with income levels below 50% of the (inflation adjusted) Great Britain median income in 1998/99. This measures if those in lowest income thresholds have seen income rise in real terms. This information is unavailable for the Falkirk Council area.

Persistent Poverty

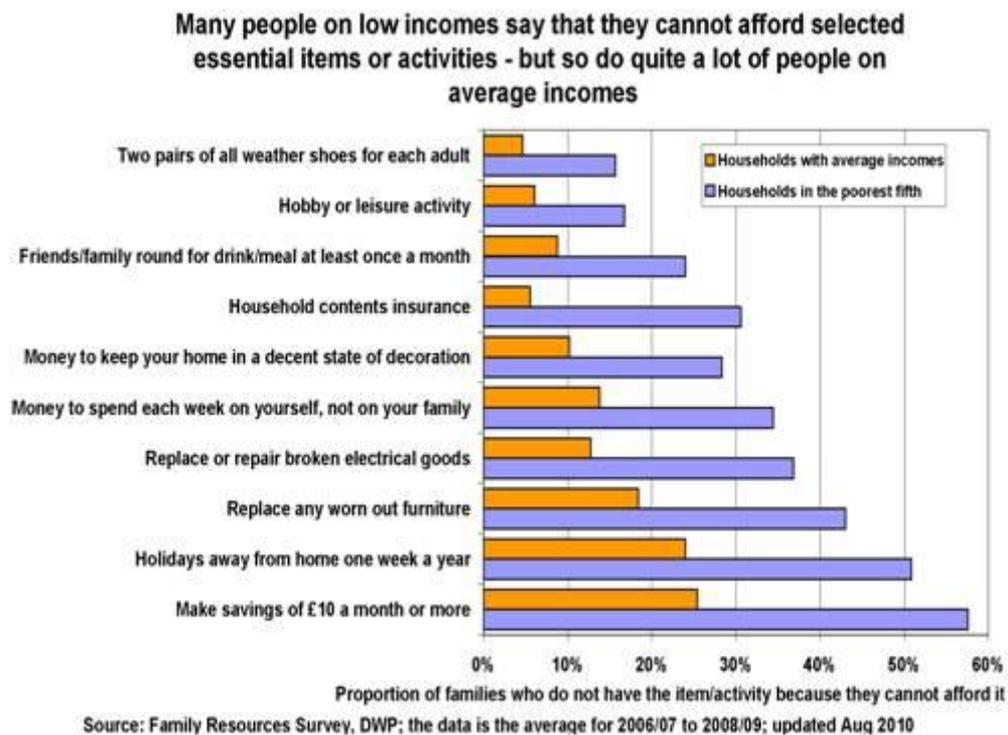
Persistent poverty identifies households that experience ongoing of deprivation and takes account of moves in and out of poverty.

Persistent poverty is defined as living in a household with 60% below median income for three years out of a four year period. It is believed that persistent poverty has a greater impact on individuals and households than relative, absolute or material poverty, although those in persistent poverty will also experience other forms of poverty.

Material Deprivation

This was first used to consider child poverty but has been developed further to include household and elderly poverty. It aims to understand what families and individuals can afford to spend money on and what a household might reasonably be expected to be able to afford.

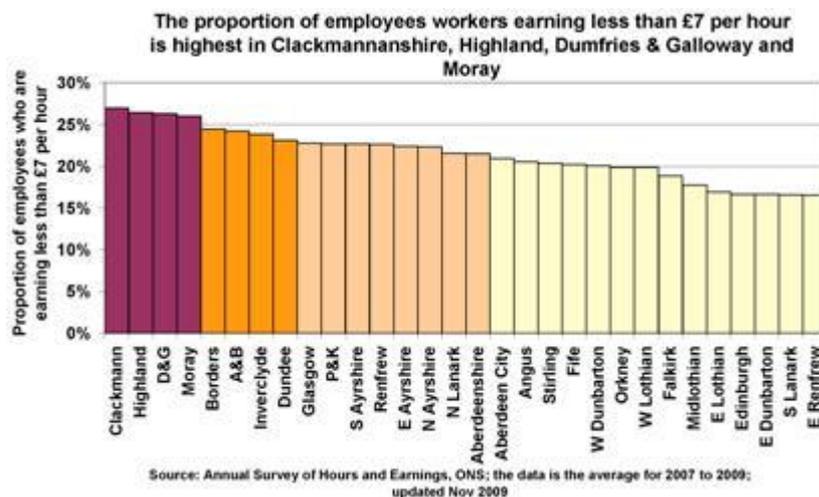
The table below shows that poverty is not always about income –it is also about what people can or can not afford.



Minimum Income Standard

The Joseph Rowntree Foundation (JRF) have since 2008 published what they refer to as a minimum income standard (MIS) which based on what members of the public think that people need to achieve a socially acceptable standard of living. This is updated yearly. In 2010 a single person in the UK needed to earn at least £14,400 a year before tax to afford a basic but acceptable standard of living, a couple with two children needed £29,200.

This income standard is calculated for different groups of people and the research shows that most budgets for working age households are substantially above the 60% median income threshold. It also shows that benefit levels do not meet minimum income standards although this is not the case for pensioners, who if they claim all they are entitled to should meet the minimum income standard. For households in work the salary required to meet the minimum standard remains well above the National Minimum wage (currently £5.93 for those aged 21 and over). A living wage is defined as the wage needed for a couple with two children to meet MIS if they are both working full time, since this will also provide enough for the majority of other household types – the living wage is now £7.60 per hour. The calculation is based on council tax and average rents in a local authority area – the living wage for Scotland had been calculated as £7.15 per hour to reflect lower rents and council tax levels.



Inequality

There is an acknowledgement that although our poorest citizens are materially better off now than in the past, the impact of poverty appears to be increasing. We also know the gap between those who are better off and those who are poor is increasing. This gap not only relates to income but also health outcomes etc.

One recent publication ‘The Spirit Level – Why More Equal Societies Do Better?’ measures a ratio of the poorest 20% of incomes with the richest 20%. Using this measure the researchers have been able to show that countries with higher levels of inequality also have poorer health, higher crime rates and poorer educational attainment, even amongst the better off in those communities.

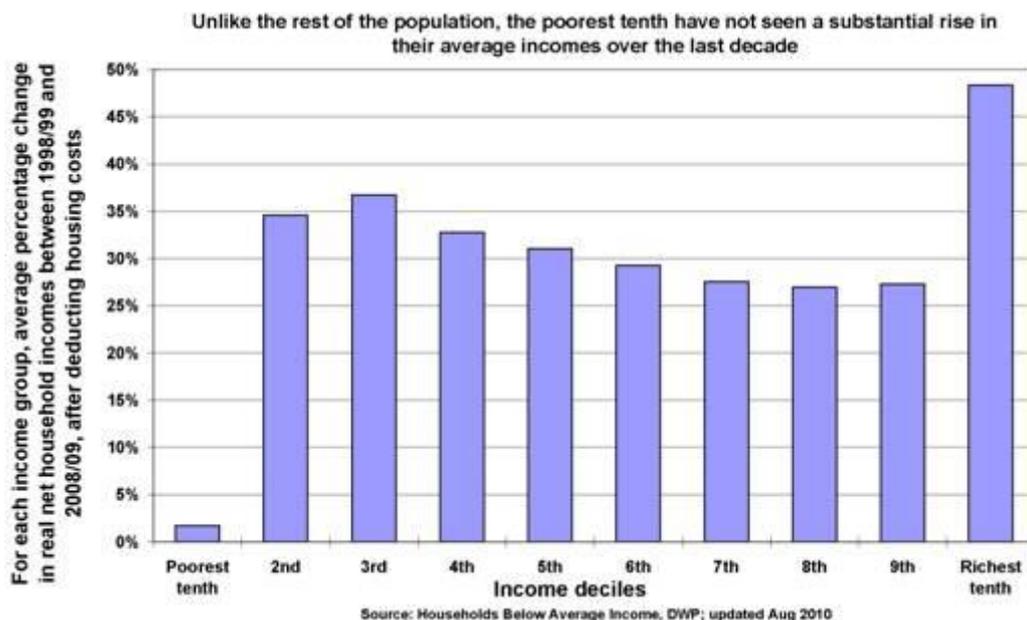
The most widely used measure of inequality in the distribution of household income is the Gini coefficient. This suggests that the lower its value, the more equally household income is distributed. The Gini coefficient provides a way of measuring the way in which different groups of households receive differing shares of total household income.

Once applied to household incomes the Gini coefficient notes that for example, the bottom 5 per cent of households might only have a 1% share of total household

income. The bottom 10% of households might have a 3% share; the bottom 20% might have an 8% share, and so on. The Gini coefficient is a measure of the overall extent to which these groupings of households, from the bottom of the income distribution upwards, receive less than an equal share of income.

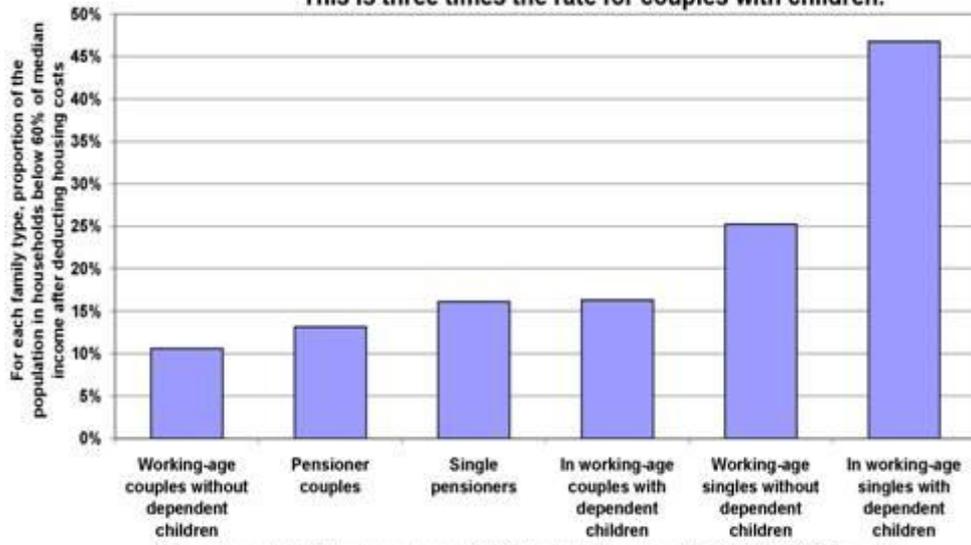
The Gini co-efficient is also used to consider inequality between countries. By applying the theory to the UK economy, it is noted that the rate of inequality within the UK has increased since the 80's. However there is less inequality of income within Scotland than the rest of the UK though this too has increased. One controversial way to reduce inequality in income is to increase the income of those in the lowest earnings brackets and reduce the income of those with the highest earnings. This would involve fundamental changes to taxation.

The graph below shows that inequality is increasing in spite of increasing household income. The richest 10th of the population have seen the greatest rise in their income, whereas the income of the bottom 10th of the population has barely risen at all. To redress this, the Scottish Government's research has shown that the income of the bottom three deciles of households would need to increase 53% more quickly than top 7 deciles to achieve a 1% increase in income of the lowest three deciles. The table below also demonstrates how difficult this will be.



The graph below sets out the risks of experiencing poverty by household type. Some households have a much greater than average risk of experiencing income poverty than others. It is clear that single working aged people with or without children have the highest risk of experiencing poverty and low income. The rate is lowest for working age couples without children.

**Almost half of all people in lone parent families are in low income.
This is three times the rate for couples with children.**



Source: Households Below Average Income, DWP; the data is the average for 2006/07 to 2008/09; updated Sep 2010

POVERTY IMPACT ASSESSMENT GUIDANCE

Introduction

Poverty Impact Assessment (PIA) is the process by which central and local government assess working practices, programmes, policies and resource allocation in relation to the likely impact they will have or have had on poverty with a view to poverty reduction.

The recession and the current public sector environment have given greater prominence to the issue of poverty. The impact of the Spending Review, proposals announced in relation to Welfare Benefit Reform and other austerity measures announced by the UK government all increase concern that poverty and disadvantage will increase unless effective intervention is taken. There will be increasing scrutiny on the impact of decisions made by the Council and the desire make the ‘right decision’ will be increased.

In the recent budget consultation exercise those that responded to the consultation identified that vulnerable groups or the less well off should be protected from the impact of any budget decisions.

Poverty Impact Assessments do not dictate what the Council or even what Services should do – they are internal checks that the impact of decisions on our vulnerable communities has been understood and considered prior to taking a decision to change a service. They are a way of demonstrating that the impact of decisions on Falkirk’s most vulnerable and disadvantaged groups has been integral to the decision making process. They will also be used to monitor the changes made over time to our services and to fully understand the cumulative impact of those changes on the people and communities to whom we provide services.

When assessing the impact of a budgetary, policy or service change, it is important to consider two key questions:

- Will the change result in a negative impact on one or more of the groups most at risk of poverty?
- Will any negative impact increase the risk of people in these groups entering or remaining in poverty?

The following sections identify the key groups to consider and the relevant issues to consider in terms of the impact of any change.

Poverty in Falkirk

Geographic concentration

The Scottish Index of Multiple Deprivation identifies those communities where poverty and disadvantage is most concentrated. Similar indices have been used over the last 30 years to identify areas of concentrated poverty and disadvantage. Analysis of the SIMD and previous indices between 1981 and 2009 shows that six communities within the Falkirk Council area have been consistently identified as areas of deprivation:

- Bainsford/Langlees
- Camelon
- Grangemouth (area around Avonbank Avenue, Kingseat/Craigleith, Torwood Avenue)
- Denny (area around Bridge Crescent, Church Walk)
- Maddiston
- Westquarter

In addition, a number of areas have been identified as being 'at risk' of multiple deprivation. These areas are not consistently identified as experiencing multiple deprivation according to the statistical definition, but fall below the line in some years and rise just above it in other years. Five areas fall into this category of being 'at risk':

- Callendar Park High Flats
- Hallglen
- Stenhousemuir (the Valley area)
- Bo'ness (Deanfield)
- Falkirk (area around Thornill Road, Westfield)

Maps and postcode lists for these areas will be made available on the intranet.

Vulnerable Households and Groups

Poverty and deprivations affects certain household types and groups more severely than others. The recession can increase the risk of poverty for some people who are already most at risk of becoming poor or can mean remaining in poverty for longer. Primarily, this means unskilled workers and those who are furthest from the job market - particularly those who are disproportionately represented among the long-term unemployed, for example disabled people and some minority ethnic groups

The rate of poverty is highest for single people of working age with or without children particularly those on benefits. It is then highest for single pensioners and working age families with children. There are a number of specific groups who are at risk of poverty due to illness, ill health or other circumstances. Other issues that can impact on an individual and their family and thus increase their risk of poverty can include an alcohol or drug dependency, lack of family support etc. It must be stressed that these issues do not automatically mean that individuals and families are poor but that some of these characteristics are evident in those households in poverty in greater numbers than the population at large.

To summarise the household groups most at risk of poverty are:

- Lone parents with dependent children;
- Single working age people without children, who are either in receipt of benefits or in low-paid work;
- Single pensioners;
- Households with younger children and with more than 2 children, who are either in receipt of benefits or in low-paid work;
- Households affected by disability, including those with severe and enduring mental health problems;
- Looked after children and care leavers;
- Households affected by homelessness;
- Households affected by drug and alcohol use; and
- Offenders and ex-offenders and their families.

Positive Actions – What Makes a Difference

When assessing the impact of a change to budgets, policies or services, it is important to consider whether the change is likely to increase or decrease the risk of people entering or remaining in poverty. This section identifies the positive actions that the Council and our services can undertake to enable people to avoid or escape poverty and also the ways in which changes may risk exacerbating levels of poverty. If an assessment is undertaken that indicates that an action will impact on our most vulnerable or disadvantaged individuals and communities then services should look at how they can minimise the impact of that. The following actions provide some ways that can assist in this.

Routes out of Poverty

Given our understanding of the areas and people in the Falkirk Council area who are experiencing poverty and deprivation it is possible to identify factors that are most likely to have a direct impact on poverty in the Council area. The current economic climate makes the challenge of tackling poverty both more vital and more difficult. Whilst the economy is emerging from recession, this recovery remains fragile. Rising unemployment and

an uncertain outlook for the public sector, including associated cuts to service delivery, mean that the impacts of the recession are likely to be felt for some time. The activities that are most likely to have a positive impact on poverty are:

Training and Building Skills for Employment

There will be increasing difficulties for those with low skills and furthest from the labour market and even greater challenges for those entering or already in the More Choices More Chances cohort i.e. young people who are not in education, employment or training. These challenges and the need to secure employment opportunities and to prepare for economic recovery emphasise the importance of the full range of employability support. Helping people, particularly those furthest from the labour market, to secure sustainable employment is crucial to ensuring that the Falkirk Council area is ready for economic recovery and growth. Moreover, this needs to be complemented by support to develop individuals' financial capability and in-work support to ensure a successful transition to the work place. Education is crucial both in terms of giving young people the qualifications and skills which will enable them to enter employment and in terms of giving people on low incomes the opportunities to progress to higher paid employment.

Benefit Advice, Income Maximisation and Debt Advice

Measures to increase benefit uptake can make a significant impact on income level, particularly for those groups that are unable to work. This will become increasingly important, given the proposed changes to the Welfare Benefit system for those of working age. At present our welfare benefits service is available to provide a free welfare benefits check to all residents in the Falkirk Council area. This service is offered automatically to all of our older Social Work service users.

Levels of personal debt are also a significant factor which can push people into poverty and these levels have increased significantly in recent years. Furthermore, the recession has led to many households having reduced income, making their debt levels unsustainable. The Community Advice Service also provides advice on debt management and renegotiation. The Council also funds independent advice services in relation to both benefits and debt through the local Citizens Advice Bureaux.

Childcare and Parenting

Access to affordable and reliable childcare is essential to enable lone parents to secure employment or other development opportunities which will provide a route out of poverty. High quality childcare is essential for children who experience poverty as it can help mitigate the impact of poverty and disadvantage by providing play and learning opportunities for children, particularly young children. Parenting programmes can play an important role to support vulnerable families who may have little support or knowledge of parenting.

Affordable and accessible services

People who are living in poverty are more likely to be dependent on a range of Council services and provision (e.g. Housing, Social Work, Leisure, etc.) particularly those who are unable to work through, ill-health, disability, age or who have caring responsibilities. Careful consideration should therefore be given to:

Undertaking changes to services:

- Will the change have a disproportionate impact on any of the vulnerable groups?

Changing service charges

- Is the charge targeted at people likely to be in or at risk of poverty?
- Does the charge risk excluding people in poverty from being able to afford and access services?
- Does it risk widening the gap between those in poverty and those in wealthier households or neighbourhoods?
- Can charges be sensitive to poverty through concessions or means testing?

Models of service delivery

- If outsourcing or revising contracts for service provision with external providers, can we ensure that the needs of employees, citizens and customers who may be in poverty are considered when developing contracts through working conditions e.g. living wage and charges to service users in or at risk of poverty?

Conducting a Poverty Impact Assessment

Understanding the impact we have on people in poverty must be embedded within our organisational culture. This involves raising awareness of the issues and ensuring we have the tools to measure our impact.

An important first step is the impact of the budget setting process on communities and individuals affected by poverty. In addition to this we also have to consider the impact of policies, programmes, practice and organisational culture on those affected by poverty.

The Poverty Impact Assessment Tool is therefore in two parts; the first to be used as part of the budget setting process and the second part which assesses the impact of service, policy, practice and programmes on poverty. It is anticipated that the second part of framework will sit alongside the Equality Impact Assessment.

Poverty Impact Assessment on Budget (Appendix 2A)

Those responsible for budget or programme proposals or changes will also be responsible for conducting a Poverty Impact Assessment (PIA). To assess the impact of the budget proposals on those in poverty, it is important that an Impact Assessment is carried out prior to decision being taken and also reviewed once the decisions are taken to reflect decisions of Members. It is the responsibility of the Head of Service for each area of service to undertake the PIA prior to decisions being taken. A summary of this will be presented alongside the budget proposals to Council when it sets its budget. The Head of Policy and Performance Review will be responsible for reporting to CMT on the poverty impact of the totality of budget decisions in May each year.

Poverty Impact Assessment on Policies, Programmes and Practice (Appendix 2B)

There will be two key points at which the PIA process is triggered for Services. Firstly, Services will be expected to undertake a comprehensive PIA of their operations and strategies as part of the planned self-assessment process (REFLECT). Secondly, Services should undertake a PIA in relation to any significant change to a service or strategy.

Support and Information for Poverty Impact Assessments

There is a great deal of public information and data available in relation to poverty and the groups that can be affected. All PIA's should consider the available evidence and the potential impact of changes on communities and people. Basic information on the nature of poverty in the Falkirk Council area can be found in the Council's Poverty Strategy and further data is available on request from Corporate and Neighbourhood Services, Research and Information Unit.

In order to assess the impact of any change on those groups experiencing or vulnerable to poverty, it will be essential for the relevant Service to have an accurate profile of the people who use the service concerned. If this information is not already held by the Service, the first step of the PIA process should be to identify the characteristics of the service users and therefore identify whether the service is used by any of the vulnerable groups.

In carrying out a poverty impact assessment, it is also advisable to draw upon the expertise of those in the Council with particular knowledge or expertise regarding poverty and groups that are vulnerable to poverty. Advice and support is available from the following areas within the Council:

- Corporate Policy Unit
- Research and Information Unit
- Social Work Services
- Housing Services

Finalising Poverty Impact Assessments

All completed PIA's should be sent to the Corporate Policy Unit to be reviewed. The Policy Unit will provide comments on the PIA, taking into account the impacts already identified by previous PIA's. These comments should be taken into account before the PIA is signed off by the Head of Service within whose remit the policy or service change falls. A statement reflecting the outcome of the PIA should be included in all committee reports regarding the proposal/changes to the policy, programme or practice. An annual report will be produced for CMT in May each year by Corporate and Neighbourhood Services on the influence that Poverty Impact Assessments have had in relation to service improvement and development. An update will also be provided to Members as part of the Annual Performance reporting on the Corporate Plan and Single Outcome Agreement.

Poverty Impact Assessment Tool - Budget

Falkirk Council is committed to reducing poverty amongst disadvantaged communities and particular household group and vulnerable communities as set out in above guidance. If action is being considered that will increase the number of people living in poverty, actions should be identified that would reduce impact on the communities and households that could be adversely affected.

Budget changes – description of proposed saving/increase to budget		
Briefly outline the nature of the savings or increase		
Current expenditure on this service (£'000s)	Total	
	In Falkirk Council area	
Savings/increases (£'000s) (NB highlight budget increases)	Total	
	In Falkirk Council area	
	Per Annum	
Timescale	Start date for savings	
	End Date if at all	
Geographical impact	Whole area Yes/No	
	If no – which area(s) with specific reference to areas of need	
Service user impact	No of service users currently	
	Type of users	
	Number of users affected	
Impact on outcomes	Which outcomes in the	

	Strategic Community Plan or Corporate Plan are potentially impacted?	
	What will be the potential risks in terms of achieving these outcome(s)	
	How will these risks be mitigated?	
Partner impact	Is there likely to be an impact on services provided by partners?	
	<i>If yes provide a short description of estimated impact.</i>	
	Which partner organisation(s) will be affected? Please list	
	Briefly describe the likely impact on partners	
	Were any partners consulted	
	If yes, which one(s)	

Impact of Reducing / Increasing Budget On Poverty?

		Positive impact	Negative impact
What will be impact of poverty in reduction/	1.No impact		
	2.Improve the quality of life of people living in poverty		
	3.Providing people in poverty with skills/service that will enable them exit poverty		

increase of this budget line	4.Increase the income of those living in poverty		
	5.Assist those on margins of poverty to continue to live a poverty free life		
	6.Increase the number of people living in poverty		

Please provide a rationale for your assessment, providing evidence, particularly if there is no impact on poverty

.....
.....
.....
.....

What is impact of the poverty impact on people living in our geographically disadvantaged areas as set out within this guidance?

Maps and postcode lists for the specific areas noted above will be made available on the intranet

		Positive impact	Negative impact
What will be the impact of this budget line on the priority areas*	1.No impact		
	2.Improve the quality of life of people living in these geographic areas		
	3.Providing people in these communities with skills/service that will enable them exit poverty		
	4.Increase the income of those living in poverty		
	5.Assist those on margins of poverty to continue to live a poverty free life		
	6.Increase the number of people living in poverty		

Please explain your answer, providing evidence:

.....

.....

What will be the impact of poverty on vulnerable household groups?

		Positive impact	Negative impact
What will be the impact of this budget line on the vulnerable household groups – these groups are defined within this guidance	1.No impact		
	2.Improve the quality of life of people vulnerable to poverty		
	3.Providing people in particular household groups with skills/service that will enable them exit poverty		
	4.Increase the income of those living in poverty		
	5.Assist those on margins of poverty to continue to live a poverty free life		
	6.Increase the number of people living in poverty		

Please explain your answer providing evidence:

.....

To what extent was the poverty impact a central consideration in relation to the budget proposal?

Not considered	
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Considered but other factors more important	
Providing people in these communities with skills/service that will enable them exit poverty	
The most important factor underpinning the decision	

Please explain your answer if poverty impact was not considered in relation to this budget proposal:

.....
.....
.....
.....

Signed..... (Head of Service)

Poverty Impact Assessment Tool – Policies, Programmes and Practice

Falkirk Council is committed to reducing poverty amongst disadvantaged communities and particular household group and vulnerable communities as set out in above guidance. If action is being considered that will increase the number of people living in poverty, actions should be identified that would reduce impact on the communities and households that could be adversely affected.

1. Title of Policy/Practice/Programme/Service

2. What is the aim, objective or purpose of the programme, policy or area of service? Which outcomes in the Corporate Plan is the programme, policy or area of service intended to contribute towards?

Overall aim

Corporate Plan outcomes

3. Which service leads in relation to this policy/practice or programme within the Council and what other services are critical in terms of this area of service?

4. Who are the stakeholders or intended beneficiaries from the policy / programme or area of practice. Please state which if any, of our priority areas or our groups that are vulnerable to poverty.

5. State what evidence has been used to conduct the poverty impact assessment. *Evidence can include risk and financial assessments, community consultation, research, Officer knowledge/experience, service user feedback (including complaints) and partner agency feedback.*

6. Based on evidence gathered, is there any evidence that the changes or proposals have an adverse or positive effect on any of the groups vulnerable to poverty. **Note:** *A broad interpretation should be taken of the word 'evidence'. It should include anecdotal evidence and evidence derived from qualitative or quantitative analysis where available.*

Adverse impacts

Positive impacts

7. If so, what will the likely impacts (both positive and negative) be on communities and individuals vulnerable to poverty? In particular, will the proposed change increase or decrease the risk of people entering or remaining in poverty in the short medium or longer term? Please specify which groups may be affected.

8. What can be done to reduce the adverse impacts and/or increase the positive impacts either by your service or other services or agencies and organisations?

9. If the adverse impacts cannot be fully prevented, please explain the reasons why this change is being proposed even though it will have an adverse impact on poverty.

10 Who carried out this impact assessment – lead person should be highlighted.

11. How will changes to policy/practice/programme be agreed and implemented? *(Please state who/which group or Committee considered the options and the decision on what action would be taken. If a number of options were considered, summarise these and the reason for selecting one option over any others.*

..... (Lead officer/service manager)

Once completed, send to the Corporate Policy Unit, Corporate and Neighbourhood Services, Municipal Buildings, Falkirk for review prior to final approval by your Head of Service.

Approved:

..... (Head of Service)

COUNCIL SERVICE CHARGES & CONCESSIONS

9. Background

- 9.1 Falkirk Council charges for certain services with a number of these being discounted for particular groups and individuals. The level of charges and concessions levied by Services is determined by Members. Historically these have been made on a service by service basis. Members have asked that a comprehensive passporting system be developed which will bring a greater degree of consistency to charges and concessions. In general terms many of our service charges are amongst the lowest in Scotland. Excluding Council Tax and rent income, the income the Council receives from charges is significant, as follows:

Service	Approximate Income Received (£000) 2009/10
Social Work (includes home, respite and day care but does not include income from the new charging scheme)	189
Community Services (includes libraries, museums, Leisure Services, Parks & Burial Grounds)	3,898
Education (includes school meals and out of school child care services)	2,500
Finance (includes home contents insurance)	129
Corporate & Neighbourhood (includes enforcement, pest control, special uplifts and non rent housing income)	765
Development Services (includes disabled badge applications, licences & permits, parking)	558

9.2 The income received by the Council is mainly used to subsidise the cost of providing those services, though in most cases it will not cover the total cost of providing those services.

10. REVISING THE CHARGING & CONCESSIONS FRAMEWORK

10.1 If charges and concessions are set without regard to people's circumstances, particularly those experiencing poverty, there is a risk that the Council may increase barriers to accessing services. The Council has agreed that our most vulnerable citizens, which includes those in poverty, should be given support. In the recent public consultation on the budget this also received significant support from members of the public.

10.2 Developing a corporate approach on charging and concessions will therefore:

- Improve access to services for those experiencing the greatest level of poverty through an entitlement passport;
- Bring transparency, clarity and greater consistency to the process of determining charges and concessions through the application of agreed principles;
- Ensure that better alignment with local outcomes and priorities is achieved;
- Retain Service discretion in setting charges and concessions;
- Ensure that decision-making on charging and concessions considers people experiencing poverty through the application of a Poverty Impact Assessment framework; and
- Reflect the cost of providing a service whilst ensuring sustainability, having conducted a thorough fairness assessment.

11. POLICY SCOPE

11.1 The proposed corporate policy will cover the majority of charges and concessions levied by the Council with the exception of Council Tax and Housing rent which are subject to a separate assessment and benefits regime. The proposed policy will also exclude charges associated with planning and development control as these are the subject of national guidance. Separate nationally sponsored schemes are also excluded from the scope of this policy including:

- Concessionary travel for people over 60 and disabled people; and
- Concessionary travel and other nationally determined benefits for young people who are Young Scot card holders.

11.2 Social Work Services has recently reviewed its charges for care services and as a result implemented a new financial assessment to determine whether clients qualify for free or discounted care. This charging scheme is still being implemented and therefore the services covered by that will not be covered by this policy. For clarity Social Work Services covered by the new charging policy agreed by Council in August 2010 will be excluded from the scope of this policy as steps have already been implemented to poverty proof these charges, including free care and capped charging.

12. POLICY ELEMENTS

12.1 The proposed corporate policy on charges and concessions covers a number of distinct elements including:

- Services taking a corporate approach when developing proposals on what level of charges and concession to recommend to Members;
- A tiered entitlement passport with qualified entry to different levels of entitlement; and
- Links to other aspects and issues which will be necessary to support the implementation of the policy.

Consistency of Decision Making

12.2 Currently charges and concessions are set on a case by case basis and subject to approval by Members. It is proposed that the principles of fairness and transparency are applied when Services develop proposals on the level of charges or concessions they recommend to Members. The principles would mean:

- Fairness- all service charges and concessions must be set on a fair and equitable basis and not provide an unnecessary barrier for any citizen accessing services;
- Transparency – services must be able to provide a clear rationale as to how charges and concessions have been determined;
- Simplicity and ease of administration – we will not introduce a scheme that is costly to administer or requires our service users to undergo multiple means testing; and
- Targeting – Entitlement will be targeted on those most in need.

12.3 In applying these principles services will need to apply the following processes:

- Impact Assessment – the Poverty Impact Assessment framework must be applied to all charges and undertaken in accordance with available guidance; and

- Fairness Assessment – services must be clear on who their users are and understand the impact charges will have on them, particularly those in poverty. One of the criteria which services should apply is to assess the risk of excluding people in poverty being able to access services through lack of affordability.

12.4 Impact can also be gauged by the likelihood of widening the poverty gap between the wealthiest and poorest citizens on our area. These issues can be mitigated through the use of concessionary schemes but Services need to be clear on who is eligible for concessions and the criteria required for these to apply. Services should also consider any other measures they can take to support people in poverty. Charges however need to reflect applicable statutory or other national guidance. Comparative evidence should also be provided which demonstrates a comparison of proposed charges and concessions with those of other comparable authorities.

Entitlement

12.5 One of the principal reasons for reviewing the Council’s charges and concessions is to improve fairness and remove some of the barriers that people in poverty may experience when accessing services. Our proposed entitlement scheme provides tiered entitlement based on circumstances and fairness. Entry to the entitlement scheme is based on being able to prove receipt of the following benefits and credits:

- Income Support: aged 16 – 65 (4,670 claimants);
- Pension Credit: guaranteed credit (2,240 recipients);
- Employment & Support Allowance: income based (610 claimants);
- Incapacity benefit (6,770 claimants);
- Job Seekers Allowance (4,170 claimants);
- Working Tax Credit – working less than 30 hours (1,400 claimants); and
- Child Tax Credit: more than family element (6,600 claimants).

12.6 The following table summarises the range of proposed concessions for the entitlement scheme. These are based on current services and provision. Existing entitlements have been identified.

Illustrative Proposals on Range of Support (free and concessionary services)	Comments
<i>Applicable to Households:</i>	

Two free pest control callouts per year	New entitlement
Two free special uplifts per year	Existing entitlement
50% discount on home contents insurance	New concession to support financial inclusion. The current scheme is provided on generous terms so charges would be increased for non qualifying tenants for this to be cost neutral
<i>Applicable to Households but subject to assessment against specific criteria prior to service:</i>	
Free school meals	Existing entitlement
Free breakfast clubs for primary school pupils	Existing (school meal assessment will apply)
School clothing grants	Existing entitlement
Free grass cutting / maintenance visits per year (Garden Aid)	Existing entitlement but will be more targeted. A review of the Garden Aid Scheme will be undertaken in 2011.
<i>Applicable to Individuals</i>	
Reduced charge for annual leisure card	Existing entitlement but will be more targeted.
Free library services (music, internet & audio hire)	New entitlement

- 12.7 While the above highlight existing areas of service delivery these will be reviewed regularly to ensure they are appropriate and cover all relevant areas. A number of areas of service may come under the scope of this charging and concessions policy in the future e.g. educational maintenance allowance, the social fund.

Educational Support

- 12.8 As part of the arrangements supporting the entitlement scheme, it is proposed that people who qualify should be able to access a new support fund for families experiencing poverty, who may otherwise be unable to support their children across a range of educational activities. This could include activities such as school trips, sport and music activity. These can often enhance the social and cultural skills of young people but maybe out of the reach of children in poverty.
- 12.9 It is proposed that qualifying families would be able to apply to the fund for support across a range of activities defined by Education Services. This would require the creation of a modest fund to be held by Education Services. There are a small number of community based funds focused on poverty that the Council has available which could make an initial contribution to this fund. In the spirit of Community Action there is also scope for Parent Teacher Associations (PTA) and equivalents, which do much good work to support our schools including fundraising, to be able to make a financial contribution to the proposed new support fund. This proposal would obviously have to be developed further.

Impact of Proposals

- 12.10 It is estimated that approximately of 26,460 households would qualify for concessions under the entitlement scheme. Some of this number may already qualify for current concessions already offered by the Council. As an initial gauge of this Community Services estimate that of 6,472 leisure cards currently in circulation:
- ◆ 176 or 2.6% are held by people on income support;
 - ◆ 154 or 2.4% are held be people receiving an unemployment benefit;
 - ◆ 70 or 1.1% are held by students; and
 - ◆ 6,072 or 93.8% are held by people aged over 60.
- 12.11 Similar entitlement schemes in operation in other authorities opt to use a minimalist approach for entry to level 1. This is achieved by applicants merely providing proof that they qualify for one or more of the entry criteria. This is subject to annual renewal. This approach ensures simplicity, minimal administration costs and would also aid those in transition from benefits into work i.e. if they move from benefits to work within a year they will not automatically and immediately have concessions withdrawn.

13. FURTHER WORK

- 13.1 This proposal can only outline the principles and scope of a charging and concessions policy that is both sensitive to poverty and linked more tangibly to the attainment of local priorities and outcomes. More detailed work involving Services will be required on:
- ◆ Eligibility and the entry process into the proposed entitlement scheme including how the scheme would be administered;
 - ◆ The number and profile of people who are likely to qualify and the services they access currently;
 - ◆ The exact entitlements and services that would be available under the scheme; and
 - ◆ Preparing a more detailed financial impact assessment so that Members are fully aware of any cost implications for the Council.
- 13.2 One of the key areas which may be of use in administering such a scheme would be the Council's Customer Relationship Management System. This can provide a basis for supporting the development and administration of such a scheme. The Customer Relationship Management System ensures that customers are only asked once to provide information. It could also be used to help to monitor the progress of the entitlement scheme through the provision of information on actual service use by qualifying users. This in turn will further improve targeting.
- 13.3 One way of supporting an entitlement scheme is through the use of a single integrated smart card, i.e. the national entitlement card. This obviously links into other entitlement schemes such as that offered in support of concessionary travel and Young Scot. Smart cards minimise the administration and costs associated with such schemes and minimise the risk of stigma. Work is ongoing at a national level to develop a national entitlement card. Any similar local developments will need to link into this work. There are potential cost implications arising from the adoption of smart cards. It is therefore proposed that a more detailed business case be prepared and submitted for Members consideration.
- 13.4 Using the national entitlement card brings together a range of different concessions accessible according to people's circumstances, supported by a simple assessment procedure. The national entitlement card however can only be used where equipment is installed to support the reading of information held on cards. For example primary schools are currently not equipped with these readers. As a result of this, more detailed and feasible proposals need to be developed for Members to consider. This needs to identify any additional costs associated with implementing the national entitlement card.

Appendix Four

Employability Outcome	We maximise the Proportion of Working Age Residents attaining and sustaining better paid, secure employment						
Intermediate Outcomes	<ul style="list-style-type: none"> • Increase the number of young people participating in post 16 Learning • Increase the proportion of school leavers entering a positive destination • Increase the number attaining literacy and numeracy to SCQF Level 4 and above • Increase skills and qualifications of workforce across Council area • Reduce the differential (Close the Gap) between the best and worst communities and individuals in terms of social and economic indicators • Increase opportunities for supported employment and supported training • Increase understanding of business case for good terms and conditions of service 						
Short Term Outcome	Action Output	Targeted at	Timescale	Lead Service / Partners	Resources (inputs)	How will we know we have been successful	Associated strategy or policy
Increase school attendance levels	<ul style="list-style-type: none"> • Increase the capacity for vocational education • Implement the Falkirk Employability Award • Increase third sector capacity to deliver more diverse support • Develop additional national recognised accredited awards 	<ul style="list-style-type: none"> • Looked after young people • Looked after young people aged 14+ • Young carers • All young people with additional support needs • Workless parents 	Ongoing	Education Services	Existing	All young people attending school 95% of the time (baseline – 91.5%)	
Increase participation in learning post 16			June 2011	Employment and Training Unit /SDS		<ul style="list-style-type: none"> • Staying on Rates • FE/HE participation rates • NTP Participation rates 	
Work towards all population attaining basic skills in literacy & numeracy			April 2011 – March 2013	Education Services / CLD	Existing	Increase numbers attaining literacy and numeracy level 3 measured at age 14, 16, 18 and 19-65yrs – baseline	
Identify and remove barriers to participation in IAG and learning			April 2011 – March 2013	Education Services / SDS	Existing	Number achieving Falkirk Employability Award	CfE
Improved and	• Develop links	• Looked after				All young people	

better supported transition and progression pathways for young people	between schools, employment and training unit & Social Work	<ul style="list-style-type: none"> Looked after children and young people aged 14+ 				attending school 95% of the time (baseline -	
Retain all young people in learning until aged 18 years	<ul style="list-style-type: none"> Support most vulnerable young people with intensive support 	<ul style="list-style-type: none"> Young carers 				Baseline -	
Work towards all population attaining basic skills in literacy and numeracy	<ul style="list-style-type: none"> Develop links with Council Advice Services to ensure income maximised Develop sufficient provision, support and placements for the most vulnerable young people Involve the whole family in the transition between school or unemployment and employment 	<ul style="list-style-type: none"> All Young people scoring 12+ on the resilience matrix 				<p>Increase numbers attaining literacy and numeracy level 3 measured:</p> <ul style="list-style-type: none"> Age 14 Age 18 Age 16-65 <p>Baseline</p> <ul style="list-style-type: none"> Age 14 Age 18 16-65 (nomis) 	
Increase opportunities to participate in community based activity and learning	<ul style="list-style-type: none"> Develop methods of upskilling workforce during a recession 	<ul style="list-style-type: none"> People living in SIMD areas Long term unemployed, 26 wks People with a disability Lone parent, 25 yrs 					
Increase knowledge and understanding of skills gaps for succession	<ul style="list-style-type: none"> Increase collaboration in transition planning and needs assessment / action plans Increase number accessing IAG 	<ul style="list-style-type: none"> People living in worse 15% SIMD areas Care Leavers Young people with Additional Support 	April 2011 – March 2013	In School – Education Services Post School – Employment and Training Unit	<ul style="list-style-type: none"> Big Lottery Project National Training Programmes ESF 	Increase proportion of school leavers who enter and sustain a positive destination	MCMC 16+ Learning Choices CfE Integrated Employment and Skills

	<p>services</p> <ul style="list-style-type: none"> • Improved access and targeting 	<p>needs</p>			<p>“Backing Falkirk’s Future”</p> <ul style="list-style-type: none"> • FSF 		
<p>Increase the number participating in Vocational Training – Modern Apprenticeships / Training for Work</p>	<ul style="list-style-type: none"> • Create more diverse entry routes and pathways to apprenticeships • Work with public sector partners and local employers to provide opportunities • link to CBiP and SPG advice note 	<ul style="list-style-type: none"> • People living in SIMD areas • Care Leavers • Young people with Additional Support needs • Young people who are NEET • Those who need MCMC 	<p>April 2011 – March 2013</p>	<p>Employment and Training Unit</p>	<ul style="list-style-type: none"> • NTP • ESF – “Backing Falkirk’s Future” • Mainstream • FSF 	<ul style="list-style-type: none"> • Baseline information required • No participating in Work based training via NTP • No of progressions to Mainstream from GrFW • No achieving Silver and Bronze FEA 	<p>Council MA Policy Community Benefits in Procurement Statutory Planning Advice Note – targeted Training and Employment`</p>
<p>Provide Transitional and Intermediate Employment Support</p>	<ul style="list-style-type: none"> • Develop a skills based Future Jobs Fund type programme providing real work experience and progression to a living wage 	<ul style="list-style-type: none"> • Young people who are NEET • Those who need MCMC • Workless Parents in SIMD worse 15% 	<p>April 2011 – March 2013</p>	<p>Employment and Training Unit</p>	<ul style="list-style-type: none"> • ESF – “Backing Falkirk’s Future” • Mainstream • FSF 	<ul style="list-style-type: none"> • Reduction in the proportion of working age benefit claimants • Reduce no of people who are economically inactive but who wish a job 	
<p>We know and understand the business case for good terms and conditions of service</p>	<ul style="list-style-type: none"> • Support the living wage campaign and use role as community leader to influence and encourage local business and employers to adopt living wage 	<ul style="list-style-type: none"> • Organisations 	<p>April 2011 – March 2013</p>		<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Increasing hourly pay rates for full-time workers • Reduce gap in earnings between female and male full-time workers • Reduce rate of JSA claimants per unfilled jobcentre vacancy 	

Financial Inclusion and Wellbeing Outcome	Increase Household Income Across the Council Area						
Intermediate Outcomes	<ul style="list-style-type: none"> • <i>Population has increased financial choices and products</i> • <i>Individuals understand consequences of financial choices</i> • <i>Income Maximised through welfare benefits, tax system and other resources</i> • <i>reduce Debt and put debt reduction plans in place</i> • <i>Supporting those least resilient to affects or poverty</i> 						
Short Term Outcome	Action Output	Targeted at	Timescale	Lead Service / Partners	Resources (inputs)	How will we know we have been successful	Associated strategy or policy
Maximise resources for individuals without causing hardship	<ul style="list-style-type: none"> • Re-establish Financial Inclusion Partnership • Improving access to advice services • Develop Council wide response to the Welfare Reform Agenda • Develop a proposal for Charging and Concession Policy that does not increase or cause hardship across the Council area 	Organisations / whole population	April 2011	Corporate and Neighbourhood Services	Existing resources	<ul style="list-style-type: none"> • Reduce % of population earning less than £15K – from 49% to 45% • Increase membership of credit unions • Increase take-up of Housing and Council Tax Benefit and Council Tax exemptions / discounts • Reduce average time (days) to process new Housing / Council Tax benefit claims from date of first notification, in line with national averages • Reduce average time (days) to process change events in Housing/Council Tax benefit from the date of first notification, in 	<ul style="list-style-type: none"> • Equally Well • Homelessness Strategy • Fuel Poverty Strategy

						<p>line with national averages</p> <ul style="list-style-type: none"> • Reduce % of tenants 13 weeks or more in arrears with their rent • improve current tenant arrears as % of net annual debit • % of Council tenancies allocated to homeless • % of RSL tenancies allocated to homeless people • % of Council tenancies allocated to other groups in housing need • % or RSL tenancies allocated to other groups in housing need • Increase uptake of concessions programme (establish baseline) • Increase take up of appropriate Energy Efficiency grants 	
<p>People have access to information which is appropriately targeted and to ensure informed decision making</p>	<ul style="list-style-type: none"> • Develop a Communications Strategy + Action Plan to raise awareness of issues and services / resources available 	<p>Whole population and vulnerable groups</p>	<p>June 2011</p>	<p>Corporate and Neighbourhood Services</p>	<p>To be determined</p>	<ul style="list-style-type: none"> • Increase the % of people (earning less than £15k) with basic bank account (• Reduce the % of individuals with BBA getting bank charges 	<ul style="list-style-type: none"> • Equally Well • Homelessness Strategy • Full Poverty Strategy

Contd	<ul style="list-style-type: none"> Identifying and agreeing responsibilities between Council Services and externally funded organisations – developing tiered advice system 					<p>from 23%</p> <ul style="list-style-type: none"> Individuals with BBA @ having 4 or more direct debits Increase the % of individuals with BBA who have 4 or more ATM transactions 	
Vulnerable clients identified early and appropriate support mechanisms put in place to enable access to appropriate services	<ul style="list-style-type: none"> Develop holistic approach to working with vulnerable people and organisations providing support re financial inclusion – developing single assessment framework for advice 	Vulnerable groups, particularly those aged under 60 years	August 2011	Social Work Services / Financial Inclusion Partnership	Existing resources	<ul style="list-style-type: none"> Reduction in numbers prescribed drugs for anxiety / depression / psychosis The % of homeless households provided with permanent accommodation in Council stock who maintained their tenancy for at least 12 months No of households with rent arrears 6mth and 12 months after start of tenancy % of cases reassessed as homeless or potentially homeless within 12 months of previous cases being completed Total number of dwellings brought up to SHQS by criteria: <ul style="list-style-type: none"> Free from serious disrepair Energy efficiency Modern facilities 	<ul style="list-style-type: none"> Equally Well Homelessness Strategy Fuel Poverty Strategy Corporate Parenting Policy

Contd						and services - Healthy, safe and secure - Total	
People know where to seek advice	<ul style="list-style-type: none"> • Improve links locally between those providing debt and welfare advice and those who do not, particularly health, schools, Employability/PACE 	<ul style="list-style-type: none"> • Those with mental health problems or in crisis situation • Children and young people • Vulnerable young people 		<ul style="list-style-type: none"> • Financial Inclusion Partnership 		<ul style="list-style-type: none"> • Increase numbers of young people sustaining tenancy • Reduce number of individuals becoming homeless • Reduce numbers of looked after and accommodated young people being homeless 	<ul style="list-style-type: none"> • Early Years Framework • Curriculum for Excellence • Employability Strategy
	<ul style="list-style-type: none"> • Develop a Communications Action Plan to raise awareness of issues and services / resources available 	<ul style="list-style-type: none"> • Whole population and vulnerable groups 				<ul style="list-style-type: none"> • Increase number of individuals from approaching advice services for advice and support • Establish baseline – re referrals 	