

Socio-economic duty response

Written Response

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Overview:

The introduction of a socio-economic duty (SED) in Scotland is welcome and a positive step towards increasing the profile of inequalities in Scotland. The duty offers some potential to encourage public agencies to understand the need and opportunities to address inequalities. The SED outlined in the consultation document is valuable in that:

- It seeks to place issues of inequality at the heart of public service decision making and activities
- Encourages the use of existing data and knowledge on the causes of inequality

However, the Scottish Government should:

- Broaden its understanding of inequality to consider the relationship between socio-economic advantage and inequality
- Give more consideration to the audit processes and impact reporting and commit to review these processes at regular intervals (2-4 years) through a consultation process with various stakeholders and citizen panels to ensure the SED and the associated processes are fit for purpose
- Provide significant guidance on identifying and understanding inequality and support to increase knowledge and skills regarding policy making and prioritisation
- Provide support and resources to encourage a greater understanding of inequality; changing the current system to better address inequality will take time, effort, and resources
- Establish a longer consultation process (this was only 8 weeks) for complex consultations such as the SED.

Overarching comment:

There are some issues which require further consideration within the context of addressing inequality. In particular, I'd encourage the Scottish Government to give greater consideration to the framing of how to understand and measure inequality. There is a long history of research into inequality¹; most of which considers the 'bottom' (those areas or people who have the least) alongside those at the 'top' (those who have the most). **The consultation and duty currently falls short on considering the relationship between the 'top' and 'bottom'**. Socio-economic *advantage* is an important consideration for policymakers and public servants with regards to decision making and resource allocation. Inequality is stark, with an increasing gulf between those with abundant wealth and assets, and many others who live with economic insecurity and the daily challenges of inequality. The circumstances of birth continue to play an influential role in people's opportunities, access to resources, and quality of life. It would therefore be beneficial for all training and guidance related to implementing the SED to also highlight how strategies and decisions impact on or reinforce socio-economic advantage as well as contribute to reducing disadvantage.

¹ For example, Wilkinson, R. and Pickett, K. (2009) *The Spirit Level: Why more equal societies almost always do better*. London: Penguin and Pickett, T (2014) *Capital in the 21st Century*, Harvard University Press

The main body of this response has three main arguments in response to section three of the consultation document:

1. The introduction of the duty should be accompanied by **investment in knowledge sharing and information on inequality**- what it is, how we know about it, how to measure it (what data), and how to address it.
2. **Inequality is complex and the heavy emphasis on the SIMD** is too narrow and could cause unintended consequences if used for reporting purposes.
3. A wider discussion about the causes of inequality would encourage **greater consideration of the role of public agencies as employers and procurers of services**; strategic decisions should therefore also include those made as part of organisational decision making

Response:

The consultation document puts forward a discussion about how to implement and meet the SED. It is important to identify ways that public agencies can address the duty, and necessary that there is some form of audit and accountability processes to ensure that all those subject to the duty are responsible for implementing it. There are a large range of issues in relation to inequality data that need consideration.

- Quantitative data and existing data sets offer a number of strengths relating to raising awareness of the prevalence of particular issues. The SIMD can *contribute* to debates about the nature and spatial issues regarding inequality and offers useful mapping tools and visual displays that can help shape local and regional decision making. However, **using quantitative data and tools such as the SIMD, as the main way to prioritise and address issues of inequality can be problematic**. For example, whilst it may be obvious, we can only learn about factors or issues that the existing data sets capture or cover. This causes issues in terms of more recent problems, such as in-work poverty or insecure employment. If authorities focus on reducing the unemployment rate (an easily accessible data output), are they really addressing issues of inequality if residents in the locality are indeed employed, but these jobs are precarious or involve insecure work or low wages? The indicators and audit trail may show (rightly) a reduction in unemployment as measured by a particular indicator, but it does not necessarily mean actions have reduced inequality.
- The consultation document makes a distinction between localities and communities of interest. It is therefore particularly **important to unpick some of the issues around quantitative data** in this regard. For example, some people living in particularly localities will have multiple disadvantage or issues that others, living within the same area will not. Research projects collect data in different ways, and there are various processes for amalgamating, anonymising, and modelling that enable statisticians to provide an overview of a particular issue at a locality level (for example in the SIMD). **The government may need to provide greater guidance on their conceptualisation of communities of interest in relation to inequalities and data.**
- The consultation report rightly discusses communities and communities of interest. However the 'communities of interest' term appears to be a little out of place within the context of inequalities; although a range of people experience a similar type of inequality at a particular time does not automatically bring them into a 'community of interest'.

Nevertheless, it is important that the guidance advances this issue further to ensure that initiatives and activities do not focus solely on localities. As Noble et al², (2006, 170) note in their paper 'Measuring multiple deprivation at the small-area level':

"The presentation of data at different geographical levels should not be taken to imply assumptions about the fundamental causes of deprivation, nor should it be taken to imply assumptions about the appropriate solutions. The identification of deprived areas may be necessary if area-based solutions to deprivation are to be pursued, but identifying deprived areas in no way assumes that such solutions are the only ones".

- **The Scottish Government should engage in professional development** with a range of public agencies and practitioners to explore some of the problems that local authorities and those engaged in Community Planning may face when trying to meet the Duty (and also produce their existing commitments such as Local Outcome Improvement Plans and demonstrate they are meeting the Child Poverty Act duty). Some data relate to the household level, other data relate to individuals, postcodes, or specific geographical boundaries. Some data are 'real time' such as the claimant count data for jobseeker's allowance recipients. Other data sets or surveys are only renewed after a number of years (such as Census) or are based on population estimates which may not adapt to quick changes to residential patterns. As such, using the SIMD or a single data set to measure and audit the success or impact of changes and programmes may not be possible or appropriate. For example, much Community Planning activities involve one year funding cycles; available data may not present any positive impact of interventions or negative effects within an appropriate time period. Whilst many research scientists and statisticians take into account the limitations and issues around survey data and data sets (and share these in the technical guidance), a wider range of practitioners will need to understand and consider how to draw on this information, when, and what limitations there may be for their practice. This will require greater knowledge and skills (across a range of professions within the public system) of how inequality and poverty occur and are measured. Practitioners may also need to know what is not included in the existing indicator tools. For example, benefit sanctions are not included and as such short term, immediate, incidences of deprivation may not show in statistics but may present service demands and acute experiences of poverty, deprivation, and lead to longer term inequality.
- The limitations of quantitative data as a tool for prioritising or auditing complex issues such as the causes of inequality is an important issue. Quantitative data, audit approaches, KPIs, and targets can be useful for helping or contributing to shaping service reform or priorities. But research shows that targets can cause unintended consequences if practitioners treat these logics as the sole importance in their work practice³. It is **important therefore that approaches to address inequality do not become absorbed into performance management and audit frameworks that organisations utilise as the *only way* to demonstrate 'success'**.
- Whilst many public sector workers already engage and consider addressing inequality as a key aim of their work, **it is important that the Scottish Government's guidance and**

² Noble, M., Wright, G., Smith, G., and Dibbens, C. (2016) 'Measuring multiple deprivation at the small-area level' *Environment and Planning A*, 38, 169-185

³ Bevan, G., and Hood, C. (2006) *What's measured is what matters: targets and gaming in the English public health care system* *Public Administration*, Vol 84, 3, 517-538

implementation of the duty carefully considers the process by which managers and practitioners translate knowledge and data on inequalities into practice or procedures to alter organisational activities. For example, research into marketised public services (that use contracts and targets for payment or audit purposes) has found that contracted organisations adapt their services and processes to meet the targets, and that these in turn become the primary aim of design processes and organisational activities. Often referred to as ‘gaming’ this can in fact lead to increased inequality, even when policy makers utilise contracted services to reduce unemployment or deliver human services.⁴

- Currently the consultation separates evidence and data from Fairness Commissions or the involvement of people experiencing poverty or inequalities. However, it is not necessary to create separate systems or distance individual experiences from ‘data’. Developing a more holistic understanding of social research and evidence by expanding the definition of data (from simply quantitative to a wider social science understanding) would bridge these unnecessary gaps. Qualitative data is not synonymous with ‘anecdotal’ and public agencies should not treat it as such. There is a vast amount of rigorous qualitative research on issues of inequality and poverty, and Scotland is asset-rich in terms of the depth and breadth of social scientists engaged in qualitative research in its Universities. The Scottish Government could greatly improve the delivery of the SED if it **created and shaped a discursive and knowledge building ‘space’ for issues to be developed and better understood across policy tropes, professions, sectors, and agencies.** It is my view that a narrow understanding of inequality based on quantitative indicators and shaped by similar audit processes could lead to unintended consequences and perverse incentives with regards to issues of inequality.
- Our research and experience as part of the What Works Scotland⁵ project has drawn attention to the importance of bringing a range of different professions together to work on service change and improvement, specifically when tackling issues of inequality. The Scottish Government should encourage public agencies to place the discussions and duty at the centre of their activities for all those working in authorities under the scope of the duty. This would include research and policy staff, front-line workers and managers responsible for the duty, but **senior managers should extend inequality awareness and knowledge to include accounts, HR managers, and similar organisational support roles** whose practice shapes the work of everyone within public agencies.

3b: What other actions could public authorities take to demonstrate that they are meeting the duty?

- Public agencies are responsible for the design and/or delivery of a range of programmes and the implementation of a range of policy agendas. The SED can shape these implementation activities by encouraging a greater consideration of the causes of inequality. **Public agencies are also organisations in themselves. They are thus employers, procurers, partners, and users of services or products.** Through the statutory duty the Scottish Government could encourage dialogue and change in relation to how:
 - Public agencies procure services, their use of quasi-markets, preferred provider agreements, and contracts with private or third sector organisations. Extending the duty into these areas could help address issues of low pay and precarious work in

⁴ Finn, D (2008) *‘Welfare markets’: lessons from contracting out the delivery of welfare to work programmes in Australia and the Netherlands.* Joseph Rowntree Foundation, York.

⁵ <http://whatworksscotland.ac.uk/>

supply chains. **The consultation document does not go far enough into the impact of commissioning and different types of outsourcing models in causing or addressing inequality.**

- Public sector employers could engage in evidence and research into causes of inequality, including the impact of their own employment contracts and terms, and report on issues such as HR processes and workplace inequalities in relation to socio-economic indicators (including pay levels, job security and so forth).
- In key areas, such as economic development and regeneration, public agencies could work together to **review the information regarding job outcomes to include a more holistic understanding on the nature of new jobs, job quality, and employment conditions.**

3D. Can you offer examples of how public authorities and others have made best use of the expertise of people with direct experience of poverty?

- Poverty is not a permanent state; people may move in and out of poverty or times of financial hardship at different times in their lives depending on a range of circumstances⁶. As such, there is a need to reduce the temptation to create an ‘imagined’ core group of individuals with a permanent, shared experience (a ‘them’ and ‘us’). Therefore, there is a need to bring a range of voices and experiences into the conversation and knowledge building about poverty and inequality in particular localities will require a range of different initiatives and processes. There are various approaches to involving individuals with experience of inequality. The consultation document already identifies the potential positive impact of Fairness Commissions and Poverty Panels. Many anti-poverty strategies include ‘service user’ forums, or people’s panels, and participatory approaches.

*Recommend: To meet the Duty, it **should be a requirement** for agencies to establish a variation of a poverty panel and demonstrate participatory approaches to understanding and addressing inequality*

- Whiteman (2014)⁷ argues that, “the exclusion of the socio-economically disadvantaged from participation in decision-making processes helps make a cycle of socio-economic disadvantage which continues for generation after generation a certainty and social mobility no more than an aspiration”. Much of our work within What Works Scotland aligns with a participatory or collaborative paradigm for conducting research, using evidence, and generating knowledge. Developing guidance to public agencies that engage with this paradigm could enhance the impact of the SED. There are a range of social research approaches that agencies could use to better understanding experiences and issues of inequality, to measure, and to understand the impact of specific policies or interventions. **In many policy areas that could address socio-economic inequalities there is a gap between expert and experiential knowledge.** Various approaches to conducting Action Research provide an opportunity to bring together engagement with social research and knowledge generation (see Bradbury⁸ 2015).
- There are numerous examples in Scotland where researchers bringing people into the research processes as a way of generating evidence whilst also engaging and communicating

⁶ Hills, J (2015) *The welfare myth of them and us* Policy Press, London

⁷ Whiteman, J (2014) ‘Tackling socio-economic disadvantage: making rights work’ *The Equal Rights Review*, Vol 12.

⁸ Bradbury, H., (2015) *The SAGE Handbook of Action Research*. Third Edition. Sage.

with specific groups or people with particular experiences and viewpoints. **It would be beneficial to create spaces and systems change to enable public agencies and organisations to develop as learning organisations utilising academic and social research expertise of participatory and collaborative action research approaches, with experiential knowledge of residents and communities.** Shaping services and policy making processes to involve collaborative methodologies and underpin with an ethos of coproduction can help ensure that the processes around understanding and reducing inequality can contribute to achieving these aims by building trusting relationships and increasing understanding across boundaries. Whilst there are various action research sub-groups and approaches, on the whole adopting a lens of action research entails researching *with* rather than *on* research participants, a commitment to equalise the relationships between researcher and research subject, and supporting emancipatory research processes. Social policy scholars such as Beresford (2016)⁹ provide greater insight into participatory approaches for social and welfare services and research on issues of inequality and poverty. In Scotland, there is existing research that can advance current thinking in this area in relation to the SED, such as the work of Sime and Forbes (2015¹⁰) into children and young people's experiences and views of poverty and inequality.

- Whilst action research can require time and investment from 'service users' or residents and there are a range of challenges (see What Works Scotland website), there are many qualitative researchers who use and demonstrate how undertaking research with people experiencing inequality or developing coproduction processes for service design can offer greater understanding and address inequalities. For example, there are a number of social researchers who engage in collaborative research in order to share evidence and insights on key issues such as food poverty, unemployment, and inequality. Alongside myself, this also includes the work of Garthwaite (2016)¹¹ and Patrick (2015)¹². Strokosch (2013)¹³ suggests that collaborative research including various consultation approaches can improve services and support for asylum seekers in Glasgow. She refers to approaches such as Framework for Dialogue groups and operational partnerships including Integration Networks as useful ways to include experiences and voices into planning processes.

3E. What kind of guidance and support on meeting the duty would be most useful for public authorities?

Further information is required on the breadth and depth of the duty (including the relationship to procured and commissioned services). There are four main areas of support:

1. Improvement and understanding of how researchers produce data and evidence and how this practitioners and decision makers use evidence and research to

⁹ Beresford, P (2016) *Towards participatory social policy. All our welfare*. Policy Press, Bristol, UK.

¹⁰ Sime, D., and Forbes, J. (2015) *Children and young people's experiences and views of poverty and inequalities: policy and practice implications*. Scottish Universities Insight Institute. Available online:

http://aura.abdn.ac.uk/bitstream/handle/2164/5331/SUIIProject_SimeForbes_FinalReport.pdf?sequence=1

¹¹ Garthwaite, K., (2016) *Hunger Pains, life inside food bank Britain*. Policy Press

¹² Patrick, R. [Dole Animators webpage](#)

¹³ Strokosch, K (2013) Co-production and innovation in public services: can co-production drive innovation? In Osborne, S., and Brown, L. Eds. (2016) *Handbook of Innovation in Public Services*. Edward Elgar, Gloucester, UK

address inequality. This includes improving knowledge on how to bring together quantitative with qualitative data.

2. Training and support to share of ideas and initiatives and how to translate inequalities evidence and data into practice or into workplace processes.
3. Guidance on participatory processes to engage people who experience poverty
4. Nurturing of inter-organisational practices and dialogue around service planning, research, and evidence use in relation to inequality and poverty in Scotland.

3F. Do you have a view on whether public authorities should use existing monitoring frameworks to track whether the socio-economic duty is making a difference to outcomes over the long term?

- What Works Scotland appreciates the concern to avoid adding to the ‘cluttered landscape of performance, benchmarking and evaluation frameworks’ (Audit Scotland, 2016¹⁴) but we question whether the impact of the SED can be adequately assessed through the National Performance Framework (NPF) or through the existing frameworks and plans of community planning partnerships (CPPs). The NPF¹⁵ contains a range of indicators relevant to the SED, but few if any will be sensitive to the kind of changes that can be expected from the application of the duty. Many change little over long periods and few capture change in the socio-economic distribution of the indicator. Unless the introduction of the duty has a dramatic effect, it will not be possible to attribute changes in trends in the indicators to operation of the SED. An analysis by the Scottish Government’s Outcomes, Evidence and Performance Board found that little of the data that was used for community planning ‘focus[ed] on inequalities, prevention, or performance at a local level.’ (cited in Audit Scotland, 2016) This suggests that guidance will be needed on how to use existing data to monitor the application and impact of the duty. This should enable CPPs to learn from and improve practice in their own areas, and to contribute to a consistent national assessment of whether the duty is achieving its aim of improving outcomes for people who experience disadvantage.

ⁱ Individual response written in consultation and with contributions from colleagues in What Works Scotland (notably Dr Peter Craig, University of Glasgow and Dr James Henderson, University of Edinburgh). [What Works Scotland](#) is an initiative to improve the way local areas in Scotland use evidence to make decisions about public service development and reform. Funded by the Economic and Social Research Council and the Scottish Government we are a collaborative project between the Universities of Edinburgh and Glasgow. We explore how public services could start to work towards the recommendations of the [Christie Commission on the Future Delivery of Public Services](#) and the [Scottish Government’s priorities for reform](#).

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¹⁴ Community Planning – an update <http://www.audit-scotland.gov.uk/report/community-planning-an-update>

¹⁵ <http://www.gov.scot/About/Performance/scotPerforms/indicator>