

EDINBURGH ASSOCIATION OF COMMUNITY COUNCILS

Summary of the EACC Big Debate on Poverty, held on Saturday 5th March 2011 in the Main Council Chamber, City Chambers from 9.30am to 12.30pm

Chairing the event was David Salton, Chair of Edinburgh Association of Community Councils and Chair of Corstorphine Community Council

On the panel were:

- ♦ Kathryn Busby Equality Trust Steering Group
- ♦ Des Loughney Edinburgh Trades Union Council
- ♦ Gillian Tee Director Children and Families, the City of
Edinburgh Council
- ♦ Robin Tennant Fieldwork Manager, Poverty Alliance
- ♦ Cllr Norman Work Vice-convenor for Health and Social Care

David Salton opened the event, noting that recent research shows that there are £1.6m children living in poverty in the UK. A rise in unemployment could drive that figure higher. The panellists invited to take part in the following debate will all have a perspective to offer on our consideration of this issue.

In her opening summary Gillian Tee said:

I care most about tackling inequality and poverty and I believe passionately in the power of education. Thirty years on in my work in this area, I'm not sure that we have succeeded yet. Children in disadvantaged circumstances do not do well and disadvantage still exists. Children from these backgrounds leave school early, have children early. We need to ask what we can do to break that cycle of disadvantage. We must engage and motivate children to want to gain qualifications, but education won't succeed on its own.

We need a holistic approach – to strengthen support for families and the communities in which they live. There are recent developments around a project called Total Place, which looks at all the resources taken to give a voice to the child's and supporting family's needs in the early formative years. . Where there is poor literacy in the early years, exclusions from school often follows, with some children being taken into care. We need joined up services. There are 600 children each year from Edinburgh who do not go on to higher education, training or employment. We must tackle this problem. If we do nothing, that figure could go higher.

In his opening summary Cllr Norman Work said:

There are different aspects to poverty and CEC can highlight some practical actions being taken to tackle fuel poverty. Along with all other Local Authorities across Scotland, CEC has signed up to the Scottish Housing Quality Standard (SHQS), requiring certain standards of insulation, double-glazing etc.

In 2007 only 14% of council housing stock met the SHQS standard – the current figure is 57% -- and work is ongoing in aiming for the 100% goal. Some housing has been demolished and regenerated as the cheaper option in Gracemount, North Sighthill and Muirhouse. The new housing, the first built by CEC for a generation, will be energy efficient and tackle fuel poverty in these areas.

There are plans to invest in community heating systems in one multi-story building, Cable Wynd House, and district heating systems are being considered for two other multi-story buildings. These are pilot schemes being trialled to tackle fuel poverty.

In his opening summary Robin Tennant said:

This is a crucial time for tackling poverty and the Alliance takes every opportunity to engage people in debate about the issue. Poverty Alliance is a Scotland-wide independent network of groups, organisations and individuals working together to tackle poverty.

Empowering others to affect change in the distribution of power and resources is currently focused on change in four key issues. These are Incomes – seeking a living wage, welfare reform and child poverty, Participation – ensuring those living in poverty are heard by policy makers, Services – defending and ensuring access to local services, and Changing public attitudes – encouraging debate and tackling negative images, such as the stigma attached to people living in poverty.

A survey conducted by the Joseph Rowntree Foundation in 2008 highlighted the difference between calculated basic living costs for those out of work and the benefits provided, highlighting a deficit of more than £100 for a couple with two children and £60 for a lone parent with one child. Other important data is that now at least half of the children living in poverty in Scotland are in families where one adult is working. Services are crucial in supporting people on low incomes to ‘keep their heads above water’. Yet the forthcoming cuts will have a far greater impact on reducing living standards for the poorer sections of society than those who are the higher earners.

In his opening summary Des Loughney said:

In his role with the Trades Union Council he has worked with successive administrations to support and maintain high employment over more than thirty years. Edinburgh has been seen as an economically successful city, with a history of mining, engineering, shipping and dockyards, and good employment provided through public/private partnerships. But TUC now has great fears of the impact of the cuts in store for the city. Rising unemployment affects young people badly. A joint CEC/NHS Support to Work project which supports disabled people and ethnic minorities has been cut by £2.3m – this is a sign of the times and a retreat from dealing with inequalities within the city.

The coalition government claims that the cuts in the public sector will increase jobs in the private sector but TUC profoundly disagrees and believes that unemployment will increase significantly.

In her opening summary, and commenting on *The Spirit Level: why equality is better for everyone* by Richard Wilkinson and Kate Pickett, Kathryn Busby said:

The Spirit Level is about the effects of social hierarchy, it looks at what happens when there are large gaps between the highest and lowest paid people in society. It compares the income difference between the top and bottom 20% of earners in 23 rich developed countries. In the most equal – Japan, Finland, Sweden and Norway – the top 20% earn about 3.5-4 times the bottom 20%. In the least equal countries – the USA, Portugal, the UK – the top 20% earn 7-8 times the bottom 20%.

The 10 different factors that could be used to measure a country's well-being, says The Spirit Level, are: life expectancy, maths and literacy scores, infant mortality rates, homicide rates, and proportion of the population in prison, teenage birth rates, levels of trust, obesity levels, mental health problems (including drug and alcohol addiction) and social mobility. A very close relationship emerged between inequality and all of these problems. The research showed that all of these problems got worse when the society was unequal. Evidence from conducted surveys support measures in each of these areas.

Why does this happen? Why is inequality so damaging? In the more unequal societies, there is a greater awareness of social status and place in the hierarchy. This fuels status competition and anxiety, putting pressure on family life and relationships. Consumerism is fuelled, debt increases, this in turn drives longer working hours and can be environmentally damaging. The stress affects physical and mental health.

With regard to tackling the problem in the UK, inequality rose dramatically during the 1980s. All the work that has been done to overcome poverty has been overwhelmed by the rising incomes of the super-rich, who have pulled further and further away from the rest of us. The average ratio FTSE 100 companies is 232:1. And a Charity Finance survey published recently shows that even the biggest charities have an average ratio of 10:1, with councils 15:1, NHS trusts 14:1 and leading universities 19:1. While some of those ratios could reduce, it is clearly the private sector that is driving the pay gap in the UK. This is where the problem needs to be addressed.

Questions from the floor:

Abbreviations: Gillian Tee (GT), Robin Tennant (RT) Cllr Norman Work (Cllr W), Des Loughney (DL) Kathryn Busby (KB)

Question:

Craigmillar is the poorest in Edinburgh and the fourth poorest in Scotland. With the forthcoming cuts, we lose the most. What is the intention to stop a worsening of poverty in this area because of the across the board percentage decreases?

RT: In terms of public service, we know that the cuts will have a greater impact on the poorer areas.

NW: If employees are lower paid, we do look at what the cuts are affecting.

GT: In funding for schools, we haven't gone for a percentage reduction across the board. Cuts have come more from secondary schools than from primary. In Edinburgh secondary funding is more generous than in other Authorities. We are also aiming for smaller class sizes in primary classes one, two and three with funding supporting this programme. There are 'positive action schools' in Craigmillar. But schooling can only do so much – we need wider support through families and other services.

DL: Percentage increases always widen inequalities.

KB: The impact of percentage increases will be worse for those on those on lower incomes.

Question:

Why is there still illiteracy in our society?

GT: Overall in Scotland we are doing very well in tackling literacy. But it's for the lowest 20% that we are not yet doing as well as we would like. We have a whole range of things going on to address that problem, including reducing class sizes. There are often family challenges and in these cases we have to ask what we can do jointly with other departments to support these children.

Question:

What would be your response to the fact that there are discussions at local and government level to ensure that money will be targeted at projects which will bring economic benefit to the city and the economy, such as those being promoted by Forth Ports? This is part of the TIF approach, raising money against future revenues in the hope that the benefits will trickle down to the communities. But certainly in Granton only 92 jobs have been created in decades and there have been very few benefits for the people of the area with the building work that has taken place.

NW: There has been a slow-down in the projects for the Waterfront, and consequently in benefits for the area. Regeneration is important in improving prospects for the local community.

GT: Investing in education is an argument for closing that gap. The disadvantages for these areas cost us all collectively.

RT: It is a fact that £120m goes missing each year in unpaid taxes, so the money is there and needs to be recouped.

DL: Entry level jobs that used to be there are now taken up by 50,000 students and 50,000 migrant workers. This causes social problems. The 100,000 jobs that have been created in recent years have been taken by migrant workers. If we were preparing properly for climate change, this would also create 100,000 to 200,000 jobs.

KB: Banking on benefits trickling down isn't the way to approach this problem. There are economic opportunities in crises of the kind being faced at present. The opportunities are there, but it requires a different approach, with an emphasis on tackling the inequalities in the first instance.

Question: We didn't have substantial levels of poverty in Edinburgh. With £200m spent per annum on poverty and that level of expenditure, are we doing our absolute best to tackle the areas of deprivation? What should we do better?

KB: Much economic analysis is being done at present.

DL: A city with full employment is a city that will do well.

RT: I'm not surprised at your figures. The societies that have the highest level of inequality have the biggest problems.

CllrW: We have to tackle drug misuse as a priority.

GT: There are several areas on which we need to focus: The first three years of a child's life are the most important in setting patterns for achievement and success in later life. Every £1 spent in these early years, saves £7 later on. We therefore need to place more emphasis on Early Years Education.

There are 600 young people who leave school each year and don't go on to further education, training or employment. We must create opportunities for these young people. We should be able to tackle this problem. Total Place development might find better ways of spending the money that is available.

Question: Community Councils can influence decisions in matters of planning, licensing and raising awareness. A school in our area had real literacy and behavioural problems, but it was found that when that school was closed and the children moved to a more mixed ability school, the children were noticeably changed and the results improved dramatically. Is this a usual experience?

GT: We have closed seven schools over the last three years and these were tough decisions. But this saving has allowed other schools to take less of a cut and to build three new nursery classes. It has been found that children from poorer areas are doing very well in mixed ability schools. This is perhaps because they are not feeling as if they are at the bottom of the hierarchy.

CllrW: Some schools were closed because they were half empty. Community councils can do a lot to raise awareness, by also pressing for more mixed housing for example. Fortunately the right-to-buy council housing has been stopped, which led to a depletion of houses available. We do need more housing of mixed sizes

RT: Most positive changes of importance, such as ending the slave trade, came from below, so all awareness raising is of value and very important in creating meaningful change.

DL: The best you can do is to make sure that the council reports properly on the changes in your area. You can form alliances around the job needs in your area, both full-time and part-time. Is there evidence of jobs being made available?

Question: Surely a big contributing factor to ongoing poverty is the decline in vocational training. More graduates are coming out of universities but they can't get jobs. Can we not work for a better balance in the job market?

DL: We can create jobs to meet the real needs of society, a functional society. Vocational apprenticeships would give a better balance. We need more work with colleges, with Joined Up for Jobs. RT: There is a skills gap. But we need to be careful of channelling working class children only down the trades route, although jobs in these areas are crucial.

Cllr NW: There is too much emphasis on getting people into further education. We do need to do a lot more work in tackling inequalities.

GT: There is a need for balance between vocational training and college attendance – Edinburgh has a bad record nationally for this. It is encouraging that the new CEC chief executive Sue Bruce is keen on an Edinburgh apprenticeship scheme.

Question: What is our definition of poverty? We need to know exactly what we are talking about. Surely the basics are that you need food, to have somewhere to live, to be able to pay your energy bills, and to pay your council tax. An unequal council tax is a cause of great inequality and can hit hard for people who have worked hard all their life but are now retired. We need a fair and progressive tax.

DL: We support a fair and progressive taxation system. There is major tax avoidance by corporate and private firms.

GT: These concerns will be taken to the finance team of CEC.

Cllr NW: The council tax freeze is a good thing. But there should be a council tax based on the ability to pay.

RT: A council tax is a regressive tax. A local income tax would be a more positive form of taxation.

Three questions for the small group workshops –

What is poverty? Is it a relative term?

Why is it still with us?

Where do we go from here?

Feedback reports from workshop debates (provided by panellists):

KB: There are government definitions, which tend to be relative, and absolute measures of poverty. Where there is success in changing things is when communities are given the power to solve their own problems. Greater transparency in decision making is needed, and more local democracy. Low-paid jobs should be better paid and more recognition given to their vital part in the economy.

DL: What poverty means has changed over the years. We all know what it means in our own environments and our immediate society. People often experience a severe drop in income when they retire. We will need a more equal society to combat poverty in the future and we need to spend what is available more effectively. We will need to think more creatively to make a difference.

RT: A definition of poverty would include homelessness, lack of adequate financial resources – including being able to pay energy bills, an inability to participate fully and meaningfully in society. Having broadband is no longer a luxury. A minimum net income is required for healthy living. It assumes current taxation systems.

In Scandinavian countries there is much less inequality. Is it culturally more acceptable there to have a more equal society? There is a much greater focus on children's well being in these countries until they are 7-8 years old.

Poverty is a dynamic. People move in and out of it. Very few never move out of it. Only 2% are inter-generational. The majority of people who live in poverty don't live in the most impoverished areas. There is a perception of the 'deserving' and 'undeserving poor'. This tends to increase the fear, stigma and inequality and in turn creates the policy mind-set

We need more accountability, more transparency. In the UK maximum income levels should be considered. Perhaps we should abolish such distinctions as an aristocracy.

Cllr NW:

Yes the definition of poverty varies from country to country. In Edinburgh it is 10% of the population that is at the greatest disadvantage. There is a correlation between income and life expectancy. Poverty causes more stress which can lead to dependency on alcohol, drugs and smoking to lessen the effects.

Poverty is not just financial so it is not a problem at which we can just throw money. There can be poverty of opportunity in jobs, health and expectation. Parents who are not qualified and experiencing a sense of disempowerment can influence their children and pass on a sense of no expectations. We need to break this cycle.

There is no joined up thinking on the issue. We need more focus on the sustainability and outcomes of spending the money available. We are in an unequal society and there are some people committed to maintaining it. We need to reduce the tax gap and to

develop a more coherent strategy, combining the services which affect alcohol and drug abuse, parenting and domestic violence for example.

There is no national debate on what is required and as a result it is very difficult to address the issue in any sustained and effective way. We also need to be prepared to consider different approaches.

GT: Poverty isn't just financial, it's also about isolation and fear and worry. It is also relative. What we call poverty in the UK is quite different from a definition in a Third World country. There is definitely a commitment to reducing the differentials between the highest and lower earners. But is there a real will tackle poverty – do we need a collective will from society? So many are comfortably off now. The housing mistakes made in the 60' and 70s are costly for the city now. We need to educate our poorest children and we need more people working with our children. We need better links between home and school. Broadband access is increasingly required and should be available in libraries, and leisure facilities and community resources are equally important. There is a leadership role for community councils to take things forward. It would be beneficial to all to encourage more young people on to community councils.

Recommendations that emerged from general debate, workshop discussions and individual comments were:

- Poverty can mean different things, but it is clear that it is a dynamic, not a static condition. People can move in, and out of it. Very few people never move out of it, but varying levels of support are crucial in helping people to move out of it again. The 10% group that experiences the problem inter-generationally needs the greatest support, and as early as possible. Different and more creative ways of looking at this problem could lead to better, more joined up approaches on how to solve it. We need a national debate and the fact that we don't have one means that it is always an ongoing problem, always with us, with the root causes never really being identified and resolved.
- That discussions at the appropriate levels be held on how Community Councils in Edinburgh, and the Edinburgh Partnership, can better engage with the press to develop and further publicize such debates, providing a more effective city-wide discussion of the issues. A more coherent approach needs to be developed.
- That the issue of inequality in our society be given more serious consideration by policy makers, within both the public and private sectors.
- That Neighbourhood Partnerships, in conjunction with Community Councils, should set up genuinely consultative debates and discussions within their communities to talk about how money should be spent in all services, including those responsible for health.
- That Community Councils continue in their role of raising awareness of the need for more community based activity and for more empowerment for individuals wishing to make their views known and have their voices heard.
- That Community Councils continue to exercise their rights to comment on planning and licensing applications in their areas, thus helping to improve and sustain the quality of life in their communities.

- That more support be provided for the early years interventions which do so much to change the future course of those children's' lives from poorer backgrounds.
- That the EACC Big Debate on Poverty has been a valuable beginning. It just scratched the surface of a conversation which needs to be extended, supported by the press, by policy makers in the public and private sector and raised in a variety of future forums until the problem has been properly grasped and tackled successfully.

The chairman summed up the debate by noting that not all problems related to poverty within society are financial. Being able to participate in decision making and problem solving within communities, and experiencing self-esteem and self-worth in relation to employment and status within communities also plays a big part. A holistic approach is what is needed and we hope that this debate has gone some way to encouraging and supporting such an approach.