Monitoring poverty and social exclusion in Scotland 2004

If you require this publication in an alternate format please contact: Communications Department, Joseph Rowntree Foundation, The Homestead, 40 Water End, York YO30 6WP. Tel: 01904 615905. Email: info@jrf.org.uk

Monitoring poverty and social exclusion in Scotland 2004

Guy Palmer, Jane Carr and Peter Kenway

np new policy institute
poverty.org.uk

JR JOSEPH ROWNTREE FOUNDATION 1904 2004

The **Joseph Rowntree Foundation** has supported this project as part of its programme of research and innovative development projects, which it hopes will be of value to policy makers, practitioners and service users. The facts presented and views expressed in this report are, however, those of the author[s] and not necessarily those of the Foundation.

Joseph Rowntree Foundation
The Homestead
40 Water End
York YO30 6WP
Website: www.jrf.org.uk

First published 2004 by the Joseph Rowntree Foundation

ISBN 1 85935 244 8 (paperback)
1 85935 245 6 (pdf: available at www.jrf.org.uk)

A CIP catalogue record for this report is available from the British Library.

Designed by Adkins Design (www.adkinsdesign.com)

This report is also available as a free pdf at www.jrf.org.uk. Further printed copies of this report, or any other JRF publication, can be obtained either from the JRF website (www.jrf.org.uk/bookshop) or from our distributor, York Publishing Services Ltd, 64 Hallfield Road, York YO31 7ZQ (tel: 01904 430033).

Contents

Acknowledgements

This report has involved extensive collaboration with many people and organisations in Scotland and throughout Great Britain. We have benefited greatly from their help and advice.

The first people we would like to thank are those who maintain the websites for the Scottish Executive, for ISD Scotland, and for the General Register Office for Scotland. In all three cases, these webmasters have clearly thought about the needs of others, making a comprehensive set of data available in a very usable form. They have greatly eased our research task.

The quality of these websites has been matched by the quality and speed of the responses from the large number of civil service statisticians in the Scottish Executive from whom we have sought data. These are not platitudes – the help that we have received has been first class.

We would like to thank the members of the advisory group convened by the Joseph Rowntree Foundation for helping steer this project and for their detailed comments on the drafts. In particular, thanks go to Kay Barton, Scottish Executive; Glen Bramley, Heriot-Watt University and the Centre for Research into Socially Inclusive Services; Robina Goodlad, Glasgow University and the Scottish Centre for Research on Social Justice; Chris Goulden, Joseph Rowntree Foundation; Ken Judge, Health Promotion Policy Unit, University of Glasgow; Peter Kelly, Poverty Alliance; Barbara Knowles, Falkirk Council; Stephen Maxwell, Scottish Council for Voluntary Organisations; and Gill Scott, Glasgow Caledonian University and the Scottish Poverty Information Unit.

Finally, this project would not have been possible without the help and support provided by the Joseph Rowntree Foundation, particularly from Derek Williams in helping us manage the project and from Alison Elks in putting the report together.

As ever, responsibility for the report, including the errors within it, belongs to the authors alone.

Introduction

This is the second of our specialist reports on poverty and social exclusion in Scotland, the first one of which was published in December 2002. It builds on the original report, taking account of new data, changed circumstances and emerging ideas over the last two years.

The report is built around a set of 40 indicators which are organised into four chapters: poverty and low income; work and education; ill health; and quality of life and social cohesion.

This report is complemented by a website (www.poverty.org.uk) where all the graphs are updated as and when new data becomes available, and where there are extensive links to other relevant sites.

In all cases, the indicators use the latest data that is available (typically 2003 or 2004).

Each indicator is presented on a single page and comprises two graphs, typically one showing change over time and the other showing differences between groups within the population. The breakdowns include age, gender, income group, social class, housing tenure, and local authority. For seven indicators, there is also a map showing geographic variations.

The substantial number of breakdowns by local authority illustrates an important feature of this report, namely its emphasis upon the differences within Scotland. With the notable exception of ill health, Scotland as a whole is little different from GB as a whole for many of the subjects discussed, and so comparisons with GB (or England) are of little interest. By contrast, differences within Scotland can sometimes be large and the patterns are by no means the same for every aspect of disadvantage that we map. Put another way, it is not always West Central Scotland that shows the greatest problems.

Obviously, the material is limited by the data that is available – particularly the data that is available regularly on an annual basis. The main areas where lack of data has limited our analysis are:

- Small area variations in low pay: the UK Government does have such data but it has not been made available to outside researchers (or, indeed, to the Scottish Executive) except in aggregated form.
- Take-up of benefits and tax credits: official data is only available at the UK level.
- Geographic analysis of statistics relating to work: the main source for data about work is the Labour Force Survey but local authority codes are no longer included in the public versions of this data.
- Up-to-date data on health inequalities in areas such as obesity and diet: the main source for such data is the Scottish Health Survey which is conducted every 3 to 5 years, with the latest data being for 1998.
- Housing associations: statistics for social housing are often only available for that portion which is under direct local authority control.
- Up-to-date data on crime: the main source for such data is the Scottish Crime Survey, which is conducted every 3 to 4 years, with the latest data being for 2000.

Commentary

This commentary draws out some of the key messages emerging from our analysis. The discussion is organised under the following headings:

- Poverty in Scotland.
- Working-age adults without dependent children.
- Economically inactive people who want paid work.
- Jobs at the bottom of the labour market.
- Scotland's poor health.
- The geographical pattern of deprivation across Scotland.
- Overall questions for policy consideration.

Poverty in Scotland

Is the number of people in poverty in Scotland falling or not?

Quite properly, the question of what the overall poverty numbers show – and why – gains a lot of attention. In our view, it is vital to be clear about this, not to judge success or failure, but so that the scale of the problem is recognised and its nature properly understood.

The latest data that is available is for 2002/03. This is before the major enhancements to tax credits and to pension credit that took place in 2003.

In 2002/03, 22 per cent of people in Scotland – 1.1 million people – were living in low income households [indicator 1A] using the definition of low income used in the UK Government's current targets for reducing child poverty.[1]

This is less than the 1996/97 baseline that is often used in Scotland for monitoring trends in low income, when the rate stood at 24 per cent. But it is quite clear from [1A] that the rate in 1996/97 was unusually high. Indeed, the biggest annual rise in the poverty rate occurred between 1995/96 and 1996/97 while the biggest annual fall in the rate occurred between 1996/97 and 1997/98 – since when it has risen in three years out of five, while falling again in two.

In this situation, when the data jumps about from year to year, more formal statistical techniques are helpful (e.g. regression analysis). These show that the 22 per cent rate recorded in 2002/03 is effectively no different from what it had been in six of the other eight years for which data is available and that the trend is effectively flat.

The tax and benefits system is, of course, a matter for the UK Government rather than the Scottish Executive. In this context, it is interesting to note that the proportion of people in low income households in Scotland is very similar to the average for Great Britain as a whole, higher than some of the English regions but lower than some of the others. It was also similar in 1996/97. But, in the case of Great Britain, there has been a fall in the number of people in low income in every year since 1996/97, with little jumping around from year-to-year. The British trend is therefore clearly downward, albeit slowly.

In contrast to the numbers in relative low income, the numbers with incomes below a fixed income threshold has been falling in an almost uninterrupted sequence since 1996/97 [1A]. In other words, many poorer families are seeing their incomes rise faster than inflation.

In itself this is good but it is not enough because the number of people with incomes below any fixed threshold will fall over time of its own accord as the country becomes richer, provided only that those on low incomes do not fall further behind those on average incomes. A policy of neutrality, which ensures that the fruits of economic growth are shared across the population in proportion to what people have already, will therefore be enough to deliver falls in poverty measured against a fixed threshold. Neither an overt anti-poverty policy, nor even a commitment to poverty reduction, are required in order to record falls in this measure.

That measures defined in relation to some fixed threshold tend to come down over time can be also seen in [1B] which shows the proportion of the population without access to various consumer durables, the lack of which would be taken by many people as a sign of poverty. Compared with ten years earlier, the proportion of even the poorest fifth of the population who lack them has come down sharply. But such declines say less about poverty than about the overall progress of the economy over the last 10 years and the fall in the price of manufactured goods.

Why is the overall rate of poverty in Scotland not falling?

[2A] provides a start to the explanation in terms of what is happening to different groups within the population. This shows that the proportions of both children and pensioners in low income households have come down. By contrast, the rate among working-age adults without dependent children has been rising.

Three conclusions flow from this.

- First, the fact that poverty overall has not come down is not a sign of a *failure* of policy since poverty rates are falling for the groups at whom current policies are targeted, namely children,[2] pensioners and, by extension, the adults with children. Rather, it is a sign of a lack of priority for a sizeable and growing proportion of the Scottish population.
- Second, differing trends in the prevalence of low income are having a big impact on the overall mix of people in low income in Scotland, as [2B] shows. In particular, working-age adults without dependent children now constitute a third of all those in low income, up from a quarter ten years ago.
- Third, the problem for the growing number of low income working-age adults without dependent children is that the political justification for helping them is weak. For while it is rarely put in these terms, there is a sense that the anti-poverty policies of recent years, with their explicit emphasis on children and pensioners, operate within the boundaries of what Victorians would have called the 'deserving poor'. Finding ways to go beyond those boundaries constitutes not just a policy challenge but a political one too.

Further explanation is provided in [3A], which shows that the basic trends for in-work poverty have actually been quite adverse. The risk of poverty for households where all the adults are working has increased from 2 per cent in 1994/95 to 3½ per cent in 2002/03, and that where some of the adults are working from 16 per cent to 24 per cent. This, combined with the rising employment rates, means that working households now account for two-fifths of all

working-age households in low income. In other words, though getting people into work greatly reduces the chances of poverty it by no means eliminates it. This is despite the National Minimum Wage and the introduction of tax credits.

Yet further explanation is provided in [15A] which shows there are more than 200,000 people of working age who want paid work but are not officially (ILO) unemployed. While the numbers of such people have come down somewhat since the mid-1990s (by an eighth), this fall has been much slower than that for official unemployment (which is down by almost a third).[3]

Against this background, these three areas of concern – working-age adults without dependent children, the economically inactive who want paid work, and low pay – are discussed in more detail under the next three headings. This is followed by sections on ill health and the geographic pattern of deprivation.

Working-age adults without dependent children

Perhaps nothing more clearly illustrates the effect of the focus on children in UK Government anti-poverty strategies of recent years than [5B], which shows what has happened to levels of Income Support (IS) for working-age adults. Since 1998, IS for a couple with two children has risen by a third after allowing for inflation, while IS for a couple with one child has risen by a quarter. By contrast, IS for a couple with no children has stayed unchanged (apart from inflation) over the whole ten-year period, falling ever further behind average incomes. IS for a single working-age adult without dependent children has likewise not changed. This is primarily an issue of political choice, since the alternative policy is presumably clear, namely to start increasing benefits for working-age adults themselves.

The group of working-age people without dependent children is divided roughly equally between single people and people in couples. Of the two, it is the former who show much the greater signs of distress: the proportion of couples in low income is around 13 per cent whereas the rate for singles is twice that at 26 per cent.[4]

This then feeds through strongly into the figures for workless households. Attention here has long been focused on workless single adult households with children – although on the latest figures, for 2004, workless, lone-parent households constitute the same proportion (a fifth) of all workless households in Scotland as they did seven years ago [16A]. These households, though, are vastly out-numbered by the workless single households *without* children, who now account for three-fifths of all workless households.

Workless, working-age single adults without dependent children are a large group – around 170,000 [16B] – and inevitably a diverse one too. In our view, they need to become more of a focus of policy in Scotland (and indeed across the UK as well). And this needs to be done on a clear understanding of their circumstances, why they are not working and what types of work would be suitable for them.

Within this group, there is one specific sub-group who face particular problems and whose numbers have been rising steadily for some time. That group is the single homeless without dependent children. What these figures show [30A] is a steady rise in the number of single people aged 25 or over accepted as homeless, from 11,000 in 1994/95 to 16,000 in 2003/04, with a comparable rise for those under 25. By contrast, the numbers of people with children accepted as homeless has remained largely unchanged over the period, at 10,000.

These trends long pre-date the changes in the 2001 Housing (Scotland) Act and the 2003 Homelessness etc (Scotland) Act which have created a recent framework which is more generous towards single homeless people than before.

Economically inactive people who want paid work

It is now increasingly understood that official measures of unemployment substantially understate the number of people who would like paid work if they could find it. The size of the latter group – the 'economically inactive who would like work' – now substantially exceeds that of the unemployed [15A]. There are more women than men in this situation, with disproportionately high rates among both younger women (aged under 35) and older men (aged over 50) [15B].

What lies behind this? Clearly, among younger women especially, the need to look after children will limit their capacity to enter the labour market, however much they wish to do so. But the predominant factor is long-term sickness or disability, which accounts for four-fifths of those who have been claiming out-of-work benefits for two years or more [6A]. And while the recipients of long-term sickness and disability benefits are more likely to be older than younger, it is by no means the case that they are all older – a third of them are under 45 [6B].

Moreover, fully a half of women and two-fifths of men who are sick or disabled are assessed as being at risk of developing a mental illness, between two and three times the rate for people who are in jobs [29A].

With the focus of government anti-poverty strategy having long been to get people who can into work, much effort has been put into improving individuals' 'employability', that is, their capacity to enter the labour market. The issue now is whether this is sufficient or whether more is required in terms of 'opportunity' initiatives focused on the jobs that are on offer and their suitability.

Jobs at the bottom of the labour market

Getting people into work is not on its own enough, if the work pays too little, if it is insecure and quickly lost, or if the opportunities for training and development are such that mere entry into the labour market is the limit of progress. A range of indicators show that all of these problems are present in the Scottish labour market.

The precise choice of a threshold to define low pay is inevitably somewhat arbitrary. However, using £6.50 an hour (quite low enough to leave most working households in poverty were it not for tax credits), we estimate that around a third of all of workers in Scotland are low paid.[5] Around two-thirds of these are women.[6]

While two-fifths of those aged 25 or over and earning less than £6.50 per hour work in the wholesale, retail, hotel and restaurant sectors, a further quarter are directly employed by the public sector [19A]. Once account is taken of the numbers of low paid workers working for firms who provide services – from cleaning to caring – under contract to the public sector, the proportion of low paid workers whose terms and conditions are set either directly or indirectly by the public sector becomes larger still.

[19A] also suggests that relatively few low paid jobs are in sectors which face direct competition from low wage producers abroad. For example, only one in ten of the low paid jobs is in manufacturing and barely one in eight across all production industries combined.

In other words, most low pay has its roots at home and the gender pay gap, to be seen across all occupation groups [18B], is an important component of it.

Part-time jobs, done predominantly by women, suffer especially from low pay. Among full-time female workers, about a quarter earn less than £6.50 an hour, but this proportion rises to more than half among part-time female workers.[7] Unlike short-term work, which is usually taken because the people working in those jobs cannot find something more permanent, part-time work is a positive choice for most people who do it, usually because it allows them to fulfil other commitments, often to do with looking after children [21B].[8]

What other factors predisposes people to be low paid? One of the most telling indicators compares the risks of unemployment [11A] and low pay [11B] and how they vary according to the level of education that a person has received. In each case, the lower the educational qualifications the higher the risk – but even more importantly, the risk of low pay is much greater than risk of unemployment. Indeed, for people aged 25 to 50, half of all those who are in work but lack a Higher grade or above are in low paid work, rising to two-thirds for those with no qualifications.

It is also clear that a substantial number of children are still leaving the education system with poor or no qualifications: 6 per cent of 19-year-olds have no qualifications, and a further 16 per cent lack SVQ2 or equivalent [13B]. And, whereas only two-fifths of children from schools with high proportions of deprived pupils go on to further or higher education, two-thirds go on from the schools with low proportions [14B].

For those with no qualifications, their chances of further training once in a job are limited: although there has been some improvement over the last decade, people with no qualifications are still three times less likely to have received job-related training than those with some qualifications – and the more qualifications you have, the more training you are likely to get [22A].

Much-reduced training opportunities is just one instance of disadvantage at the bottom of the labour market. Another is pension provision: 60 per cent of working adults in the poorest fifth are not contributing to a non-state pension, compared to 40 per cent in the middle fifth and 20 per cent in the richest fifth [36B].

So, too, is insecure work: almost half of the men and a third of the women making a new claim for Jobseeker's Allowance were last claiming less than six months ago. In other words, half of men who find work, and a third of women, no longer have that work six months later [21A]. These figures have not changed in a decade. Clearly, many people move in and out of work every few months.

Scotland's poor health

The health of the Scottish population can be viewed in three, quite different ways – trends over time, inequalities between different groups within the population, and comparisons with elsewhere.

Premature death is arguably the simplest, most accessible indicator for ill health, being a summary measure of all major health problems which result in death. Within Scotland, the overall trend for premature deaths is one of steady improvement. For example, the number of deaths of people aged 55 to 64 has fallen over the last decade, by a quarter for men and by a fifth for women [23A]. But there is substantial geographic variation, with, for example, the

standardised mortality rate for stomach cancer, lung cancer, and heart disease in the worst two local authorities – Glasgow and Inverclyde – being twice as high as that in some of the other areas [23B].

An overall indicator of morbidity is limiting long-standing illness. Although no reliable time series is available, it is clear than there are substantial inequalities, with two-fifths of those aged 35 to 59 in social housing reporting such a condition compared to one in eight of owner-occupiers [24A]. Again, the prevalence in the worst authorities is around twice that in the best [24B].

Other, more specific indicators of ill health show a mixed picture, with, for example, the prevalence of low birth-weight babies rising [25A] but the number of under-age pregnancies falling [27A]. What they all have in common, however, is a general pattern of substantial inequalities by social class, level of deprivation and gender. For example, the proportion of babies born with low birth-weight is one-and-a-half times as high in the most deprived areas as in those with below-average deprivation [25A], children born to parents with manual backgrounds are twice as likely to die in their first year of life as those born to parents from non-manual backgrounds [26A], and the average number of missing, filled or decayed teeth in 5-year-olds is twice as high in the most deprived areas as in the least deprived areas [26B].

But it is when Scotland is compared to other countries that the extent of its ill health becomes clear. For example, for each of the health indicators in this report, the table below compares the situation in Scotland with that in England and Wales.

Indicator no.	Indicator title	Prevalence of Scotland compared to England and Wales[9]
26B	Dental health	80 per cent higher
28A	Drug misuse	40 per cent higher
23A	Premature death	35 per cent higher
24A	Long-standing Illness	15 per cent higher
25A	Low birth weight	Similar
26A	Infant deaths	Similar
27A	Under-age pregnancies	Similar
29A	Mental health problems	Similar

Premature death is much more common in Scotland than in England and Wales. For example, the rate of deaths amongst those aged 55 to 64 in Scotland has been around a third higher than in England and Wales throughout the last decade, for both men and women [23A]. Indeed, Scotland has by far the highest rates of premature death of any part of Great Britain, being a fifth higher than the next highest area (the North West of England).[10]

Overall morbidity also appears to be somewhat higher: 16 per cent of people aged 16 to 64 reported a long-standing illness in the 2001 Census compared to 14 per cent in England and Wales, although this difference is not substantial.

The more specific indicators for children, with the notable exception of dental health, show little difference between Scotland compared to England and Wales.

An even worse picture emerges when Scotland is compared with the rest of the European Union.[11]

Indicator no.	Indicator title	Prevalence of Scotland compared to the rest of the EU, excluding the UK[12]
23A	Premature death	Worse than 13 EU countries, better than 1[13]
24A	Long-standing Illness	Worse than 5, better than 7[14]
25A	Low birth weight	Worse than 11, better than 1
26A	Infant deaths	Worse than 13, equal to 1[15]
26B	Dental health	Worse than 8, better than 6[16]
27A	Under-age pregnancies	Worse than 14, better than 0[17]
28A	Drug misuse	Worse than 14, better than 0[18]
29A	Mental health problems	No comparative data available

In most cases, the situation in Scotland is worse than just about every other EU country, with the exceptions of self-reported health and dental health (in both of which Scotland is around the EU average).

A review of the academic literature suggests that there is general agreement that premature mortality in Scotland is much worse than in either England and Wales or in the rest of the EU even after adjusting to levels of disadvantage. In other words, there is a clear 'Scottish effect' in mortality. Neither the reasons for this – 'we do not know what has caused the Scottish Effect'[19] – nor what can be done about it appear to be well understood.

For morbidity, the situation is less clear: the scale of the differences are less, and some argue that the relative poor health is more 'due to the socio-economic characteristics of people who live in Scotland, not to the fact that they live in Scotland'.[20]

The geographical pattern of deprivation across Scotland

The new Scottish Index of Multiple Derivation (SIMD), which divides the country into some six and half thousand 'data zones', provides a detailed measure of area-based poverty and deprivation which can be used to show the extent to which particular aspects of this problem are concentrated in particular localities. Following the Scottish Executive, we have used it to look at the concentration of, or 'pockets' of, low income, constituting about one thousand (15 per cent) of those zones.

The map of poverty and deprivation drawn using these low income pockets is a familiar one. At the top are parts of West Central Scotland – Glasgow City, West Dunbartonshire and Inverclyde – along with Dundee [9B]. A half of all the 'data zones' in Glasgow City have high concentrations of low income on this measure, as do 30 per cent in Dundee.

These four local authority areas are then closely followed by other parts of West Central/South West Scotland, namely North Ayrshire, North Lanarkshire, Renfrewshire, East Ayrshire, and South Lanarkshire. Towards the bottom of the list are the areas to the south and east of Edinburgh (East Lothian, Midlothian, and the Scottish Borders), the north east outside of Aberdeen itself (Aberdeenshire and Moray) and, at the very bottom of the list, Orkney, Shetland, and Eilean Siar.

Familiar though this picture may be, it is one which inevitably draws attention to the big

cities. So Glasgow City on its own accounts for a third of all these low income 'data zones', while Glasgow City, Dundee and Edinburgh together account for half.

The key point to bear in mind, though, is that low income households are much less concentrated than this. Nationally, only two-fifths of all people on low income actually live in these pockets of low income [9A]. And these three cities only contain a third of all people that the SIMD classifies as suffering from low income.

The table on page 18 summarises the rankings for the fifteen indicators where local authority level information is presented in the report. They are arranged in the order of the extent to which the pattern across local authorities conforms to the geographical pattern of the low income pockets. Working down this list in the same order:

- Indicators related to working-age adults not in work – that is, the number of people of working age and claiming out-of-work benefits [7B] and the numbers suffering from a limiting long-standing illness [24B] – are the ones that conform most closely to the picture of low income pockets. In both cases, though, there is a much reduced degree of difference both between Glasgow City and the rest, and between the top (excluding Glasgow City) and the bottom. So, for example, Glasgow City contains a fifth of all those of working age and claiming out-of-work benefits compared to a third of low income 'data zones'.
- By contrast, the distribution of pensioners relying on means-tested income benefits is much less closely related, with much less difference between local authorities [8B]. While the areas with the highest claim-rates are usually the same, Edinburgh is near the bottom of the list while Orkney, Shetland and Eilean Siar are all around the middle. It is also interesting that geographic patterns of home care [37B] bear little relationship to those for low income pensioners.
- Edinburgh's position tends to vary greatly. Sometimes it is near the top of the list – for example for primary schools with a high number of pupils eligible for free school meals [10B], drug misuse [28B], and overcrowding [31B]. But sometimes it is near the bottom of the list – for example, working-age people with a limiting long-standing illness [24B], mortality rates for lung or stomach cancer or heart disease [23B], and drug prescriptions for mental ill health [29B].
- Dundee's position also varies, though to a much lesser extent than Edinburgh. On two indicators, it is actually top of the list above Glasgow, namely for under-age pregnancies [27B] and prescriptions for mental ill health [29B].

The subjects, however, where the standard pattern breaks down completely are those to do with work and pay, particularly those relating to the extent of low pay [19B] and the numbers receiving tax credits [20B] which themselves are obviously fairly closely related. With tax credits [20B], Glasgow is towards the bottom while Edinburgh and Aberdeen City are at the very bottom. Orkney and Eilean Siar (though seemingly not Shetland) are at the top along with Dumfries and Galloway, and the Scottish Borders. On low pay itself [19B], the Scottish Borders, and Dumfries and Galloway, as well as Moray, and West Dunbartonshire, are at the top of the list (noting that lack of data means that the islands could not be included in this list). The contrast between the patterns for people who are out of work and those for people who are in work but with low pay is striking.

We draw two general conclusions from this analysis. First, not all aspects of poverty and

social exclusion exhibit the same geographic pattern. In tackling particular problems, therefore, it is important to examine the particular geographic patterns associated with that problem rather than simply assume that 'the standard pattern' applies. Low pay is the obvious example of this.

Second, it is important to distinguish between issues of relative *rank* and those of *scale*. While some areas have high concentrations of deprivation – and therefore justify targeted area-based initiatives – it is also true that many deprived people live outside of these areas.

Overall questions for policy consideration

This commentary has been about an analysis of the problems rather than our views on the policy solutions. It does, however, raise a number of overall questions for policy consideration by the Scottish Executive, covering matters both within its remit (e.g. health) and those upon which it could potentially lobby the UK Government (e.g. the tax and benefits system). Some of these questions are set out in the table below.

Poverty	Although it was surely a sensible tactic to focus on children in poverty at the very start of an anti-poverty strategy, does that still make for a sensible strategy more than six years on, given that the largest group of people in poverty in Scotland (working-age adults without dependent children) are not being addressed by such a strategy?
Working-age adults without dependent children	Is it well understood why so many single working-age people are workless? Why are they not working, and what types of work would be suitable for them?
The economically inactive who want paid work	For those who are long-term sick or disabled, is it now time to supplement 'employability' initiatives focused on the individual, with 'opportunity' initiatives focused on the job market: what jobs are on offer, how suitable are they, and how could they be made more suitable?
Jobs at the bottom of the labour market	Should further initiatives to tackle low pay focus on the substantial numbers of low paid people employed directly or indirectly by the public sector? Is there not a case for considering the net costs to the State of increasing pay in the public sector (i.e. the cost of pay increases less the savings in tax credits) rather than the gross costs? Is there a case for a public sector intervention, directed at employers in all sectors, to try to break the pattern of disadvantage at work, covering such matters as in-work training, pension provision and job security?
Ill health	Can health inequalities actually be reduced substantially, even in the long term, except as part of a wider strategy to tackle the major inequalities in income and deprivation that still exist in Scotland? Is there a risk that too much is being expected from the Scottish Executive's actions on health inequalities? Is it clear what the best way of tackling ill health for disadvantaged groups is? A programme specifically focused on health inequalities or a wider programme covering general health for the whole of the population? A programme which aims to cover all aspects of ill health or a programme which focuses on particular aspects which are noticeably bad in Scotland (such as dental care)?
Geographic patterns of deprivation	With the advent of tax credits, detailed data about small area variations in low pay is now theoretically available, complementing the already existing data about variations in lack of work. But this data has not been made available to the Scottish Executive by the UK Government. Is this not a major hindrance to policy development, for both the Scottish Executive and Scottish local authorities?

Table summarising the geographical pattern of deprivation across Scotland

Each cell shows the relative rank of the local authority for the indicator, with 1 being 'worst' and 32 being 'best'. The local authorities are ordered by their concentration of low income 'data zones'. The indicators are ordered by their geographic fit with the pattern of low income 'data zones'.

Indicator no.	9B	7B	10B	24B	31B	28B	29B	23B	8B	27B	17B	19B	37B	20B
Indicator title:	Low income 'data zones'	In receipt of out-of-work benefits	Low income children	Limiting long-standing illness	Over-crowding	Drug misuse	Mental health	Premature death	Low income pensioners	Under-age pregnancies	Jobs lost in production industries	Low pay	Provision of home care	Receipt of tax credits
Glasgow City	1	1	1	1	1	1	6	1	1	5	18	20	27	24
Dundee City	2	7	5	9	2	2	1	12	8	1	16	15	14	9
Inverclyde	3	2	4	4	3	4	12	2	4	9	17	7	16	7
West Dunbartonshire	4	5	3	3	4	7	3	5	3	18	1	3	30	8
North Ayrshire	5	4	6	6	12	11	15	15	10	13	11	9	10	5
North Lanarkshire	6	3	10	2	6	14	10	4	2	19	20	19	21	10
Renfrewshire	7	8	8	11	8	5	8	6	6	14	4	16	12	23
East Ayrshire	8	6	14	7	11	9	14	8	9	4	9	6	11	6
South Lanarkshire	9	9	13	8	9	8	7	10	7	24	22	18	1	25
Clackmannanshire	10	10	7	5	13	16	4	14	18	6	5	no data	23	12
Edinburgh, City of	11	23	2	27	5	6	28	25	29	17	10	24	20	32
Fife	12	11	12	14	20	15	17	19	16	10	32	14	28	15
South Ayrshire	13	12	16	13	21	30	11	20	14	8	3	23	8	22
Falkirk	14	14	22	10	18	17	5	3	11	11	14	12	26	19
Argyll and Bute	15	24	28	16	16	25	13	17	26	27	15	13	4	20
Angus	16	21	19	22	25	21	18	24	27	7	21	8	25	18
West Lothian	17	13	15	15	15	22	16	7	5	12	7	22	19	17
Aberdeen City	18	22	11	26	7	3	21	16	19	2	23	25	17	31
East Renfrewshire	19	26	9	31	23	19	22	22	25	28	6	no data	6	28
Dumfries and Galloway	20	16	25	12	28	12	9	21	23	16	26	4	9	2
Stirling	21	19	18	20	19	18	29	18	20	20	24	21	3	29
Highland	22	17	23	19	27	27	24	27	24	22	29	11	22	13
Perth and Kinross	23	27	26	24	24	20	25	30	30	23	31	5	7	14
East Dunbartonshire	24	29	24	25	22	26	26	26	22	29	12	no data	5	30
Scottish Borders	25	25	29	28	26	24	2	23	31	26	30	1	18	4
East Lothian	26	18	20	21	14	10	19	11	13	15	19	26	13	21
Aberdeenshire	27	30	27	32	31	23	32	29	28	25	27	10	2	26
Midlothian	28	20	21	17	10	13	20	13	17	3	25	17	24	16
Eilean Siar	29	15	30	18	32	31	23	9	12	no data	13	no data	31	3
Moray	30	28	31	29	29	28	27	28	32	21	28	2	15	11
Orkney Islands	31	32	17	23	17	32	30	31	21	no data	8	no data	29	1
Shetland Islands	32	31	32	30	30	29	31	32	15	no data	2	no data	32	27

Summary of the indicators: trends over the last five years

Indicator	*Trend over 5 years*
Poverty and low income	
1 Relative and absolute low income	Steady
2 Children, pensioners and working-age adults in low income	Mixed
3 Low income by work status	Worsened
4 Income inequality	Steady
5 Working-age people in receipt of benefits	Improved
6 Working-age people in receipt of benefits long-term	Steady
7 Concentrations among working-age people	Improved
8 Concentrations among retired people	Steady
9 Concentrations within small areas – all people	N/A
10 Concentrations within small areas – children	N/A
Work and education	
11 The relationship between education and work	N/A
12 Low attainment at school	Improved
13 Qualifications of school leavers	Improved
14 Destinations of school leavers	Mixed
15 Workless individuals	Improved
16 Workless households	Steady
17 Jobs	Mixed
18 Pay inequalities	Steady
19 Distribution of low pay	N/A
20 In receipt of tax credits	N/A
21 Insecure at work	Steady
22 Access to training	Improved
Ill health	
23 Premature death	Improved
24 Limiting long-standing illness	N/A
25 Low birth-weight babies	Worsened
26 Child health	Steady
27 Under-age pregnancies	Improved
28 Problem drug use	Worsened
29 Mental health	N/A
Quality of life and social cohesion	
30 Homelessness	Worsened
31 Overcrowding	N/A
32 Affordable housing	Steady
33 Without central heating	Improved
34 Satisfaction with services	N/A
35 Satisfaction with public transport	N/A
36 Financial services	Improved
37 Older people in receipt of home care	Worsened
38 Satisfaction with local area	N/A
39 Participation in the community	N/A
40 Burglary	Improved

Chapter 1 Poverty and low income

Theme	*Indicator/map*
Invividuals in low income	1: Relative and absolute low income
	2: Children, pensioners and working-age adults in low income
	3: Low income by work status
	4: Income inequality
Benefit dependency	5: Working-age people in receipt of benefits
	6: Working-age people in receipt of benefits long-term
	7 and map A: Concentrations among working-age people
	8 and map B: Concentrations among retired people
Concentrations within small areas	9 and map C: Concentrations within small areas – all people
	10: Concentrations within small areas – children

Individuals in low income

Topics and indicators

In any highly developed country, low income is at the heart of the problems of poverty. Of course, an individual's income this week, this month, or even this year, does not fully determine their well-being. But the way in which society has become ever more dominated by material goods and market relationships over the past few decades means that a shortage of money is a greater handicap than ever. Moreover, the heightened risk of ill health and other adverse outcomes that are associated with low income, as well as the fact that around double the number of British people suffer from relative low income now compared with twenty-five years ago, means that addressing the problems of low income is central to tackling poverty and social exclusion.

The indicators in this section provide a number of different measures of the extent of low income in Scotland, how it has changed over recent years and how it differs between different groups of the population.

The first indicator [1A] shows how the proportion of people on relative low income (defined as the proportion of people with incomes below 60 per cent of the median household income in the current year) has changed over time. The choice of a relative measure reflects the view that the essence of poverty is about not being able to live to a standard of living that is considered to be the norm in a society at a particular time. When interpreting changes over time, it is also necessary to pay attention to the numbers on absolute low income, a measure of which is also shown on the graph.

The supporting graph [1B] shows how the proportion of low income households lacking selected consumer durables has changed over time, where these durables have been selected on the basis that the vast majority of households on average incomes have them.

The second indicator [2A] shows how the proportion of people on low income differs for children, working-age adults (with and without dependent children) and pensioners, and how these proportions have changed over time. The supporting graph [2B] shows the relative sizes of these groups.

Similarly, the third indicator [3A] shows how the proportion of people on low income differs by the work status of the household and how these proportions have changed over time. Again, the supporting graph [3B] shows the relative sizes of these groups.

Finally, the fourth indicator [4A] shows how inequalities between high, average and low incomes have changed over time, and how these inequalities compare to those in England and Wales. The supporting graph [4B] shows how far people are below the relative low income threshold, with the data shown separately for different family types.

What the indicators show

In 2002/03, the latest year for which data is available, 22 per cent of people in Scotland – 1.1 million people – were living in low income households. This is using the definition of low income that is used in the UK Government's current targets for reducing child poverty, namely 60 per cent of median income in the current year after deducting housing costs, with income levels adjusted (equivalised) to household size and composition.[21] [1A]

The low income threshold used equates to £172 per week in 2002/03 for a couple with no children, £94 for a single person, £253 for a couple with two children and £175 for a lone parent with two children.[22]

After allowing for the statistical variation that can arise in data drawn from sample surveys, there has been little change in the proportion of people in Scotland living in relative income poverty between the mid-1990s and 2002/03. [1A]

The lack of change is similar at lower income thresholds, such as 40 per cent and 50 per cent of median income.

The proportion of the population living in low income households is similar in Scotland as in Great Britain as a whole.

On the latest available comparable data (for 2001), if Scotland appeared as a separate country within EU statistics, the proportion of its population in relative low income poverty rate would be lower than five EU countries but higher than the other ten.[23]

As real incomes for the whole of the population have risen, so the numbers of people living in households below a fixed income threshold has been falling. For example, in 2002/03, 14 per cent of the population were living in households below 60 per cent of 1994/95 median income (after allowing for inflation) compared to 22 per cent in 1996/97. [1A]

The proportion of low income households lacking selected consumer durables has fallen considerably over the last decade. For example, the proportion lacking a microwave fell from two-thirds in 1992 to a fifth in 2002, the proportion lacking a VCR fell from two-thirds to a fifth, the proportion lacking a freezer fell from two-fifths to a seventh, the proportion lacking a washing machine fell from a fifth to a tenth, and the proportion lacking a colour television fell from a twelfth to just one in a hundred. [1B]

While the overall proportion of the population in low income households is unchanged, the trends differ for different groups within the population. In particular, while the proportion of pensioners and children living in low income households is falling, the proportion for working-age adults without dependent children is rising. [2A]

A third of all people in low income households are now working-age adults without dependent children, up from a quarter a few years ago. Half of all adults in low income households are now of working age and without dependent children. [2B]

The group of working-age people without dependent children is divided roughly equally between single people and people in couples. Of the two, it is the former who show much the greater signs of distress: the proportion of couples in low income households is around 13 per cent whereas the rate for singles is twice that at 26 per cent.[24]

The recent falls notwithstanding, children remain much more likely to be living in low income households than adults: 27 per cent compared to 21 per cent. This is mainly because a large proportion of lone parent families – around half – are on low incomes.

There is a marked difference in the extent to which low income households of different family types fall short of the low income threshold. Averaging over the years 2000/01 to 2002/03, three-fifths of all low income couples with children were more than £50 per week below the threshold compared to three-tenths of low income lone parent families and only one-tenth of low income pensioner households. [4B]

A household's risk of low income varies greatly, depending on how much paid work it does. For example, 3 1/2 per cent of households where all adults are working have low incomes compared to 75 per cent of households where all the adults are unemployed. [3A]

The risk of low income for households where all the adults are working has increased from 2 per cent in 1994/95 to 3 1/2 per cent in 2002/03, and that where some of the adults are working from 16 per cent to 24 per cent. [3A]

This, combined with the rising employment rates, means that working households now account for a substantial share of the total numbers in poverty – 40 per cent of all those in poverty (excluding pensioners), up from 30 per cent in the late 1990s. [3B]

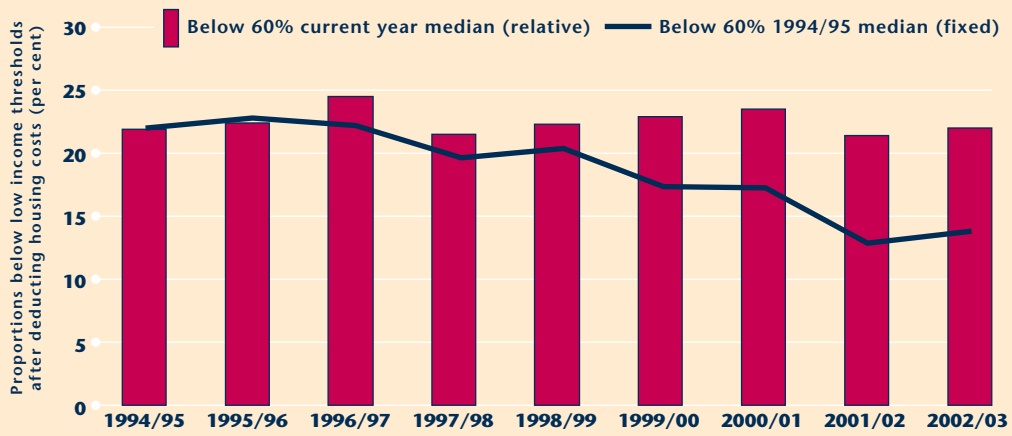
Income inequality is less in Scotland than in England and Wales. [4A]

The poorest tenth of the population have, between them, around 2 per cent of Scotland's total income and the second poorest tenth have 5 per cent. In contrast, the richest tenth have 27 per cent and the second richest tenth have 15 per cent. The overall distribution of income has changed little since 1994/95.

Relative and absolute low income

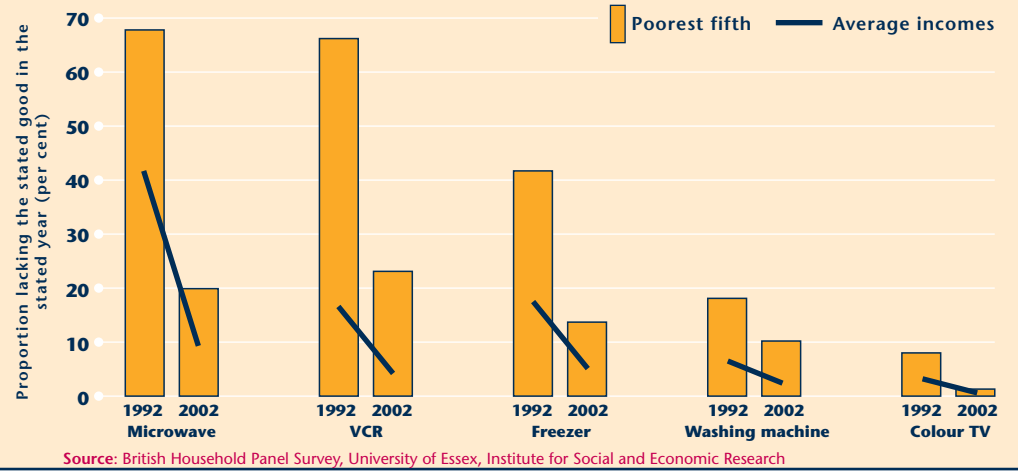
Indicator 1

While the proportion of people below a fixed income threshold has fallen by a third since the late 1990s, the proportion with relative low income has not changed over the last decade.



Source: Households Below Average Income, DWP

The proportion of low income households lacking selected consumer durables has fallen considerably over the last decade.



Source: British Household Panel Survey, University of Essex, Institute for Social and Economic Research

The first graph shows the proportion of people on relative low income (defined as the proportion of people living in households with incomes below 60 per cent of the British median household income in the current year after deducting housing costs). The choice of a relative measure reflects the view that the essence of poverty is about not being able to live to a standard of living that is considered to be the norm in a society at a particular time.

When interpreting changes over time the numbers on absolute low income are important. The graph also shows the proportion of the population living in households with incomes below 60 per cent of the 1994/95 British median household income, adjusted for price inflation.

The data source is Households Below Average Income, based on the Family Resources Survey (FRS). Income is disposable household income after housing costs, equivalised (adjusted) for household size and composition.

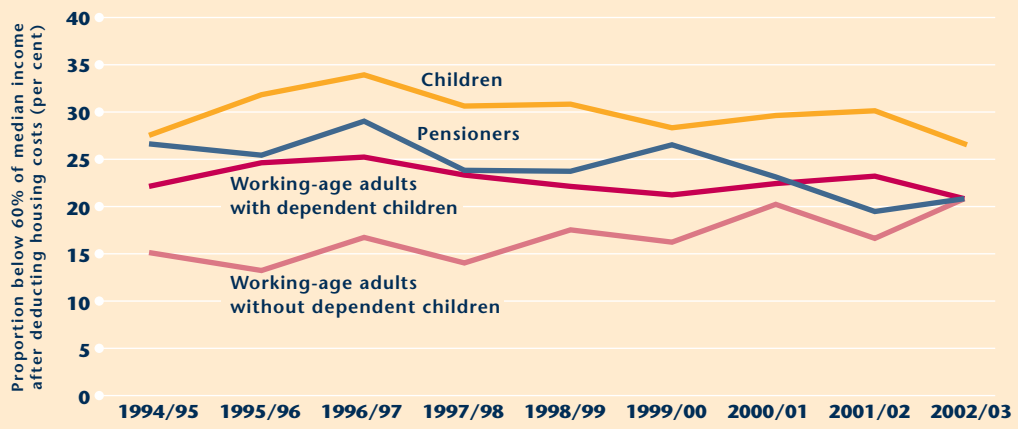
The second graph shows the proportion of households lacking one or more selected consumer durables. The items have been selected on the basis that less than 10 per cent of the population on average incomes lacked these items in 2002. The data source is the British Household Panel Survey.

*Overall adequacy of the indicator: **high**. The FRS is a well-established annual government survey, designed to be representative of the population of Great Britain as a whole. Note, however, that coverage does not extend beyond the Caledonian Canal.*

Children, pensioners and working-age adults in low income

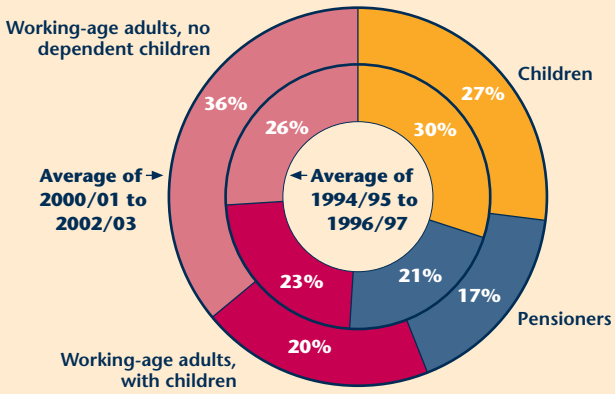
Indicator 2

While the proportion of pensioners and children living in low income households is falling, the proportion for working-age adults without dependent children is rising.



Source: Households Below Average Income, DWP

A third of all people in low income are working-age adults without dependent children, up from a quarter a few years ago.



Source: Households Below Average Income, DWP

The first graph shows the risk of a person being in a low income household (defined as the proportion of people with incomes below 60 per cent of the contemporary British median household income after deducting housing costs), with the data shown separately for children, pensioners and working-age adults with and without dependent children.

The second graph shows a breakdown of those on low income by the same four groups. The inner ring shows the average for the three years 1994/95 to 1996/97 and the outer ring shows the average for the three years 2000/01 to 2002/03. This averaging over three-year bands has been done to improve the statistical reliability of the results.

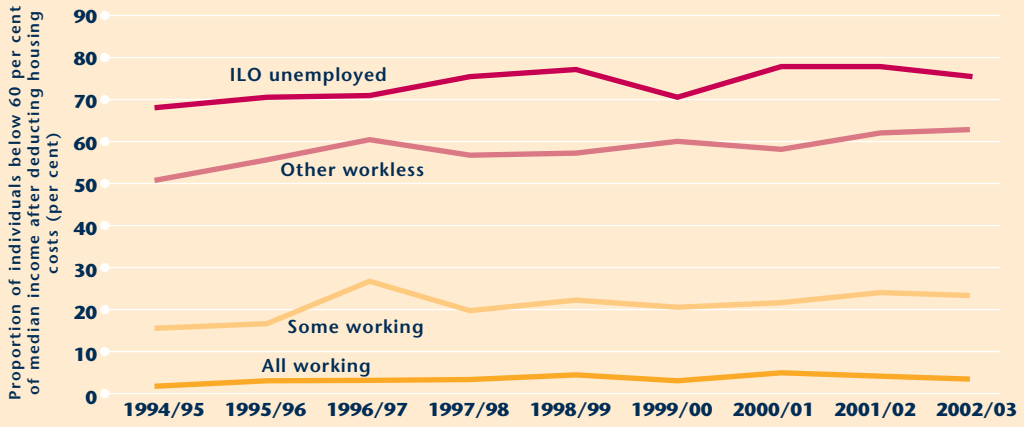
The data source for both graphs is Households Below Average Income, based on the Family Resources Survey (FRS). Income is disposable household income after deducting housing costs, equivalised (adjusted) for household size and composition.

*Overall adequacy of the indicator: **high**. The FRS is a well-established annual government survey, designed to be representative of the population of Great Britain as a whole. Note, however, that coverage does not extend beyond the Caledonian Canal.*

Low income by work status

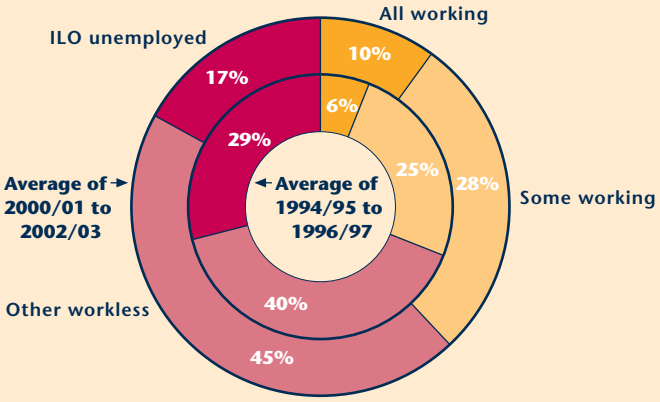
Indicator 3

A working-age household's risk of low income varies greatly, depending on how much paid work it does. For both working and workless households, these risks have risen somewhat in recent years.



Source: Households Below Average Income, DWP

Two-fifths of people in low income working-age households now have someone in their household in paid work.



Source: Households Below Average Income, DWP

The first graph shows the risk of a working-age household being on low income, with the data shown separately for households with different work statuses.

The second graph shows a breakdown of the low income working-age households by economic status. The inner ring shows the average for the three years 1994/95 to 1996/97 and the outer ring shows the average for the three years 2000/01 to 2002/03. This averaging over three-year bands has been done to improve the statistical reliability of the results. To provide consistency with the first graph, both self-employed households and households where the head or spouse is aged 60 or over are excluded from this analysis.

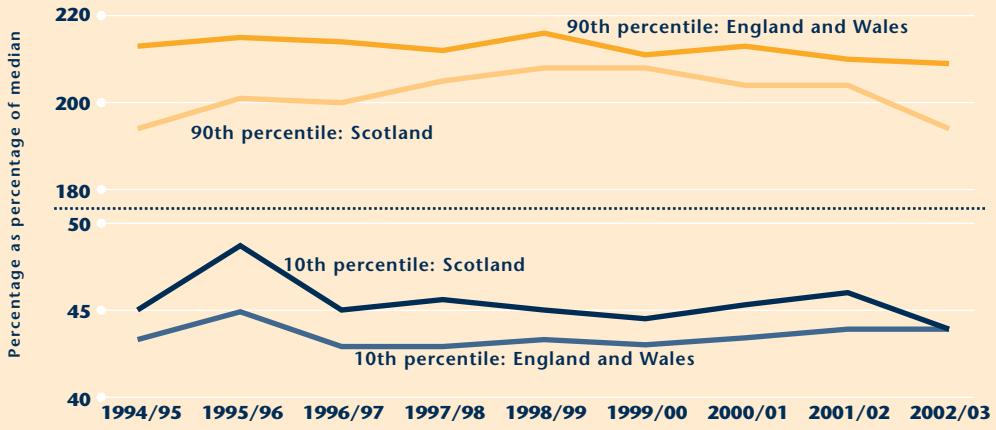
The data source for both graphs is Households Below Average Income, based on the Family Resources Survey (FRS). Income is disposable household income after deducting housing costs. All data is equivalised (adjusted) to account for variation in household size and composition.

Overall adequacy of the indicator: ***high****. The FRS is a well-established annual government survey, designed to be representative of the population of Great Britain as a whole. Note, however, that coverage does not extend beyond the Caledonian Canal.*

Income inequality

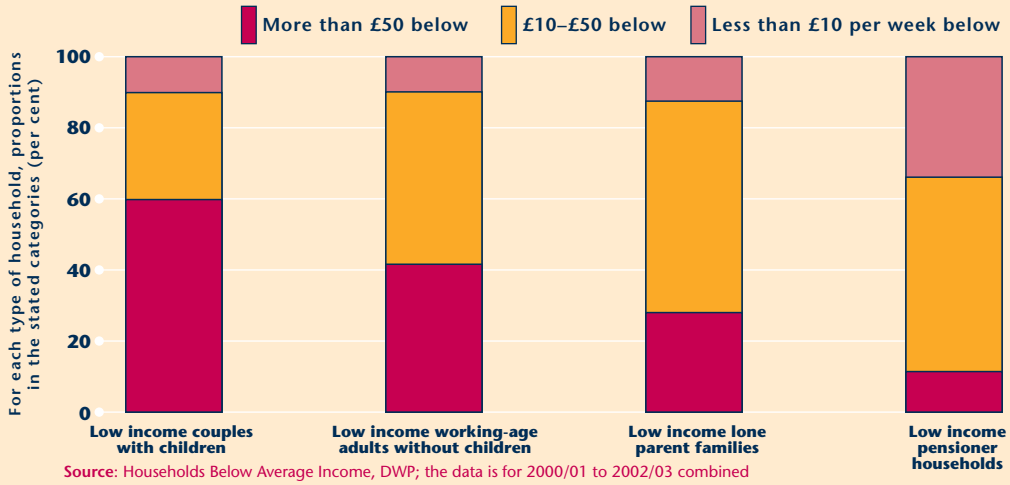
Indicator 4

Income inequality in Scotland is less than in England and Wales.



Source: Households Below Average Income, DWP

Three-fifths of all low income couples with children are more than £50 per week below the low income threshold compared to only one in ten of low income pensioner households.



Source: Households Below Average Income, DWP; the data is for 2000/01 to 2002/03 combined

The first graph shows the income of households at the 10th and 90th percentiles of the income distribution as proportions of average (median) Scottish income. For comparison purposes, the equivalent figures for England and Wales are also presented.

The second graph measures the depth of low income. For each family type living on low income, it shows the proportions of households according to the amount by which they fall below the low income threshold. To improve statistical reliability, the data is averaged for the years 2000/01 to 2002/03.

The data source for both graphs is Households Below Average Income, based on the Family Resources Survey (FRS). Income is disposable household income after deducting housing costs. In the first graph, it is equivalised (adjusted) for household size and composition. In the second graph, it is not equivalised.

*Overall adequacy of the indicator: **high**. The FRS is a well-established annual government survey, designed to be representative of the population of Great Britain as a whole. Note, however, that coverage does not extend beyond the Caledonian Canal.*

Benefit dependency

Interpreting the number of people who are dependent on social security benefits requires more care now than it did before the benefit reforms that have taken place since 1997. In particular, both the value of some benefits and the number of people who are made better off by them have greatly increased. The two benefits for which this is particularly true are pensioners' entitlement to Income Support (re-labelled as the Pensioner Minimum Income Guarantee and, more recently, as Pension Credit) and Family Credit (converted into tax credits). As a result, receipt of these benefits and credits is no longer necessarily a sign of very low income, and neither is an increase in the number of people receiving them necessarily a bad thing.

In order to avoid ambiguities of interpretation as far as possible, the indicators in this section exclude the means-tested benefits (and their successor tax credits) that are available to people in work. They also exclude universal benefits, such as Child Benefit and the basic state retirement pension.

Topics and indicators

The main aspects of benefit dependency addressed are:

- Dependency on benefits among working-age people.
- Dependency on benefits among retired people.

Dependency on benefits among working-age people is represented by three indicators. The first of these [5A] shows the number of people in receipt of out-of-work benefits over time, with the data split between means-tested benefits (reflecting low income) and those claiming other benefits (e.g. disability benefits). The supporting graph [5B] illustrates how the value of these benefits has changed over time for different family types using the example of Income Support.

The second indicator for working-age people shows the number of people who have been claiming an out-of-work benefit continuously for two years or more, with the first graph [6A] showing the trends over time for each major group of claimant. The second graph [6B] provides an age breakdown for the largest claimant group, namely those who are sick or disabled.

The final indicator for working-age people shows how the geographic concentrations of claimant have changed over time [7A] and how they vary by local authority. [7B and map A]

Similarly, the indicator for retired people shows how the geographic concentrations of claimant have changed over time [8A] and how they vary by local authority. [8B and map B]

What the indicators show

The number of working-age claimants of out-of-work benefits has fallen by a fifth since 1996, with similar falls in both means-tested (e.g. Income Support) and non-means-tested (e.g. Incapacity Benefit) benefit claimants. [5A]

In contrast, the number of working-age people receiving out-of-work benefits for two years or more has not changed since 1998. [6A]

Over the last decade, Income Support for a couple with two children has risen by a third after allowing for inflation, while that for a couple with one child has risen by a quarter, the same as the rise in average earnings. In both cases, all of this rise has occurred since 1998. By contrast, Income Support for a couple with no children has stayed unchanged (apart from inflation) over the decade, falling ever further behind average incomes. Income Support for a single working-age adult without dependent children has likewise not changed. [5B]

Four-fifths of working-age people receiving out-of-work benefits for two years or more are sick or disabled. [6A]

A third of these people are aged under 45. [6B]

The six authorities with the highest proportions of the working-age population claiming out-of-work benefits are Glasgow (32 per cent of the population aged 20 to retirement), Inverclyde (27 per cent), North Lanarkshire, North Ayrshire, West Dunbartonshire and East Ayrshire (all 24 per cent). [7B and map A]

The proportion of working-age people in receipt of out-of-work benefits has been coming down in all types of authority, but particularly in the most deprived ones. So, for example, the number of claimants in the six authorities listed above have fallen by 21 per cent since 1995 compared to an 18 per cent fall for Scotland as a whole. [7A]

In contrast, as the eligibility rules have been extended, the proportion of retired people in receipt of Income Support to supplement their basic state pension has increased in all types of authority. [8A]

In May 2003, the three authorities with the highest proportions of the retired population claiming Income Support (i.e. the Minimum Income Guarantee) to supplement their basic state pension were Glasgow (51 per cent), North Lanarkshire (49 per cent) and West Dunbartonshire (44 per cent). [8B and map B]

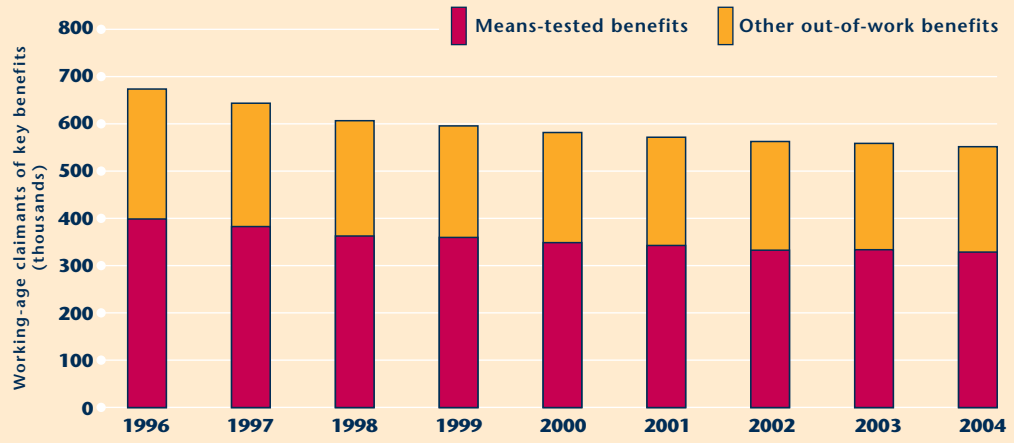
In all authorities, more than a quarter of retired people are in receipt of Income Support to supplement their basic state pension. [8B and map B]

Low income retired people are somewhat less geographically concentrated than low income working-age people who are out of work.

Working-age people in receipt of benefits

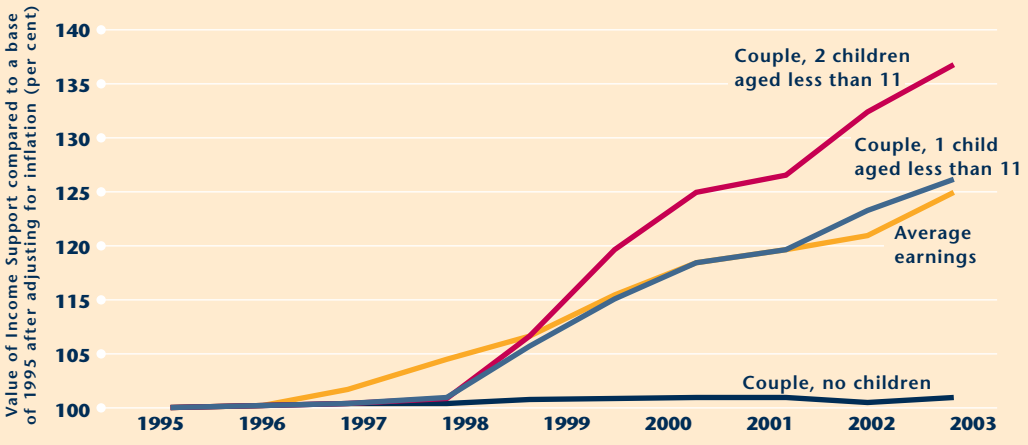
Indicator 5

The number of working-age claimants of out-of-work benefits has fallen by a fifth since 1996, with similar falls in both means-tested and non means-tested benefit claimants.



Source: Client Group Analyses, Quarterly Bulletins on Population of Working Age, DWP

While the level of Income Support for families with children has gone up much faster than inflation in recent years, that for working-age adults without children has remained constant in real terms.



Source: Benefit levels from from DWP and price inflation indices from ONS

The first graph shows the numbers of working-age people claiming one or more 'key' benefits.

The data is split to show separately those in receipt of means-tested benefits (Income Support and income-based Jobseeker's Allowance) and those in receipt of non means-tested benefits (Incapacity Benefit, Severe Disablement Allowance, Daily Living Allowance SDA, DLA and contribution-based Jobseeker's Allowance).

To facilitate comparisons over time on a like-for-like basis, the data excludes Family Credit and Disability Working Allowance as these have been discontinued since 2002 (having been replaced by tax credits). The data source is the DWP Information Centre.

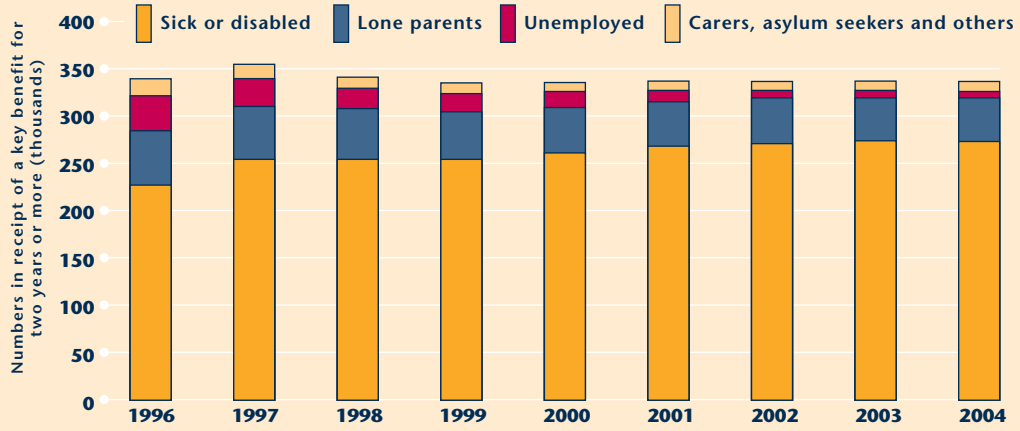
The second graph shows how the maximum value of Income Support has varied over time for selected family types. In each case, the base year is 1995, at which point the value of the benefits is set to 100 per cent, and the figures for subsequent years are deflated by the growth in price inflation (excluding housing costs) in each year. For comparison purposes, the graph also shows how average earnings have grown over the period. The data source for the inflation data is the ONS Retail Prices Index, using the series which excludes housing, and the ONS Average Earnings Index, using the series which is seasonally adjusted.

Overall adequacy of the indicator: ***high****. The data is thought to be very reliable and provides an accurate count of those in receipt of benefits.*

Working-age people in receipt of benefits long-term

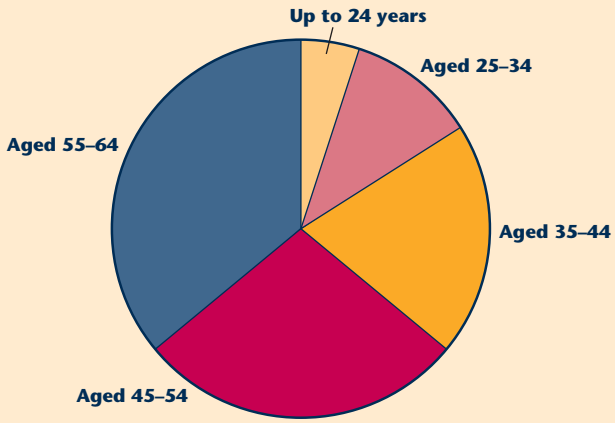
Indicator 6

Four-fifths of working-age people receiving a key benefit for two years or more are sick or disabled.



Source: Unpublished data from the DWP Information Centre

A third of long-term working-age recipients of disability benefits are aged less than 45.



Source: Unpublished data from the DWP Information Centre for February 2004

The first graph shows all those of working age who were in receipt of a 'key benefit' for two years or more. 'Key benefits' is a DWP term which covers the following benefits: Jobseeker's Allowance, Income Support, Incapacity Benefit, Severe Disablement Allowance and Disability Living Allowance. For each year, the total is broken down by type of claimant: unemployed, sick and disabled, lone parents and others.

As can be seen from the first graph, the majority of long-term claimants of 'key benefits' are sick or disabled. In this context, the second graph shows, for the latest year, an age breakdown for those who have either been in receipt of Incapacity Benefit for two years or more or are in receipt of Severe Disablement Allowance.

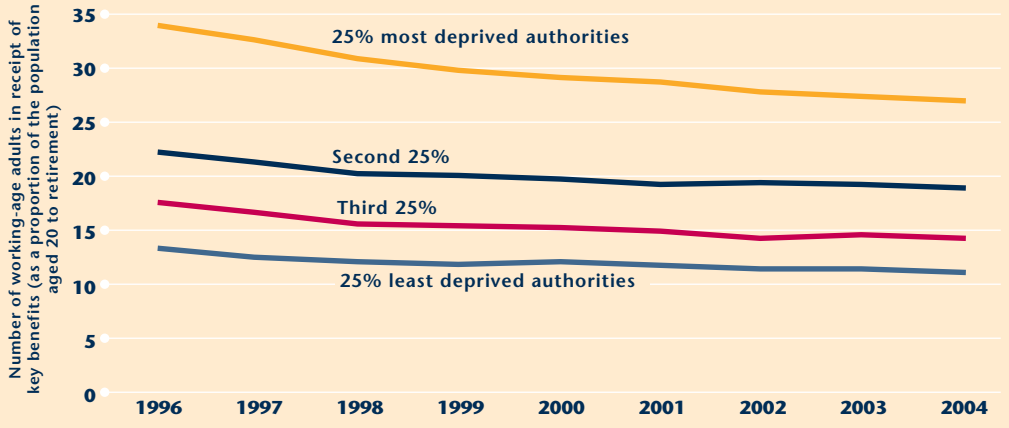
The data source for both graphs is the DWP Information Centre. The data is for February of each year.

*Overall adequacy of the indicator: **high**. The data is thought to be very reliable. It is based on information collected by the DWP for the administration of benefits.*

Concentrations among working-age people

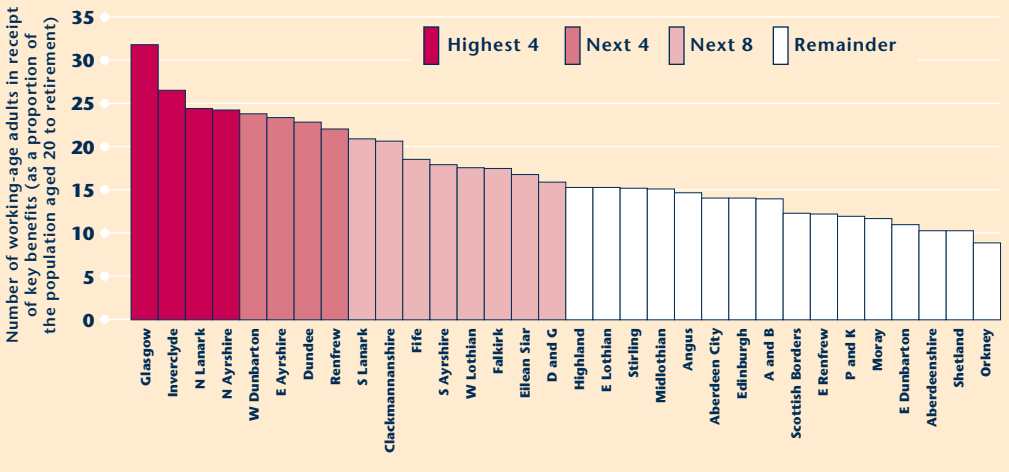
Indicator 7

The proportion of working-age people in receipt of out-of-work benefits has been coming down in all types of authority, but particularly in the most deprived ones.



Source: Client Group Analyses, Quarterly Bulletin on Population of Working Age, DWP

The proportion of working-age people in receipt of out-of-work benefits ranges from 1 in 3 in Glasgow to 1 in 10 in Orkney, Shetland and Aberdeenshire.



Source: Client Group Analyses, Quarterly Bulletin on Population of Working Age, DWP; the data is for February 2004

The first graph shows the proportion of those of working age claiming at least one key out-of-work benefit. The data is shown separately for local authorities grouped into quarters according to their 2004 Scottish Index of Deprivation ranking.

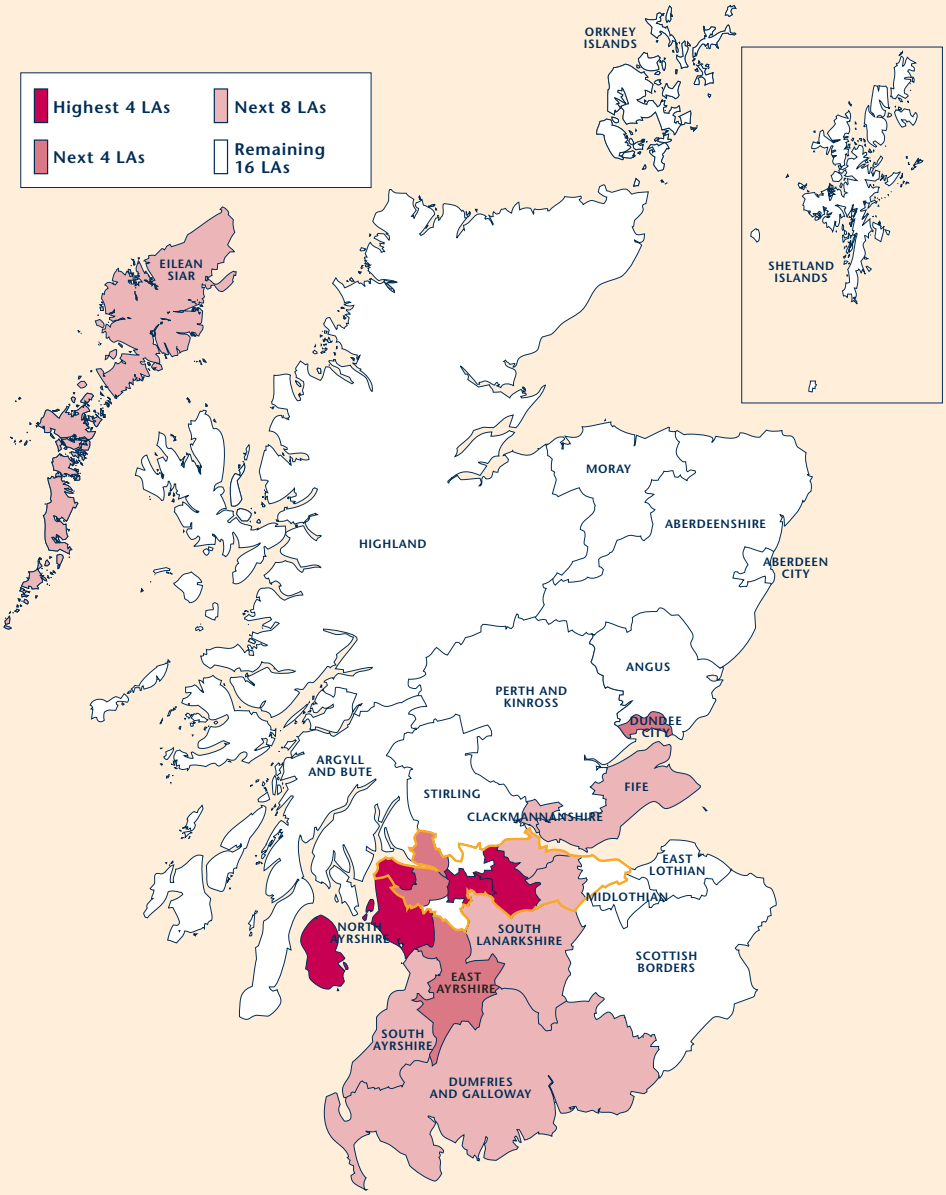
The second graph shows the distribution of local authorities according to the proportion of their working-age populations who are in receipt of a key benefit. The data is the latest available, namely February 2004.

In both graphs, the key benefits included are: Income Support, Jobseeker's Allowance, Incapacity Benefit, Severe Disablement Allowance and Disability Living Allowance.

The data source for both graphs is the DWP Information Centre. 2001 Census population estimates have been assumed to apply for all the years covered by the graphs.

*Overall adequacy of the indicator: **high**. The data on benefits is considered to be very reliable and is based on information collected by the DWP for the administration of benefits.*

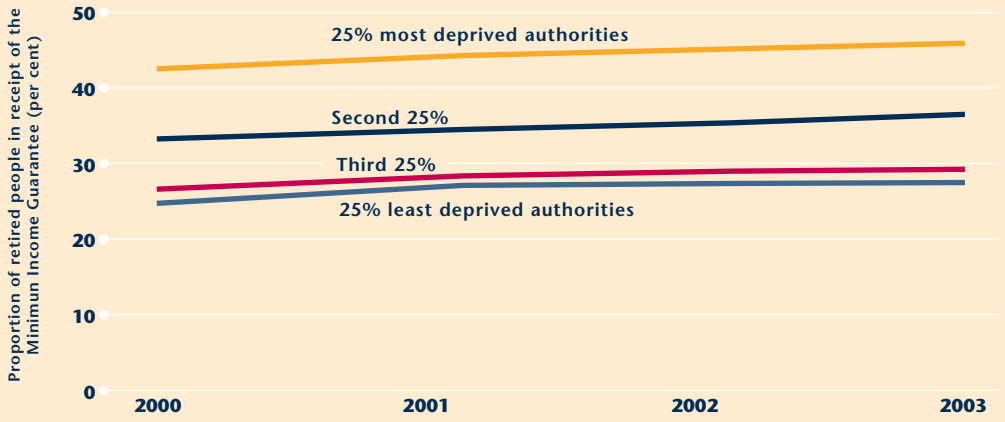
MAP A: The proportion of working-age people in receipt of out-of-work benefits ranges from 1 in 3 in Glasgow to 1 in 10 in Orkney, Shetland and Aberdeenshire.



Concentrations among retired people

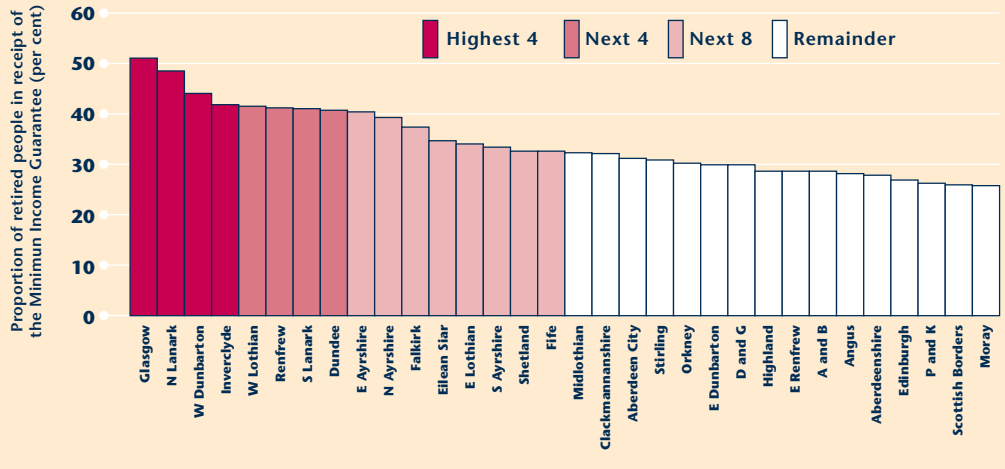
Indicator 8

As the eligibility rules have been extended, the proportion of retired people in receipt of Income Support to supplement their basic state pension has increased in all types of authority.



Source: Client Group Analyses, Population over State Pension Age, DWP

In all authorities, more than a quarter of retired people are in receipt of Income Support to supplement their basic state pension.



Source: Client Group Analyses, Population over State Pension Age, DWP; the data is for May 2003

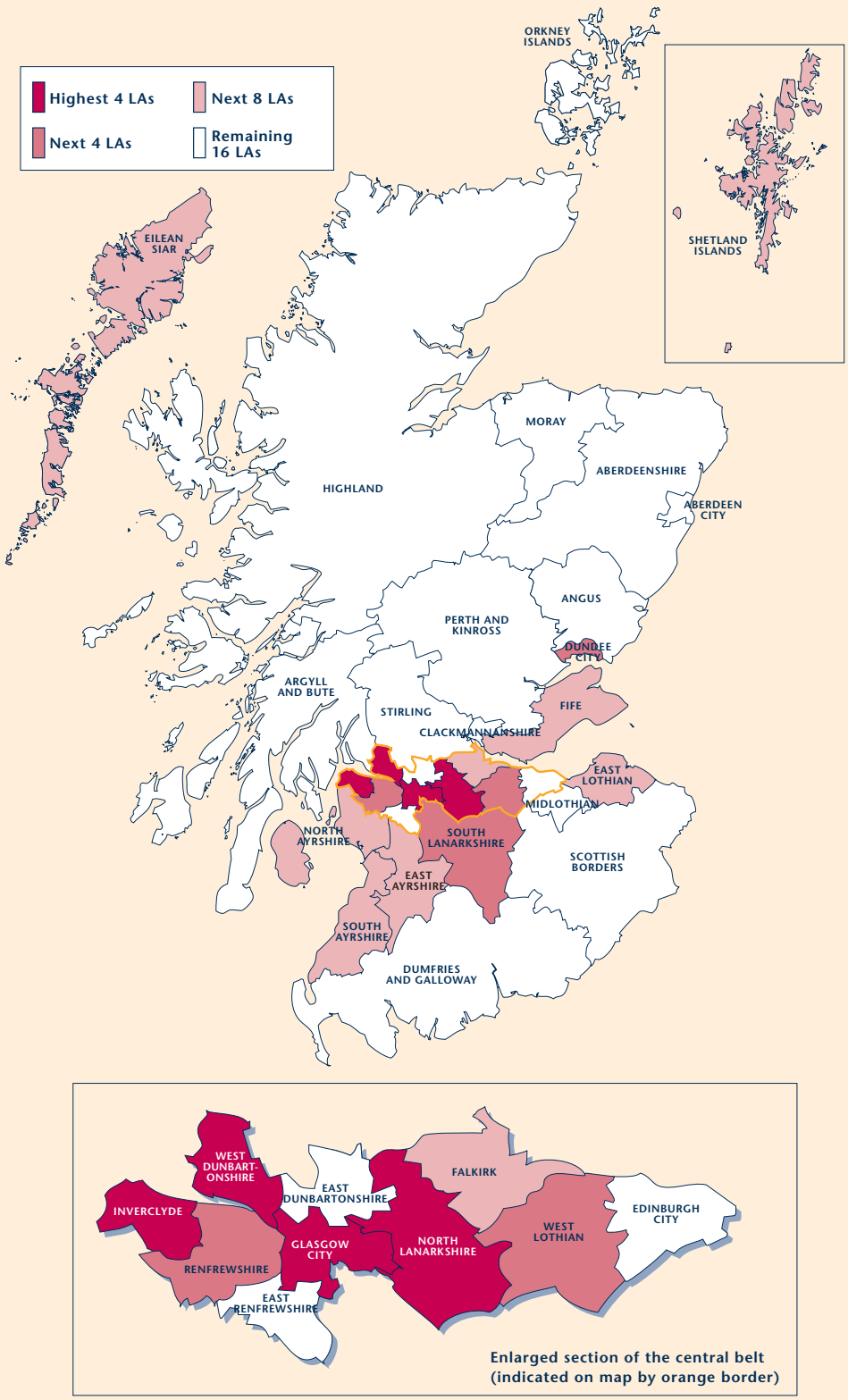
The first graph shows the proportion of those of pensionable age in receipt of Income Support (i.e. the Minimum Income Guarantee). The data is shown separately for local authorities grouped into quarters according to their 2004 Scottish Index of Deprivation ranking.

The second graph shows the distribution of local authorities according to the proportion of their pensionable age populations who are in receipt of Income Support. The data is the latest available, namely May 2003. Because the latest data is for May 2003, it does not yet cover the period since the introduction of the Pension Credit.

The data source for both graphs is the DWP Information Centre. 2001 Census population estimates have been assumed to apply for all the years covered by the graphs.

*Overall adequacy of the indicator: **high**. The data on benefits is considered to be very reliable and is based on information collected by the DWP for the administration of benefits.*

MAP B: In all authorities, more than a quarter of retired people are in receipt of Income Support to supplement their basic state pension.



Concentrations within small areas

Topics and indicators

The recently published 2004 Scottish Index of Deprivation includes, for the first time, an estimate of the numbers of people on low income by small geographic area (previous indices only having counted the numbers who are in receipt of out-of-work benefits). These small geographic areas are called 'data zones' and Scotland has been divided into around 6,500 data zones of roughly equal size in terms of their populations.

The first indicator [9A] uses this information to provide an analysis of the extent to which people on low income are concentrated in particular geographic areas. The horizontal axis is the cumulative proportion of data zones ordered by their level of concentration of people on low income and the vertical axis is the cumulative proportion of people on low income. So, for example, as illustrated in the graph, two-fifths of people on low income live in the 15 per cent of data zones with the highest concentrations of such people and the other three-fifths live outside of these areas. The 15 per cent threshold is highlighted in the graph because it is the threshold often used by the Scottish Executive to differentiate between deprived and non-deprived areas.

Using the 15 per cent threshold, the supporting graph [9B and map C] shows the proportion of data zones within each local authority which have high concentrations of people on low income.

The second indicator explores the issue of the extent to which children from low income households are concentrated in particular schools, using eligibility for free school meals as a proxy for low income. The first graph [10A] shows both the overall proportion of pupils eligible for free school meals and the proportion of pupils eligible for free school meals in the 15 per cent of schools with the highest concentrations of such pupils. In each case, the data is shown separately for primary and for secondary schools.

Using the 15 per cent threshold, the supporting graph [10B] shows the proportion of primary schools in each local authority which have high concentrations of pupils eligible for free school meals.

What the indicators show

Two-fifths of people on low incomes live in geographic areas which are in the 15 per cent of areas with the highest proportion of people on low incomes. In other words, two-fifths of people on low incomes live in geographic areas with a high proportion of people on low incomes and the other three-fifths of people on low incomes live outside of these areas. [9A]

Glasgow City has by far the greatest proportion of geographic areas with a high proportion of people on low income: 50 per cent of all of Glasgow's 700 geographic areas have a high proportion of people on low income, a much higher proportion than in the next highest local authority (Dundee, at 30 per cent). [9B]

After Glasgow and Dundee, the authorities with the highest proportions are Inverclyde and West Dunbartonshire (both 28 per cent). [9B]

Just about all the local authorities have at least one geographic area with a high proportion of people on low incomes. [9B]

Low income people are much less geographically concentrated than low income geographic areas are. For example, Glasgow contains a third of all the low income geographic areas but 'only' a fifth of all low income people. Glasgow City, Dundee and Edinburgh combined contain half of all the low income geographic areas but 'only' a third of all low income people.

Poor children are much more concentrated in primary schools than in secondary schools. In the 15 per cent of primary schools with the highest concentrations, more than half of the pupils are eligible for free school meals. In contrast, in the 15 per cent of secondary schools with the highest concentrations, less than two-fifths of the pupils are eligible for free school meals. [10A]

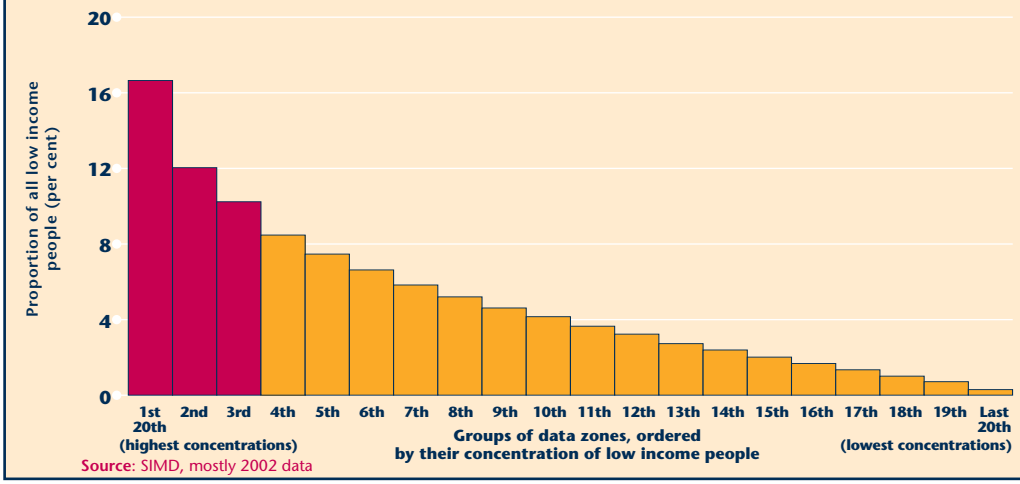
Because of this concentration, the perception of poor children in primary schools is that there are many more poor children than there actually are. Whereas, overall, a fifth of children are eligible for free school meals, poor children themselves will, on average, think that around a third are eligible.

Overall, the geographic pattern of primary schools with high proportions eligible for free school meals is similar to the pattern of geographic areas with high proportions of the total population on low incomes. The main exception is Edinburgh, which has many more primary schools with a high proportion of their pupils eligible for free school meals than would be expected. [10B]

Concentrations within small areas – all people

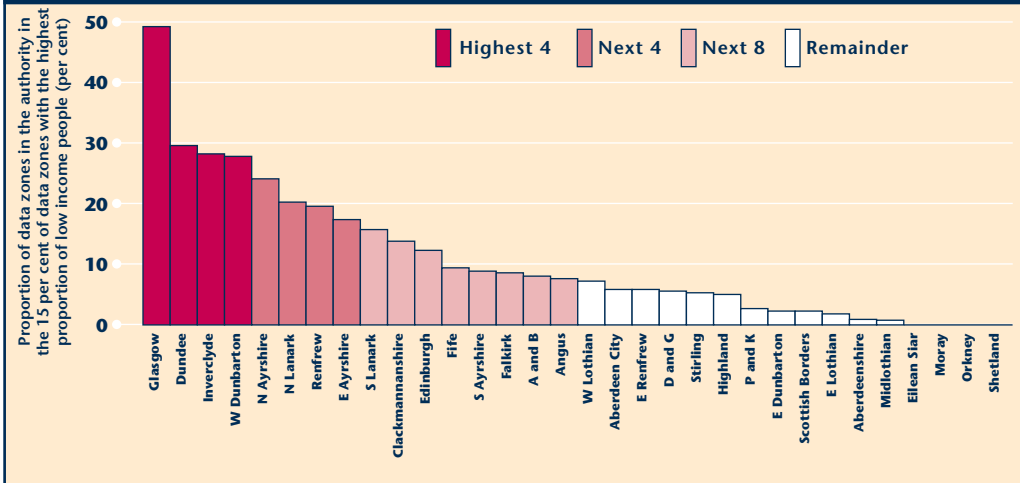
Indicator 9

Two-fifths of people on low incomes live in geographic areas with high concentrations of people on low incomes. The other three-fifths live outside these areas.



Source: SIMD, mostly 2002 data

Glasgow has by far the greatest proportion of small geographical areas with a high proportion of people on low income, but just about all authorities have at least one such area.



Source: SIMD, mostly 2002 data

The first graph shows the concentration of people on low incomes in particular geographic areas. The 2004 Scottish Index of Deprivation divides the country into 'data zones' (Scotland is divided into 6,500 data zones) and provides estimates for the number of 'income deprived' people in each of these data zones.

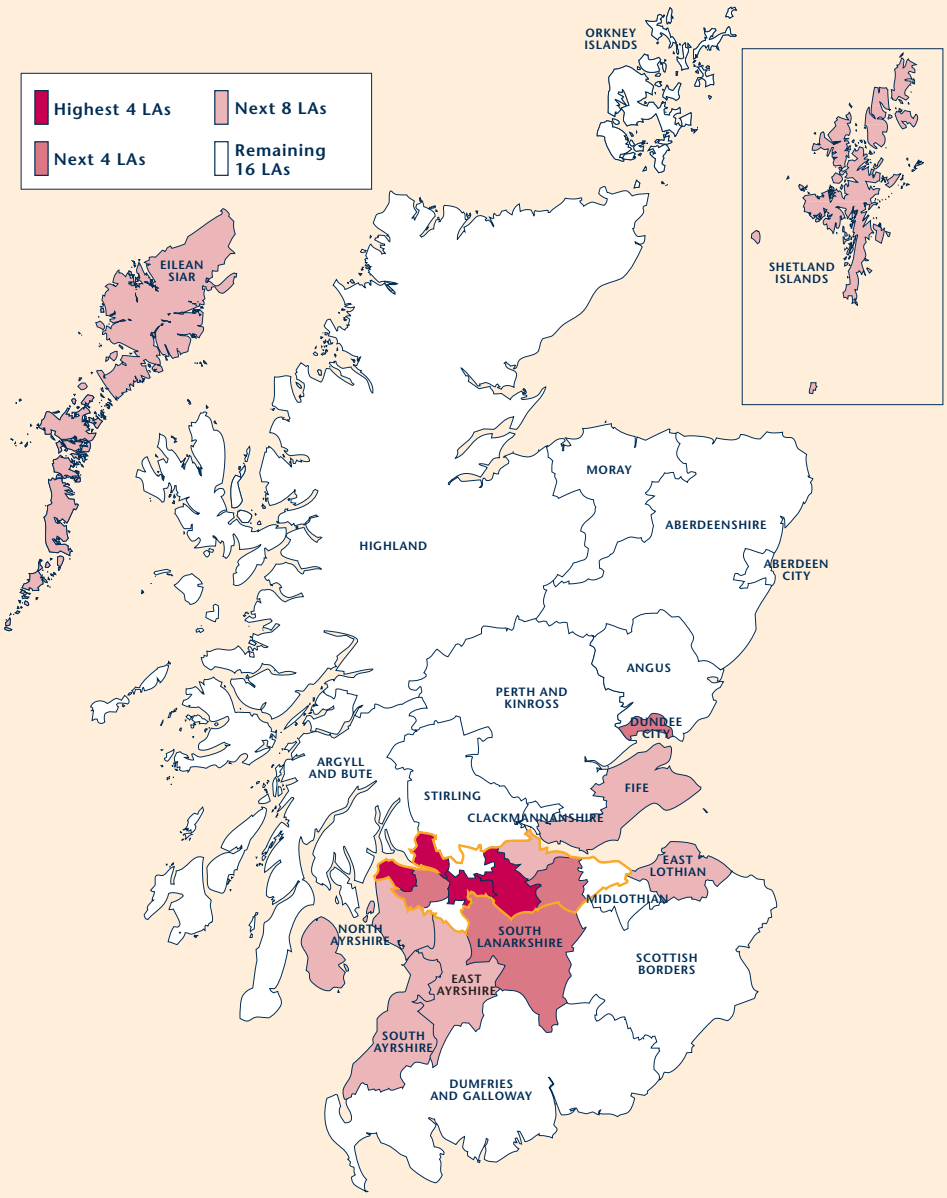
In the graph, the horizontal axis is the cumulative proportion of data zones, ordered by their concentration of 'income deprived' people. The vertical axis is the cumulative proportion of 'income deprived' people. The graph shows, for example, that 40 per cent of 'income deprived' people are in the 15 per cent of data zones with the highest concentrations of such people.

The second graph shows the proportion of data zones in each local authority which are in the 15 per cent of data zones with the highest concentrations of 'income deprived' people. The 15 per cent threshold has been used on the advice of the Scottish Executive.

The data source for both graphs is the 2004 Scottish Index of Deprivation.

*Overall adequacy of the indicator: **high**. Whilst the underlying data in the Scottish Index of Deprivation is not available, it is clearly based on extensive data from the Department for Work and Pensions and the Inland Revenue. The inclusion, for the first time, of people on low incomes but in work means that the Index presents a fairer picture of the geographic patterns of low income than previous indices (which have been solely based on people claiming out-of-work benefits).*

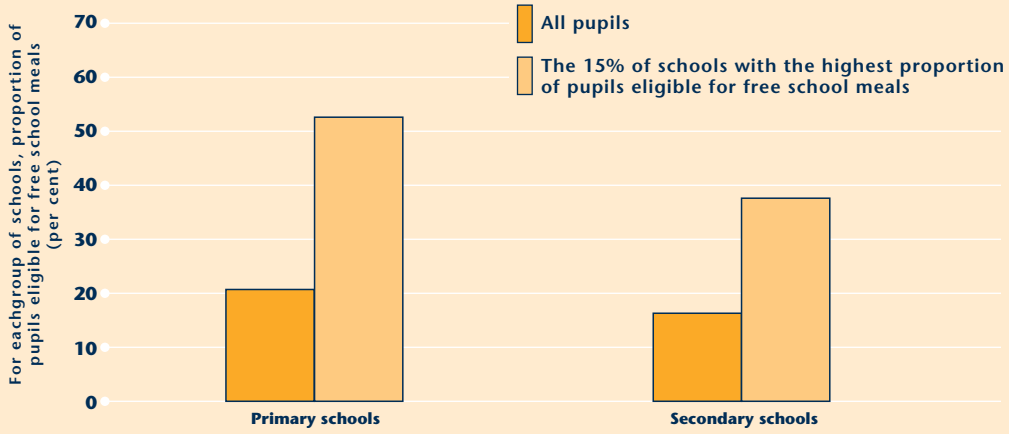
MAP C: Glasgow has by far the greatest proportion of small geographical areas with a high proportion of people on low income, but just about all authorities have at least one such area.



Concentrations within small areas – children

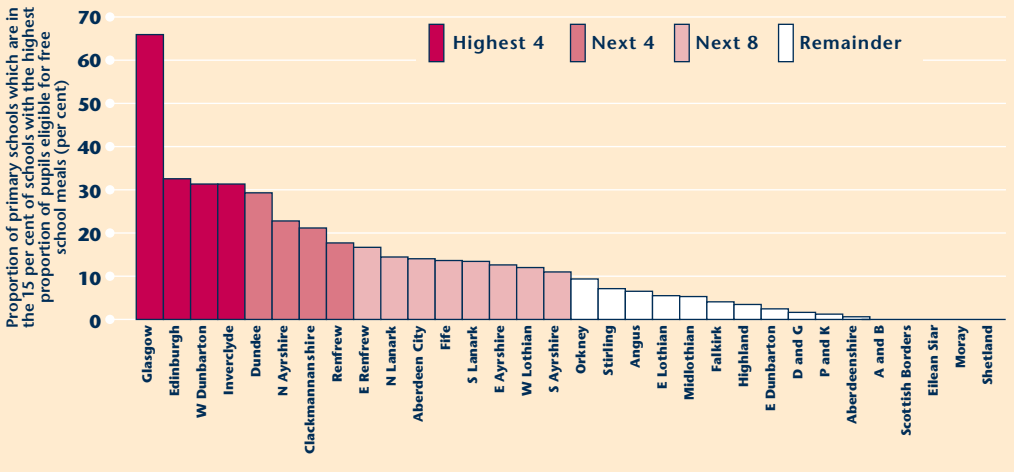
Indicator 10

Poor children are much more concentrated in primary schools than in secondary schools. In the 15 per cent of primary schools with the highest concentrations, more than half of the pupils are eligible for free school meals.



Source: School Meals in Scotland 2004, Scottish Executive

Edinburgh has many more primary schools with pupils eligible for free schools meals than would be expected.



Source: School Meals in Scotland 2004, Scottish Executive

The first graph tries to measure the extent to which children from low income families are concentrated in particular schools. For both primary and secondary schools, it shows: the overall proportion of children eligible for free school meals; the proportion of children eligible for free school meals as perceived by children who are themselves eligible for free school meals; and the proportion of children eligible for free school meals in the 15 per cent of schools with the greatest proportion of pupils eligible for free school meals.

The second graph shows how the proportion of primary schools which are in the 15 per cent of schools with the highest proportion of pupils eligible for free school meals varies by local authority.

The data source for both graphs is a survey of school meals undertaken in January 2004 and published by the Scottish Executive is School Meals in Scotland 2004.

Overall adequacy of the indicator: ***medium****. While the underlying data is sound, its relationship to other aspects of poverty and social exclusion is not immediately clear.*

Summary

Relative and absolute low income

While the proportion of people below a fixed income threshold has fallen by a third since the late 1990s, the proportion with relative low income has not changed over the last decade.

The proportion of low income households lacking selected consumer durables has fallen considerably over the last decade.

Children, pensioners and working-age adults in low income

While the proportion of pensioners and children living in low income households is falling, the proportion for working-age adults without dependent children is rising.

A third of all people in low income are working-age adults without dependent children, up from a quarter a few years ago

Low income by work status

A working-age household's risk of low income varies greatly, depending on how much paid work its does. For both working and workless households, these risks have risen somewhat in recent years.

Two-fifths of people in low income working-age households now have someone in their household in paid work.

Income inequality

Income inequality in Scotland is less than in England and Wales.

Three-fifths of all low income couples with children were more than £50 per week below the low income threshold compared to only one in ten of low income pensioner households.

Working-age people in receipt of benefits

The number of working-age claimants of out-of-work benefits has fallen by a fifth since 1996, with similar falls in both means-tested and non-means-tested benefit claimants.

While the level of Income Support for families with children has gone up much faster than inflation in recent years, that for working-age adults without children has remained constant in real terms.

Working-age people in receipt of benefits long term

Four-fifths of working-age people receiving a key benefit for two years or more are sick or disabled.

A third of long-term working-age recipients of disability benefits are aged less than 45.

Concentrations among working-age people

The proportion of working-age people in receipt of out-of-work benefits has been coming down in all types of authority, but particularly in the most deprived ones.

The proportion of working-age people in receipt of out-of-work benefits ranges from one in three in Glasgow to one in ten in Orkney, Shetland and Aberdeenshire.

Concentrations among retired people

As the eligibility rules have been extended, the proportion of retired people in receipt of Income Support to supplement their basic state pension has increased in all types of authority.

In all authorities, more than a quarter of retired people are in receipt of Income Support to supplement their basic state pension.

Concentrations within small areas: all people

Two-fifths of people on low incomes live in geographic areas with high concentrations of people on low incomes. The other three-fifths live outside of these areas.

Glasgow has by far the greatest proportion of small geographic areas with a high proportion of people on low income, but just about all authorities have at least one such area.

Concentrations within small areas: children

Poor children are much more concentrated in primary schools than in secondary schools. In the 15 per cent of primary schools with the highest concentrations, more than half of the pupils are eligible for free school meals.

Edinburgh has many more primary schools with a high proportion of their pupils eligible for free school meals than would be expected.

Chapter 2 Work and education

Theme	*Indicator/map*
Educational performance	11: The relationship between education and work
	12: Low attainment at school
	13: Qualifications of school leavers
	14: Destinations of school leavers
Lack of work	15: Workless individuals
	16: Workless households
	17: Jobs
Low pay	18: Pay inequalities
	19: Distribution of low pay
	20 and map D: In receipt of tax credits
Disadvantage at work	21: Insecure at work
	22: Access to training

Educational performance

Topics and indicators

With no powers over the social security system, taxation system or employment law, the Scottish Executive has limited scope to depart from the approach to those out-of-work and those in employment laid down by Westminster. In education, by contrast, the Scottish Executive acts independently with a range of initiatives of its own.

This section looks at how well the Scottish education system is serving pupils in terms of both the qualifications they acquire and their future work prospects (both immediate and longer term). It pays particular attention to pupils at the lower end of the educational spectrum and to pupils in deprived schools. The subjects covered are:

- How the risks of unemployment and low pay vary by level of qualification.
- Differences between achievement at school on average and at the bottom.
- The qualifications of school leavers.
- The destinations of school leavers.

The starting point is an analysis of the impact of education on the prospects of well-paid work in later life. This is done through two graphs [11A and 11B] which show the risks of unemployment and low pay by level of education qualifications. The first graph [11A] shows how the proportion of people aged 25 to 50 who are unemployed varies according to their level of qualification. The second graph [11B] shows how the proportion of people aged 25 to 50 who are employed but in low pay varies according to their level of qualification.

The second indicator [12A] shows how the educational performance of the least qualified pupils has changed over time and how this compares with pupils on average, showing this information in terms of average tariff scores. The supporting graph [12B] provides a similar analysis for a younger age group – 9-year-olds – comparing achievement in deprived schools with schools on average (using high proportions of pupils eligible for free school meals as a proxy for deprivation).

The third indicator [13A] continues this analysis by providing a more detailed look at educational performance for those pupils who do not go on to obtain Highers. It shows the proportions of school leavers by their highest grade, and how these proportions have changed over time. The supporting graph [13B] shows the proportion of 19-year-olds without basic qualifications, with those lacking any Standard grades at level 6 or above and those with nothing more than an SVQ2 or equivalent shown separately.

Finally, the destination of school leavers is represented by an indicator [14A] which shows, over time, the proportion going into full-time higher or further education, training and employment, with a residual category of 'other'. One focus of interest there is on this 'other' category, where a reduction would represent progress on the grounds that education, training or work are the desirable destinations. The supporting graph [14B] shows how these proportions differ according to the level of school deprivation.

What the indicators show

People aged 25 to 50 with poor or no qualifications are around twice as likely to be unemployed as people with Highers or better. The unemployment rate ranges from 3½ per cent for those with a higher education qualification to around 10 per cent for those with no qualifications. Nevertheless, even for those with no qualifications, the vast majority (90 per cent) of those that are economically active are employed. [11A]

People aged 25 to 50 with poor or no qualifications are around three times as likely to be in a low paid job as those with Highers or better, with around half paid less than £6.50 per hour compared to one in five of those with a Higher grade or equivalent and one in ten of those with a degree or equivalent. [11B]

Standard grade attainment both for pupils on average and for the bottom fifth has been rising but the gap between them remains large. As measured by the 'tariff score', exam results for both the lowest fifth of pupils and for pupils on average have risen steadily over the last decade, by 11 and 19 points respectively. This is equivalent to a one grade improvement in two exams for the lowest fifth and three exams for all pupils. [12A]

Average standard grade attainment for pupils in deprived schools is less than that for pupils on average, but not by much: an average of 140 for pupils in the fifth of schools with the highest proportion of pupils eligible for free school meals compared to an average of 170 for all pupils. See the www.poverty.org.uk website for graphs on this.[25]

The proportion of P5 (9-year-old) pupils in deprived schools failing to achieve level B in reading, writing and maths has fallen considerably since 1998/99, but is still much higher than P5 pupils on average. The proportion of P5 pupils in the fifth of schools with the highest proportion of pupils eligible for free school meals who fail to achieve level B in writing has fallen from 34 per cent in 1998/99 to 20 per cent in 2002/03 (compared to a fall from 21 per cent to 12 per cent for pupils on average), that for reading has fallen from 22 per cent to 15 per cent (14 per cent to 8 per cent of pupils on average), and that for maths has fallen from 18 per cent to 14 per cent (12 per cent to 9 per cent for pupils on average). [12B]

Six per cent of school leavers gain no Standard grades, unchanged since 1998/99. [13A]

Similarly, 6 per cent of 19-year-olds lack any Standard grades at levels 6 or above, unchanged since 1996. [13B]

By contrast, the proportion gaining Standard grades at the highest levels (Levels 1 or 2) but still leaving school has risen quickly and steadily, from 16 per cent in 1996/97 to 27 per cent in 2002/03. This has not, however, had any effect on the proportion for whom Standard grades are their highest achievement, which has remained steady at around 55 per cent over the five years. [13A]

Reflecting this, 22 per cent of 19-year-olds lack SVQ2 or equivalent, a similar proportion to 1996 although lower than the peak in 1998. [13B]

The last decade has witnessed a substantial rise in the proportion of school leavers going into either full-time higher or further education, up from two-fifths a decade ago to over a half now. [14A]

The last decade has also witnessed a big fall in the proportion going into non-

employment based training, from a fifth a decade ago to just 5 per cent now. The proportion going into neither education, training nor work has, however, remained unchanged over the decade, at around one in five. [14A]

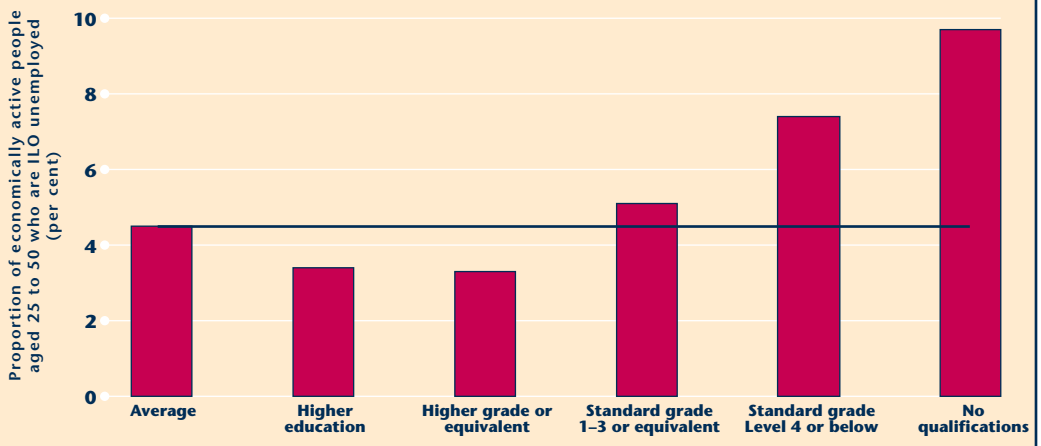
There are considerable differences between local authorities in the proportions of school leavers going into different destinations (education, training and work). For example, only 20 per cent of school leavers in Glasgow City go on to full-time higher education compared to 50 per cent in East Renfrewshire, while 35 per cent of school leavers in Argyll and Bute go into employment compared to 14 per cent in Inverclyde and North Ayrshire. Falkirk has the highest proportion of school leavers (25 per cent) who become unemployed.

The more deprived the school, the less likely it is that its school leavers will continue their education. Thus, whereas two-fifths of children from schools in the tenth of schools with the highest proportion of pupils eligible for free school meals go on to further or higher education, this rises to two-thirds for schools with low proportions. But the relationship is by no means absolute: a third of those from schools with low proportions do not go on to further or higher education. [14B]

The relationship between education and work

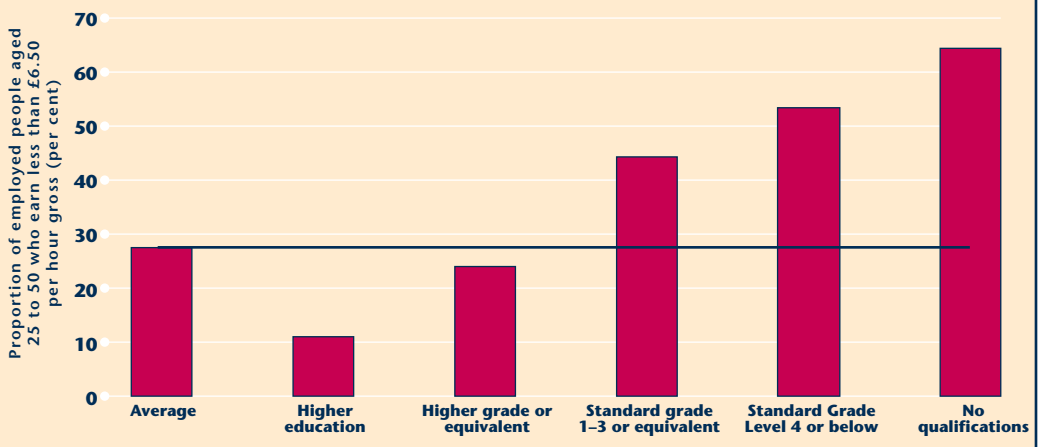
Indicator 11

People aged 25 to 50 with poor or no qualifications are around twice as likely to be unemployed as people with Highers or better, but their unemployment rate is still less than 1 in 10.



Source: Labour Force Survey, ONS; the data is for the four quarters to Spring 2004

People aged 25 to 50 with poor or no qualifications are around three times as likely to be in a low paid job as those with Highers or better, with around half paid less than £6.50 per hour.



Source: Labour Force Survey, ONS; the data is for the four quarters to Spring 2004

The first graph shows risk of unemployment (ILO definition) according to the individual's highest level of education. The second graph shows the risk of being in a low paid job according to the individual's highest level of education.

In both graphs, the data is for those aged 25 to 50. People aged less than 25 have been excluded because both their unemployment and low pay patterns are rather different, in part because of the substantial proportion still in education. People aged over 50 have been excluded because the high prevalence of 'no qualifications' among this age group makes their aggregation with the younger age group somewhat problematic.

A low pay threshold of £6.50 per hour has been used in the second graph. This threshold is roughly two-thirds of the Great Britain median hourly earnings and is commonly used as a threshold when analysing low pay.

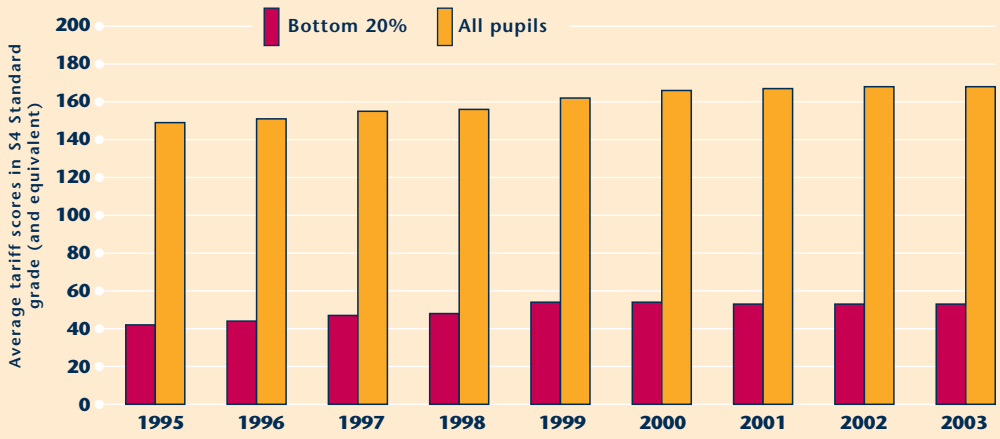
The data source for both graphs is the Labour Force Survey (LFS). To improve statistical reliability, the data is averaged for all four quarters of the latest year (to spring 2004).

*Overall adequacy of the indicator: **medium**. The LFS is a large, well-established, quarterly government survey designed to be representative of the population as a whole. Analysis of previous years has also been undertaken to verify that the results for the latest year are not exceptional.*

Low attainment at school

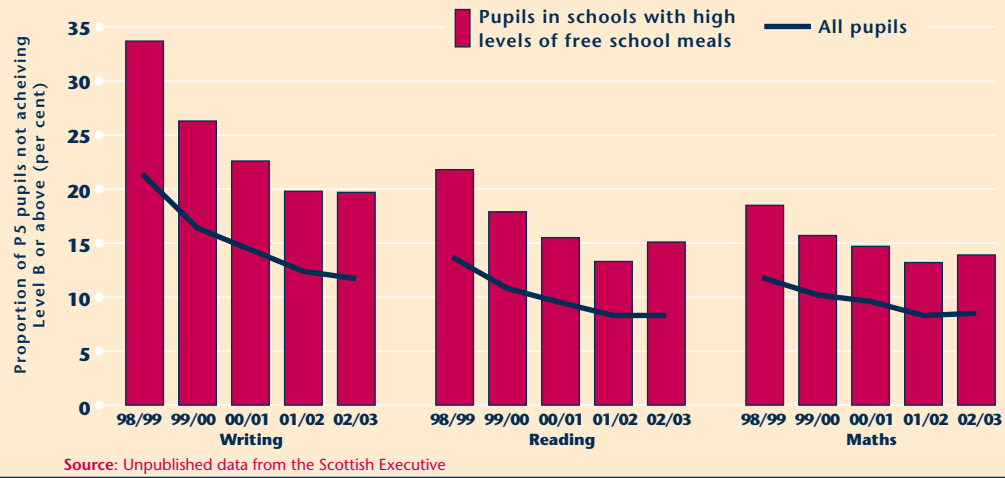
Indicator 12

Standard grade attainment both for pupils on average and for the bottom fifth has been rising, but the gap between them remains large.



Source: Scottish Executive, Education Statistics

The proportion of P5 (9-year-old) pupils in deprived schools failing to achieve level B in reading, writing and maths has fallen considerably, but is still much higher than P5 pupils on average.



Source: Unpublished data from the Scottish Executive

The first graph compares Standard grade tariff scores between the weakest fifth of pupils and pupils on average. Tariff scores are calculated by converting the levels that 16-year-olds achieve in their Standard grade exams into points, with the points ranging from 38 for a Standard grade 1 (roughly equivalent to a GCSE 'A' in England and Wales) to 11 for a Standard grade 5 (the first 'low grade') and 3 for a Standard grade 7 (the lowest result). The statistics include special units. For the years 1998 and earlier, the published statistics did not include such units and a small adjustment has been made for these years to allow for this. The data source is the Scottish Executive Education Statistics.

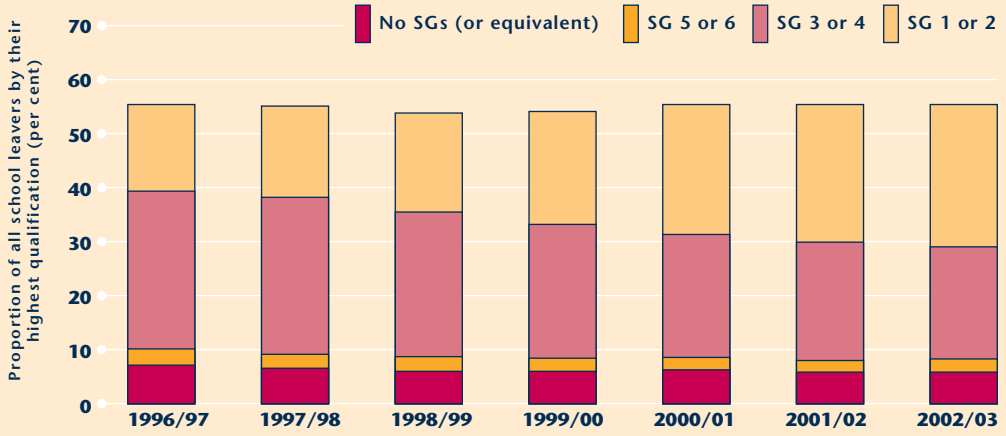
The second graph shows the proportion of P5 pupils (typically aged 9) failing to achieve level B in writing, reading and maths. The data is shown separately for pupils in the fifth of schools with the highest proportion of their pupils eligible for free school meals (a proxy for level of deprivation) and for all pupils. The data source is unpublished statistics from the Scottish Executive.

*Overall adequacy of the indicator: **high**. Qualifications data is collected by the Scottish Executive Education Department and is based on data from all schools.*

Qualifications of school leavers

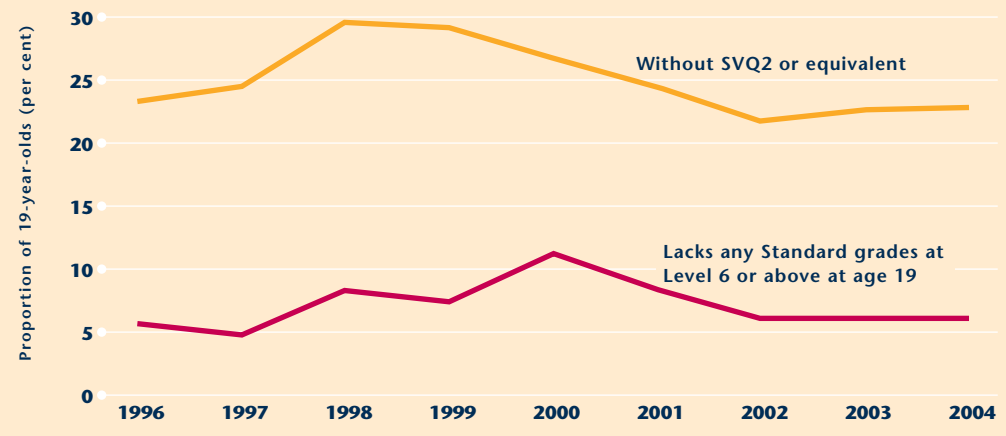
Indicator 13

The proportion of school leavers gaining no or low Standard grades has not changed since 1999. There has been a big rise in the proportion leaving school with high Standard grades but no Highers.



Source: School Attainment and Qualifications of School Leavers in Scotland, Scottish Executive

Six per cent of 19-year-olds have no qualifications, with a further 16 per cent having low qualifications (without SVQ2 or equivalent). These proportions are similar to eight years ago.



Source: Labour Force Survey, Spring Quarters, ONS

The first graph shows the qualification level for those leaving school with no more than Standard grades and so provides a more detailed look at educational performance for those pupils who do not go on to obtain Highers (around half of all pupils). This is a larger proportion of the population than the indicators are usually concerned with, but such concern is justified by the relatively high risk of unemployment and low pay faced by those with no more than Standard grades. The data shows those with no Standard grades (SGs), with SG 5 or 6 (low grades), with SG 3 or 4 (middle grades) and with SG 1 or 2 (high grades). The data source is the School Attainment and Qualification of School Leavers Statistics from the Scottish Executive.

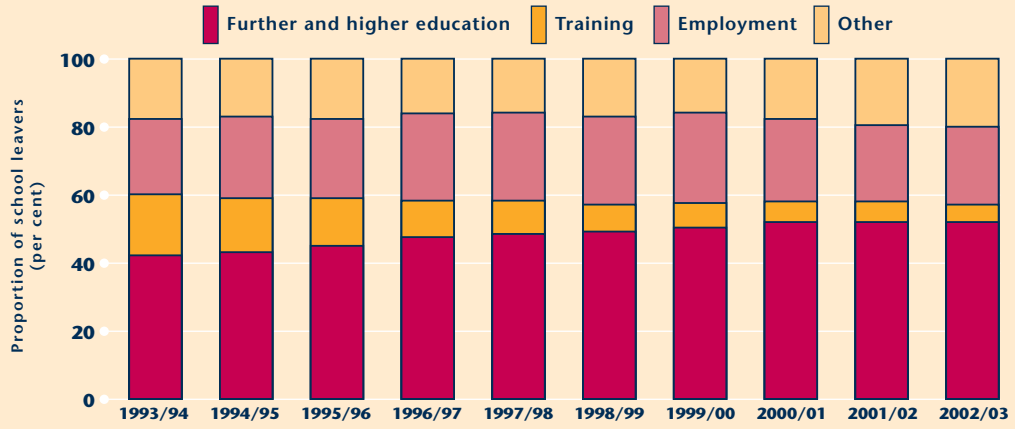
The second graph shows the proportion of 19-year-olds who lack an SVQ2 or equivalent, with those lacking any Standard grades at Level 6 or above shown separately. SVQ2 or equivalent includes those with 5 or more Standard grades credit level (Standard grades 1–2); GNVQ intermediate; RSA diploma; City and Guilds craft; BTEC, SCOTVEC first or general diploma; A levels; and 5 or more O Levels/GCSEs grade A–C. The data source is Spring Quarters of the Labour Force Survey (LFS).

Overall adequacy of the indicator: ***high****. Qualifications data is collected by the Scottish Executive Education Department and is based on data from all schools.*

Destinations of school leavers

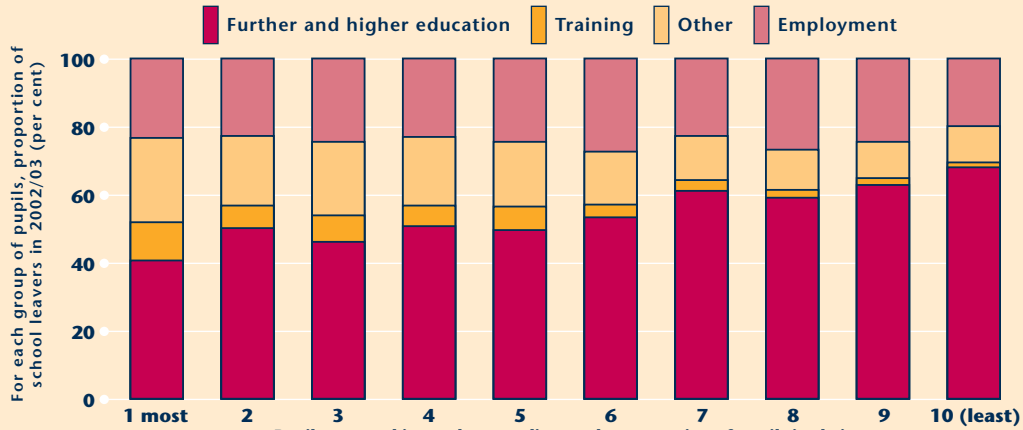
Indicator 14

Over the last decade, while the proportion of school leavers entering higher or further education has risen steadily, the proportion entering training has fallen by two-thirds.



Source: Destination of School Leavers from Scottish Schools, Scottish Executive

The more deprived the school, the less likely it is that its school leavers will continue their education.



Source: Unpublished data from the Scottish Executive

The first graph shows the destination of school leavers, represented by the proportions going into full-time higher or further education, training and employment, and with a residual category of 'other'. The 'other' category includes school leavers who are known by the education authority or school to be unemployed, sick, at home looking after children or caring for the elderly, involved in full-time unpaid voluntary work, or taking time out. In addition it includes all leavers whose destinations are not recorded by the careers service, independent or grant-aided schools. The data source is the Destinations of Leavers from Scottish Schools survey published by the Scottish Executive.

The second graph shows how the destination of school leavers varies according to the proportion of pupils in the school who are eligible for free school meals (a proxy for level of deprivation). The schools are divided into ten groups, ranging from group 1 (the tenth of schools with the highest proportion eligible for free school meals) to group 10 (the tenth with the lowest proportion). The data source is unpublished statistics from the Scottish Executive.

*Overall adequacy of the indicator: **high**. The indicator is derived from administrative data collected by the Scottish Executive. Information on publicly funded schools is provided to the Scottish Executive by the careers services. Information from independent schools is collected directly from the schools.*

Lack of work

Topics and indicators

As shown by the indicator in the low income chapter [3A], workless working-age households face a very high risk of low income. This is obviously true for those households officially counted as unemployed, where one or more adults are both seeking and available for work. But it is equally true for that far larger number of households where the adults are deemed to be economically inactive.

Among those deemed economically inactive, a substantial proportion report that they would take paid work if it were available. Although there are many reasons why people would fall into this category, it is important to pay attention to this group, who occupy an intermediate position between the tightly and administratively defined 'unemployed' and the much larger and varied 'economically inactive'.

The indicators in this section cover three aspects of worklessness, namely:

- Workless individuals.
- Workless households.
- Jobs.

Trends in work and worklessness are captured by an indicator [15A] that shows how the number of people who are either unemployed or economically inactive but want paid work has changed over time. The supporting graph [15B] provides a breakdown by age and gender. In both cases, the data is shown separately for those who are ILO unemployed and those who are economically inactive but want paid work.

Clearly, worklessness for an individual is even more serious where all the working-age adults in the household are workless. The second indicator in this section [16A] shows how the proportion of households who are workless has changed over time, with the data broken down into four family types, namely single adults without dependent children, lone parents, households with two or more working-age adults but no dependent children, and households with two or more working-age adults and with dependent children. The supporting graph [16B] shows how the individuals in workless households – both adults and children – are divided between these family types.

Clearly, also, the prospects of work are affected by the number and types of jobs that are available. While the total number of jobs has been rising, the number of blue-collar jobs has not, and this has implications for those doing manual work, especially men. The final indicator in this section [17A] shows how the total number of jobs has changed since 1997, with the data divided into three broad bands: jobs in manufacturing, construction and other production industries; public sector; and private sector services. The supporting graph [17B] provides a breakdown of the change in manufacturing, construction and other production industry jobs by local authority, noting that it is only possible to do this for the period 1998 to 2002 (2002 being the latest available data and the data prior to 1998 being non-comparable).

What the indicators show

In 2004, around 150,000 people were officially (ILO) unemployed but a further 210,000 were economically inactive but wanted paid work. Official unemployment therefore captures less than half of the true extent of what could be called 'involuntary worklessness'. [15A]

Furthermore, the number of people who are economically inactive but want work is similar to a decade ago, whereas the number who are unemployed has fallen by almost a third. [15A]

There are more women than men who are economically inactive but want paid work, with disproportionately high rates among both younger women (aged under 35) and older men (aged over 50). [15B]

Unemployment rates decrease with age, for both men and women. [15B]

While the number of 2+ adult working-age households who are workless has fallen, the number of single adult households who are workless has not. In particular, the number of workless single households without dependent children now account for three-fifths of all workless households. Lone parent households account for a further fifth. [16A]

Looking at these figures in terms of people rather than households, two-thirds of people in workless working-age households are living in single adult households. Only a third are living in 2+ adult households, and only one in ten are children living in 2+ adult households. [16B]

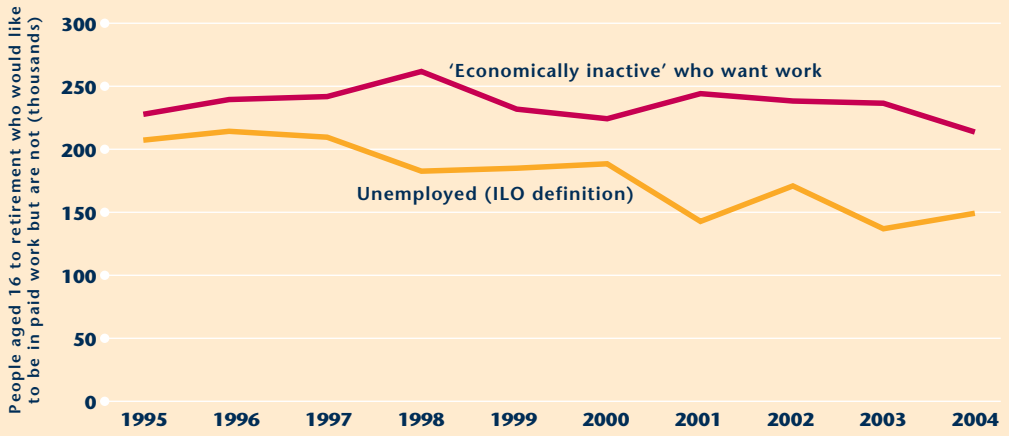
The total number of jobs grew by around 250,000 (13 per cent) in the period from 1997 to 2004. But this overall rise masks a sharp change in the mix with private sector service jobs up by almost 200,000 (22 per cent), public sector jobs up by almost 100,000 (14 per cent) and manufacturing, construction and other production industry jobs roughly stable. [17A] The manufacturing, construction and other production industries have a much higher proportion of full-time male jobs than either private sector services or the public sector.

Over the period 1998 to 2002 (the latest data available) the number of manufacturing, construction and other production industry jobs fell in all local authorities except for Perth and Kinross, and Scottish Borders. In four – West Dunbartonshire, Shetland Islands, South Ayrshire, and Renfrewshire – the number of such jobs fell by a third. In terms of absolute numbers, the largest falls were in Edinburgh (10,000), Renfrewshire (9,000) and Glasgow (8,000). [17B]

Workless individuals

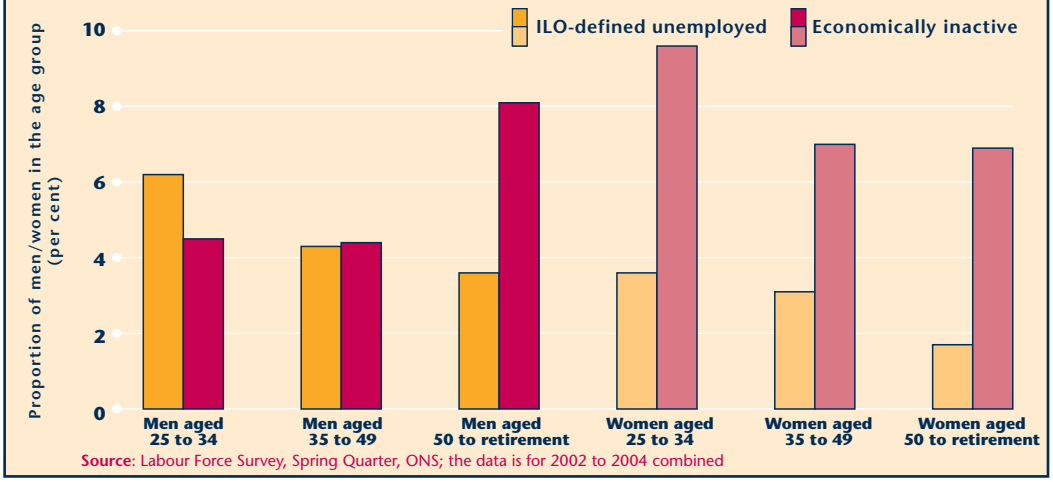
Indicator 15

Whereas the number officially unemployed has reduced by a third over the last decade, the number who are 'economically inactive' but want work has remained largely unchanged.



Source: Labour Force Survey, Spring Quarters, ONS

There are more women than men who are economically inactive but want paid work, with disproportionately high rates among both younger women (aged under 35) and older men (aged over 50).



Source: Labour Force Survey, Spring Quarter, ONS; the data is for 2002 to 2004 combined

The first graph shows the proportions of the working-age population who are either unemployed (on the ILO definition) or economically inactive but want paid work. This latter group includes people who are not available to start work for some time and those not actively seeking work.

The second graph shows how the proportions either unemployed or economically inactive but wanting paid work vary by age and sex. To improve statistical reliability, the data is averaged across the latest three years.

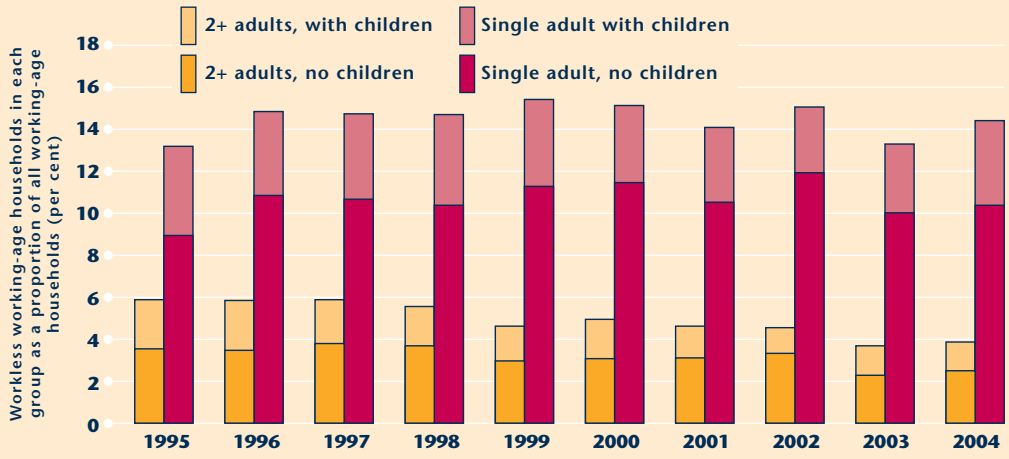
The data source for both graphs is the Labour Force Survey (LFS).

Overall adequacy of the indicator: ***high****. The LFS is a large, well-established quarterly government survey designed to be representative of the population as a whole.*

Workless households

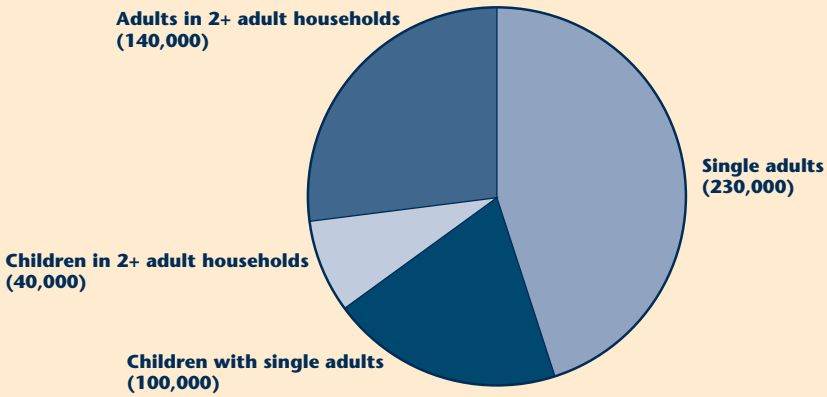
Indicator 16

While the number of 2+ adult working-age households who are workless has fallen, the number of single adult households who are workless has not.



Source: Labour Force Survey, Spring Quarters, ONS

Two-thirds of people in workless working-age households are living in single adult households.



Source: Labour Force Survey, Spring Quarters, ONS; the data is for the years 2002 to 2004 combined

The first graph shows the number of workless working-age households (i.e. households where none of the adults are working) as a proportion of total working-age households, with the data being grouped into four household types.

The second graph shows the number of people in workless working-age households. To improve statistical reliability, the data is averaged for the years 2002 to 2004.

In both graphs, households which are entirely composed of full-time students have been excluded from the analysis, as have households where their economic status is not known.

In both graphs, full-time students have been excluded from the calculations to decide whether the household has one or more than one adult. So, for example, a household comprising one full-time student and one other working-age adult has been allocated to the 'one adult' household type.

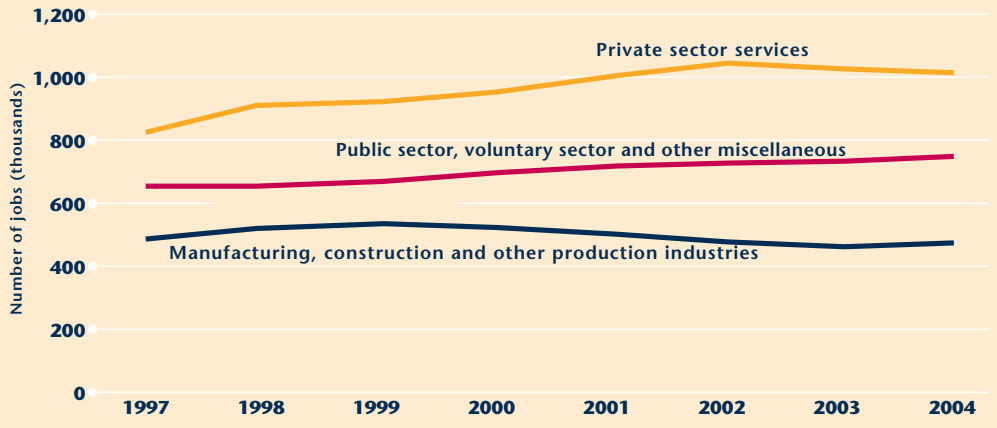
The data source for both graphs is the Labour Force Survey (LFS) Household datasets for the spring quarter of each year.

Overall adequacy of the indicator: ***high****. The LFS is a large, well-established quarterly government survey designed to be representative of the population as a whole.*

Jobs

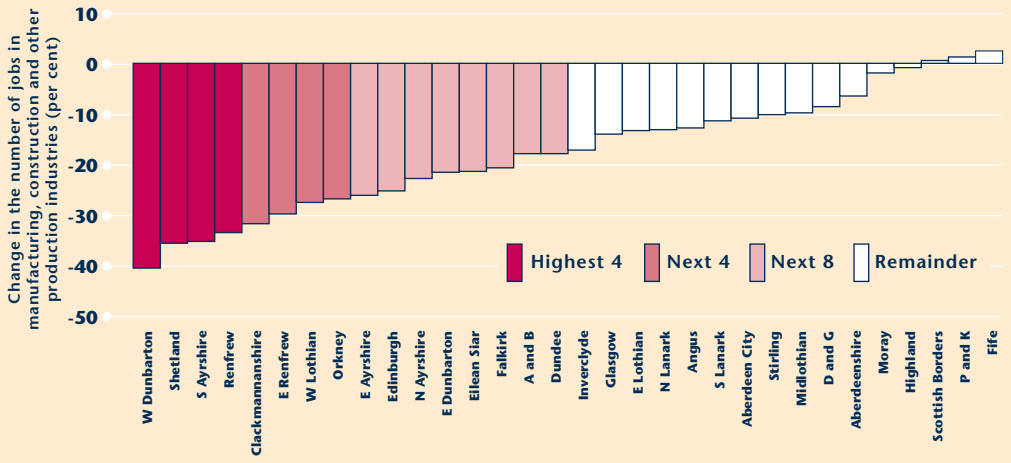
Indicator 17

All of the rise in jobs in recent years has been in service industries.



Source: Labour Market Statistics

Just about all local authority areas lost jobs in manufacturing, construction and other production industries between 1998 and 2002. In four, at least a third of such jobs were lost.



Source: Annual Business Inquiry, 1998–2002

The first graph shows the change in the total number of jobs in Scotland in the period from 1997 to 2004 split by industrial sector. The data source is Labour Market Statistics, using the latest published revisions for each of the years shown.

The second graph shows how the number of jobs in manufacturing, construction and other production industries changed between 1998 and 2002 in each local authority. The data source is the Annual Business Inquiry (ABI) obtained via NOMIS. The first ABI survey was in 1998 and the latest published results are for 2002. The data refers to the jobs available within each area rather than the jobs performed by the people who live there.

In principle, a longer time series could have been used by stitching together the Annual Business Inquiry and its predecessor, the Annual Employment Survey (AES). In practice this is not possible because the two surveys use different methods of calculation which give different answers at geographic levels below that of Great Britain. Such discrepancies are discussed in the ONS report of their ABI/AES reconciliation project, which recognised the extent of this problem.

Overall adequacy of the indicator: ***medium****. Labour Market Statistics are an authoritative source but are subject to substantial revisions from time to time.*

Low pay

Topics and indicators

It is often assumed that the combination of the National Minimum Wage and tax credits mean that low pay is a problem which has been solved. In fact, however, low pay remains commonplace in Scotland, as in the rest of the United Kingdom. This is clearly illustrated by the indicator in the low income chapter [3B] which shows that two-fifths of all those in low income (excluding pensioners) are in households where at least one of the adults is working.

Data on low pay in Scotland is limited. There is, for example, no official estimate of the numbers of people earning the National Minimum Wage or just above.[26] In this context, the indicators in this section have to focus on ratios rather than absolute numbers.

The first indicator [18A] focuses on pay differentials, and shows how inequalities between high, average and low pay, and between pay for men and women, have changed over time. The supporting graph [18B] shows how average earnings for men and women differ, with the data broken down by occupation.

The second indicator focuses on the location of low pay, with one graph [19A] showing the distribution of low paid workers between industries and the other [19B] showing how the proportion of workers who are low paid varies by local authority.

Tax credits are a major UK government initiative to help people in low pay. These tax credits are more generous than the system of benefits that they replaced in terms of both the numbers of people who are eligible and the amounts of money that they are eligible for. The third indicator on low pay [20A] shows how the proportion of people in receipt of tax credits has changed over time and how it varies according to the level of deprivation in the geographic area. The supporting graph [20B and map D] provides a breakdown by local authority. Whilst this indicator does not meet the criterion of being obvious which is the desired direction for change over time, it is clear that the trends in the last few years have been driven by the changes in eligibility rather than any underlying changes in need and thus that upward trends are currently to be desired.

What the indicators show

The best paid women earn around 20 per cent less than the best paid men while the worst paid women earn about 10 per cent less than the worst paid men. Female median earnings are 13 per cent less than male median earnings. [18A]

The earnings of low paid men have fallen further behind average male earnings over the last decade. In contrast, the earnings of low paid women have caught up somewhat since 1998, so the gap is narrowing. [18A]

Average male hourly earnings for full-time workers exceed average female hourly earnings in all occupational groups. In other words, gender pay inequalities are not just because women work in more lowly occupations. [18B]

Average female hourly earnings for full-time workers are less than £6.50 per hour in four areas of occupation: elementary (routine occupations), personal service (mainly healthcare and childcare services), sales and customer service, and process, plant and

machine operatives. [18B] Together, these occupations account for around a sixth of full-time female workers.

Average male hourly earnings for full-time workers also exceed average female hourly earnings in just about every industry.

Around five times as many women as men work part-time and part-time work is often poorly paid – half of all part-time women earn less than £6 per hour (from the 2003 New Earnings Survey; figures for a £6.50 threshold are not available).

Two-fifths of all of those aged 25 or over earning less than £6.50 per hour work in the wholesale, retail, hotel and restaurant sectors. A further quarter are directly employed by the public sector. Only one in ten are in manufacturing and barely one in eight are in all the production industries put together. [19A]

Over half of workers aged 25 and over in the wholesale, retail, hotel and restaurant sectors are low paid, with two-thirds of these being women. Around a fifth of those directly employed by the public sector are low paid, with four-fifths of these being women.

The number of recipients of tax credits rose sharply in 2003 (by 60 per cent), reflecting the more generous eligibility criteria that were introduced as part of the introduction of the Working and Child Tax Credits (which replaced the Working Families Tax Credit in April 2003). [20A]

Some of this rise will have been due to people without children now being eligible (prior to April 2003 tax credits were only available to people with dependent children) and some will have been due to more generous eligibility criteria for people with children.

This rise accelerated previous rising trends for the numbers in receipt of the Working Families Tax Credit which, in turn, continued previous rising trends for the numbers in receipt of Family Credit (which Working Families Tax Credit replaced in October 1999). In total, three-and-a-half times as many people are now in receipt of tax credits as were in receipt of Family Credit a decade ago. [20A]

Although the proportion claiming tax credits is, on average, slightly higher in authorities with above average deprivation (as measured by the 2004 Scottish Index of Multiple Deprivation or SIMD), these differences are not substantial. Furthermore, all types of authorities have benefited more or less equally from the introduction of the Working and Child Tax Credits. [20A]

The geographic pattern of both low pay and tax credits is very different from that of people who are out of work.

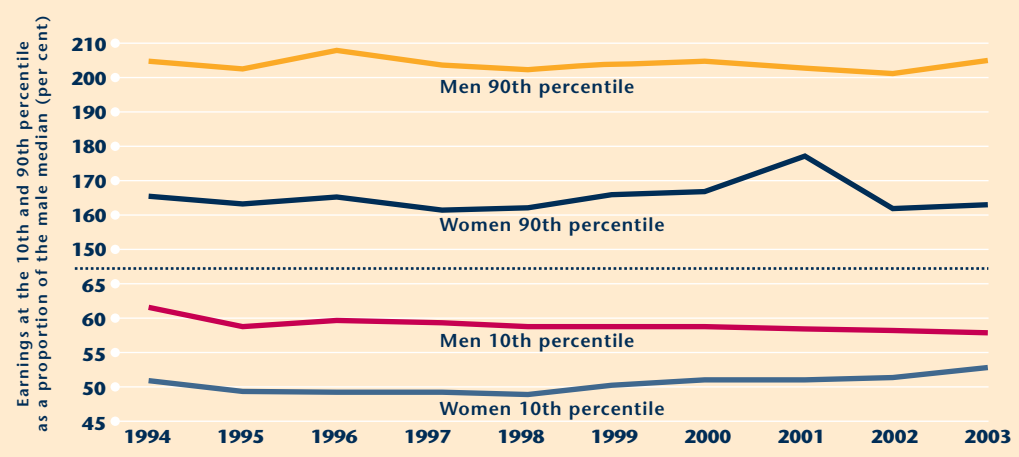
On low pay itself, the Scottish Borders, Moray, West Dunbartonshire, and Dumfries and Galloway are at the top of the list in terms of the proportion of full-time workers earning less than £250 per week (noting that lack of data means that the islands could not be included in this list). [19B]

With tax credits, the proportion of the population in receipt of tax credits is above average in many parts of the south and south west of Scotland; by contrast, it is below average in three of the four biggest cities. Glasgow is towards the bottom while Edinburgh and Aberdeen City are at the very bottom. Orkney and Eilean Siar (though seemingly not Shetland) are at the top along with Dumfries and Galloway and the Scottish Borders. [20B and map D]

Pay inequalities

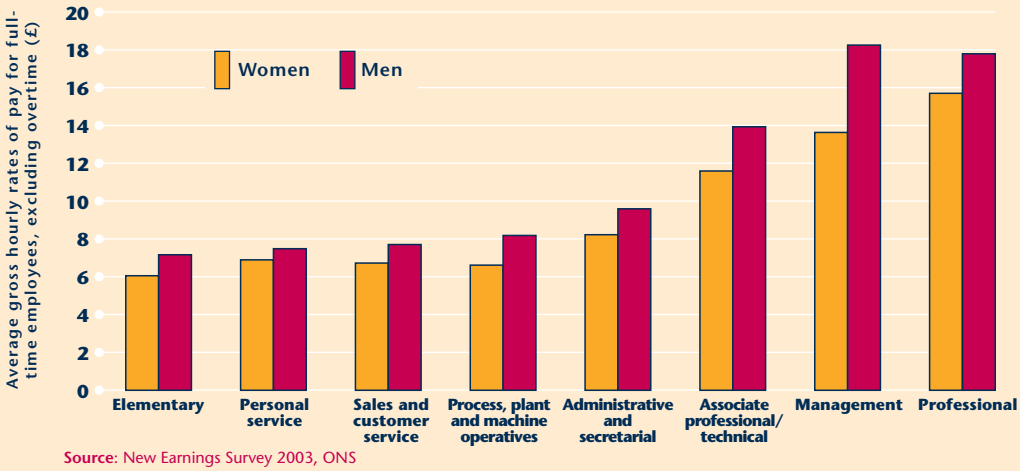
Indicator 18

The best paid women earn around 20 per cent less than the best paid men while the worst paid women earn about 10 per cent less than the worst paid men.



Source: New Earnings Survey, ONS

Average male hourly earnings exceed average female hourly earnings in all occupational groups.



Source: New Earnings Survey 2003, ONS

The first graph compares the gross hourly pay of men at the 10th percentile (i.e. one-tenth from the bottom of the male pay distribution), women at the 10th percentile (i.e. one-tenth from the bottom of the female pay distribution), men at the 90th percentile, and women at the 90th percentile. All statistics are shown as a proportion of male average (median) hourly pay, thus providing a measure of earnings inequalities.

The second graph shows the variations in average weekly gross pay for full-time employees by occupational group and sex. The major occupations under the title 'personal service' are related to healthcare and childcare services. Those under 'elementary' relate to routine occupations.

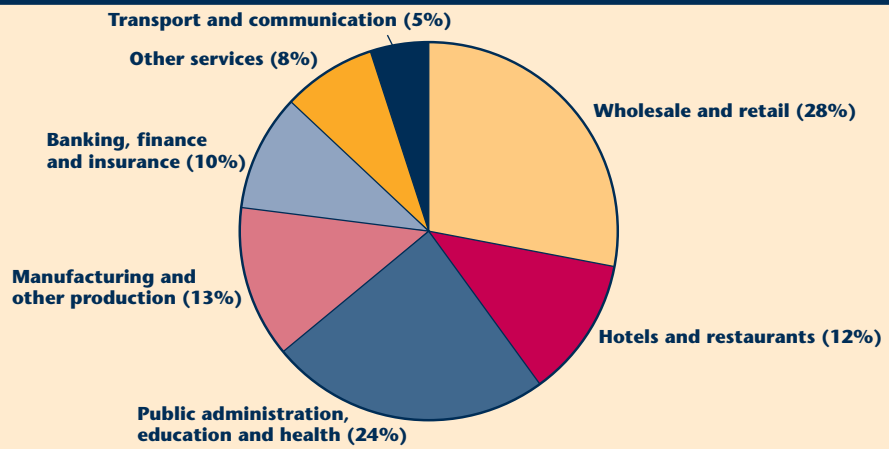
The data source for both graphs is the New Earnings Survey (NES). The NES asks each employer what the total gross figure on a set day in April was for each employee.

*Overall adequacy of the indicator: **medium**. The NES is a large annual survey of employers and is based on a 1 per cent sample of all employees based on records held by the Inland Revenue. Note that the NES does not include employees who are not members of the PAYE income tax schemes and is therefore likely to underestimate levels of earnings at the very bottom of the pay scale, especially in the informal economy.*

Distribution of low pay

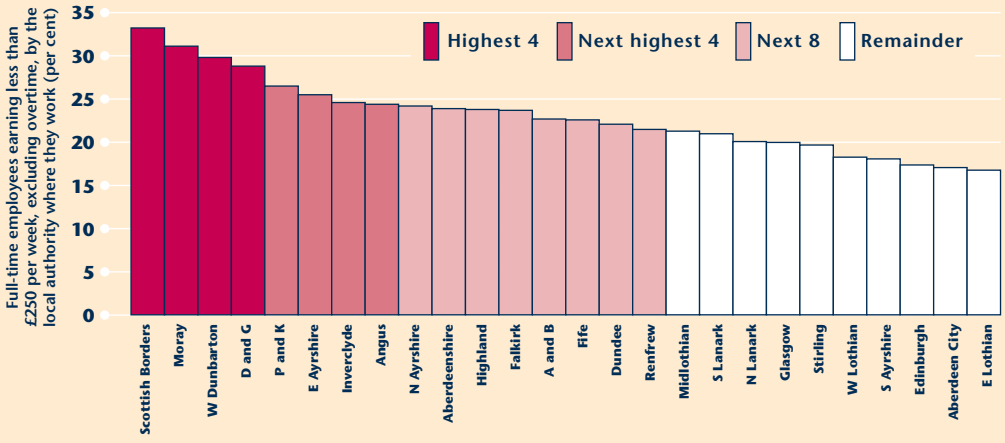
Indicator 19

Two-fifths of all low paid workers aged 25 and over work in the wholesale, retail, hotel and restaurant sectors. A further quarter are directly employed by the public sector.



Source: Labour Force Survey, Spring Quarter 2004, ONS

The proportion of full-time workers earning less than £250 per week is highest in the Scottish Borders, Moray, West Dunbartonshire, and Dumfries and Galloway.



Source: New Earnings Survey, ONS; the data is for the years 2001 to 2003 combined

The first graph shows the distribution of low-paid workers aged 25 to retirement between industrial sectors, with some sectors combined. A low pay threshold of £6.50 per hour, roughly two-thirds of the Great Britain median hourly earnings, has been used. The lower age of 25 has been chosen because the distribution between sectors is different for workers below this age. The data source is the Labour Force Survey (LFS). Equivalent data from the New Earnings Survey is not available. People whose hourly pay rates cannot be calculated from the survey data have been excluded from the analysis.

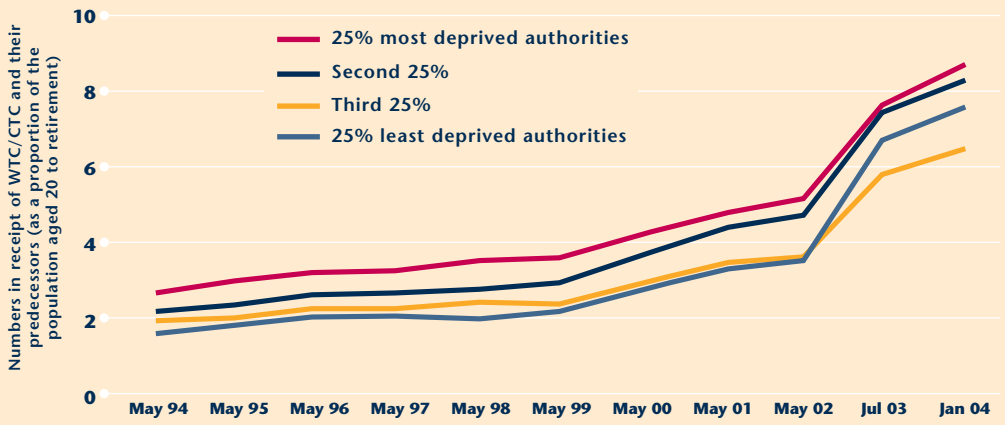
For the second graph the £250 per week threshold has been used because it is similar to the £6.50 threshold, and is one of the few for which data by local authority is available. To improve statistical reliability, the data is for the years 2001 to 2003 combined. Sample sizes are insufficient to show estimates for some areas. The data is based on where people work rather than where they live, as such data is not available for 2001 and 2002. The data source is the New Earnings Survey (NES).

*Overall adequacy of the indicator: **medium**. Both the LFS and NES are large, well-established government surveys. However, there are some doubts about the reliability of the low pay data in LFS and analyses of NES are largely restricted to whatever happens to have been published.*

In receipt of tax credits

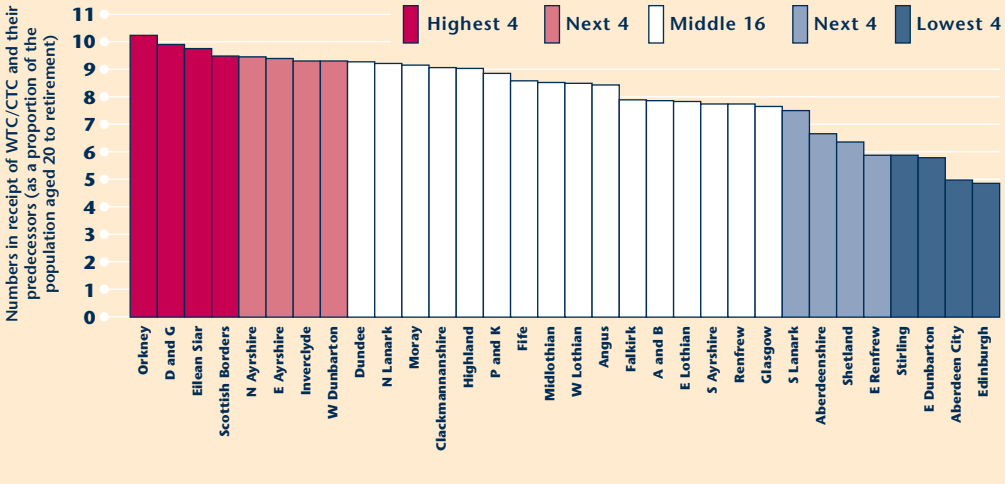
Indicator 20

Tax credits have benefited all types of area more or less equally, irrespective of the level of deprivation.



Source: DWP information Centre and Inland Revenue

The proportion of the population in receipt of tax credits is highest in some of the rural areas; by contrast, it is below average in three of the four biggest cities.



Source: DWP Information Centre and Inland Revenue, 2004

In April 2003 the Working Tax Credit (WTC) and Child Tax Credit replaced the Working Families Tax Credit (WFTC) and Disabled Person's Tax Credit (DPTC). These, in turn, had been introduced in 1999 to replace Family Credit (FC) and Disability Working Allowance (DWA).

The first graph shows the number of people in receipt of tax credits (and their equivalents in previous years) for each year since 1994 as a proportion of the population aged 20 to retirement. The data is shown separately for groups of local authorities which are grouped into quarters according to their 2004 Scottish Index of Deprivation ranking.

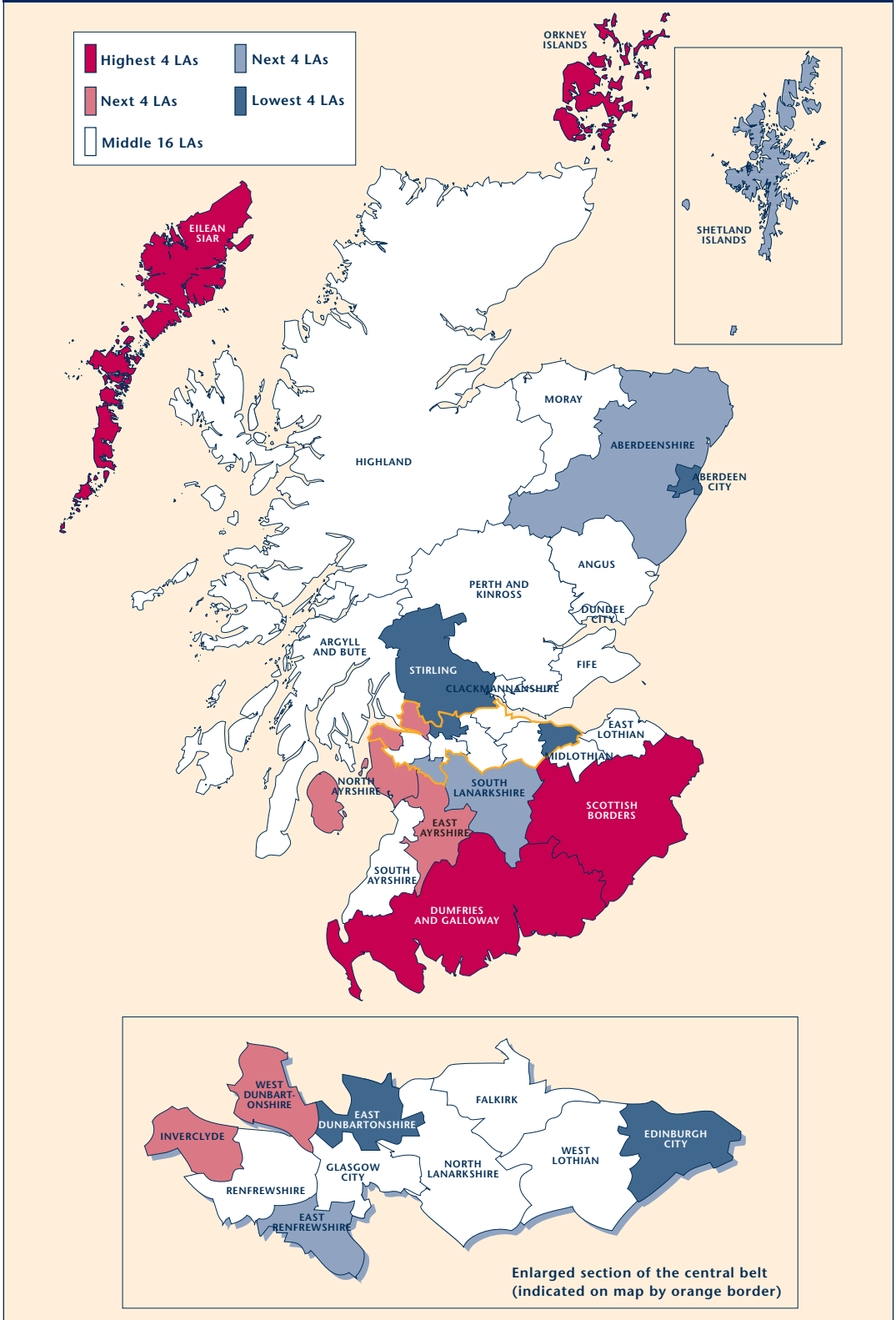
The second graph shows, for January 2004, the same data separately for each local authority.

Care has been taken to ensure that the data is on a like-for-like basis. In particular, the 2003 and 2004 data is total recipients of either WTC or CTC in the stated month excluding those just receiving the family element of CTC.

The data sources for both graphs are the Department for Work and Pensions Information Centre for data on FC and DWA and the Inland Revenue for data on WTC, CTC, WFTC and DPTC.

Overall adequacy of the indicator: ***medium****. All the data is considered to be very reliable and provides an accurate count of the people on those benefit/tax credits. However, the extensive changes in the system from year-to-year makes the data somewhat difficult to interpret.*

MAP D: The proportion of the population in receipt of tax credits is above average in many parts of the south and south west of Scotland; by contrast, it is below average in three of the four cities.



Disadvantage at work

Topics and indicators

Disadvantage at work is a much wider issue than simply low pay. Rather, it covers all aspects of the quality of work, ranging from its level of security, though terms and conditions for sickness, holiday and pensions, to the prospects for developing skills and moving on to better jobs.

The indicators in this section cover two particular aspects of disadvantage at work, namely:

- Job insecurity.
- Access to training.

The indicator on job insecurity [21A] shows the proportion of people making a new claim for Jobseeker's Allowance who were last claiming less than six months ago. It is supported by a graph [21B] showing the principal reasons people give for taking part-time or temporary work. The main point of interest in this latter graph is those who would prefer, respectively, full-time work or permanent work.

The indicator on training at work [22A] shows how access to work-based training has changed over time, with the data broken down between those who have, and those who do not have, previous qualifications. The supporting graph [22B] shows how access to training varies by occupation.

What the indicators show

Almost half of the men, and a third of the women, making a new claim for Jobseeker's Allowance were last claiming less than six months ago. In other words, half of men who find work, and a third of women, no longer have that work six months later. These figures have not changed in a decade. [21A]

Only about a quarter of temporary employees report that they do not want permanent work. In other words, temporary work is usually taken because the people working in those jobs cannot find something more permanent. [21B] Since its peak in 1997, the number of people in temporary contracts has fallen by a sixth and now stands at 140,000.

In contrast, the vast majority (four-fifths) of part-time employees report that they do not want full-time employment. Part-time work is therefore a positive choice for most people who do it, usually because it allows them to fulfil other commitments, often to do with looking after children. [21B]

Although there has been some improvement over the last decade, people with no qualifications are still three times less likely to receive job-related training than those with some qualifications – and the more qualifications you have, the more training you are likely to get. [22A]

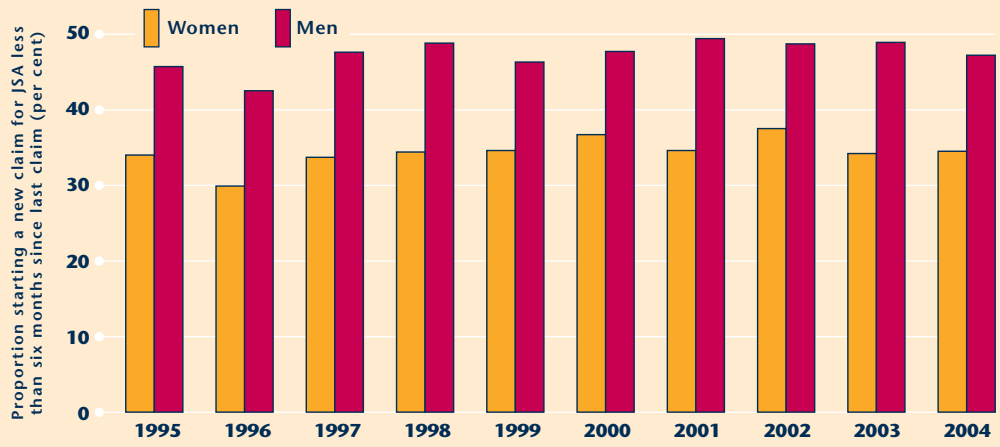
Access to training differs significantly by occupation, with those in professional occupations being more than twice as likely to receive job-related training than those in plant and machine, elementary and skilled trades. [22B]

Membership of a trade union (which is not the subject of an indicator here) is markedly lower among low paid workers than among those on higher incomes: around a fifth compared to almost half.[27]

Insecure at work

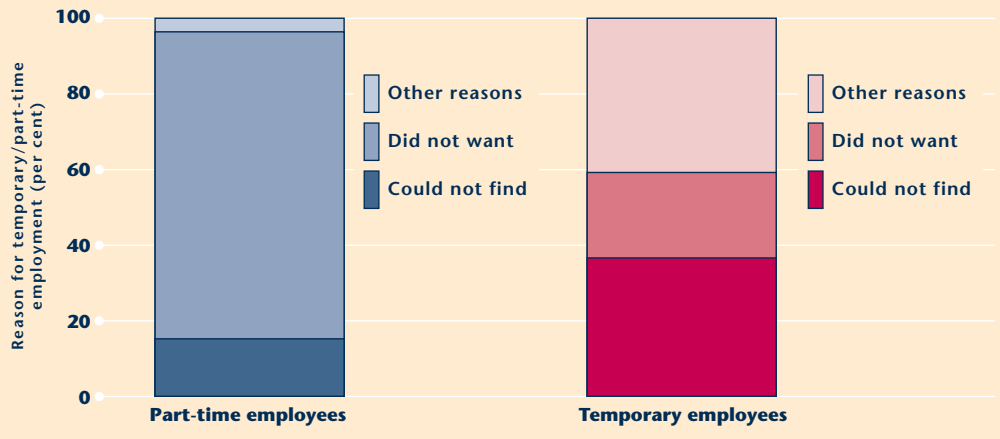
Indicator 21

Almost half of the men and a third of the women making a new claim for Jobseeker's Allowance were last claiming less than six months ago. These proportions are the same as a decade ago.



Source: JUVOS Cohort, first quarters of each year, ONS

Only 1 in 6 part-time employees wants a full-time job – but more than a third of temporary employees would like a permanent job.



Source: Labour Force Survey, Spring Quarter 2004, ONS

The first graph shows the probability that someone who makes a new claim for Jobseeker's Allowance was last claiming that benefit less than six months previously. This is effectively the same as the proportion of people finding work who then lose that work within six months.

The data is taken from the Spring Quarters of the Joint Unemployment and Vacancies Operating System (JUVOS) cohort.

The second graph shows the principal reasons that people give for taking part-time work or temporary work. In each case, the main point of interest is people taking these forms of work who would prefer, respectively, full-time or permanent work.

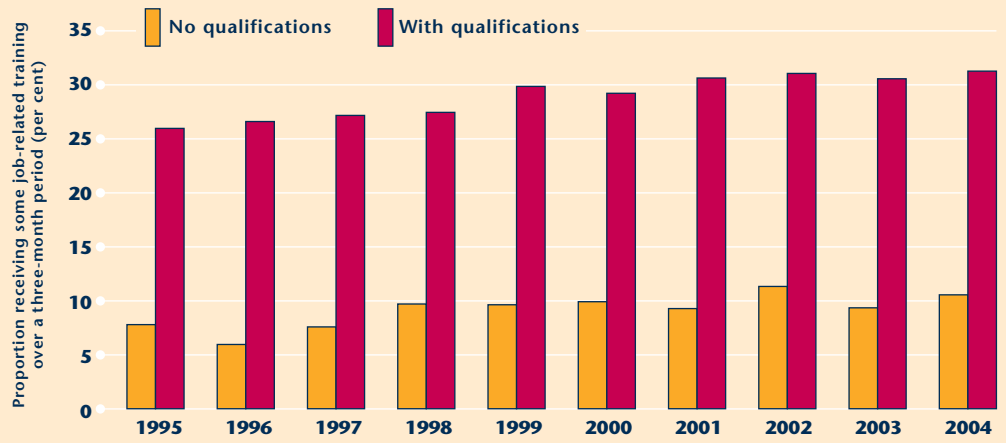
The data source for the second graph is the 2004 Spring Quarter of the Labour Force Survey (LFS).

*Overall adequacy of the indicator: **medium**. While the claimant count data is sound, the narrower definition of unemployment that it represents means that it understates the extent of short-term working interspersed with spells of joblessness.*

Access to training

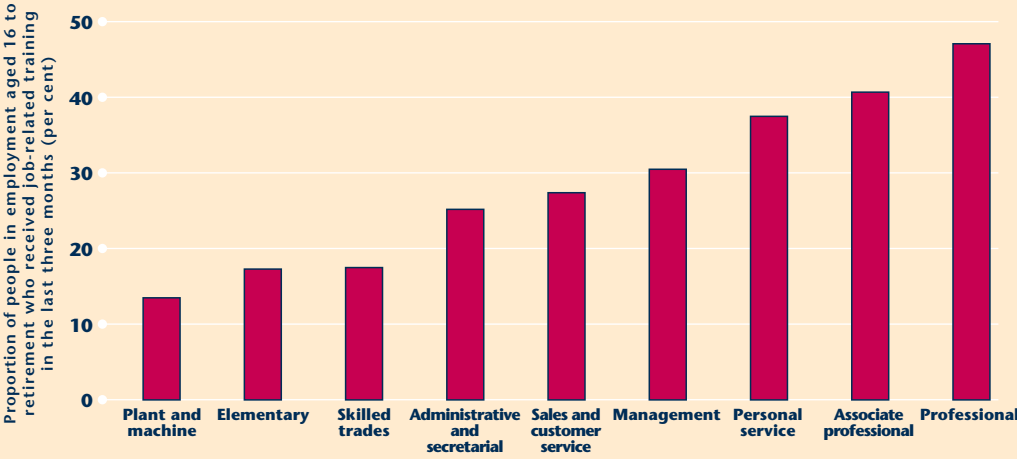
Indicator 22

Although there has been some improvement over the last decade, people with no qualifications are still three times less likely to receive job-related training than those with some qualifications.



Source: Labour Force Survey, Spring Quarters, ONS

Access to training differs significantly by occupation.



Source: Labour Force Survey, Spring Quarter 2004, ONS

The first graph shows the proportion of employees who have had some job-related training in the last three months, with the data shown separately for those with some previous qualifications and those without. The qualifications include both current qualifications and those which have been awarded in the past.

The second graph shows, for the year 2004, a breakdown by occupation group. Note that the major occupations under the title 'personal service' are related to healthcare and childcare services. Those under 'elementary' relate to routine occupations.

The data source for both graphs is Spring Quarters of the Labour Force Survey (LFS). The training includes that paid for by employers and by employees themselves, and the data is for people aged 16 to retirement. Those who have a highest qualification which is not classifiable in the LFS (around 5 per cent of the total) have not been shown on the graphs on the grounds that they are likely to be a very disparate group.

Overall adequacy of the indicator: ***medium****. The LFS is a large, well-established, quarterly government survey of households designed to be representative of the population as a whole. But a single, undifferentiated notion of 'training', without reference to its length or nature, lessens the value of the indicator.*

Summary

The relationship between education and work

People aged 25 to 50 with poor or no qualifications are around twice as likely to be unemployed as people with Highers or better, but their unemployment rate is still less than one in ten.

People aged 25 to 50 with poor or no qualifications are around three times as likely to be in a low paid job as those with Highers or better, with around half paid less than £6.50 per hour.

Low attainment at school

Standard grade attainment for both pupils on average and for the bottom fifth has been rising but the gap between them remains large.

The proportion of P5 (9-year-old) pupils in deprived schools failing to achieve level B in reading, writing and maths has fallen considerably, but is still much higher than P5 pupils on average.

Qualifications of school leavers

The proportion of school leavers gaining no or low Standard grades has not changed since 1999. There has been a big rise in the proportion leaving school with high Standard grades but no Highers.

Six per cent of 19-year-olds have no qualifications, with a further 16 per cent having low qualifications (without SVQ2 or equivalent). These proportions are similar to eight years ago.

Destinations of school leavers

Over the last decade, while the proportion of school leavers entering higher or further education has risen steadily, the proportion entering training has fallen by two-thirds.

The more deprived the school, the less likely it is that its school leavers will continue their education.

Workless individuals

Whereas the number officially unemployed has reduced by a third over the last decade, the number who are 'economically inactive' but want work has remained largely unchanged.

There are more women than men who are economically inactive but want work. The proportion is disproportionately high among both younger women (aged under 35) and older men (aged over 50).

Workless households

While the number of 2+ adult working-age households who are workless has fallen, the number of single adult households who are workless has not.

Two-thirds of people in workless working-age households are living in single adult households.

Jobs

All of the rise in jobs in recent years has been in service industries.

Just about all local authority areas lost jobs in manufacturing, construction and other production industries between 1998 and 2002. In four, at least a third of such jobs were lost.

Pay inequalities

The best paid women earn around 20 per cent less than the best paid men while the worst paid women earn about 10 per cent less than the worst paid men.

Average male hourly earnings exceed average female hourly earnings in all occupational groups.

Distribution of low pay

Two-fifths of all low paid workers aged 25 and over work in the wholesale, retail, hotel and restaurant sectors. A further quarter are directly employed by the public sector.

The proportion of full-time workers earning less than £250 per week is highest in the Scottish Borders, Moray, West Dunbartonshire, and Dumfries and Galloway.

In receipt of tax credits

Tax credits have benefited all types of area more or less equally, irrespective of the level of deprivation.

The proportion of the population in receipt of tax credits is highest in some of the rural areas; by contrast, it is below average in three of the four biggest cities.

Insecure at work

Almost half of the men, and a third of the women, making a new claim for Jobseeker's Allowance were last claiming less than six months ago. These proportions are the same as a decade ago.

Only one in six part-time employees wants a full-time job – but more than a third of temporary employees would like a permanent job.

Access to training

Although there has been some improvement over the last decade, people with no qualifications are still three times less likely to receive job-related training than those with qualifications.

Access to training differs significantly by occupation.

Chapter 3 Ill health

Theme	*Indicator/map*
Overall morbidity and mortality	23 and map E: Premature death 24 and map F: Limiting long-standing illness
Ill health among children	25: Low birth-weight babies 26: Child health 27: Under-age pregnancies
Ill health among the working-age population	28: Problem drug use 29 and map G: Mental health

Overall morbidity and mortality

Topics and indicators

Premature death is arguably the simplest, most accessible indicator for ill health, being a summary measure of all major health problems which result in death. The particular indicator used is the mortality rate for those aged 55 to 64, where the graph [23A] shows how these annual mortality rates have changed over time, with the data shown separately for men and women. For comparison purposes, the equivalent figures for England and Wales are also shown.

There are many other ways in which trends in premature death rates could have been presented. One alternative would have been to show the standardised mortality rates for all those aged less than 65 and such an analysis can be found on the website which complements this report (www.poverty.org.uk), together with an analysis of how mortality rates differ by the level of deprivation in the neighbourhood. Another alternative, commonly used in health circles, would have been to show life expectancy at birth but we have chosen not to use such a form of presentation on the grounds that it is more difficult to understand.

The supporting graph on premature death [23B and map E] is concerned with the standardised mortality rates (SMRs) for coronary heart disease, stomach cancer, and cancer of the lung, bronchus and trachea, this selection reflecting their connection with levels of deprivation. Thus, rates for lung cancer among people living in the most deprived areas of Scotland are three times higher than in the least deprived areas. A similar pattern emerges for coronary heart disease, with those in the most deprived areas having a risk of dying that is two-and-a-half times those in the least deprived areas.[28] More specifically, the graph shows how the standardised mortality rate for these three diseases combined varies by local authority.

Overall morbidity is summarised using an indicator focused on the prevalence of self-reported long-standing illness, where the first graph [24A] shows the variations by age and housing tenure and the second graph [24B and map] shows the variations within the working-age population by local authority. Both graphs use data from the 2001 Census.

The ideal indicator of overall morbidity would have been one that looked at inequalities by social class in the prevalence of limiting long-standing illness/disability and how these have been changing over time. Such data is, however, not available on a regular basis: the Scottish Household Survey only covers four years, the Scottish Health Survey is only conducted every 3 to 5 years, and the General Household Survey has too small a sample of Scottish households to give reliable results. Furthermore, whilst an analysis by social class is theoretically possible from the Census data, the high non-response rate for the social class questions makes such an analysis problematic.

What the indicators show

The overall trend for premature deaths is one of steady improvement. For example, the number of deaths of people aged 55 to 64 has fallen over the last decade, by a quarter for men and by a fifth for women. [23A]

Similarly, the number of premature deaths across all ages up to 64 has fallen over the last decade, by about a tenth for both males and females.

However, premature death is much more common in Scotland than in England and Wales. The rate of deaths amongst those aged 55 to 64 in Scotland has been around a third higher than in England and Wales throughout the last decade, for both men and women [23A]. Indeed, Scotland has by far the highest rates of premature death of any part of Great Britain, being a fifth higher than in the next highest area (North West of England).[29]

Life expectancy at birth is also less in Scotland than in any EU country apart from Portugal.[30]

The standardised mortality rate in the 10 per cent most deprived neighbourhoods is a third higher than in the most prosperous 50 per cent.[31]

The standardised mortality rate for stomach cancer, lung cancer and heart disease in the worst two local authorities – Glasgow and Inverclyde – is twice as high as that in the best areas. Other local authorities with a high rate are Falkirk, North Lanarkshire, West Dunbartonshire, and Renfrewshire. [23B and map]

Total deaths of those aged under 65 show a similar geographic pattern, with the rates in the worst local authority (Glasgow City) twice as high as those in the best. The four authorities with the highest premature death rates are Glasgow City, Inverclyde, West Dunbartonshire, and Dundee City. See the www.poverty.org.uk website for graphs on this.

Premature death rates of those aged under 65 are higher in every local authority in Scotland than the England and Wales average, except for East Dunbartonshire, Aberdeenshire, and East Renfrewshire.

A fifth of people aged 35 to 59 report a limiting long-standing illness. The proportion rises to half for those aged 65 and over. The proportion is similar for men and women in all age groups. [24A]

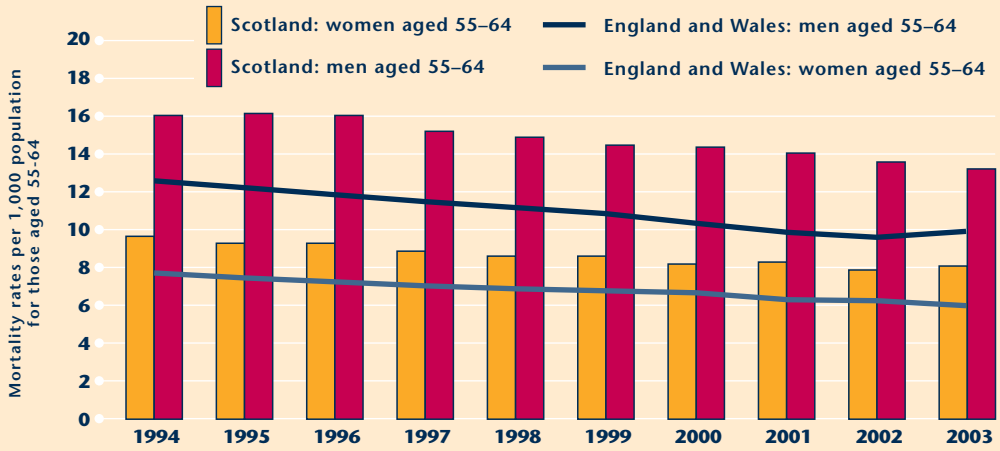
For all age groups, the proportion of people reporting a limiting long-standing illness is much higher for those in social housing than for owner-occupiers. For example, two-fifths of those aged 35 to 59 in social housing report such a condition compared to one in eight of owner-occupiers. [24A]

The proportion of working-age people with a long-standing illness varies between a fifth of the population and a tenth in different local authorities. The authorities with the highest proportions are Glasgow, North Lanarkshire, West Dunbartonshire, Inverclyde, and Clackmannanshire. [24B and map F]

Premature death

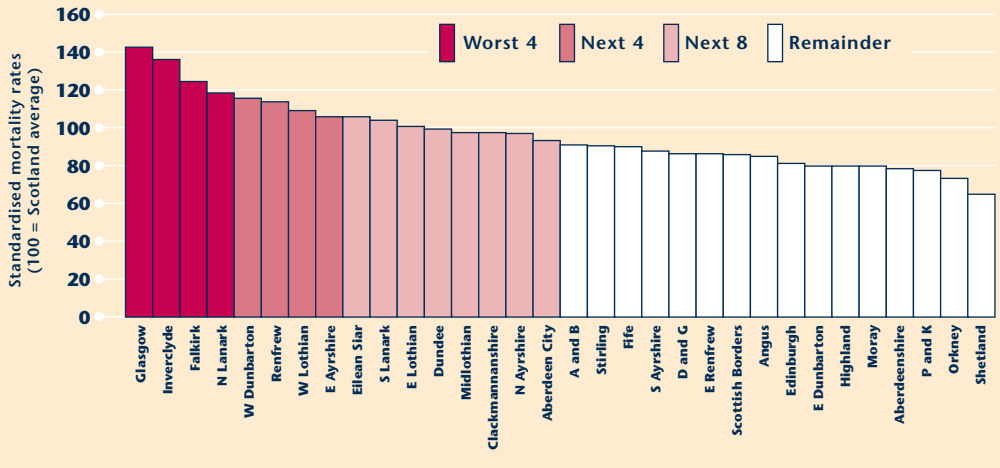
Indicator 23

Throughout the last decade, the rate of deaths amongst those age 55 to 64 in Scotland has been around a third higher than in England and Wales, for both men and women.



Source: General Register Office for Scotland and ONS mortality data

The standardised mortality rate for stomach, lung cancer and heart disease in the worst two areas – Glasgow and Inverclyde – is twice as high as that in the best areas.



Source: General Register Office for Scotland, the data is for 2001 to 2003 combined

The first graph shows mortality rates for men and women aged 55 to 64. For comparison, the equivalent data for England and Wales is also presented. The England and Wales data is only available for selected years (1991, 1996 and 1999 onwards) so the values for the other years have been derived by interpolation.

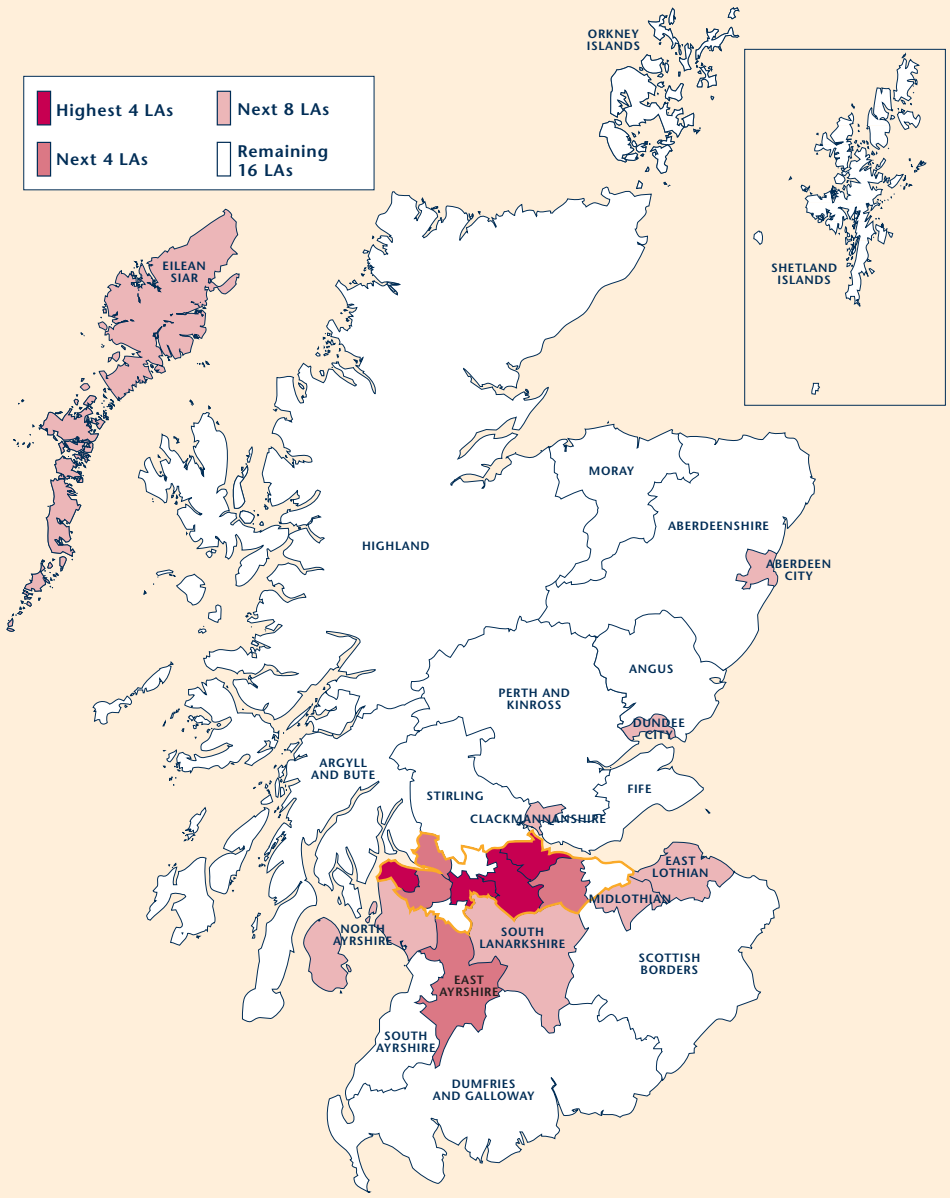
The second graph shows how the standardised mortality rates (SMRs) for specific diseases vary by local authority. These diseases have been chosen because they are major causes of premature death and have a connection with levels of deprivation. To improve statistical reliability, data is averaged over the years 2001 to 2003.

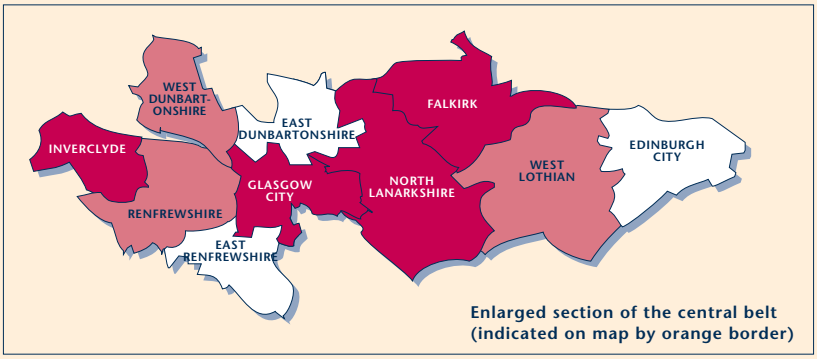
In each case, the data is standardised to the total Scottish population. So, an SMR of 100 suggests that local mortality rates are the same as national mortality rates when age and sex differences in the two populations are taken into account. Scores over 100 suggest higher than average mortality in an area, scores less than 100 lower than average mortality.

The data source for both graphs is the General Register Office for Scotland.

Overall adequacy of the indicator: ***high****. Data on death rates is sourced from administrative data and represents counts of all deaths.*

MAP E: The standardised mortality rate for stomach, lung cancer and heart disease in the worst two areas – Glasgow and Inverclyde – is twice as high as those in the best areas.



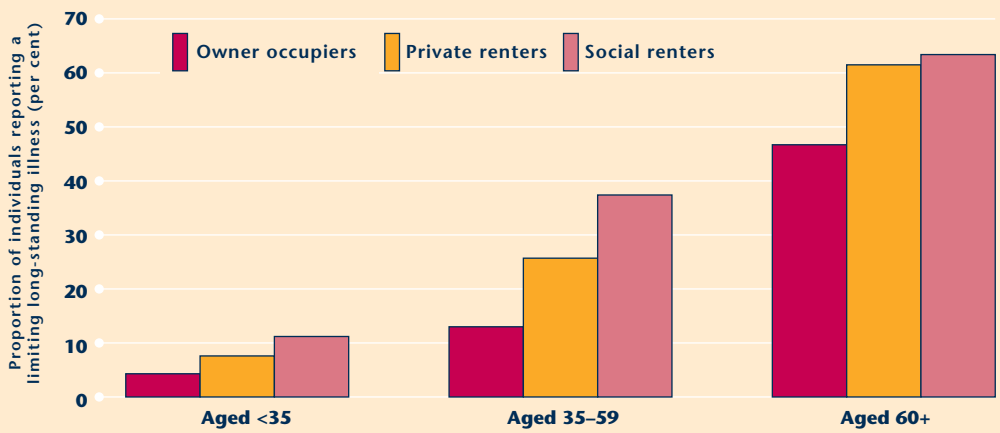


Enlarged section of the central belt (indicated on map by orange border)

Limiting long-standing illness

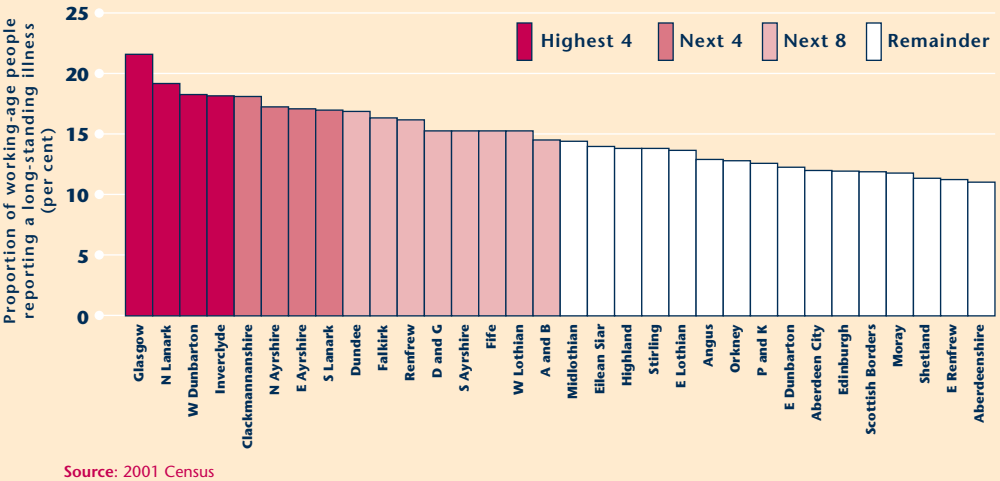
Indicator 24

People of all ages who are living in rented accommodation are much more likely to suffer from a limiting long-standing illness than those in owner occupation.



Source: 2001 Census

The proportion of working-age people with a long-standing illness varies between a fifth of the population and a tenth in different local authorities.



Source: 2001 Census

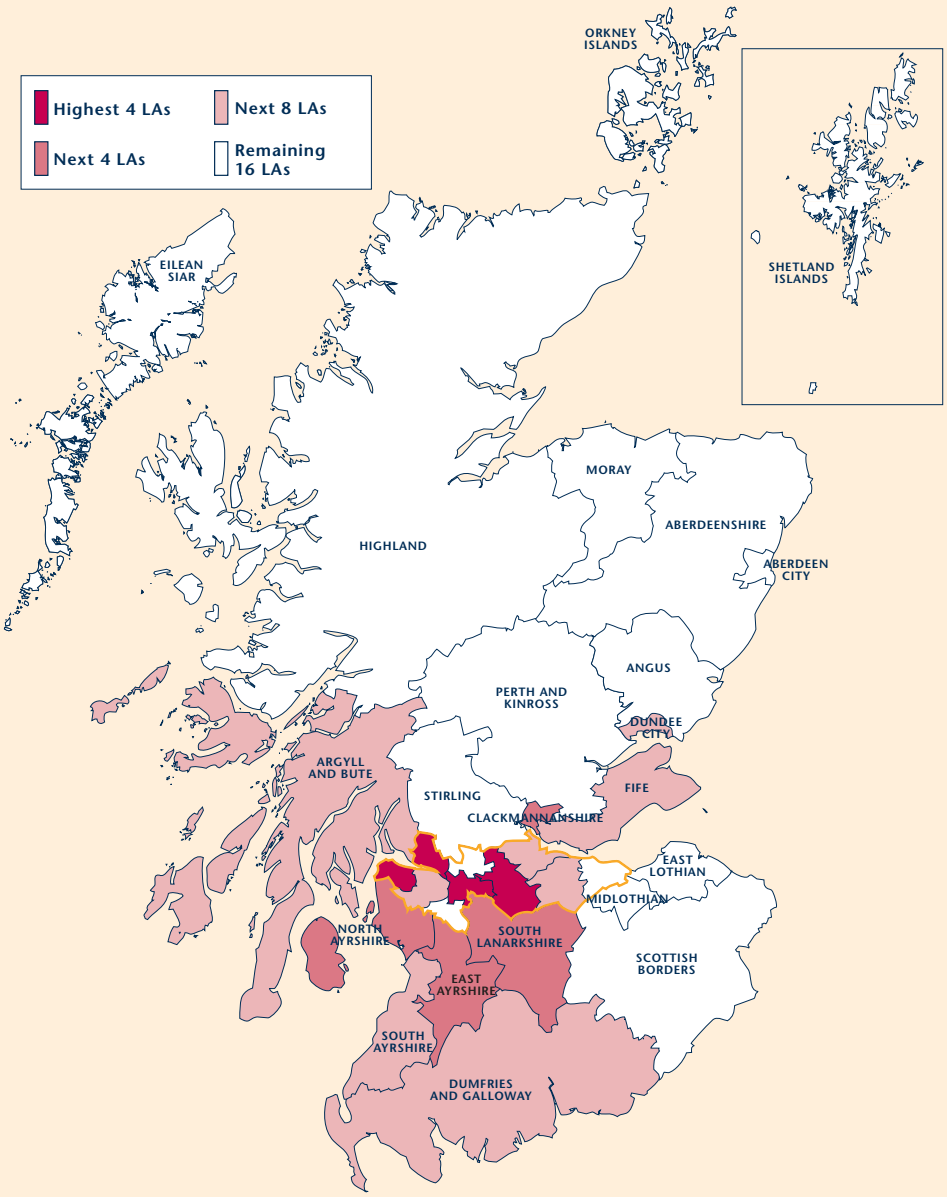
The first graph shows the proportion of adults self-reporting a limiting long-standing illness by age band (under 35, 35–59 and 60+) and housing tenure.

The second graph shows how the proportion of working-age people self-reporting a limiting long-standing illness varies by local authority.

The data source for both graphs is the 2001 Census.

Overall adequacy of the indicator: ***high****. The question asked in the Census is the usually accepted way of measuring the prevalence of limiting long-standing illness.*

MAP F: The proportion of working-age people with a long-standing illness varies between a tenth of the population and a fifth in different local authorities.



Ill health among children

Topics and indicators

The Measuring Inequalities in Health working group which recently reported to the Scottish Executive[32] recommended that five key indicators be used to monitor trends in health inequality among children, namely low birth-weight babies, infant deaths, child admissions to hospital, dental health and under-age pregnancies. The indicators in this section pick up on all of these subjects bar childhood admissions to hospital.

The first indicator is low birth-weight babies. Low birth-weight babies face a range of future health problems both immediate and longer term, including poor health in the first four weeks of life, a higher risk of death before the age of two and delayed physical and intellectual development in early childhood and adolescence. The first graph [25A] shows how the proportion of babies born with a low birth weight has changed over time, with the data shown separately for full-term and premature babies. The supporting graph [25B] shows how the proportion varies according the deprivation category of the parents.

The second indicator covers infant deaths and dental health. The graph for infant deaths [26A] shows how the proportion of children who die in their first year of life has changed over time, with the data shown separately for those from manual and non-manual backgrounds. Note that the pre-2000 data is based on the traditional division of social classes whilst that from 2001 onwards uses the new definition of social classes adopted by the Scottish Executive on the advice of the Office for National Statistics. The Scottish Executive has, however, confirmed that it is reasonable to combine these two series.

The graph for dental health [26B] shows how the proportion of 5-year-olds with decayed, missing or filled teeth varies by Health Board (the equivalent data by local authority not being available). For comparison purposes, the equivalent statistics for England and Wales are also presented. It is well-established that there are significant inequalities in dental health among children according to their level of deprivation.

The third and final indicator covers under-age pregnancies [27A] and shows how the number of pregnancies to girls conceiving under the age of 16 has changed over time, with the data for delivered babies and abortions shown separately. The supporting graph [27B] shows how the number of under-age pregnancies varies by local authority.

What the indicators show

The proportion of babies born with a low birth weight has risen slowly but steadily over the last decade – from 6 1/2 per cent of all live births in 1994 to 7 1/2 per cent in 2003 – as more babies are born prematurely. [25A]

Babies born to parents who live in areas of above-average deprivation are much more likely to be of low birth weight compared to babies born to parents who live in areas of below-average deprivation: 9 per cent compared to 6 per cent. [25B]

The authorities with the highest proportion of babies of low birth weight are Clackmannanshire, West Dunbartonshire and Glasgow.

Children born to parents from manual backgrounds are twice as likely to die in their first year of life as those born to parents from non-manual backgrounds. This has been the case throughout the last decade. [26A]

The overall rate of infant deaths is unchanged over the last decade. [26A]

In contrast, the number of accidental deaths among under-16s has fallen over the last decade, from around 60 a year to 40 a year.[33]

Five-year-olds in Argyll and Clyde, and Greater Glasgow have, on average, one more missing, decayed or filled teeth than 5-year-olds in other parts of Scotland. [26B]

In all areas of Scotland apart from the Scottish Borders, 5-year-olds have, on average, more missing, decayed or filled teeth than 5-year-olds in England and Wales. [26B]

Almost four-fifths of 5-year-olds in the most deprived areas have some decayed teeth compared to two-fifths of those in the least deprived areas.[34]

The number of pregnancies to girls conceiving under age 16 has fallen by a quarter since 1996, and the number of births has dropped by a third. [27A]

Dundee has twice as many under-age pregnancies as most other local authorities. [27B]

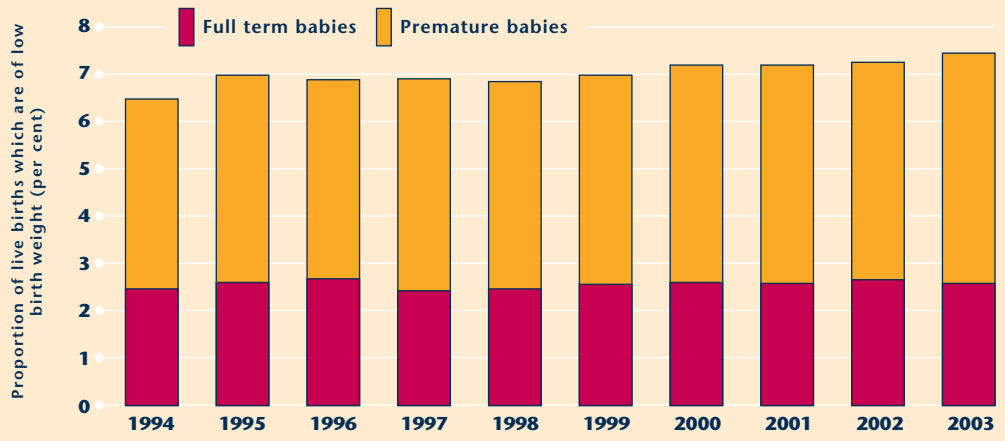
The rate of pregnancy among 13- to 15-year-old girls is three times as high in the most deprived fifth of areas compared to the least deprived fifth, a difference which has existed throughout the last decade.[35]

Teenage pregnancies are much more common in deprived areas: a quarter of all births in the most deprived areas are to teenagers compared to one in six births in areas of average deprivation and one in sixteen births in the least deprived areas.

Low birth-weight babies

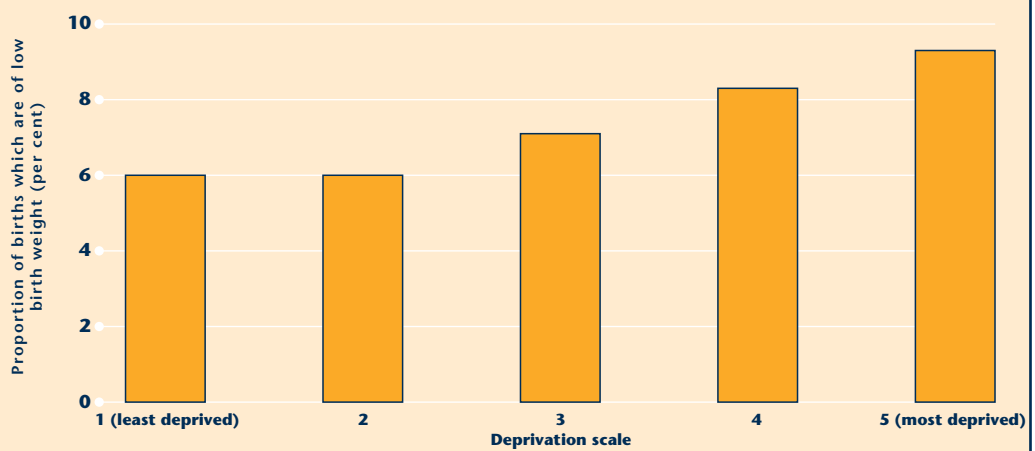
Indicator 25

The proportion of babies born with a low birth weight has risen slowly but steadily over the last decade, as more babies are born premature.



Source: ISD Scotland

Babies born to parents in above-average deprivation areas are much more likely to be of low birth weight than those in low deprivation areas.



Source: ISD Scotland, 2003 data (currently provisional)

The first graph shows the proportion of live births who are defined as having a low birth weight (i.e. less than 2.5 kilograms/5.5lbs). The data is shown separately for full-term and premature babies.

The data is for all live births, both premature and full-term and for singleton and multiple births. It excludes still-births, home births and births at non-NHS hospitals.

The second graph shows, for the year 2003, the proportion of low birth-weight babies according to the deprivation category of their parents' area of residence. The deprivation categories are based on data collected in the 1981 and 1991 censuses. A number of measures (over-crowding, male unemployment, low social class, no car) are combined to give a composite score for postcode sectors. There are five categories, ranging from 1 (least deprived) to 5 (most deprived). The data is for live births only and omits those cases where the deprivation category was not known.

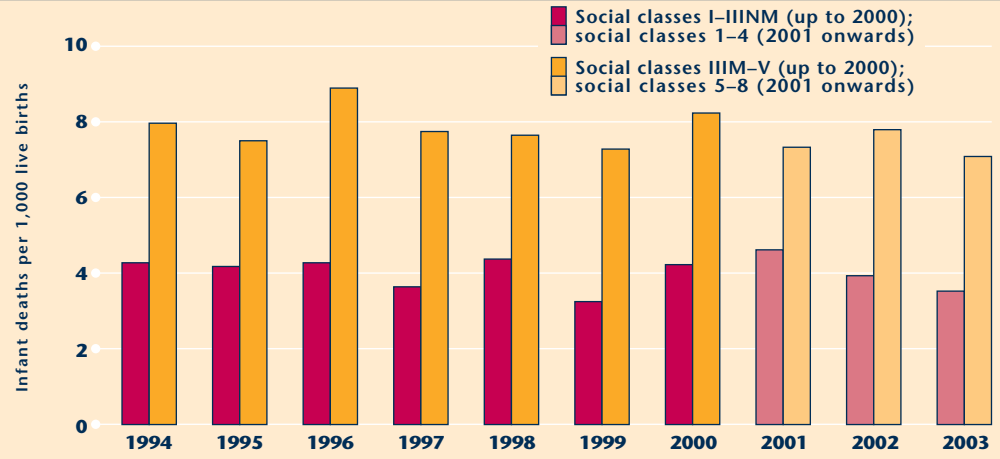
The data source for both graphs is ISD Scotland.

Overall adequacy of the indicator: ***high****. The data is sourced from administrative data and represents a count of births. Adequacy for the second graph can be regarded as medium: relative levels of deprivation in areas can change over time and the measure used may not adequately reflect such changes; the graph measures area deprivation, not deprivation of the parents themselves; and not everyone living in an area identified as deprived is necessarily deprived themselves, and vice versa.*

Child health

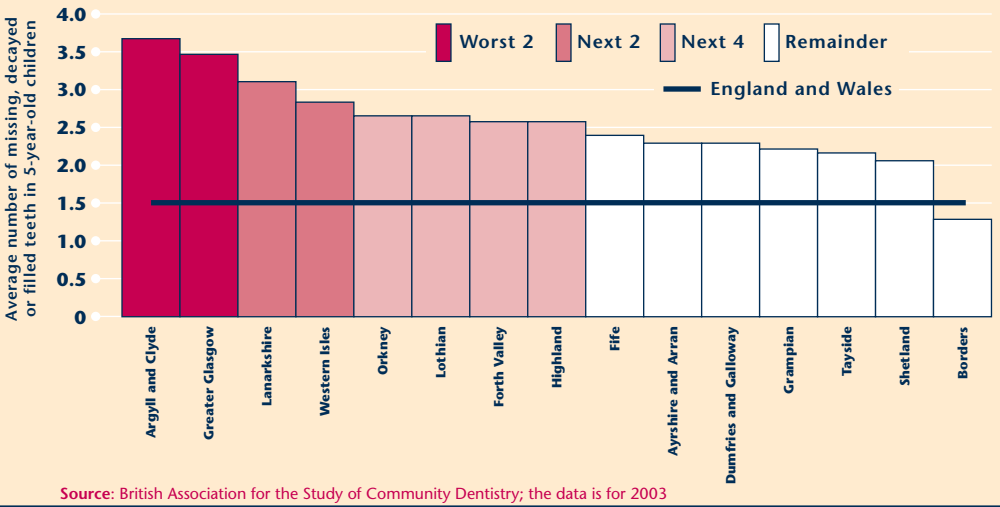
Indicator 26

Children born to parents with manual backgrounds are twice as likely to die in their first year of life as those born to parents from non-manual backgrounds.



Source: General Register Office for Scotland

Five-year-olds in Argyll and Clyde and Glasgow have, on average, one more missing, decayed or filled teeth than 5-year-olds in other parts of Scotland and two more than in England and Wales.



Source: British Association for the Study of Community Dentistry; the data is for 2003

The first graph shows the annual number of infant deaths per 1,000 live births, with the data shown separately according to the social class of the father. The social class classifications for year 2001 onwards are those recently introduced, which range from 1 (higher managerial and professional) to 8 (never worked and long-term unemployed).

Infant deaths are deaths which occur at ages under one year. Cases where the social class of the father is unknown have been excluded from the analysis.

The data source is the General Registrar Office and the data is based on a 100 per cent sample of live births.

The second graph shows how the average number of missing, decayed or filled teeth for 5-year-olds varies by NHS Board (data by local authority not being available). Research by the British Association for the Study of Community Dentistry suggests that this measure is strongly correlated with other aspects of disadvantage. For comparison purposes, the equivalent data for England and Wales is also shown.

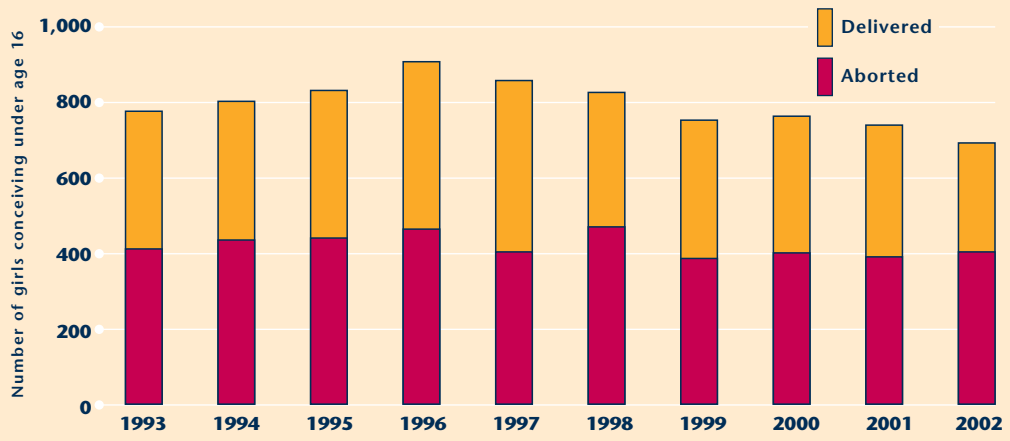
The data source is a 2003 survey conducted by the British Association for the Study of Community Dentistry.

Overall adequacy of the indicator: ***high****. The number of live births that are not coded is relatively few.*

Under-age pregnancies

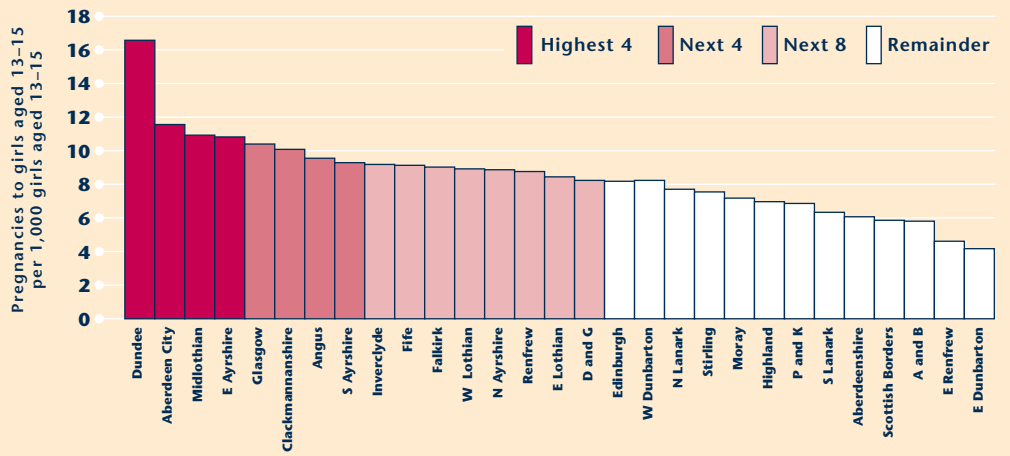
Indicator 27

The number of pregnancies to girls conceiving under age 16 has fallen by a quarter since 1996, and the number of births has dropped by a third.



Source: ISD Scotland; the 2002 data is provisional

Dundee has twice as many under-age pregnancies as most other local authorities.



Source: ISD Scotland; the data is averaged for the ten years to 2002

The first graph shows the number of pregnancies per year to girls under the age of 16, with the data shown separately for delivered babies and for abortions. Conceptions are counted after the birth of the child, which is commonly in the calendar year following conception. Note that the figures for 2002 are provisional.

The second graph shows how the number of pregnancies to girls under the age of 16 varies by local authority. Because the numbers are small, the data for the last ten years has been combined to improve its statistical reliability.

The data source for both graphs is ISD Scotland.

Overall adequacy of the indicator: ***medium****. The collection of the conception and births statistics is an established process.*

Ill health among the working-age population

Topics and indicators

The Measuring Inequalities in Health working group which recently reported to the Scottish Executive[36] recommended that, in addition to overall mortality and morbidity discussed in an earlier section, five key indicators be used to monitor trends in health inequality among adults, namely: young person suicides; diet; obesity; smoking; and mental health. Of these, only mental health is covered in this section.

Diet and obesity are not included because the latest data currently available is from the 1998 Scottish Health Survey and this is deemed to be too out-of-date for this report. This raises the issue of whether the Scottish Health Survey is sufficiently frequent: it is currently only conducted on a 3 to 5 year cycle, with the results from the 2003 survey not available until 2005. Furthermore, the results of any given survey are inevitably subject to a certain amount of uncertainty and the infrequent nature of the survey means that one cannot be certain until years after the event whether any change represents a real change or simply a 'blip' in the statistics.

Young person suicides are not included because the numbers are very small. An analysis of trends over time is, however, available on the website which complements this report (www.poverty.org.uk).

Smoking is not included on the grounds that, although there is a strong relationship between the prevalence of smoking and level of deprivation, this is clearly not because low income itself makes it more likely for people to smoke, a habit which is expensive as well as addictive.

Instead, the first indicator is concerned with drug misuse, where early use of drugs is an indicator of later addiction and mental health problems. The first graph [28A] shows how the number of people starting treatment for drug misuse has changed over time, with the data broken down by age group. The second graph [28B] shows how the estimated prevalence of drug misuse varies by local authority.

The mental health indicator [29A] shows how the estimated proportion of the working-age population who are at risk of mental illness varies by work status (employed, unemployed or long-term sick or disabled), with the data shown separately for men and women. Note that this data has been obtained from the 2002 British Household Panel Survey, which now includes a substantial booster to the size of its Scottish sample, rather than the more out-of-date 1998 Scottish Health Survey.

The supporting graph [29B] shows how the proportion of the population being prescribed drugs for mental health reasons varies by local authority, a measure which is one of the components of the health domain in the 2004 Scottish Index of Deprivation.

What the indicators show

The number of people starting treatment for drug misuse is rising, but only for those aged 25 and over. [28A]

About two-thirds of those starting such an episode are male.

Four-fifths of young adults starting a drug treatment episode are unemployed, and a sixth have never been employed.

Drug misuse is most prevalent in the major urban centres – particularly Glasgow City, Dundee, and Aberdeen – and least in the more rural areas. The rate in Glasgow is around four times that in many of the more rural authorities. [28B]

Glasgow has particularly high estimated levels of drug misuse among those aged 25 and over. In contrast, the estimated prevalence of drug misuse among young adults is lower in Glasgow than in several other authorities, including Inverclyde as well as Dundee and Aberdeen.[37]

The geographic pattern of drug treatment is, however, somewhat different. For example, the number of young adults starting treatments for drug misuse is much higher in Ayrshire than elsewhere, and only just above average in Glasgow.

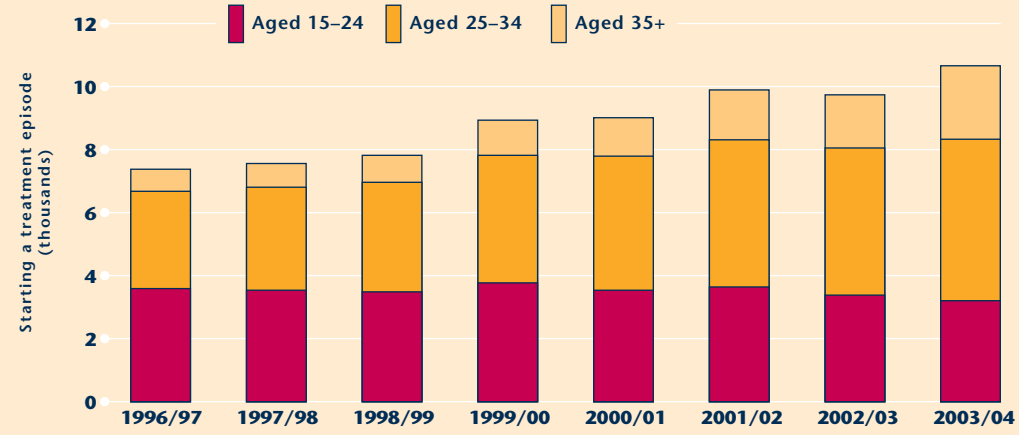
One-half of women and two-fifths of men who are sick or disabled are assessed as being at risk of developing a mental illness, between two and three times the rate for people who are in jobs. [29A]

The proportion of the population being prescribed drugs for mental health reasons is twice as high in Dundee City (10 per cent) as in Aberdeenshire (5 per cent). Other authorities with a high proportion are the Scottish Borders and West Dunbartonshire. [29B and map G]

Problem drug use

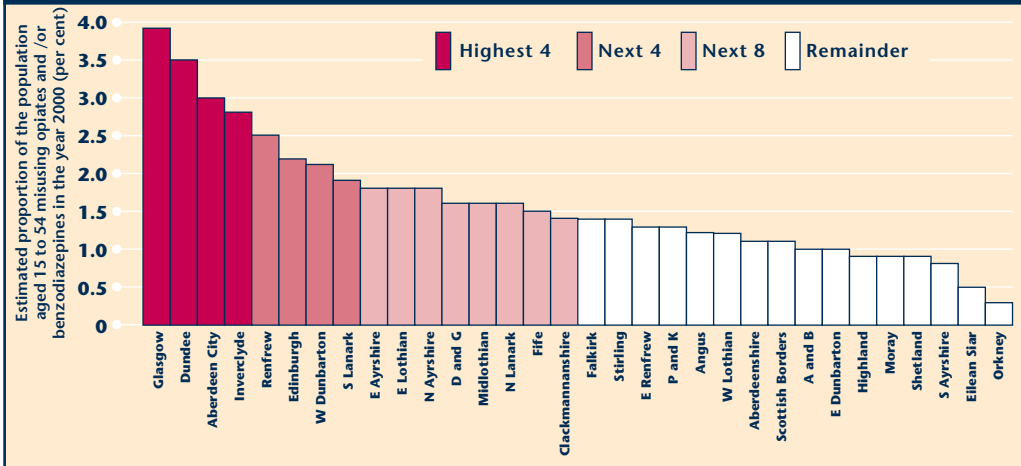
Indicator 28

The number of people starting treatment for drug misuse is rising, but only for those aged 25 and over.



Source: ISD Scotland (Scottish Drug Misuse Database)

Drug misuse is highest in the major urban centres and lowest in the more rural areas.



Source: Estimating the National and Local Prevalence of Problem Drug Misuse in Scotland; the data is for the year 2000

The first graph shows the number of 'new' individuals presenting for treatment with agencies that offer services to drug misusers and report to the Scottish Drug Misuse Database. The data is shown separately for three age groups. The annual analysis includes the first occurrence of individuals within each year. The data source is the Scottish Drugs Misuse Database.

The second graph shows how the estimated prevalence of drug misuse varies by local authority. It shows the estimated proportion of the population aged 15 to 54 misusing opiates and/or benzodiazepines in the year 2000.

The data source for the second graph is the report *Estimating the national and local prevalence of problem drug misuse in Scotland* published by the Centre for Drug Misuse Research, University of Glasgow and the Scottish Centre for Infection and Environmental Health.

Overall adequacy of the indicator: ***limited****. The numbers count individuals presenting for treatment in each six-month period, but do not include those in treatment who presented in an earlier six-month period. Furthermore, services such as needle exchange schemes, outreach work and most services for those in prison are excluded. Finally, many problem drug users do not present for treatment at all.*

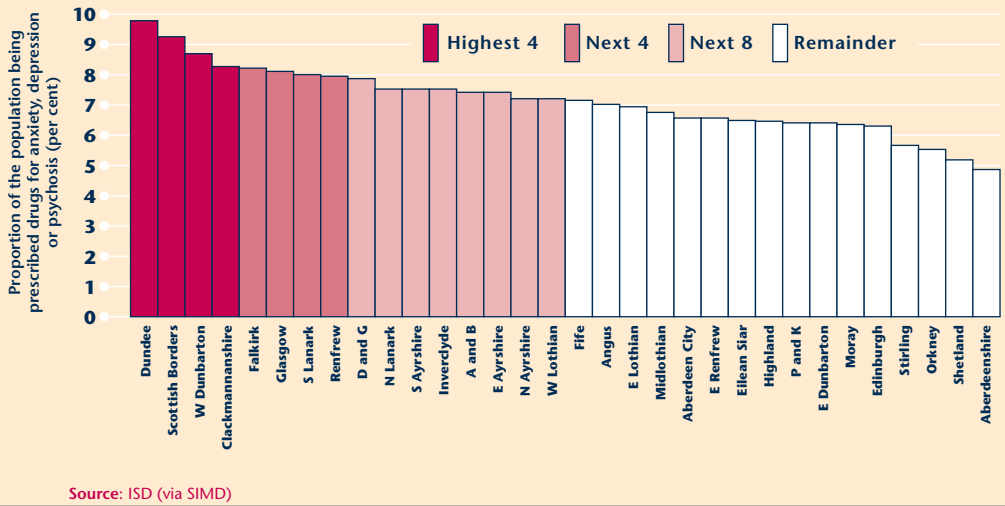
Mental health

Indicator 29

On average, unemployed, sick and disabled people of working age are at much greater risk of mental illness than those who are employed.

Source: British Household Panel Survey, 2002, University of Essex, Institute for Social and Economic Research

The proportion of the population being prescribed drugs for mental health reasons is twice as high in Dundee City as in Aberdeenshire.



Source: ISD (via SIMD)

The first graph shows the proportion of working-age adults who are classified as being at high risk of developing a mental illness, with the data shown separately for three groups of people: currently employed, currently unemployed, and long-term sick or disabled. Data for other work economic statuses, e.g. retired, family care and students, is not shown. In each case, the data is also shown separately for men and women.

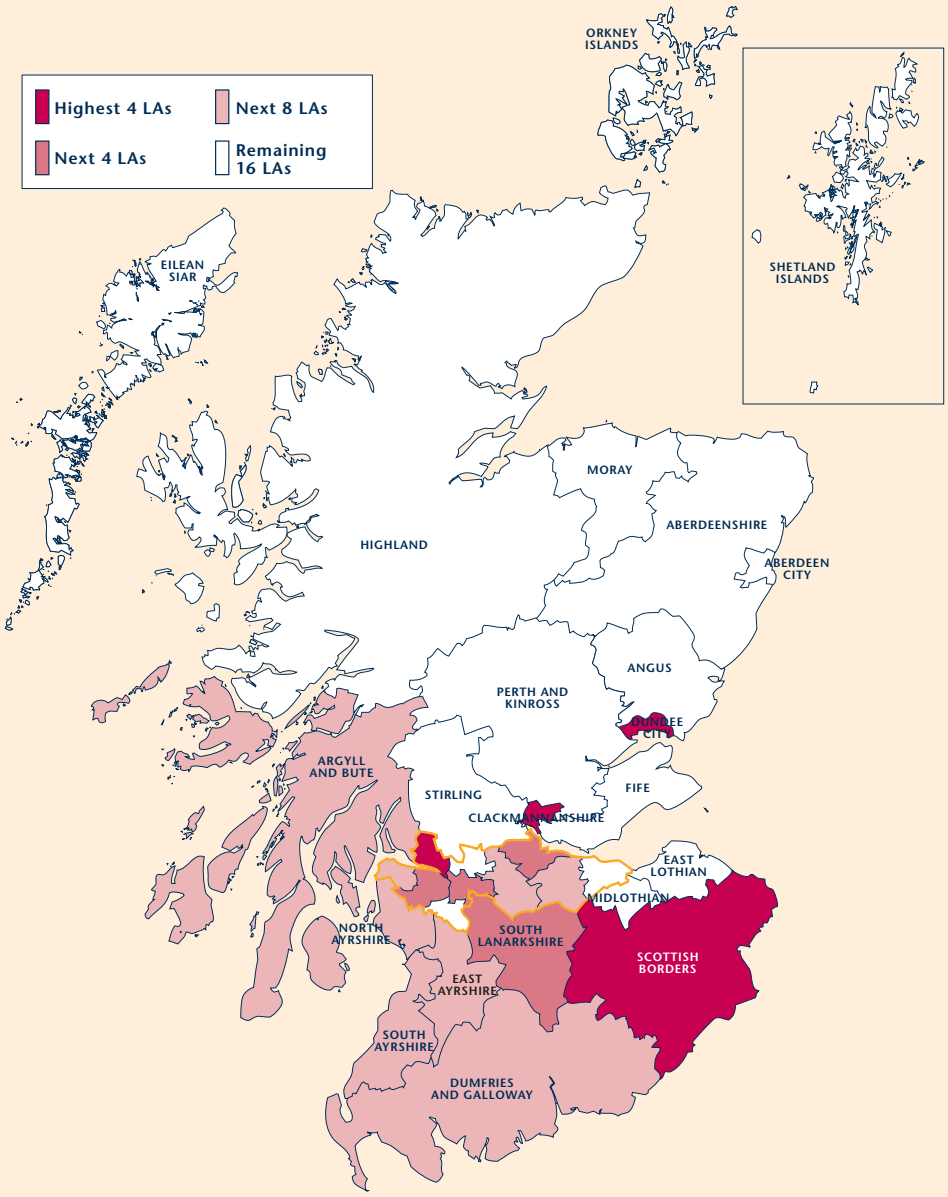
The risk of developing a mental illness is assessed by asking informants a number of questions about general levels of happiness, depression, anxiety and sleep disturbance over the previous four weeks, which are designed to detect possible psychiatric morbidity. A score is constructed from the responses, and the figures published show those with a score of 4 or more. This is referred to as a 'high GHQ12 score'.

The data source for the first graph is the British Household Panel Survey, with the data being for 2002.

The second graph shows how the proportion of the population being prescribed drugs for anxiety, depression or psychosis varies by local authority. This is one of the indicators of ill health used in the 2004 Scottish Index of Deprivation, which has been used as the data source.

Overall adequacy of the indicator: ***medium****. The graph does not measure mental ill health directly, but provides a guide to numbers who display some of the symptoms and are therefore at risk.*

MAP G: The proportion of the population being prescribed drugs for mental health reasons is twice as high in Dundee City as in Aberdeenshire



Summary

Premature death

Throughout the last decade, the rate of deaths amongst those aged 55 to 64 in Scotland has been around a third higher than in England and Wales, for both men and women.

The standardised mortality rate for stomach cancer, lung cancer and heart disease in the worst two areas – Glasgow and Inverclyde – is twice as high as that in the best areas.

Limiting long-standing illness

A fifth of people aged 35 to 59 have a limiting long-standing illness. The proportion rises to half for those aged 65 and over.

The proportion of working-age people with a long-standing illness varies between a fifth of the population and a tenth in different local authorities.

Low birth-weight babies

The proportion of babies born with a low birth weight has risen slowly but steadily over the last decade, as more babies are born premature.

Babies born to parents in above-average deprivation areas are much more likely to be of low birth weight than those in low-deprivation areas.

Child health

Children born to parents with manual backgrounds are twice as likely to die in their first year of life as those born to parents from non-manual backgrounds.

Five-year-olds in Argyll and Clyde, and Glasgow have, on average, one more missing, decayed or filled teeth than 5-year-olds in other parts of Scotland and two more than in England and Wales.

Under-age pregnancies

The number of pregnancies to girls conceiving under age 16 has fallen by a quarter since 1996, and the number of births has dropped by a third.

Dundee has twice as many under-age pregnancies as most other local authorities.

Problem drug use

The number of people starting treatment for drug misuse is rising, but only for those aged 25 and over.

Drug misuse is worst in the major urban centres and least in the more rural areas.

Mental health

On average, unemployed, sick and disabled people of working age are at much greater risk of mental illness than those who are employed.

The proportion of the population being prescribed drugs for mental health reasons is twice as high in Dundee City as in Aberdeenshire.

Chapter 4 Quality of life and social cohesion

Theme	*Indicator/map*
Housing	30: Homelessness
	31: Overcrowding
	32: Affordable housing
	33: Without central heating
Quality of services	34: Satisfaction with services
	35: Satisfaction with public transport
	36: Financial services
	37: Older people in receipt of home care
Neighbourhoods	38: Satisfaction with local area
	39: Participation in the community
	40: Burglary

Housing

Topics and indicators

The physical conditions in which people live, and whether or not they have secure, permanent accommodation, have a considerable impact on their well-being. They affect health, relations between household members and the development of children. A lack of affordable, suitable housing manifests itself in many ways, including overcrowding and homelessness. Issues of housing quality range from the extent of the amenities to the ability to keep the house warm.

The indicators in this section address the following four aspects of the quantity and quality of the housing stock:

- Homelessness.
- Overcrowding.
- The availability of affordable housing.
- The standard of housing.

Homelessness both causes and is caused by many other aspects of poverty and social exclusion, including financial problems, lack of work and deterioration in mental and physical health. The indicator chosen to represent homelessness is the number of households accepted by their local authority as being homeless. The first graph [30A] shows trends in the numbers over time, split by household type, while the second graph [30B] shows the reasons why people become homeless.

The indicator on overcrowding shows the extent of overcrowding by housing tenure [31A] and by local authority [31B]. The definition of overcrowding in the first graph uses a measure of occupation density known as the 'bedroom standard' which takes account of the number of bedrooms in the dwelling, the number of people living there, their relationship to one another and their age. The second graph uses a similar, but not identical, definition called 'occupancy rating' which assumes that every household, including one person households, requires a minimum of two common rooms (excluding bathrooms).

Data relating to the availability of affordable housing is scarce. As a proxy measure, the first graph [32A] shows the number of new lets allocated by public authorities (i.e. local authorities, new towns or Scottish Homes) where 'new lets' are those to people who were not previously tenants (in other words, excluding transfers). By way of background, the graph also shows the trend in the proportion of all dwellings in Scotland that are in the social rented sector. The supporting graph [32B] shows the share of homes in the social and private rented sectors separately for a range of different urban and rural areas.

An obvious choice for an indicator on the standard of housing would be one which measures the proportion of homes which are 'non-decent'. However, data on trends in 'non-decent' homes is not available on an annual basis so the first graph [33A] is one measuring the proportion of households without central heating – a common reason for

a home being classified as 'non-decent'. The proportions are shown separately for those on low incomes and for those on average incomes. The second graph [33B] shows the proportion of pensioners who are deemed to be in fuel poverty, with the data split by housing tenure and level of household income.

What the indicators show

The total number of households accepted as homeless has risen noticeably in recent years, from 30,000 in 1996/97 to 37,000 in 2002/03. Within this overall rising trend, the trends for different household types differ significantly, with the number of homeless households with children falling and the number of homeless households without children rising. [30A]

The number of single people aged 25 or over who are homeless has risen by half over the last decade – from 10,000 to 15,000 per year – and they are now two-fifths of the total number of homeless households. [30A]

These trends long pre-date the changes in the 2001 Housing (Scotland) Act and the 2003 Homelessness etc (Scotland) Act which have created a recent framework which is more generous towards single homeless people than before.

By far the biggest reason for becoming homeless is loss of accommodation provided by relatives or friends: two-fifths of the total in 2002/03. [30B]

Households in rented accommodation are twice as likely to be overcrowded as those in owner-occupation: 4 per cent compared to 2 per cent. Note that the proportion of people living in overcrowded conditions is around double these proportions as overcrowded households tend to be much bigger than other households. [31A]

Glasgow has the greatest overcrowding problem, with twice as many households living in overcrowded conditions. [31B]

Over the last decade, the share of properties provided by public authorities has declined by a third, from 34 per cent in 1993/94 to 22 per cent in 2002/03, while the share for the social rented sector as a whole (including housing associations) has fallen by a quarter, from 38 per cent to 28 per cent. These declines reflect the sale of council houses under right-to-buy legislation. They are not affected by major housing stock transfers, which only began in 2003/04. [32A]

In spite of the large fall in its overall stock of dwellings, the annual number of new lets made by public authorities has not shown a downward trend, fluctuating in the low 40,000s. [32A] The net result is that the proportion of local authority stock which is newly let each year has doubled, from one in twenty a decade ago to almost one in ten in 2002/03.

At under a fifth of the local housing stock, the share of social rented accommodation in rural areas outside of small towns is lower than in either urban areas or small towns, where the proportion is nearer to 30 per cent. In all areas, the amount of social rented accommodation is substantially greater than the amount of private rented accommodation. [32B]

The proportion of low income households without central heating has been falling sharply over recent years, from 28 per cent of the poorest fifth in 1995/96 to 8 per cent

in 2001/02. Indeed the proportion of poor households without central heating in 2001/02 was actually lower than the proportion for those on average incomes just three years earlier. [33A]

Nevertheless, low income households still remain somewhat more likely to lack central heating than households on average incomes: 8 per cent compared to 6 per cent. [33A]

A quarter of private rented households lack central heating compared with less than one in ten social rented households and only one in twenty owner occupiers.

The authorities with the highest proportion of households without central heating are the cities Glasgow, Dundee, and Edinburgh, plus Orkney.[38]

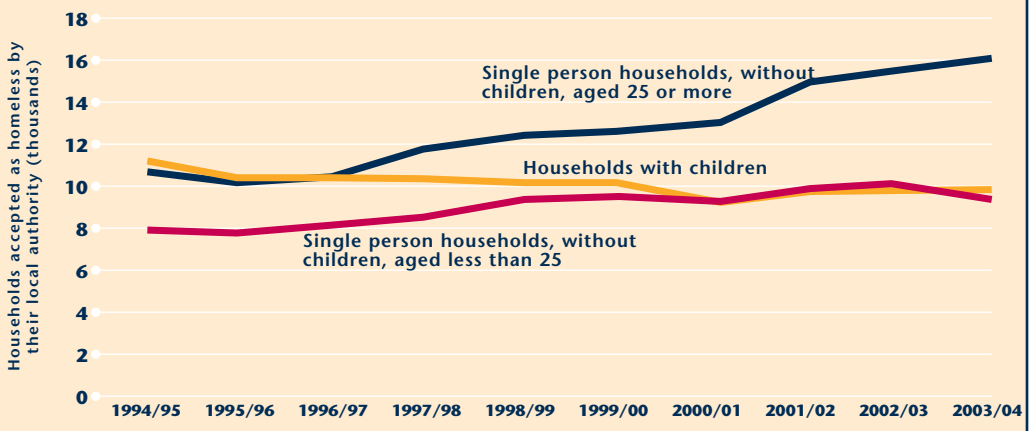
Using the definition of fuel poverty adopted by the Scottish Executive in 2002, around a quarter of pensioner households are classified as being in fuel poverty. This proportion varies substantially by level of household income, with two-fifths of households with an income of less than £200 per week being in fuel poverty compared to less than one in twenty of households with a higher level of income. Within low income households, the proportion is much greater for owner occupiers and private renters than it is for those in social housing: more than half compared to a fifth. [33B]

The proportion of energy inefficient homes is twice as high in owner occupied homes as in social housing: 8 per cent compared to 4 per cent using a 'Standard Assessment Procedure' (SAP) rating of less than 30 as the threshold of inefficiency.[39]

Homelessness

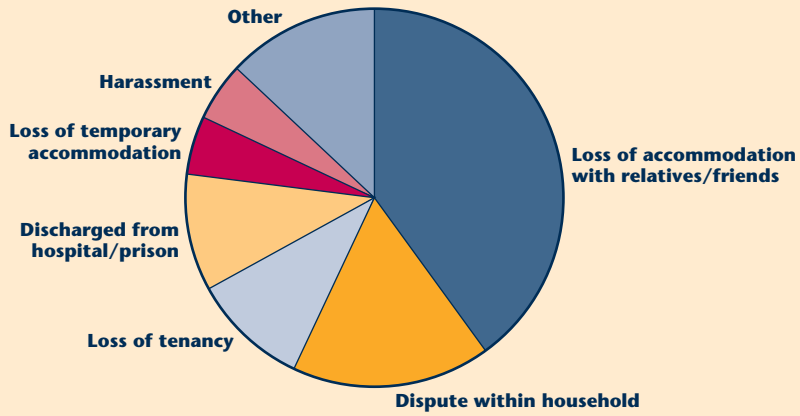
Indicator 30

Unlike households with children, the number of households without children who are homeless has risen, particularly among those aged 25 and over.



Source: Statistical Bulletin, Housing Trends in Scotland, Scottish Executive

By far the biggest reason for becoming homeless is loss of accommodation provided by relatives or friends.



Source: Statistical Bulletin, Housing Trends in Scotland for 2003/04, Scottish Executive

The first graph shows the number of households accepted by their local authorities as statutorily homeless each year, with the data being broken down into three broad household types. The figures include both households who are 'priority' and those who are 'non-priority'. The small number of couples without children who are accepted as homeless are not shown.

The second graph provides, for the latest year, a breakdown of the reasons why the households were accepted as homeless.

The data for both graphs is from the Housing Trends Statistical Bulletin published by the Scottish Executive.

Overall adequacy of the indicator: ***medium****. While there is no reason to believe there is any problem with the underlying data, the extent to which it leaves 'homelessness' dependent on administrative interpretation means that there is some uncertainty about the extent to which the figures accurately measure the scale of the homelessness problem. Also, not all homeless people apply to local authorities to be classified as such and, for example, the increase in the number of single people applying since 2002 might be due, at least in part, to the widening eligibility for temporary accommodation introduced in September 2002.*

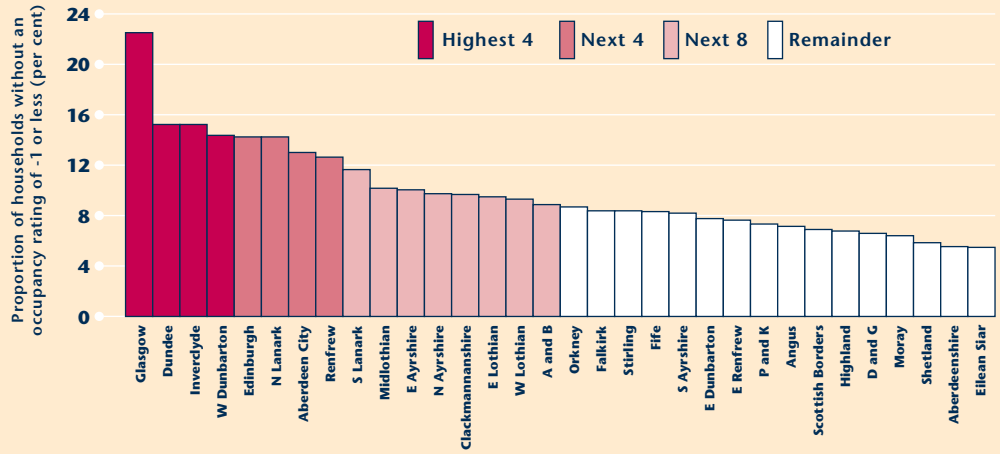
Overcrowding

Indicator 31

Households in rented accommodation are twice as likely to be overcrowded as those in owner occupation.

Source: Scottish House Conditions Survey 2001 and 2002

Glasgow has the greatest overcrowding problem.



Source: 2001 Census

The first graph shows the extent of overcrowding by housing tenure using a measure of occupation density known as the 'bedroom standard'. The 'bedroom standard' is calculated in relation to the number of bedrooms, the number of household members and their relationship to each other. One bedroom is allocated to each married or cohabiting couple, any other person over 21, each pair aged 10 to 20 of the same sex and each pair of children under 10.

The data is from the 2001 and 2002 Scottish Household Surveys (SHS), with the results for the two years combined.

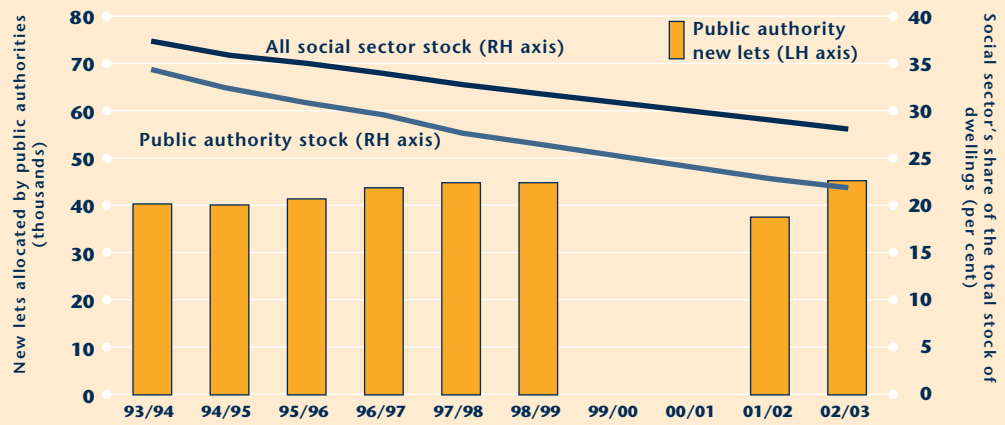
The second graph shows how the proportion of households living in overcrowded conditions varies by local authority. The data is from the 2001 Census. The standard of overcrowding used in the Census is something called 'occupancy rating', which assumes that every household, including one-person households, requires a minimum of two common rooms (excluding bathrooms). It is not obvious precisely how this definition relates to that of the bedroom standard.

*Overall adequacy of the indicator: **medium**. The SHS is a large survey designed to be representative of private households and of the adult population in private households in Scotland. However, the bedroom standard itself is low, particularly for those aged over 10, and the overall level of overcrowding shown may therefore be too low.*

Affordable housing

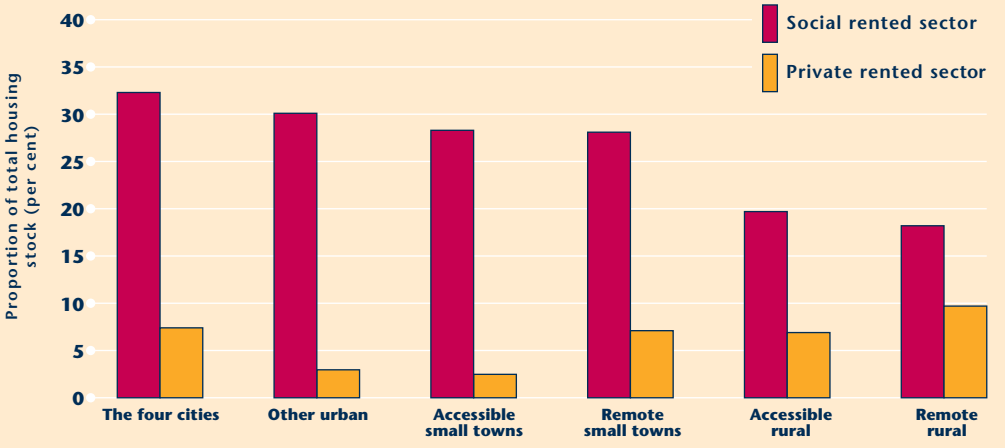
Indicator 32

Although the total stock of social housing has declined by a quarter over the last decade, the annual number of new lets has thus far remained unchanged.



Source: Statistical Bulletin, Housing Series, Scottish Executive

Social rented accommodation is a smaller proportion of the housing stock in rural areas than in either towns or cities.



Source: Scottish Household Survey 2001 and 2002

The first graph shows the number of new lets allocated by public authorities (i.e. local authorities, new towns or Scottish Homes) where 'new lets' are those to people who were not previously tenants (in other words, excluding transfers). Data is not available for 1999/00 and 2000/01 due to a change in the way the information was collected. Data for 2003/04 has not been included – due to housing stock transfers, figures for Scottish Borders, Glasgow, and Dumfries and Galloway are not included in the 2003/04 totals and thus the inclusion of this year on the graph would be misleading.

The graph also shows the trend in the proportion of all dwellings in Scotland that are in the social rented sector, both in total and for public authorities. The data is for the month of December in each financial year. The data source is the Scottish Executive Bulletin, Housing Series.

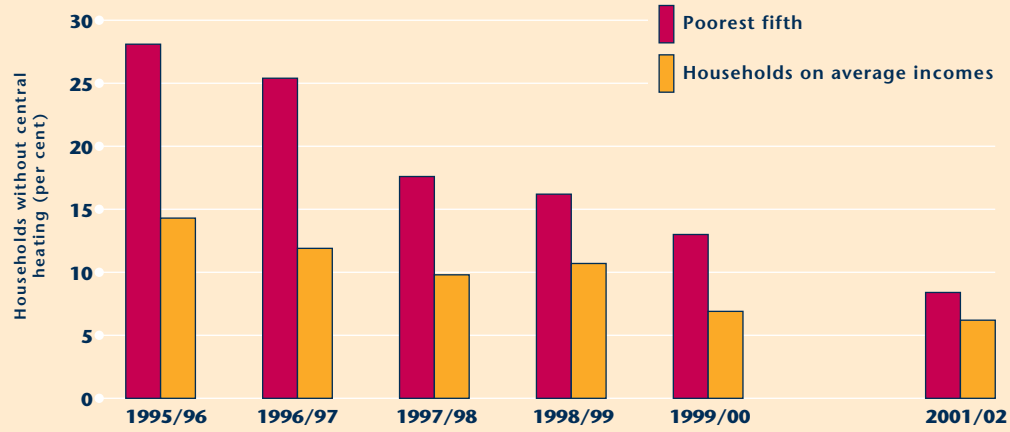
The second graph shows the proportion of the total housing stock that is from the social and private rented sectors. The data source is the 2001 and 2002 Scottish Household Surveys, with the results combined.

*Overall adequacy of the indicators: **high**. Data on dwelling stocks is based on administrative data collected by the Scottish Executive and therefore represents a count of total dwellings.*

Without central heating

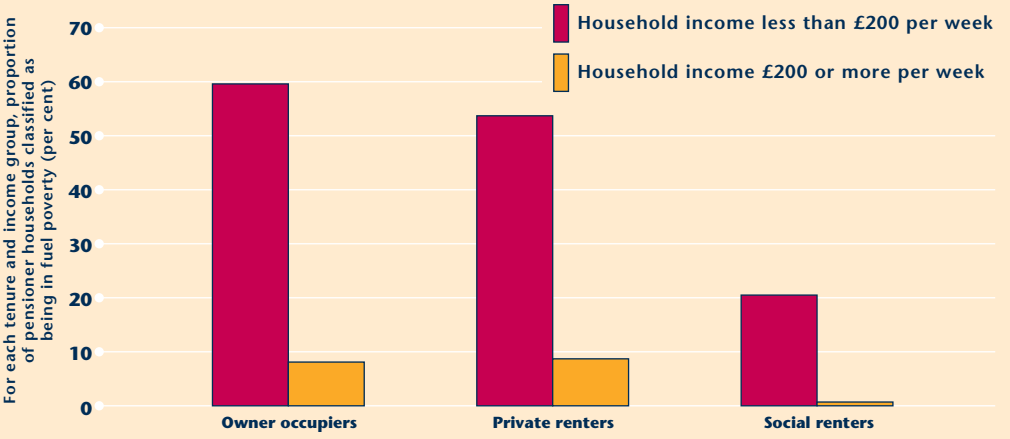
Indicator 33

The proportion of low income households who lack central heating has fallen considerably in recent years and is now actually less than for households on average incomes in 1998/99.



Source: The Family Resources Survey, ONS

Fuel poverty is a major issue for low income pensioner households who are owner occupiers or in private rented accommodation.



Source: Scottish House Conditions Survey 2002

The first graph shows the proportion of households without central heating, with separate figures for households in the poorest fifth of the population and for households on average incomes.

The data source is the Family Resources Survey (FRS). The data is for the years 1995/96 to 2001/02 – the earliest and latest years respectively for which the data is available. Data was not collected for 2000/01.

The second graph shows the proportion of retired people who are classified as living in fuel poverty, with the data separated out by housing tenure and by level of household income. The definition of fuel poverty is that adopted by the Scottish Executive in 2002.

The data source is the 2002 Scottish House Conditions Survey.

*Overall adequacy of the indicator: **high**. The FRS is a well-established government survey that gathers information on household incomes and other resources. It is designed to be representative of the population as a whole.*

Quality of services

Topics and indicators

Inequalities in the standard of service provision between people on low incomes and others, between socio-economic groups and between deprived and other neighbourhoods all both reflect and exacerbate economic disadvantage. Accessibility is a particular aspect of service quality which encompasses a number of important issues, including the availability and suitability of these services, what is provided locally and the adequacy of public transport links to reach other, larger centres. This is not just a matter of public services, from healthcare to transport, but also applies to essential private services, from the local shop to financial services.

The indicators in this section explore:

- Satisfaction with services.
- Access to essential services.

Satisfaction with services is covered by two indicators. The first of these [34A] measures the proportion of people dissatisfied with the overall level of service provided by their local council, with the results broken down by social class. The supporting graph [34B] shows perceptions of the convenience of local services, namely the doctor, the post office and the local shop, broken down by a six category 'urban–rural hierarchy', stretching from the four cities at one end to remote rural areas at the other.

The indicator of satisfaction with public transport [35A] measures the proportion of people who find public transport inconvenient, with the results broken down into the same six category 'urban–rural hierarchy'. The supporting graph [35B], again broken down by the 'urban–rural hierarchy', shows the relative importance of different reasons given by people for being non-users of public transport.

Access to essential services is covered by two indicators. The first of these concerns financial services. One graph [36A] shows the proportion of people lacking a bank or building society account, with the results shown over time and separately for people on average and on low incomes. Lack of an account can mean both higher prices for basic utilities than those paying by either cheque or direct debit and labour market disadvantage (employers tend to expect to pay wages directly into accounts). The other graph [36B] shows the proportion of people currently employed who are not contributing to a non-state pension, with the results broken down by level of household income. The absence of such a pension makes it more likely that the individual will suffer from low income in later life, after they retire.

The second indicator on essential services [37A] concerns the provision of home care and shows how the number of people aged 65 and over in receipt of such support has changed over time. Both the quality of the experience that older people have at home and the feasibility of remaining at home will depend on the support that they receive. The supporting graph [37B] shows how the proportion of people aged 65 and over in receipt of home care varies by local authority.

Clearly, these indicators only cover particular aspects of services, chosen partly because of their importance and partly because of the availability of data over time. They are, however, also indicative of wider issues relating both to private sector and public sector services.

What the indicators show

A third of people think that their council does not provide high quality services. The proportion is somewhat higher for those from manual backgrounds compared to those from non-manual backgrounds. [34A]

People in rural areas outside of small towns are more likely to find the location of post offices, shops and doctors inconvenient than people in towns or cities. For example, one in eight people in rural areas find their local food shop inconvenient compared to around one in twenty in towns or cities, with similar proportions finding their local post office inconvenient. The proportion finding services inconvenient is lowest in small towns. [34B]

Problems with public transport are felt particularly strongly in rural areas outside of small towns, with two-fifths judging it to be inconvenient. By contrast, the figure for small towns is around a sixth and that for urban areas is around a tenth. [35A]

In rural areas, the most common reason for not using public transport is the lack of a service, with around half of the population in rural areas outside of small towns citing this as a reason. In urban areas, a common reason is that it takes too long, with around a quarter citing this as a reason compared to around one in ten in remote rural areas. [35B]

The proportion of households without any type of bank/building society account has fallen sharply in the last two years, from 30 per cent in 2000/01 to 17 per cent in 2002/03. Nevertheless, people in low income households are still four times as likely to lack a bank or building society account as people on average incomes: a fifth compared to one in twenty. [36A]

The proportion of low income households without bank or building society accounts is now similar in Scotland to Great Britain as a whole, having been higher for many years.

More than half of employees on below-average incomes are not contributing to a non-state pension. [36B]

Three-fifths of working adults in the poorest fifth are not contributing to a non-state pension, compared to two-fifths in the middle fifth and one-fifth in the richest fifth. The proportion is highest for those aged less than 30, but is still around a third for all ages from 30 to retirement. Note that some people may belong to a non-contributory pension scheme.

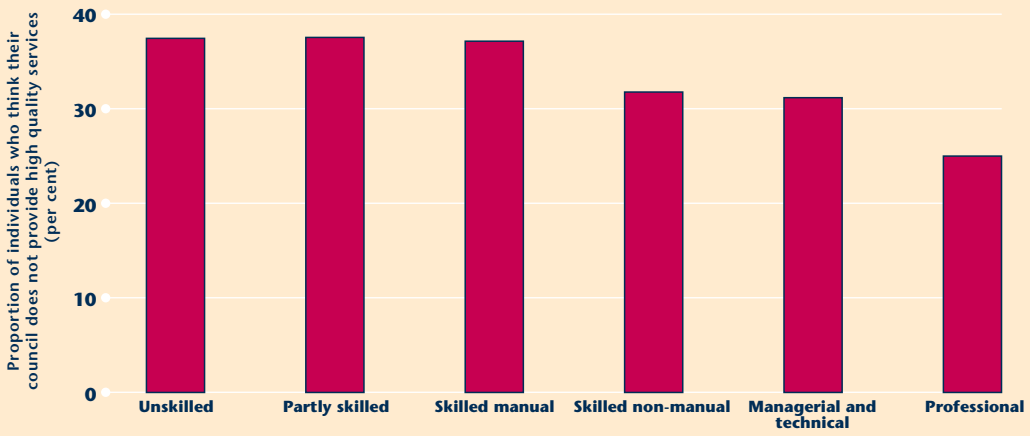
The number of older people receiving home care has fallen by a third since 1995. Since 1998 at least, this is because available resources have been increasingly focused on those deemed most in need rather than because the total amount of resources is decreasing. [37A]

Some authorities provide home care to many fewer numbers of older people than others. For example, South Lanarkshire and Aberdeenshire support half as many older people as West Dunbartonshire, and only a third that of the Shetland Islands and Eilean Siar. [37B]

Satisfaction with services

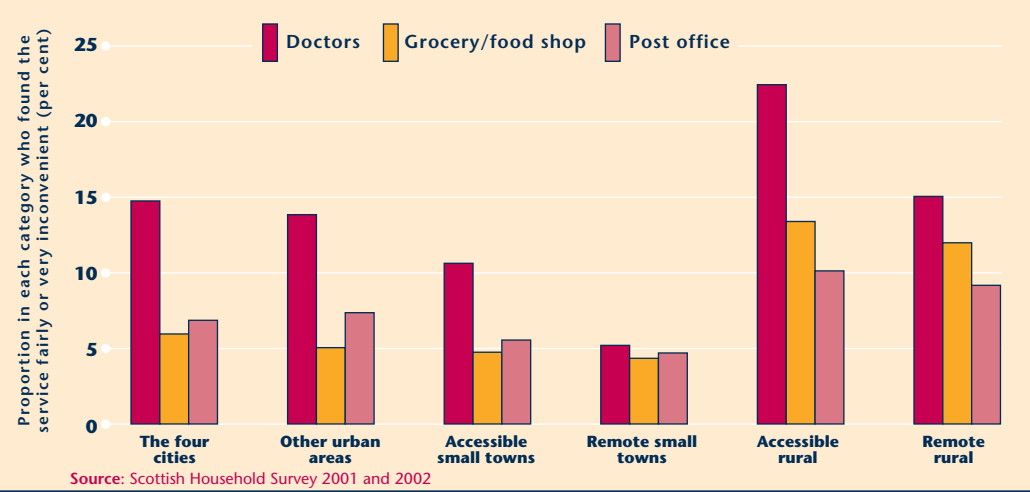
Indicator 34

A third of people think that their council does not provide high-quality services.



Source: Scottish Household Survey 2001 and 2002

Those living in rural locations are more likely to find their essential services inconvenient than those living in urban areas or towns.



Source: Scottish Household Survey 2001 and 2002

The first graph shows the perceptions of the quality of local services through a measurement of the proportion of people dissatisfied with the overall level of service provided by their local council. It shows the proportion who think that the services provided are not of high quality, where this is defined as those that said they 'tended to disagree' or 'strongly disagreed' with the question 'Do you agree that council provides high quality services?' The data is broken down by social class (noting that social class is only recorded for around 60 per cent of the sample).

The second graph shows perceptions of the convenience of local services, namely the doctor, the post office and the local shop, with the proportions being for those who found the services 'fairly inconvenient' or 'very inconvenient'. The data is broken down by the type of area using a six category urban–rural hierarchy stretching from the four cities at one end to remote rural areas at the other.

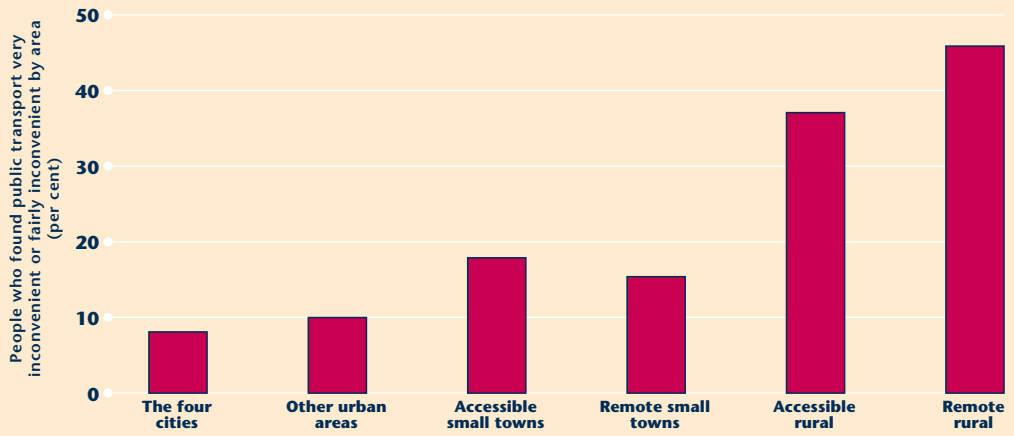
The data source for both graphs is the 2001 and 2002 Scottish Household Surveys (SHS), with the results for the two years combined.

*Overall adequacy of the indicator: **high**. The SHS is a large survey designed to be representative of private households and of the adult population in private households in Scotland.*

Satisfaction with public transport

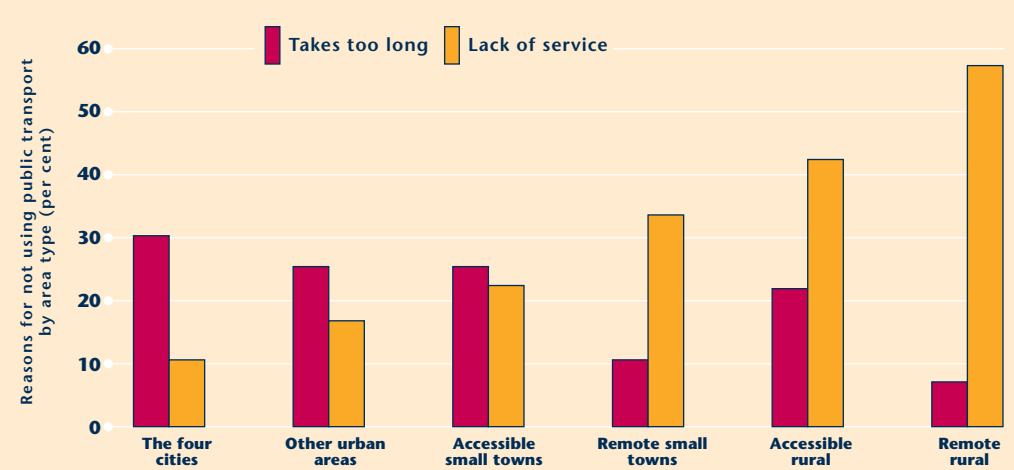
Indicator 35

Two-fifths of people living in rural areas find public transport inconvenient compared with a tenth of those living in towns or cities.



Source: Scottish Household Survey 2001 and 2002

In rural areas, the most common reason for not using public transport is the lack of a service. In urban areas, a common reason is that it takes too long.



Source: Scottish Household Survey 2001 and 2002

The first graph shows the proportion of people who found public transport either fairly or very inconvenient.

The second graph shows the relative importance of selected reasons given by people for being non-users of public transport, namely because the service takes too long or because of a lack of a service. These reasons were chosen from a wider selection on the basis that they showed the greatest difference between urban and rural areas. The precise question asked was, 'Would it be possible for you to use public transport for the journey to and from work/school/college/university?' Those that answered 'no' were then asked why it was not possible to use public transport, and those that answered 'yes' were asked why they did not use public transport.

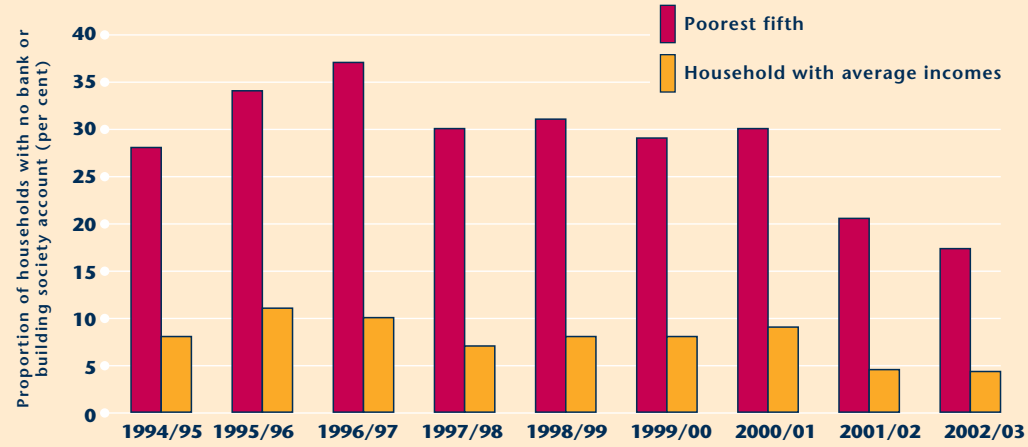
The data source for both graphs is the 2001 and 2002 Scottish Household Surveys (SHS), with the results for the two years combined

Overall adequacy of the indicator: ***high****. The SHS is a large government survey designed to be representative of private households and of the adult population in private households in Scotland.*

Financial services

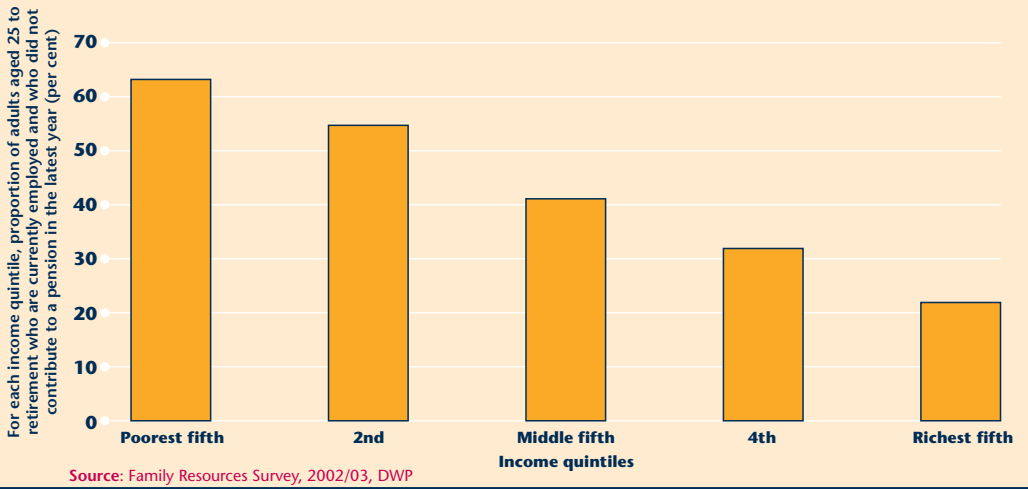
Indicator 36

The proportion of households without any type of bank/ building society account has fallen sharply in the last two years. However, the poorest households are still four times as likely to be without an account as those on average incomes.



Source: Family Resources Survey, DWP

More than half of employees on below-average incomes are not contributing to a non-state pension.



Source: Family Resources Survey, 2002/03, DWP

The first graph shows the proportion of people lacking a bank, building society or any other type of account, with results shown over time and separately for people on average incomes and people on low income (poorest fifth of the income distribution).

The second graph shows, for the year 2002/03, the proportion of currently employed working-age adults not contributing to a non-state pension, with the data broken down by income quintile.

'Not contributing to a pension' is not the same as 'not having a pension', as some people will belong to a non-contributory pension scheme and some will have a pension which they happen not to have contributed to over the latest year.

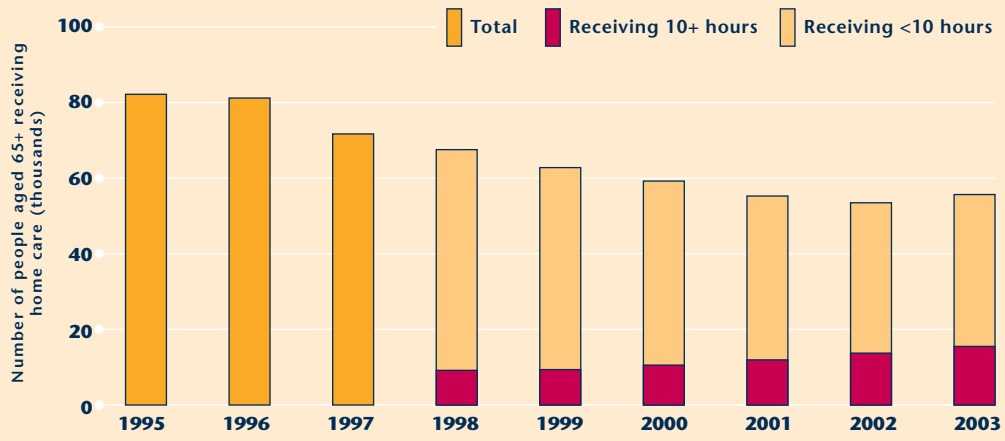
The data source for both graphs is the Family Resources Survey (FRS). Income is household disposable income before deducting housing costs with all data equivalised (adjusted) to account for variation in household size and composition. Note that, although the statistics are for Scottish households only, the allocations to income quintile are those for the total GB population income distribution.

Overall adequacy of the indicator: ***medium****. The FRS is probably the most representative of the surveys that gather information on the extent to which people have bank and other types of account. However, care should be taken when looking at change over time because sampling variation for individual years can be large in relation to the changes over time.*

Older people in receipt of home care

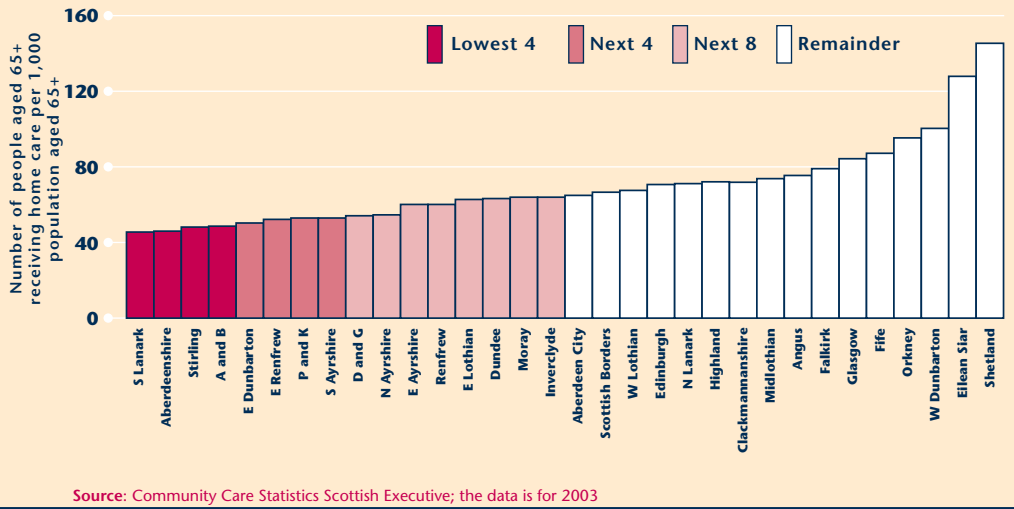
Indicator 37

The number of older people receiving home care has fallen by a third since 1995 as available resources are increasingly focused on those deemed most in need.



Source: Community Care Statistics, Scottish Executive

South Lanarkshire and Aberdeenshire provide home care to half as many older people as West Dunbartonshire, and only a third that of the Shetland Islands and Eilean Siar.



Source: Community Care Statistics Scottish Executive; the data is for 2003

The first graph shows the number of people aged 65 and over receiving home care from their local authority. The data is expressed per 1,000 population aged 65 and over. From 1998 onwards, the data is shown separately for those receiving 10 hours or more of help per week and those receiving less than 10 hours per week (this division is not available for the earlier years).

The second graph shows how the proportion of people aged 65 and over receiving home care varies by local authority.

The data source for both graphs is the Community Care Statistics of the Scottish Executive.

*Overall adequacy of the indicator: **medium**. The underlying data has been collected for a number of years and can be considered reliable. However, the data is difficult to interpret as the number of people receiving home care depends on the local authority policies on how to ration available resources between those most in need of help and those less in need, as well as on the scale of the available resources.*

Neighbourhoods

Topics and indicators

This section touches on a number of issues relating to 'community' in two senses of that word: first, as the local area in which people live and, second, as the organisations and institutions that make up society. Data limitations mean that it only addresses particular aspects of the subject and does not, for example, cover wider issues of what people want from their local community.

In particular, the indicators in this section cover:

- Satisfaction with the local area.
- Participation in the community.
- Worries that people have.

The first graph of the indicator of satisfaction with the local area [38A] shows the principal reasons why people dislike their local area, with the results broken down by social class. The second graph [38B] shows the proportion of people who feel very unsafe walking alone in their area at night, with the results again broken down by social class.

The indicator of participation in the local community [39A] shows the proportion of people who feel involved in their local community, with the results broken down into the six category 'urban–rural hierarchy', from the four cities to remote rural areas. The supporting graph [39B] shows the proportion of people who have worked in a voluntary capacity, with the results broken down by level of income.

Crime and fear of crime have for some years now been recognised as issues of particular importance within deprived neighbourhoods, and burglary is the crime that worries most people. The indicator [40A] shows how the number of burglaries reported to the police has changed over time. Burglary is particularly serious for those on low income without home contents household insurance who, by definition, are less able to replace stolen goods themselves. The supporting graph [40B] shows how the proportion of households without home contents insurance varies across the income distribution.

In all cases, the choice of breakdown to show in the graph – between levels of income, social class, type of area or housing tenure – has been made on the basis of where the greatest variations are. Other breakdowns are available on our supporting website, www.poverty.org.uk.

What the indicators show

People from unskilled and partly skilled occupations are more likely to dislike their neighbourhood because of young people 'hanging around' or vandalism than those from professional or managerial occupations. [38A]

Similarly, those living in social housing are more likely to dislike their neighbourhood for these reasons than owner occupiers, as are those in urban areas compared to those in rural areas. But, even though these are the two most common reasons for disliking the neighbourhood, the proportions are still low across all social classes, all housing tenures and all types of area (a seventh or less).

People from unskilled and partly skilled backgrounds are much more likely to feel very unsafe after dark in their local area than people from other backgrounds. [38B]

Similarly, people from the poorest fifth are much more likely to feel very unsafe than people on average and higher incomes, as are those in social housing compared to owner occupiers, and those in urban areas compared to those in rural areas. In all cases, however, the proportion feeling very unsafe is very low across all social classes, all levels of income, all housing tenures and all types of area (a sixth or less).

The extent to which people feel involved in their local community is higher the smaller the community and the more remote its location: around one in five in urban areas rising to a half for the most remote rural locations. However, except in the most rural areas, the norm is for people not to feel involved. [39A]

The extent to which people feel involved in their local community is, on average, similar for all levels of income and all social classes.

People on low incomes are much less likely to work in a formal voluntary capacity than those on higher incomes: around a sixth of the poorest fifth of the population rising to two-fifths of the richest fifth. Again, however, the norm is for people not to have worked in a formal voluntary capacity. [39B]

Similarly, people from manual backgrounds are much less likely to have worked in a formal voluntary capacity than those from professional or managerial backgrounds and those living in social housing are much less likely than owner occupiers.

Burglary is the crime that worries most people: a third are worried about being burgled compared with a quarter worried about having their car stolen and a fifth worried about being mugged or otherwise physically attacked.

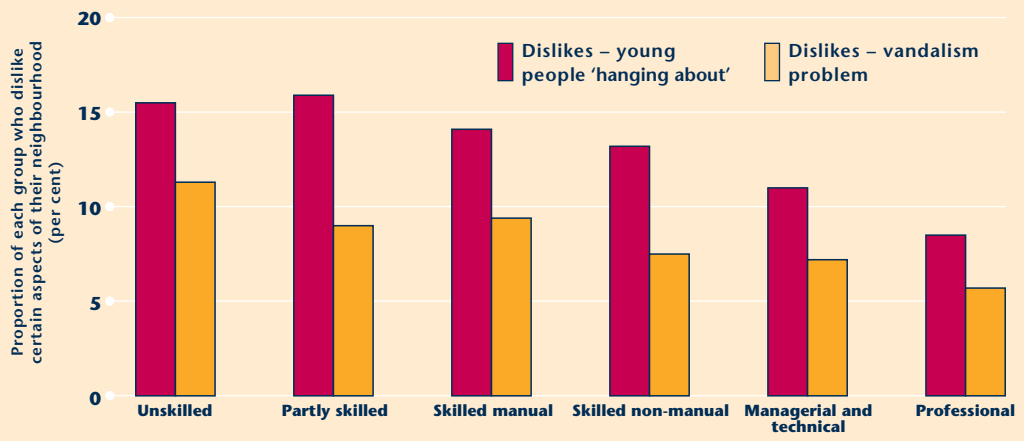
The number of burglaries recorded by the police has more than halved over the last decade, from 90,000 a year in 1994 to 35,000 in 2003. [40A]

A third of the poorest households lack home contents insurance compared to virtually no households on above-average incomes. [40B] Such households will clearly often have difficulties being able to afford to replace any stolen goods. Although Scottish statistics are not available, data for England and Wales suggests that households which lack home contents insurance are about three times as likely to be burgled as those with such insurance.[40]

Satisfaction with local area

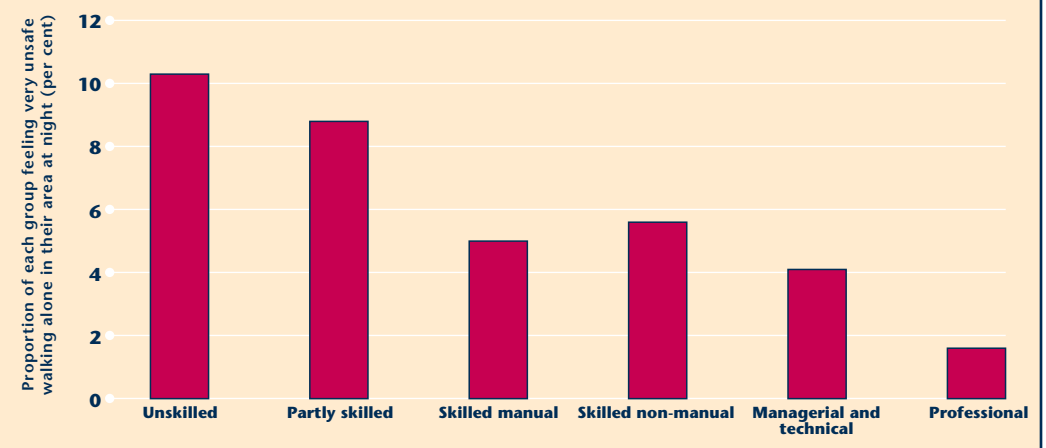
Indicator 38

People from unskilled and partly skilled occupations are more likely to dislike their neighbourhood because of young people 'hanging around' or vandalism than those from professional or managerial occupations.



Source: Scottish Household Survey 2001 and 2002

People from unskilled and partly skilled backgrounds are much more likely to feel very unsafe after dark in their local area than people from other backgrounds.



Source: Scottish Household Survey 2002

The first graph shows the proportion of people who dislike their neighbourhood because of young people hanging around or vandalism. This indicator has been chosen since it has not been possible to produce a more balanced set of indicators on attitudes towards the local area. The two reasons for disliking the area highlighted in the graph were selected from a wider list, and were chosen on the basis of popularity (they were the top two reasons). The data is broken down by social class (noting that social class is only recorded for around 60 per cent of the sample).

The data source is the 2001 and 2002 Scottish Household Surveys (SHS), with the results for the two years combined.

The second graph shows the proportion of people who feel very unsafe walking alone in their area at night. Again, the data is broken down by social class.

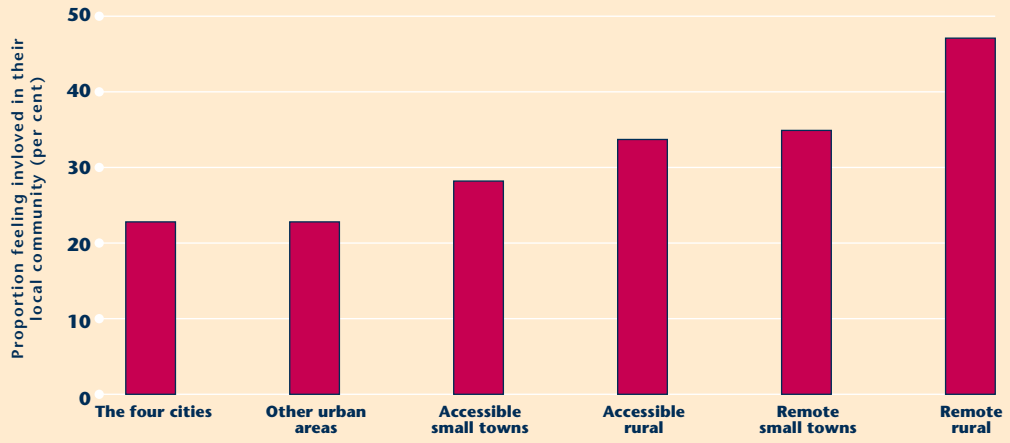
The data source is the 2002 Scottish Household Survey (SHS) – the question was not asked in the 2001 survey.

Overall adequacy of the indicator: ***high****. The SHS is a large survey designed to be representative of private households and of the adult population in private households in Scotland. The two statistics shown, however, only provide a limited view of the extent of satisfaction with the local area.*

Participation in the community

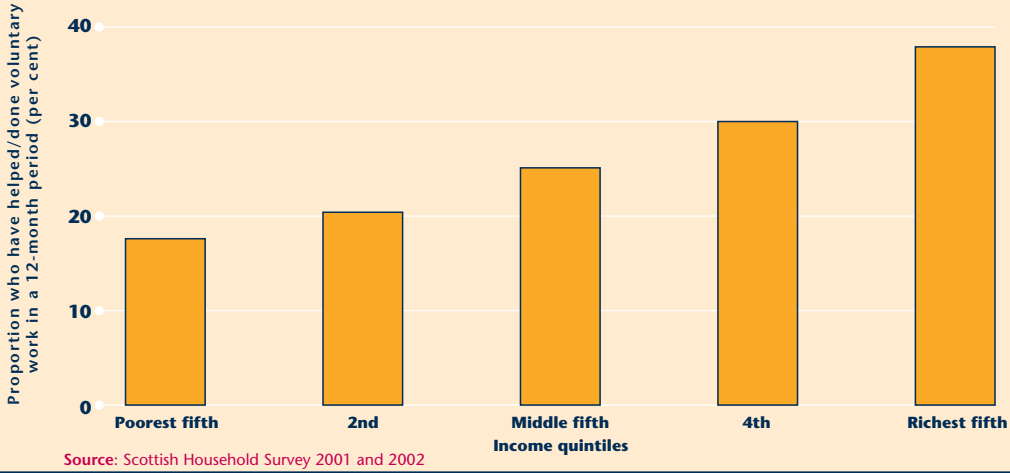
Indicator 39

A fifth of those living in urban areas feel involved in their local community. This is a much smaller proportion than in rural areas.



Source: Scottish Household Survey 2001 and 2002

People on low incomes are much less likely to work in a formal voluntary capacity than those on higher incomes.



Source: Scottish Household Survey 2001 and 2002

The first graph shows the proportion of people who feel involved in their local community, with the data broken down by the type of area. The statistics include all those who felt involved 'a fair amount' or a 'great deal' when asked 'How involved do you feel in your local community?'

The second graph shows the proportion of people who have helped a charity/organisation in an unpaid capacity in a 12-month period, with the data broken down by income quintile.

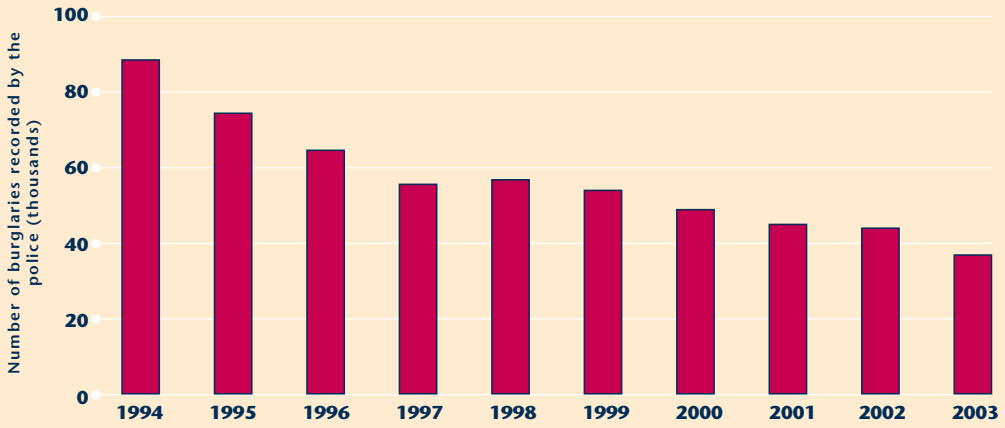
The data source for both graphs is the 2001 and 2002 Scottish Household Surveys (SHS), with the results for the two years combined.

Overall adequacy of the indicator: ***high****. The SHS is a large survey designed to be representative of private households and of the adult population in private households in Scotland.*

Burglary

Indicator 40

The number of burglaries has more than halved over the last decade.



Source: Recorded Crime in Scotland, Scottish Executive

A third of the poorest households are uninsured, compared to virtually no households on above-average incomes.

Source: Scottish Household Survey 2001 and 2002

Burglary ('housebreaking') is the crime that most people are worried about. It is also a crime which has a disproportional impact on people on low incomes as they are less likely to have home contents insurance and less likely to be able to replace stolen goods.

The first graph shows the number of burglaries recorded by the police in each year shown. Only returns from the eight Scottish home forces are included. One return is made for each local authority in Scotland and these are aggregated to give a national total.

The data source is the Scottish Executive's publication *Recorded crime in Scotland.*

The second graph shows the proportion of households lacking home contents insurance, with the data broken down by income quintile.

The data source is the 2001 and 2002 Scottish Household Surveys (SHS), with the results for the two years combined.

*Overall adequacy of the indicator: **medium**. The data itself is considered reliable. However, the number of crimes recorded by the police is substantially less than the number of crimes actually committed, because not all are reported to the police. Furthermore, it may be that recording practices vary over time.*

Summary

Homelessness

Unlike households with children, the number of households without children who are homeless has risen, particularly among those aged 25 and over.

By far the biggest reason for becoming homeless is loss of accommodation provided by relatives or friends.

Overcrowding

Households in rented accommodation are twice as likely to be overcrowded as those in owner occupation.

Glasgow has the greatest overcrowding problem.

Affordable housing

Although the total stock of social housing has declined by a quarter over the last decade, the annual number of new lets has thus far remained unchanged.

Social rented accommodation is a smaller proportion of the housing stock in rural areas than in either towns or cities.

Without central heating

The proportion of low income households who lack central heating has fallen considerably in recent years and is now actually less than for households on average incomes in 1998/99.

Fuel poverty is a major issue for low income pensioner households who are owner occupiers or in private rented accommodation.

Satisfaction with services

A third of people think that their council does not provide high quality services.

Those living in rural locations are more likely to find their essential services inconvenient than those living in urban areas or towns.

Satisfaction with public transport

Two-fifths of people living in rural areas find public transport inconvenient compared with a tenth of those living in towns or cities.

In rural areas, the most common reason for not using public transport is the lack of a service. In urban areas, a common reason is that it takes too long.

Financial services

The proportion of households without any type of bank/building society account has fallen sharply in the last two years. However, the poorest households are still four times as likely to be without an account as those on average incomes.

More than half of employees on below-average incomes are not contributing to a non-state pension.

Older people in receipt of home care

The number of older people receiving home care has fallen by a third since 1995 as available resources are increasingly focused on those deemed most in need.

South Lanarkshire and Aberdeenshire provide home care to only half as many older people as West Dunbartonshire and only a third that of the Shetland Islands and Eilean Siar.

Satisfaction with local area

People from unskilled and partly skilled occupations are more likely to dislike their neighbourhood because of young people 'hanging around' or vandalism than those from professional or managerial occupations.

People on low incomes are twice as likely to feel very unsafe walking alone in their area at night as those on average incomes.

Participation in the community

A fifth of those living in urban areas feel involved in their local community. This is a much smaller proportion than in rural areas.

People on low incomes are much less likely to work in a formal voluntary capacity than those on higher incomes.

Burglary

The number of burglaries has more than halved over the last decade.

A third of the poorest households are uninsured, compared to virtually no households on above-average incomes.

Notes

1 Sixty per cent of median income after deducting housing costs, with income levels adjusted (equivalised) to household size and composition. The UK Government recently switched to a 'before deducting housing costs' definition, but most commentators (including ourselves) believe that this was a mistake and, in any event, it does not alter the gist of the argument.

2 In particular, the official UK Government target on child poverty – to reduce it by a quarter by 2004 compared with 1998/99 – may yet be realised in Scotland, particularly since the last big change in the tax credit system, in April 2003, has yet to appear in the official poverty figures.

3 The figures here are for the numbers of unemployed using the ILO definition. If the (more restrictive) claimant count was used instead, then the difference between the numbers of 'economically inactive who would like work' and the unemployed would be even greater.

4 To increase statistical reliability, all figures are averaged across the latest three years.

5 There are no official estimates of the number of people paid below £6.50 per hour in Scotland. Analysis of the Labour Force Survey 2004 Spring Quarter gives an estimate of 37 per cent, but there are some doubts about its reliability. The 2003 New Earnings Survey provides an estimate of around 23 per cent paid less than £6 per hour and 35 per cent paid less than £7 per hour (figures not being published for £6.50 per hour), but it is known that this survey underestimates the number of low paid people as it only covers PAYE employees.

6 From the 2003 New Earnings Survey, around 68 per cent of those paid less than £6 per hour are women, as are around 65 per cent of those paid less than £7 per hour.

7 From the 2003 New Earnings Survey, 19 per cent of full-time female workers earn less than £6 per hour, with 30 per cent earning less than £7 per hour. Forty-nine per cent of part-time female workers earn less than £6 per hour, with 63 per cent earning less than £7 per hour.

8 From the 2004 Labour Force Survey Spring Quarter, three-fifths of those in part-time work who do not want full-time work are looking after children.

9 England and Wales figures from *Monitoring poverty and social exclusion 2003*, G. Palmer, J. North, J. Carr and P. Kenway, Joseph Rowntree Foundation, 2003.

10 *Monitoring poverty and social exclusion 2003*, G. Palmer, J. North, J. Carr and P. Kenway, Joseph Rowntree Foundation, 2003. See the second graph of indicator 30.

11 Note that, for data availability reasons, some of these statistics use somewhat different definitions to those used in the corresponding indicators.

12 Except where otherwise stated, statistics taken from the report *Chasing the Scottish effect: Why Scotland needs a step-change in health if it is to catch up with the rest of Europe*, P. Hanlon *et al.*, Public Health Institute of Scotland, 2001. Note that the accession countries are not included in the analysis and that some data items for some countries are also missing.

13 Using life expectancy, as comparative data on the mortality rates for 55- to 64-year-olds is not available.

14 Using proportion of the population who self-report their health to be 'good' or better, as comparative data on long-standing illness or disability is not available.

15 2003 data from Eurostat.

16 Using the average number of missing, filled or decayed teeth for 12-year-olds, as no comparative data is available for 5-year-olds. The data source is the WHO European Health for All database. Note that this data is only collected sporadically and in different years for different countries, so the comparative statistics are based on, for each country, averaging whatever years of data are available for the period 1994 to 2002.

17 Using the number of births to women below the age of 20 per 1,000 population of women aged 15 to 19, from the teenage birth league table in *A league table of teenage births in rich nations*, Unicef, Innocenti Report Card, Issue No. 3, July 2001.

18 The rate of acute drug-related deaths taken from Statistical Table 24, European Monitoring Centre for Drugs and Drug Addiction (EMCDDA), using the average for the years 1999 to 2001.

19 All statistics taken from the report *Chasing the Scottish effect: Why Scotland needs a step-change in health if it is to catch up with the rest of Europe*, Hanlon, P., *et al.,* Public Health Institute of Scotland, 2001.

20 *Income, income inequality and self-report health in Britain 1979–2000*, H. Gravelle and M. Sutton, paper presented to the Health Economists' Study Group, Glasgow, July 2004.

21 The UK Government has recently announced plans to switch to a 'before deducting housing costs' definition.

22 Note that these figures are before housing costs.

23 Excluding the new accession countries.

24 To increase statistical reliability, all figures averaged across the latest three years.

25 Unpublished statistics from the Scottish Executive.

26 While such data exists for Great Britain as a whole, it has been derived through a complicated statistical process which involved combining the results of the Labour Force Survey and the New Earnings Survey. This is because there are doubts about the reliability of the low pay data in the Labour Force Survey and, while the New Earnings Survey is considered more reliable, it is known to underestimate the numbers of people in low pay as it only includes employees on PAYE.

27 2004 Labour Force Spring Survey, Spring Quarter.

28 'Health inequality: setting the context', A. Blamey and J. Muirie, in *Health inequalities in the new Scotland,* A. Blamey, P. Hanlon, K. Judge, and J. Muirie (eds), Health Promotion Policy Unit and Public Health Institute of Scotland, 2002.

29 *Monitoring poverty and social exclusion 2003*, G. Palmer, J. North, J. Carr and P. Kenway, Joseph Rowntree Foundation, 2003. See the second graph of indicator 30.

30 1998 data from *Chasing the Scottish effect: Why Scotland needs a step-change in health if it is to catch up with the rest of Europe*, P. Hanlon *et al.*, Public Health Institute of Scotland, 2001. Excludes the accession countries.

31 Using the 2004 Scottish Index of Deprivation to allocate geographic areas to their deprivation grouping, and the 1998-2002 'Comparative Mortality Factors' for the standardised mortality rates in each of these areas.

32 Inequalities in health, Measuring Inequalities in Health working group, November 2003.

33 Data from the General Registrar Office.

34 Results from the 2003 NDIP survey, Dental Health Services Research Unit. Online: <http://www.dundee.ac.uk/dhsru/ndip/DIP2003_det_partb.htm#19>.

35 Inequalities in health, Measuring Inequalities in Health working group, November 2003.

36 Inequalities in health, Measuring Inequalities in Health working group, November 2003.

37 *Estimating the national and local prevalence of problem drug misuse in Scotland*, G. Hay *et al.*, September 2001.

38 2001 Census.

39 From the 2002 Scottish Homes Conditions Survey. The threshold of 30 is recommended by ODPM.

40 *Monitoring poverty and social exclusion 2003*, G. Palmer, J. North, J. Carr and P. Kenway, Joseph Rowntree Foundation, 2003. See the first graph of indicator 45.