Poverty, Work and Place

Findings from the
Joseph Rowntree Foundation

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JRF Programmes

- Impact of Devolution on low-income people and places viewed through four policy themes
- Monitoring Poverty and Social Exclusion (MoPSE) series includes bi-annual Scotland report
- Recurrent Poverty looks at cycling from benefits to insecure work and back
- Cuts, Spending and Society micro-site
## Progress on 16 MOPSE indicators (98-08)

<table>
<thead>
<tr>
<th>Region</th>
<th>Most improved</th>
<th>Least improved</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scotland</td>
<td>6</td>
<td>0</td>
<td>+6</td>
</tr>
<tr>
<td>North East</td>
<td>5</td>
<td>0</td>
<td>+5</td>
</tr>
<tr>
<td>Wales</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>2</td>
<td>3</td>
<td>-1</td>
</tr>
<tr>
<td>London</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>East Midlands</td>
<td>0</td>
<td>4</td>
<td>-4</td>
</tr>
<tr>
<td>East</td>
<td>0</td>
<td>4</td>
<td>-4</td>
</tr>
<tr>
<td>West Midlands</td>
<td>0</td>
<td>5</td>
<td>-5</td>
</tr>
<tr>
<td>South East</td>
<td>0</td>
<td>5</td>
<td>-5</td>
</tr>
</tbody>
</table>
Poverty trends in Scotland (98-08)

• Down by one-fifth among **children** though now rising again
• Down by more than half among **pensioners**
• Little change for **working-age adults** as a whole
  – But down for those with children and up for those without children, whether in-work or not
  – Long-term workless adults among the poorest 10%
Change in child poverty, GB (1998-2007)

Figure 1: child poverty rates, now and a decade ago, for Scotland, Wales and the English regions

Source: Households Below Average Income, DWP
<table>
<thead>
<tr>
<th>Group</th>
<th>Proportion in poverty (AHC)</th>
<th>Est. number</th>
<th>Trend 2005-2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children</td>
<td>26%</td>
<td>250,000</td>
<td>+ 1%</td>
</tr>
<tr>
<td>Working Age</td>
<td>19%</td>
<td>625,000</td>
<td>+ 1%</td>
</tr>
<tr>
<td>In-work</td>
<td>12%</td>
<td>275,000</td>
<td>+ 2%</td>
</tr>
<tr>
<td>Older People</td>
<td>11%</td>
<td>110,000</td>
<td>- 5%</td>
</tr>
</tbody>
</table>
Change in early mortality rates (1997-2007)

Rate of premature death - by region, over time

Deaths of those aged under 65 per 100,000 aged under 65, after standardising to a constant European age structure

Scotland 207 248 216 235 231 254 254 226 226 234 234
NW 262 216 205 205 204 194 194 181 181 181 181
Wales 235 205 204 226 226 194 194 181 181 181 181
N 231 205 204 226 226 194 194 181 181 181 181
NE 254 254 254 226 226 194 194 181 181 181 181
EM 163 163 163 163 163 163 163 163 163 163 163
SW 159 159 159 159 159 159 159 159 159 159 159
SE 158 158 158 158 158 158 158 158 158 158 158
East 158 158 158 158 158 158 158 158 158 158 158

Source: General Register Office (Scotland), Registrar General (Northern Ireland) and Mortality Statistics Division, ONS (England and Wales)
Trends in work and welfare

- **Employment rate** (1998-2008) peaked at 76.5%, was most improved in UK.

- **Unemployment**: lower rate than England entering recession but now about 2% higher and still rising. Net 50,000 jobs lost mainly full-time, among men and the under-50s.

- **Working age people claiming out-of-work benefits** fell to 16%, but still bottom half of UK ranking. Rose to 18% by 2009. Biggest increases during recession in Ayrshire, Lanarkshire and West Dunbartonshire.
Skills

• For the least qualified, odds of being in work only 50:50 before recession.
• Access to job-related training for those lacking qualifications did not improve over the decade.
• Young people at high risk – fully 40% of jobs lost in recession affected under-25s.
• One of the long-term policy drivers against poverty which is devolved.
UK employment rates rose except for least qualified (1992-2005)

Adapted from David Halpern, Institute for Government.
Young people not in education, employment or training

% of 15 – 19 year olds (2004-06)

Note: Differences in methodology exist between calculation of the Scottish NEET group in international terms and within Scotland
Place: Devolution and regeneration

• Continuity: England (*New Deal for Communities*) and Wales (*Communities First*)
• Change: Scotland
• Stalled: Northern Ireland
• Concern about loss of focus on ‘place-making’
• Housing and environment improved but horizons still restricted
• Balance between improving neighbourhoods and linking them to wider work, training and learning
Impact of devolution: summary

- Reserved policies had a bigger impact on tackling poverty...but devolved policies still matter
- Some need to be applied on a much bigger scale and for longer (e.g. Working for Families; New Futures Fund)
- Need to achieve better results from training and skills; regeneration; face up to ‘flat-lining’ (the lowest-attaining 20% in secondary school) and drive down costs for low-income households
- And improve administrative devolution (the case of Pension Credit)
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