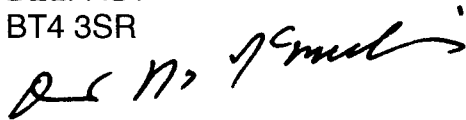


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### **New TSN – the way forward; Phase 2 consultation**

Thank you for the opportunity to comment on the Phase 2 consultation document.

A TSN policy of one kind or another has been in place since 1991. It may seem pedantic to dwell on what has happened in the last 14 years, rather than simply look forward to the introduction of an anti-poverty strategy. If TSN had worked well, or moderately well, I might agree; a rebranding as “bend the spend” may now be sufficient, with some other tweaks, to encourage further progress.

According to the consultation document, TSN has been mainstreamed successfully. The consultation document quoted from a European Union Research Report “Mainstreaming social inclusion – working for the prevention and elimination of poverty in a changing Europe”. This report in turn drew on the evaluation of New TSN undertaken by Deloitte & Touche. The report acknowledged that the evaluation had found evidence of a skewing of budgetary resources and efforts by Departments within programmes; but that the evaluation “did not ascertain whether or not New TSN has resulted in a reduction in poverty”. The report commented that, “at the moment, mainstreaming is a rather neutral concept, lacking clarity as regards the extent to which it can effect real change in policy making and in poverty reduction”. The report warned that without “mechanisms to bring about cultural change and assign clear responsibility for achieving social inclusion outcomes, mainstreaming could be an excuse to do nothing”.

This is an accurate analysis of the position in Northern Ireland. It reconciles the claim that TSN has been “successfully mainstreamed” with the evidence that “Northern Ireland is one of the most unequal societies in the developed world”, and that “inequality in Northern Ireland is increasing” (Bare necessities: poverty and social exclusion in Northern Ireland. Hillyard et al, 2003). Poverty rates in Northern Ireland remain higher than in Great Britain and the Republic of Ireland.

The European Union Research Report recommended that “mainstreaming should imply the inclusion of poverty elimination and social inclusion in political vision and goals...”. It is odd, in the current consultation document, that a vision does not appear until page 90, in an annex to the main document. Even then, the vision is “the development of a society which aims to develop its citizens to be fully participative, to realise their full potential and live free from poverty and social exclusion”. Rather than espouse a simple goal (the elimination of poverty), the proposed anti-poverty strategy will settle for a society “which aims to” enable citizens to be free from poverty. Simply by adopting a TSN policy 14 years ago, have we already made the vision a reality?

It is not my wish to be unduly critical of TSN. The policy had some successes, albeit modest in range and scale; in overall terms, though, it has been ineffective in tackling social need. The persistence of substantial socioeconomic inequality throughout the 20<sup>th</sup> century, not just the last 14 years, suggests that the elimination of poverty may only be achieved if there is an unusual determination on the part of government and public bodies.

Can the new anti-poverty strategy succeed where TSN failed? Certainly there are excellent new features – the establishment of an anti-poverty forum, and the proposal to set and monitor poverty-related targets, are very welcome. There are some weaknesses, too, primarily related to the three strategic priorities – building capacity to participate in the labour market and to benefit from greater participation in the social and cultural life of the community; increasing employment opportunities; and dealing with financial hardship:

- 1) There is a tendency in all of this to see people who are in poverty or who are experiencing social exclusion as the problem. The problem may in part rest with people who are not poor, people who do not experience social exclusion. There may be something associated with hierarchies within our society which encourages or tolerates inequalities; there may be links to factors which lead to prejudice of one kind or another (and in more extreme forms, sectarianism and racism). If a society is highly sensitive to issues of class and status, and segmented on a hierarchical basis, it may prove impossible to eliminate poverty and social exclusion simply by “building capacity” among poor and excluded people. The cause of the problem may lie elsewhere, and the solution may require a more tolerant, cohesive and globally aware society. Perhaps these are matters for consideration by the anti-poverty forum?
- 2) An expansion of employment opportunities, and the provision of support and development for people who are unemployed or economically inactive, are obviously welcome. Many people, though, will remain unemployed or economically inactive. The strategic priority, “dealing with financial hardship” is particularly important for these people, and for those who remain on a low income while in employment. “Dealing with financial hardship”, however, is focused on issues of access to financial institutions, and on benefit uptake, not on adjustments to the tax and benefits systems, or to the minimum wage.

In practice, all these issues may be critical. Is a job (say, at minimum wage level), coupled with the existing tax credit system, sufficient to lift a household above the poverty thresholds? Which households may be caught in a 'benefit trap'? There are obviously a number of scenarios, depending on the characteristics of the household; it would be useful to demonstrate the robustness of the anti-poverty strategy by showing that full uptake of eligible benefits, with or without employment at minimum wage level, is sufficient to eliminate poverty. If not, if people are still left in poverty despite having a job, or despite full uptake of benefits, then the anti-poverty strategy would clearly not be fit-for-purpose.

- 3) Mean income levels are sensitive to income levels throughout our society, and it is interesting that the "Bare necessities" report made use of both mean and median income levels when setting out poverty indicators. The Phase 2 consultation document did not propose to use mean income levels in setting strategic targets; there was no explanation for the proposal to rely on median income-based indicators. As well as adopting consensual poverty indicators, it would be reasonable to include both mean and median income-based indicators, even if it will be more challenging to meet targets related to mean income-based indicators. On a separate point of detail related to targets, it is unclear why we should seek to increase the proportion of employees in Standard Occupational Classification groups 1 to 3 (section 9.10, page 78); it is necessary in our society for people to work in many types of jobs – but those jobs should not be allowed to lead to poverty or social exclusion.
- 4) A number of serious issues are raised in Annex 1 of the consultation document, in addition to the vision statement mentioned earlier. Some "responses" do not do justice to the importance of the issues. There is a need to understand the potential impact of Treasury decisions on poverty levels in Northern Ireland, rather than simply treat the Treasury as a force majeure. Similarly, the association between poverty and the conflict in Northern Ireland is much more complex than suggested in the response, and it is sufficiently serious to justify more detailed analysis and inclusion within an action plan.
- 5) Within the healthcare sector, we can do more to evaluate trends and patterns of service utilisation, taking account of indicators of deprivation – and there is also evidence that deprivation is associated with under-utilisation of some services. It is important that the anti-poverty strategy will be sufficiently broad in scope to give legitimacy and encouragement to initiatives aimed at countering inequalities in healthcare access and delivery. In addition, the healthcare sector can have a substantial impact, not only in terms of the equitable delivery of care, but also as the largest source of employment within Northern Ireland, through the procurement of goods and services, and through participation in community regeneration initiatives. A broad perspective, and action across a broad front, are both necessary.

I hope that these comments will be helpful in developing an effective strategy for eliminating poverty and social exclusion.

Yours sincerely

A handwritten signature in black ink, appearing to be 'E. Bates', written in a cursive style.

**Evan Bates**  
**Director of Corporate Services**