

**GROUP OF NON-GOVERNMENT EXPERTS IN THE FIGHT AGAINST
POVERTY AND SOCIAL EXCLUSION**

**FOURTH REPORT ON
UNITED KINGDOM NATIONAL ACTION PLAN ON
SOCIAL INCLUSION 2003-2005**

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SUMMARY

Our overall judgement on progress since the last NAP/inclusion was published in mid 2003 confirms and adds to our previous conclusions, as follows:

- From a poverty base which was historically and comparatively dire in the mid 1990s, most key indicators of poverty and social exclusion have continued to move in the right direction recently.
- Much of this still has to do with the performance of the UK economy, and particularly increasing employment and falling unemployment, though some of it is also the result of tax and benefit policies introduced by the Government.
- The public expenditure settlement announced in 2002 is leading to substantial increases in spending on transport, education and health; and programmes embedded in the health and education budgets (but arguably not transport) are geared to tackling poverty and social exclusion directly and in the longer term.
- Progress in reducing relative poverty has been slow, but the Government is likely to meet its targets for reducing child poverty by a quarter by 2004/05.
- There is a need to develop a strategy for the period to 2010, and there are concerns about what the child poverty target is going to be beyond 2004/05.
- The dose¹ will need to be stronger in the next stage; and even if the labour market remains buoyant, further redistributive policies will be required.
- There are concerns about the extent to which the attack on poverty and social exclusion is being mainstreamed across government departments and the devolved administrations, and in regional and local government.
- The Social Exclusion Unit is engaged in a stock-taking exercise, but it is not yet clear if this will lead to fundamental changes in the current approach.
- The 2004 public expenditure settlement will be significant, especially given the child poverty and childcare reviews which will feed into it. Children's centres are welcomed, and there are calls for them to be universally available.
- The major trend in policies to facilitate pathways to employment is towards more tailored policies for specific groups and purposes; this risks complexity.
- There is increasing focus on progression in work, as well as getting into work.
- Substantial resources have gone into provision for families with children and pensioners, though benefits for most other adults have not increased much.
- Policies trying to protect those on low incomes may result in a plethora of means tests and passporting to other benefits, with unforeseen consequences.
- In education, there is now more focus on disadvantaged groups of children, following the drive to improve educational standards overall.
- Health inequalities are increasingly a key target for analysis and concern.
- Child protection, children in care and domestic violence are growing concerns.
- 'Rights and responsibilities' continue to play a key role in antipoverty policy.
- The momentum of increased participation of people living in poverty and their organisations in the NAP/inclusion 2003-05 has continued, though with more focus on preparing the 2006 NAP than on monitoring and evaluation.
- A toolkit is being devised for wider participation in the 2006 NAP/inclusion.
- The NGOs involved would argue that participation is a right, and also an essential element of tackling social exclusion, and that the NAP/inclusion process should be seen as a pilot case study for practice in other policy areas.

Background

At the Lisbon summit in 2000, the European Council agreed to adopt an ‘open method of coordination’ in order to make a decisive impact on the eradication of poverty and social exclusion by 2010. Member states adopted common objectives at the Nice European Council and all member states drew up National Action Plans against poverty and social exclusion (NAPs/inclusion). (Member states have also produced National Action Plans on employment,² and National Strategy Reports on pension provision.³) The first UK National Action Plan on Social Inclusion 2001-2003 was published in July 2001.

Early in 2003, the European Commission established a group of non-government experts responsible for providing an independent critical review of member states’ NAPs/inclusion. As UK experts we have so far produced three reports:

1. A First Report in April 2003⁴, reviewing developments since the 2001-2003 NAP/inclusion⁵.
2. A Second Report in August 2003⁶, which updated the first report, and also reviewed the involvement of actors in the NAP/inclusion for 2003;
3. A Third Report⁷ reviewed the 2003-2005 NAP/inclusion for the UK, which was published on 31 July 2003⁸ together with eight annexes.⁹ This review was designed to help inform the *Second Joint Report on Social Inclusion* which was published in December 2003 by the Commission¹⁰, especially the UK chapter in Part II.

The purpose of this Fourth Report is to review progress with the implementation of the UK National Action Plan from July 2003 when it was published to mid April 2004. It follows a template proposed by the Commission. This report will be followed by a longer review of progress which is due to be delivered to the Commission in mid October 2004.

The 2003/05 UK NAP/Inclusion

The first UK National Action Plan on Social Inclusion (NAP/inclusion) (2001-03)¹¹ was an adaptation of the annual *Opportunity for All* reports that the UK government had begun to produce as part of its efforts to monitor its anti-poverty strategy. The second (2003-2005) was a much more original and substantial document.

“The fight against poverty is central to the UK Government’s entire social and economic programme”. (para 1, page 3). The NAP/inclusion 2003-05 sets out the major challenges the UK faces in pursuit of the government’s objectives; describes the policies that had been put in place as part of the strategy to tackle poverty and social exclusion; and explains how the government is working with the devolved administrations in Scotland, Wales and Northern Ireland, local government and the voluntary and community sector to those ends. It also presents several examples of ‘good practice’ which it is hoped colleagues across the EU may be able to draw on.

The Commission’s report on the UK highlighted:

- “Despite near record employment levels and low unemployment, income disparities remain high and the number of workless households continues to be an issue, especially in the most deprived neighbourhoods, and the proportion of people on long-term incapacity or other benefits is particularly high.
- Progress is being made on reducing child poverty although the real effect in the context of the quantified target for 2004/05 still needs to be assessed.”¹²

Assessment of Progress made since July 2003

Overall

The Government published the latest *Opportunity for All* report¹³ in September 2003.

- Of the 20 indicators covering **children and young people** only one (teenage parents not in education, employment and training) had moved in the wrong direction on the latest data, 5 had improved, 11 show a broadly consistent trend and 3 have insufficient data available.
- Of the 17 indicators covering **people of working age** none had moved in the wrong direction, 4 had improved and 13 had remained broadly consistent.
- Of the 11 indicators covering **older people** none had moved in the wrong direction, 4 had improved, and for one data was insufficient; 6 were broadly consistent.
- Of the 7 indicators covering **communities** 1 had moved in the wrong direction (rate of domestic burglaries), 4 had improved and for one there was insufficient data.

These indicators include poverty rate data but this was further updated by the latest *Households below Average Income* (HBAI) statistics, which were published in March 2004.¹⁴ They provide a detailed picture of poverty rates and composition up to April 2002/03 using a variety of thresholds and for the first time including Northern Ireland. Charts 1-3 show poverty trends for children, adults and pensioners. Between 2001/02 and 2002/03 the after housing costs poverty rate for children and pensioners continued to fall. However for adults it remained stable, reflecting the fact that improvements in the real level of the tax/benefit package has been concentrated on families with children and pensioners. Also it is interesting that the before housing costs poverty rate for children and adults did not change.

Child poverty

The abolition of child poverty is the key to the UK Government’s strategy. The target in the Prime Minister’s Toynbee Hall speech was ‘to eradicate child poverty within a generation’. Subsequently the Treasury set out further objectives: to eradicate child poverty by 2020, to halve it by 2010 and ‘to make substantial progress towards eliminating child poverty by reducing the number of children in poverty by at least a quarter by 2004’.¹⁵ The wording of the target has now been slightly altered: ‘To reduce the number of children in low-income households by at least a quarter by 2004 as a contribution towards the broader target of halving child poverty by 2010 and eradicating it by 2020... The target for 2004 will be monitored by reference to the number of children in low-income households by 2004/5. Low-income households are defined as households with income below 60% of the median as reported in the HBAI statistics... Progress will be measured against the 1998/9 baseline figures and methodology’.¹⁶

Chart 1: Percentage children with equivalent income below 60% contemporary median (AHC)

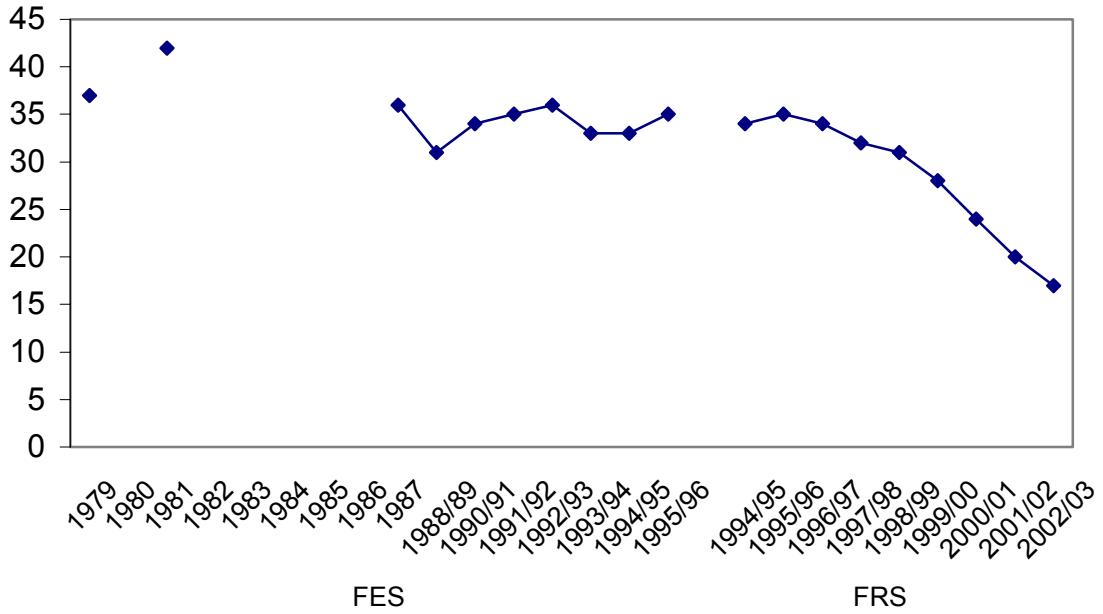
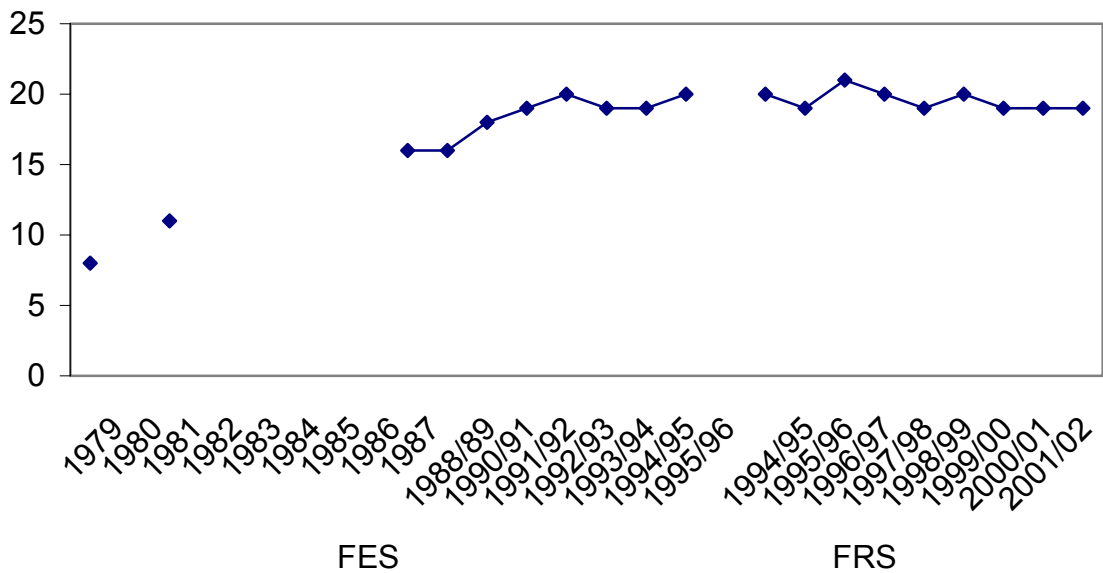


Chart 2: Percentage adults with equivalent income below 60% contemporary median (AHC)



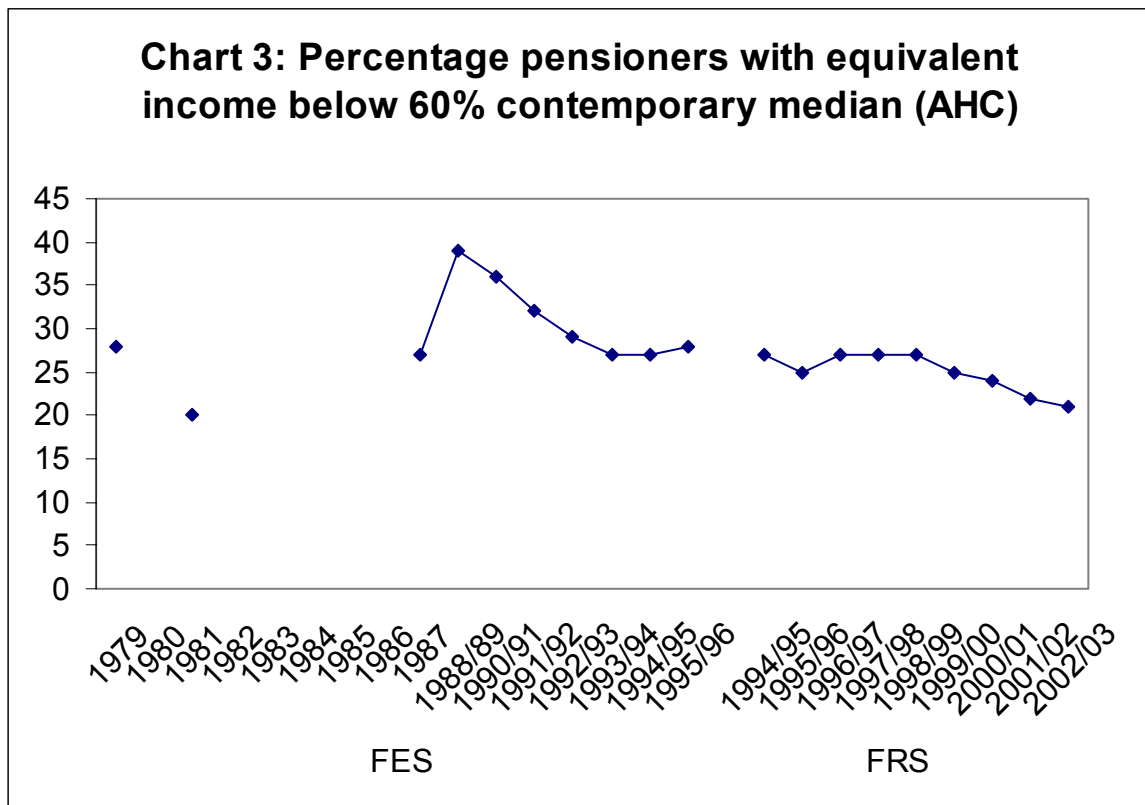


Table 1 shows progress towards the goal of a 25 per cent reduction in child poverty by 2004. Between 1998/9 and 2002/3 there has been a fall in the relative child poverty rate after housing costs of 14 per cent and before housing costs of 15 per cent. As the IFS have commented “This means that the government is 66 per cent of the way through the six year period and has reduced child poverty by 60 per cent of the amount required” (p29).¹⁷

Table 1: % children living in households with equivalent income less than 60 per cent of the median, including the self employed.

	Before housing costs. % of children	After housing costs. % of children
1996/7	25.2	33.9
1997/8	24.9	33.1
1998/9	24.4	33.1
1999/00	23.3	32.1
2000/01	21.3	30.6
2001/02	20.9	29.8
2002/03	20.7	28.5
% reduction 1998/9-2002/03	15.2	13.9

Source: Brewer *et al.* (2004)¹⁸

There has been a debate about whether the Government is going to meet its first target. We will not know until the 2004/05 HBAI statistics have been published in 2006. However the evidence that was presented to the house of Commons Work and

Pensions Committee Inquiry on Child Poverty,¹⁹ based on modelling, suggested that it would certainly meet the target before housing costs and probably also after housing costs – and this is also the view of the Government. The published survey figures do not take into account the big increases in child tax credit - £2,830 million from April 2003 and the further increases of £850 million, which were announced by the Chancellor in his PreBudget Report in December 2003.

The Work and Pensions Committee Report also concluded that

- “Meeting subsequent targets (reduction of child poverty to a half by 2010 and eradicating it by 2020) will be much more challenging since the achievement of these targets will involve helping those who are most disadvantaged.
- In order to halve child poverty the poorest families – measured on the after housing costs basis – require an extra £10 per week per child.
- A major contribution to meeting the targets is employment, which in turn necessitates even more availability of affordable childcare on top of that already announced by the Government.
- Accessible and affordable childcare available to all by 2010 should be the Government’s goal.
- The Government should ensure child poverty is a much more high profile objective set in the context of the commitment to a fairer society. A roadmap of progress towards meeting the 2010 target is required.
- The national anti-poverty strategy must reach beyond raising income and address the human dimension of poverty, thus boosting children’s life chances.
- Concerted actions is recommended to help:
 - parents with disabilities; and
 - parents of children with disabilities; and minority ethnic parents; and
 - lone parentsmove into employment.
- The Government should increase its attempts to tackle child poverty via all departments whose responsibilities touch on child poverty.
- Anti child poverty policies should be mainstreamed across all geographic areas – not just the 20% most deprived wards” (pp. 9 and 10).

The Work and Pensions Committee report on child poverty is a very substantial review of the state of play and not all of it can be discussed in this report. But among the topics they covered:

- They rejected the Government’s proposal (on the grounds that it brought the UK into line with EU practice) in *Measuring Child Poverty*²⁰ to adopt as its headline measure a before housing costs measure.
- They also concluded that the child poverty reduction target beyond 2004/05 was very unclear and that more work using budget standards needed to be undertaken on the validity of the poverty threshold.
- They commented on the problems of the continuity of funding of childcare and the concentration of children’s centres on only the most deprived 20 per cent of areas.
- They expressed considerable concern about the extent to which the anti-poverty strategy was being mainstreamed in central allocations to local and health authorities and in their allocations for services.

We shall return to all these issues in more detail in our next report.

Inequality and distribution of income

The main official source on inequality is the analysis carried out every year by ONS.²¹ Table 2 summarises trends in inequality since 1996/97. The 2002/3 data is to be published shortly. Meanwhile, Brewer *et al.*²² conclude (using a different source) that there was a small and not statistically significant decline in the Gini coefficient between 2001/02 and 2002/03.

Table 2: Trends in Gini coefficients for the distribution of income at each stage of the tax benefit system.

	Original (market) Income	Gross (original plus cash benefits) Income	Disposable (gross less direct taxes) Income	Post tax (disposable less indirect taxes) Income
1996/97	53	37	34	38
1997/98	53	37	34	38
1998/99	53	38	35	39
1999/00	53	38	35	40
2000/01	51	38	35	39
2001/02	53	39	36	40

Source: Lakin : Table 27

Employment

‘The key labour market objective is to achieve high and stable levels of employment so everyone can share in growing living standards and greater job opportunities’ (p. 21).²³ The UK government has a ‘work first’ approach to welfare reform,²⁴ in part because of its views about the negative effects of worklessness at all stages of the lifecycle. The government describes its strategy on participation in employment as ‘making work possible ... making work pay ... making work skilled’.²⁵

Compared with some other EU countries, the UK’s labour market has been remarkably buoyant.²⁶ Since June 2001, overall employment has continued to rise - to a rate in Nov-Jan 2004 of 74.8 per cent. The proportion of temporary workers (because they could not get a full-time job) has fallen since the last quarter. The number of vacancies is up over the year to February 2004. ILO unemployment has fallen to 4.8 per cent in Nov-Jan 2004 and the claimant count in February 2004, at 2.9 per cent, had fallen since May 2003. The unofficial “inclusion” count - of people not working, who want to work, or who are on government employment schemes or working part-time because they cannot get full-time jobs - has also been falling, to 3.9 million by the January 2004.

The Government’s welfare to work programmes have made a modest contribution to this picture.²⁷ The growth in employment seems to have been greatest in the North East, the region with the lowest employment rate in England.

Improving public services

About one third of government spending is on services and they are thus an important element in the attack on social exclusion. In 2002 the Government announced the results of the spending review,²⁸ which covered expenditure in the three-year period

2003/4 to 2005/6. The spending plans envisaged an overall increase of 3.3 per cent per year in real terms over the period and public expenditure as a proportion of GDP will rise from 39.9 per cent in 2002/03 to 41.9 per cent in 2005/6. This increase in spending is concentrated on education (7.7 per cent growth), health (7.3 per cent growth), transport (12.1 per cent growth). Between 2000/1 and 2005/6, educational spending will rise from 4.6 to 5.6 per cent of GDP. By 2007/8, it is envisaged that UK health spending will reach 9.4 per cent of GDP – above the current EU average of 8 per cent. We are awaiting the results of the 2004 spending review but meanwhile in the Pre-budget statement in December 2003, the Chancellor announced that spending on the NHS will rise by 7.1 per cent a year in real terms up to 2007-08. The Government will set out spending plans for other public services up to 2007-08 in the 2004 Spending Review, which will conclude in summer 2004.

Major policy measures implemented or proposed since July 2003

The Government describes its overall approach as creating a strong economy, a flexible labour market and first class services.²⁹ The public service agreement targets set for this period cover 2003-06, now matching the period before the next NAP.

Our third report contained our analysis of policies in the NAP 2003-2005.³⁰ This section summarises major relevant policy measures implemented or proposed since mid-2003, when the NAP 2003-2005 was published. However, the NAP may so far have had more influence on process in the UK (see Objective 4, below) than on policy-making. The Social Exclusion Unit (SEU) is currently engaged in an ‘impacts and trends’ exercise, taking stock of what has been achieved in tackling social exclusion; what the future drivers may be; and directions for the future.³¹ It is not yet clear whether this will result in any fundamental change for the SEU, or for the Government’s general approach, though at the launch of its interim report the SEU’s minister emphasised the importance of inequalities.³²

Objective 1.1: to facilitate participation in employment

The Government’s employment strategy is based on active labour market policies, making sure work pays, creating a skilled and adaptable workforce and promoting family-friendly approaches to work. It has said that the successes of its employment policy should be built on by extending opportunities and tackling specific challenges.³³

Pathways to employment include the various New Deals, directed to specific groups. Minor modifications to these continue, such as extending ‘job brokers’ under the New Deal for Disabled People,³⁴ and some partners in families on working tax credit in pilot areas being eligible to join an enhanced New Deal for Partners.³⁵ However, the Government also argues that particular groups may need more help.³⁶ The major trend in recent announcements is towards more tailored policies, with carrots and sticks for specific groups and particular purposes (such as proposals for a ‘worksearch premium’ of £20 per week for some groups on benefit, including some lone parents or incapacity benefits recipients, and/or the extension of work focused interviews to new groups, rather than a general increase in benefit rates).³⁷ Unemployed people will have to take more steps to find work.³⁸

New measures to encourage lone parents' employment (coming in in 2004 or 2005) were announced in the PreBudget Report. Registered childcare for lone parents who get work-search premium will be paid for; this will also be extended to those on the New Deal in the week before starting work. Pilots of extra in-work credits will be extended to more people (including some couples). There will be additional work focused interviews for lone parents on income support with a youngest child aged 14 or over and compulsory action plans for those with regular work focused interviews.³⁹

Making work pay: The Government agreed with the Low Pay Commission, and will extend the national minimum wage to 16-17-year-olds from October,⁴⁰ when minimum wage rates will increase more than prices.⁴¹ A Bill improves minimum wage enforcement.⁴² But the Government ruled out using legislation to stop excessive boardroom pay.⁴³

There has been increasing emphasis on progression once in work, to complement efforts to get people into work. The Government outlined its strategy for enhancing adult learning and **skills**, including some free learning for adults without basic employability skills and a £30 per week pilot grant for some adults in further education. The age cap for 'modern apprenticeships' will rise.⁴⁴ A pilot programme, for employers to give free training to low-skilled workers, will be extended and expanded.⁴⁵ In 6 cities, lone parents will get access to level 3 training in some skills.⁴⁶

Balancing work and family life: Employers will be helped to part fund childcare costs for their employees via tax-free vouchers worth up to £50 per week.⁴⁷

There does not appear to be a section in the NAP on **rights at work**. However, there have been developments in this area relevant to the prevention of social exclusion. Several of these have stemmed from EU directives – including extending the working time directive to more workers;⁴⁸ the introduction of information and consultation rights for employees;⁴⁹ and legislation providing protection against discrimination for lesbian, gay and bisexual workers⁵⁰ and religious discrimination at work.⁵¹ Disputes at the workplace will have to go through a 3-stage internal process before a tribunal.⁵²

Objective 1.2: to facilitate access by all to resources, rights, goods and services

The Government began a review of public sector efficiency⁵³ and announced interim cuts in civil service numbers.⁵⁴ A regulatory reform action plan proposed changes for education, health, local authorities etc.⁵⁵ Some opinion poll evidence shows the public does not necessarily want more choice in public services, just good services. But ministers argue that increasing choice is the answer to inequalities in services.⁵⁶ New local public service agreements now have more emphasis on local priorities.⁵⁷

Social protection: Most benefits rise with prices in April 2004,⁵⁸ and the savings threshold doubles.⁵⁹ The Government said it reached its target for new tax credit claims early.⁶⁰ It accepted the case for abandoning payment of working tax credit via employers.⁶¹ People coming from countries joining the EU in May can work, but cannot claim benefits for two years or more. It was proposed that only people with residence rights should get income-related benefits.⁶² The Government did not after all implement a proposal to cut housing benefit for anti-social behaviour.⁶³ It said housing benefit pilots giving private tenants fixed amounts were successful,⁶⁴ and a

few local authorities would join in.⁶⁵ Concern about council tax (local property tax) levels induced the government to give over-70s £100 extra in 2004-05 and to begin consultation on alternative local tax systems. Policies trying to protect those on low incomes from the impact of other measures may result in an increasing proliferation of means-tested provision and ‘passporting’, with unforeseen consequences.⁶⁶

Housing, and fuel poverty: There was increasing recognition of the planning system’s potential for good or ill to create sustainable mixed communities or polarisation. An official report identified problems of weak housing supply.⁶⁷ The Scottish Executive’s new social housing quality standard must be met by 2015.⁶⁸ A Bill included measures to deal with antisocial tenants, and licensing for houses in multiple occupation.⁶⁹ The Scottish Executive will give new powers to councils to encourage homeowners and private landlords to repair and maintain properties.⁷⁰ The Northern Ireland Executive published a consultation document on fuel poverty.⁷¹

Health: Patient and public involvement forums began, superseding community health councils.⁷² Action was taken to stop ‘health tourists’ (such as failed asylum seekers).⁷³ The Government continued to refuse to fund free personal care, and members of the Royal Commission on Long Term Care for the Elderly reconvened to criticise this.⁷⁴ There was some development of in-kind support. ‘Healthy Start’ (replacing welfare foods) broadens its nutritional focus, but gives access only via health professionals.⁷⁵ The Welsh Assembly Government will provide all primary pupils with optional free breakfast.⁷⁶ The school fruit scheme for young children will be rolled out nationally.⁷⁷

Education: The Government is now focusing more on disadvantaged children, after aiming to raise general educational standards. It published details of national strategies, to raise the academic achievement of minority ethnic pupils⁷⁸ and to intervene earlier for children with special educational needs.⁷⁹ By 2006, at least one school in each authority will provide a range of community services.⁸⁰ Northern Ireland will abandon academic selection for secondary schools from 2009,⁸¹ and will set up education action zones.⁸² The Government began investigating education costs. Pilot school transport arrangements would vary more by income than by distance.⁸³

Most energy has gone into reforms for young people. For 14- to 19-year-olds in England, a single diploma was proposed, with the intention of being more inclusive.⁸⁴ Proposals were published on financial support for 16- to 19-year-olds to support skills acquisition,⁸⁵ including consulting on a simpler system in the long term and reviewing guidance on access to benefits for 16-17-year-olds. A Higher Education Bill proposed variable tuition fees of up to £3000/year, with measures to protect poorer students.⁸⁶

Objective 2: to prevent the risks of exclusion

The Government published a document on combating **health inequalities**.⁸⁷ An interim report identified poor lifestyles among low-income groups as a root cause of health inequalities,⁸⁸ and the final report called for a coordinated drive against obesity, smoking and diabetes.⁸⁹ The Government consulted in advance of a public health White Paper.⁹⁰ It rejected legislation for food manufacturers/advertisers to combat obesity,⁹¹ though the Food Standards Agency suggested possible controls.⁹²

A White Paper on **consumer credit** aimed to give consumers greater choice, information and protection, but did not set an interest rate ceiling.⁹³

The Government announced plans to make it unlawful from April 2004 for English local authorities to place **homeless** families with children in bed and breakfast accommodation for over six weeks (excluding property owned by social landlords).⁹⁴

A Green Paper on **child protection** proposed reforms to children's services in England, including bringing all children's services together, creating an electronic file on every child, and appointing a children's commissioner.⁹⁵ Proposals to improve education for **children in care** include trying to reduce placement changes.⁹⁶ The Westminster Parliament published a Bill to strengthen the law on **domestic violence**;⁹⁷ the Scottish Executive published an eradication strategy, focusing on prevention;⁹⁸ and the Northern Ireland Executive published a consultation paper.⁹⁹

A Pensions Bill proposed a fund to help workers whose pension fund is insolvent.¹⁰⁰ The **pension** credit was introduced from October 2003, giving everyone of 60 and over who claims at least £102.10 per week (£155.80 for couples), and not taking all savings income into account.¹⁰¹ From April, pension credit rises with earnings and the saving element increases; but the basic state pension only goes up with inflation.¹⁰²

Objective 3: to help the most vulnerable

A **child poverty** review aims to find ways to make faster progress towards long-term goals.¹⁰³ The Government announced its new three-tier long-term child poverty measure, including absolute and relative low income and material deprivation.¹⁰⁴ The per child element of child tax credit increases by £3.50 per week in April (£2.50 more than required to keep pace with average earnings)¹⁰⁵ but other elements are frozen. MPs called for income to increase by £10 per week for poor children.¹⁰⁶ Concern about proposed cuts in the Children's Fund, which works with children at risk of social exclusion, led to similar funding levels for 2004-05.¹⁰⁷ The number of children's centres to be established by 2008 was increased to 1,700 (in the 1 in 5 most disadvantaged wards), to provide integrated education, health and support services.¹⁰⁸

The other relevant review is of **childcare** policy.¹⁰⁹ The Budget proposed additional investment in childcare (including 100,000 new places by 2008), and pilots to extend free part-time early education places to 6,000 2-year-olds in disadvantaged areas.¹¹⁰

An amnesty was given to 15,000 **asylumseeker** families,¹¹¹ before the Government consulted on ending support for families unwilling to return home.¹¹² The same Bill restricted asylumseekers' appeal rights;¹¹³ but in the third reading,¹¹⁴ the Government was persuaded not to do so.¹¹⁵ Measures were announced to reduce legally aided advice for asylumseekers.¹¹⁶ In the meantime, an independent review report said the National Asylum Support Service should urgently improve its standards.¹¹⁷

Overarching framework

In our first report, we argued that policies to tackle social exclusion should be seen in the context of an overarching framework of values. It is important to examine changes in that framework too; we highlight **discrimination and rights and responsibilities**.

The Government will create a single equality body incorporating the current commissions on racial equality, disability and gender.¹¹⁸ New regulations came into force on racial discrimination and harassment.¹¹⁹ But the Commission for Racial Equality said just under 1 in 3 public bodies had a weak response to new duties to promote racial equality.¹²⁰ New citizenship ceremonies were introduced.¹²¹ The draft Disability Discrimination Bill introduces a new duty on public bodies to promote equality of opportunity for disabled people; it covers more activities and ends the transport exemption.¹²² Legislation allowed civil partnership for gays and lesbians.¹²³

The Government plans to introduce identity cards.¹²⁴ The Antisocial Behaviour Bill includes parenting orders, contracts and penalty notices;¹²⁵ a similar Bill was passed in Scotland.¹²⁶ Conditionality may be seen as having growing emphasis in policies; a recent paper analyses the potential for public policy to influence behaviour.¹²⁷

Objective 4: to mobilise all relevant bodies

In our second report, we analysed how participation by people suffering exclusion and their organisations developed between the 2001-2003 and 2003-2005 UK NAPs; this report updates that analysis.¹²⁸ But there are also some broader recent developments worth noting. One is the encouragement of voluntary organisations as alternative public service providers.¹²⁹ The organisations themselves - in response to a review of the voluntary and community sector infrastructure in England¹³⁰ - stress that they have a wider role than delivering the Government's policy objectives.¹³¹ There are also signs that faith communities are becoming increasingly significant players.¹³² A revised code of practice on official consultations for government departments and agencies contains a stronger commitment to feedback.¹³³

More specifically, however, in terms of the NAP, the 'exciting development'¹³⁴ of dialogue initiated between Department for Work and Pensions (DWP) officials and people in poverty (and their organisations) which began in the run-up to the 2003-2005 NAP has continued. There has been more focus so far on preparing for developing the 2006 NAP than on involvement in any formal process of monitoring and evaluating the 2003-2005 NAP.¹³⁵ But there is currently debate between civil servants and the Social Policy Task Force¹³⁶ about income adequacy and benefits. The postponing of the next NAP to 2006 may be helpful in terms of participation.

The Participation Working Group (PWG) set up before the last NAP, which includes people with direct experience of poverty and/or of working in participatory ways, has devoted most of its energies to developing a toolkit to promote wider and more systematic participation in debate around the next NAP. This, it is argued, will produce a NAP which is more reflective of the views and experiences of people in poverty. The toolkit includes information about the NAP 2006, guidance on processes and suggestions about topics to discuss (about the impact of policy on people's lives). It builds on the action plan developed in advance of the NAP 2003-2005 by the PWG.

The DWP and NGOs may bid for funding from the social inclusion action programme for awareness raising around the NAP. The DWP is providing funding to produce the toolkit. But there is a real problem of insufficient funding for several of the NGOs.

There is also NGO involvement in the peer review process; and NGO representatives discussed the UK's 2003-2005 NAP with officials in Brussels. NGOs in the smaller nations are active with their own administrations.¹³⁷ The devolved administrations may identify more with the NAP/inclusion than with *Opportunity for All*. Local authorities and regional government did not have much input into the NAP/inclusion, but the DWP is trying to increase their involvement. To date, however, there has been little engagement of the traditional social partners (trades unions and business) at all.

It is difficult to tell how much the NAP/inclusion process will help to embed a broader culture of community participation. But there are indications that the process will influence the next *Opportunity for All*.¹³⁸ And the NGOs see it as a good practice case study about strengthening relationships between government and civil society.

In the UK, there is still resistance to anything which appears to be a 'talking shop', with regular exchanges perhaps smacking too much of corporatism. This makes it more difficult to take forward systematic monitoring, evaluation or poverty-proofing of policies. However, the hope is that ongoing dialogue will increasingly be seen as a positive exchange. And the UK's EU Presidency in 2005, especially the conference on the NAP, will be a good test of how far participative ways of working have come.

The Joint Report on Social Inclusion sees the participation of those with experience of poverty as a means to better policy-making.¹³⁹ But it is clear that NGOs involved, and people in poverty themselves, also see participation in decision-making processes both as a key right and as an integral part of tackling social exclusion.

¹ A metaphor borrowed from K. Judge, 'Health inequality in Scotland' in Kenway, P., Fuller, S., Rahman, M., Street, C. and Palmer, G., *Monitoring Poverty and Social Exclusion in Scotland*, York: New Policy Institute and Joseph Rowntree Foundation, 2002.

² See Department for Work and Pensions, *United Kingdom Employment Action Plan*, 2002.

³ See Department for Work and Pensions, *United Kingdom National Strategy Report on the Future of Pension Systems*, 2002.

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