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**Skills & Learning
Intelligence for
the South West**

M o v i n g T o w a r d s I n c l u s i o n

A picture of disadvantage in the South West

A report for SLIM by Suzanne Grogan Associates

March 2003



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Ben Neild and Suzanne Grogan

FOREWORD BY PHIL MCVEY, GOVERNMENT OFFICE FOR THE SOUTH WEST

ESF Objective 3 has a critical role in helping people who face disadvantages to get into learning and work.

It is able to play this role because it is flexible - relatively unconstrained by pressures of unit cost and the demand to achieve visible short-term 'outcomes'. It is therefore able to fund innovative and bottom-up approaches, where the results may be subtle, long term and uncertain.

Those running ESF projects must, of course, achieve results and demonstrate value-for-money. But the true value of ESF is that it enables organisations to reach those who need the greatest assistance and who are unlikely to succeed on programmes which run under the assumption that one-size-fits-all.

In the past, at times of high unemployment when large numbers of people may have needed short-term help into work, ESF has been used to increase the quantity of provision available. But in today's tight labour market, the unique contribution of ESF lies in its ability to enrich other programmes by increasing the range and intensity of help on offer or by providing help over longer periods of time.

Moving Towards Inclusion examines the numbers and circumstances of people who are excluded in the South West today. It describes the barriers that combine to prevent them participating in training, work and other aspects of our society. And it also looks at solutions, like outreach, childcare, transport, mentoring, and coaching which ESF can provide and which project sponsors might find impossible to fund with match-funding alone.

Moving Towards Inclusion updates the ESF 'Beneficiary Reports' produced by the TECs in 1997/1998. In bringing these together into a single document and drawing out the linkages between different forms of disadvantage, it also moves the discussion forwards in line with recent thinking and changes we have seen to the ESF Objective 3 programme itself.

This is an important report for the South West which we warmly welcome and recommend to all who are engaged with ESF or issues around inclusion.

A handwritten signature in black ink, appearing to read 'Phil McVey', with a stylized, cursive script.

Phil McVey
Acting Director, Children, Young People and Skills

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Moving Towards Inclusion

A Picture of Disadvantage in the South West

Main Report

March 2003



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1. INTRODUCTION

1.1 Development of the report

The title of this report is *Moving Towards Inclusion*. It is intended to update and supercede the South West Training and Enterprise Council (TEC) reports of 1997/8 which looked at individual priority groups. Since those reports were first published, a raft of policy and strategy documents has been published by government, and the establishment of the Social Exclusion Unit (SEU) has resulted in a fresh examination of the way in which disadvantage affects the lives of individuals and communities.

1.2 Structure of the report

This work updates the South West TEC reports completed in 1998. Those reports offered a profile of the labour market position of various disadvantaged groups within the South West region. They proved useful as individual documents and a need to update them has been recognised for some time.

However, the debate has moved on, and it is now accepted that issues of 'exclusion' and 'inclusion' cannot be looked at in isolation – either in terms of the barriers experienced or the 'groups' to which those defined as 'disadvantaged' belong. This report seeks to examine how policy and strategy has changed since the reports were last published and provide an 'overview' of the multiple disadvantage experienced by many residents of the region. In addition, and in recognition of the success of the TEC reports, annexes will be included offering a profile of the issues as they relate specifically to European Social Fund (ESF) beneficiary groups.

In addition, reference to datasets will only be made to support a particular point in the overview document. Many other reports have been produced within the South West during the last two years – including the *Framework for Regional Employment and Skills Action (FRESA)* and *The State of the Region* – which offer access to a wide range of datasets relevant to this work. However, owing to the nature of this work, inclusion of this material would be likely to overload it and result in unnecessary duplication. Therefore, further annexes are available offering more detailed data tables and full details of the reports within which they are more fully discussed.

1.3 Census 2001

It is recognised by the authors of this report that its publication coincides with the release of datasets from Census 2001. The Census will offer more accurate data on ethnic minority populations, older workers and numbers of lone parents, for example, to replace figures from 1991 which are wholly out-dated and inappropriate but still the best available. Much of the most useful local data will have recently become available as this work goes to print, and where figures are available standard tables will be examined. However, over the coming months much local analysis will be undertaken by a range of organisations that will inevitably add substance to the bare figures. However, this document is flexible enough to allow periodic updating as information becomes available for analysis. In any event, this report intends to focus on continuing policy and action rather than relying on raw data, none of which is likely to affect regional policy and strategy in the shorter term.

2. SOCIAL EXCLUSION AND SOCIAL INCLUSION – THE ISSUES DEFINED

2.1 History

The term 'social exclusion' has been used most widely in the United Kingdom since the election of the New Labour Government and the establishment of the SEU in 1997. However, it has been an accepted concept in the European Union since 1989-1990 when the Observatory on National Policies was set up, defining social exclusion in relation to 'social rights of citizenship...to a basic standard of living and to participation in the major social and occupational opportunities in society'. At the same time, the EU shifted from a focus on economic definitions of poverty to those based on civil, political and social rights.

2.2 Definitions

The terms 'social exclusion' and 'inclusion' are not always properly distinguished from one another. The United Kingdom Government takes the view that they are, in principle, direct opposites:

Social exclusion: *'a shorthand term for what can happen when people or areas suffer from a combination of linked problems such as unemployment, poor skills, low incomes, poor housing, high crime environments, bad health and family breakdown.'*

Social inclusion: *'is achieved when individuals or areas do not suffer from the negative effects of unemployment, poor skills, low income, poor housing, crime, bad health, family problems, limited access to services and rurality, e.g. remoteness, sparsity, isolation and high costs.'* (SEU, March 2001)

Exclusion is seen here as an alternative to the use of the word 'poverty', recognizing as it does the layers of multiple disadvantage involved in the life experience of an excluded individual. Inclusion therefore is simply the reduction or eradication of the disadvantages faced by an individual or community.

The Government definition of exclusion above consists of a list of obstacles which, when combined, result in a lack of opportunity for full participation in society. The suggestion is almost that by increasing employment, raising income and improving skills for example, the problem can be solved. The SEU stresses, however, that the issues are more complex:

'the most important characteristic of social exclusion is that these problems are linked and mutually reinforcing, and can combine to create a complex and fast-moving vicious cycle.'

It is now, therefore, impossible to look at the experiences of the priority groups in isolation one from another. It is recognized that multiple disadvantage – the linking of the problems - is influenced by a wide range of factors that were not yet in focus five years ago.

The report, *Preventing Social Exclusion* (SEU, 2001), uses the example of rough sleepers to illustrate multiple disadvantage. Those who are 'roofless' are 30-50% more likely to have mental health problems, only 38% have any qualifications, up to 50% have a serious alcohol problem and up to 80% have drug problems. The Government's 4th Annual Report on poverty, *Opportunity for All* (Department of Work and Pensions, 2002) admits that there is no uncontested definition of 'poverty' and states that:

'If we wanted to know if a child was suffering from poverty and social exclusion we would want to know not only what their family's income was, but also the standard of their housing, their health, how well they were doing at school, and whether anyone in the house worked. We would want to know about the neighbourhood in which they lived, whether they had somewhere safe to play and whether they felt safe from crime. We would be interested in the level of services they received from the school they attended, their local GP and social services. We would also be interested in their aspirations and their self-esteem and what they hoped to do in the future.'

In *Exclusive Countryside? Social inclusion and regeneration in rural areas* (Shucksmith, Joseph Rowntree Foundation (JRF)), the definitions of 'poverty' and 'social exclusion' are examined and distinguished one from the other primarily by the former's implied view of the individual as 'victim' and the latter's focus on system failure.

'Poverty is an outcome, denoting an inability to share in the everyday lifestyles of the majority because of a lack of resources...'

'Social Exclusion is a multi-dimensional, dynamic process which refers to the breakdown or malfunctioning of the major systems of society that should guarantee the social integration of the individual or household.'

The emphasis on 'process' enables an analysis of the routes along which an individual can go that may lead to an alienation from the resources available to other members of society. However, too much emphasis on the 'process' may deflect attention from 'outcomes'. Too much emphasis on statistical outcomes can devalue the 'soft' outcomes, such as increased capacity and confidence building.

From a European perspective, however, *inclusion* is a much broader concept: The Employment and Social Affairs Directorate, responsible for administering the European Social Fund (ESF), defines it thus:

Social Inclusion - *'The development of capacity and opportunity to play a full role, not only in economic terms, but also in social, psychological and political terms.'*

Inclusion by this definition, then, is not confined to largely economic and physical wants and needs. It clearly expects that an individual, to be 'included' must be able to exercise power and autonomy - although whether that includes the power to opt out of society by choice is debatable and is at the root of many discussions about the political purpose of 'inclusion'. It could be argued, after all, that *inclusion* restricts and reduces the opportunity for *diversity* within a society, and requiring individual *conformity* where none previously existed. It is not only members of disadvantaged groups that take drugs or commit crime, for example, but the power the more affluent have, backed up by their relative prosperity, gives them a greater chance of dealing with such issues. They are subject to less government intervention, scrutiny and are not perceived to be a 'danger' to society which must be managed or 'included' within acceptable norms. (This is discussed further in *Rerooting Lifelong Learning: Resourcing Neighbourhood Renewal* (Thompson, J, NIACE, 2001)).

In the report *half the world away* (TUC, 2002), John Monks, TUC General Secretary, puts forward a view on how poverty may be challenged.

'The solution is not to try and make every regional economy like those of south eastern England, nor is it to flood pockets of poverty with make-work schemes. The solution is complex, multi-faceted and involves the redistribution of resources and a genuine transfer of power.'

It is the emphasis on a 'genuine' transfer of power that is critical. This statement is a direct challenge to the way in which much regeneration has been approached in the past. After all, there are pockets of the most severe levels of deprivation within the south east of England. Too little thought may have been given to the sustainability of projects aimed to increase employability and employment. Large sums of money have been poured into public sector organisations before there has been proper thought given to actual need, and projects have been imposed upon those experiencing social exclusion without sufficient consultation, failing to offer the greater empowerment required for lasting change.

In the article, *The renewal of urban neighbourhoods* (Atkinson, D, 2002, Local Work No.38, Centre for Local Economic Strategies), the author highlights some potential reasons for the past failure of programmes aimed at tackling disadvantage and social exclusion, such as the Single Regeneration Budget:

- Time limitations – 3-5 years of a regeneration programme is not long enough to show real long-term improvement;
- Front-loaded funding – objectives set out before a programme is running, excluding those it is intended to benefit;
- Residents rarely take a lead resulting in a lack of sustainability as funding ends;
- Past programmes were frequently based on administrative areas rather than community boundaries.

The Department for Transport, Local Government and the Regions (DTLR) report, *Neighbourhood regeneration: lessons and evaluation evidence from ten Single Regeneration Budget case studies* (2002), which includes the West Cornwall Initiative, identifies the most important factors for ensuring a successful project meeting local needs as being:

- Combining physical regeneration with people-related regeneration;
- Transport and other links between disadvantaged neighbourhoods and other areas offering employment opportunities;
- Provision of premises and support services for on-site training of those disadvantaged in the labour market, and to encourage local small business and self-employment;
- Strengthening community capacity;
- Bringing about changes in housing tenure, particularly private sector.

Schemes such as New Deal for Communities and the development of Local Strategic Partnerships are now run in a more enlightened and consultative fashion and initial signs suggest that these will be more successful.

In an attempt to create a meaningful definition of 'inclusion' as something other than the opposite of 'exclusion', the Centre for Economic & Social Inclusion (CESI) characterizes it in the following way:

'Social inclusion is the process by which efforts are made to ensure that everyone, regardless of their experiences and circumstances, can achieve their potential in life. To achieve inclusion, income and employment are

necessary but not sufficient. An inclusive society is also characterised by a striving for reduced inequality, a balance between individuals' rights and duties and increased social cohesion'. (CESI, 2002)

2.3 The 'cost' of exclusion

The SEU report, *Preventing Social Exclusion*, assesses the cost of social exclusion to the individual, to society, to the taxpayer and to business.

Individual costs

- Underachievement in education;
- Financial loss;
- Poor access to services;
- Stress and mental and physical health problems.

Social costs

- Reduced social cohesion;
- Higher crime;
- Reduced mobility.

Costs to taxpayer

Upward pressure on public spending to combat:

- Crime - more than £60 billion pa. In addition, the cost of young offenders aged 15-17 in custody costs a minimum of £175 million;
- School exclusions – costing more than £400 million pa;
- Teenage mothers - £116 million in benefits;
- Problematic drug misuse – approximately £3.5 million.

Cost to business

- Lack of skilled workers;
- Lack of customers – low incomes reducing national spend;
- Greater tax burden;
- Fewer entrepreneurs.

Highlighting the cost to society in physical and financial terms makes a political point. However, from the perspective of addressing the problems it must make best sense to look at the cost to an individual first.

2.4 The 'material' and the 'social'

The study, *Social Exclusion and Community Development* (Henderson P, Salmon, H, Community Development Foundation, 2001), includes an interesting discussion of the factors that contribute to 'exclusion' and separates them into material needs and psycho-social needs. These categories allow the discussion to progress beyond the absolute definition of poverty, which focuses on income and unemployment.

'Material' factors include:

- Income;
- Unemployment;
- Housing (and the general environment within which people live);
- Disability and chronic illness;
- Crime;

- Discrimination;
- Transport;
- Limitations on leisure activities.

The report by the Joseph Rowntree Foundation (JRF) in 2000, *Poverty and social inclusion in Britain*, was described as ‘the most comprehensive and scientifically rigorous survey of this type ever undertaken’. It was the first study which attempted to measure exclusion, and whether or not it succeeded in that aim, it provides an interesting picture of what adults in Britain consider to be ‘necessities’ – those things which a person should be able to afford and should not have to do without. Even though some of these ‘necessities’ fall out of the generally accepted definition of poverty, when the list is examined, it is clear that a feeling of social exclusion would be compounded by not being able to afford them. For example:

- Approximately 17% of the population cannot afford adequate housing as perceived by the majority of the population – heated, damp free and decently decorated;
- 13% cannot afford two or more ‘essentials’ such as a fridge, telephone or carpets;
- 33% of British children go without at least one of the perceived ‘necessities’ of childhood such as three meals a day, toys or adequate clothing.

Access to financial services is also frequently denied to those experiencing ‘exclusion’ – 20% have no bank account, and up to 28% cannot afford to insure their house contents.

‘*Psycho -Social*’ factors include:

- Isolation;
- Alienation;
- Powerlessness;
- Health.

Issues of isolation and alienation are often more pertinent to those experiencing disadvantage than the term ‘social exclusion’ itself. It is recognized that one of the greatest limitations on the unemployed is the fact that, as they are not ‘in work’, they lack contact with the very networks that can help them find the job they want. Low incomes contribute to an inability to expand social networks, reinforcing the feelings of isolation and of being forgotten by the political institutions and public sector organisations. Thus levels of engagement in political processes e.g. voting, may become minimal in the very areas that politicians are looking to ‘include’.

Many communities feel alienated from the traditional figures of authority, for example, priests, teachers, and police. This results in high levels of truancy and rising crime rates. This is a vicious circle as particularly those living on inner or outer city housing estates then talk of a culture of fear or of ‘ghettoisation’.

Poverty and Social Exclusion in Britain expands this discussion by identifying the ‘four dimensions of exclusion’. The first is exclusion from adequate income or resources, the second is ‘labour market exclusion’ – a factor which must be treated with caution in light of the fact that more than 40% of adults have no paid work (for various reasons). However, it is still a significant risk factor; thirdly ‘service exclusion’, including disconnection from utilities and lack of service availability; lastly ‘exclusion

from social relations', including lack of time, loneliness (lack of contact with a friend or family outside the household), and poor personal support.

2.5 Striking a balance

At this point it is crucial to examine the motives behind a strategy for 'social inclusion'. What society are we seeking to include everyone within?

The question of whether a person or group of people are or are not 'included' may be better examined from the angle of the society they would 'choose' to be included in if given the option to decide for themselves. The assumption that everyone wants the opportunity to work within the 'formal' labour market – one regular job, suitably remunerated with opportunities for training and development – is as patronizing as it is naïve. Not only do many people choose to leave that type of employment in urban areas for rural communities precisely to avoid that existence, but many people indigenous to those rural communities run their lives within an 'informal' structure that may include seasonal work, short term 'contracts' and ad hoc arrangements between employer and employee. Formal LETS (Local Exchange Transfer Systems) schemes have become a popular way to support community development and capacity in disadvantaged urban areas, yet the basis of such a scheme would not be new to many rural communities which have operated in a similar way, naturally, for years.

The South West is a predominantly rural region, and those fighting to save a rural way of life would not happily swap it for a 'nine-to-five' job with training opportunities in the service industries. Therefore, when 'Moving Towards Inclusion', it is important to recognize the diverse needs of individual communities of interest and avoid assumptions about what it is that the key beneficiary groups to which this report refers want and need from the 'society' in which we seek to include them.

3. RESEARCHING SOCIAL INCLUSION

This report draws on data from a wide variety of statistical sources, including the Labour Force Survey and Claimant Count from the Office for National Statistics (ONS), the Indices of Deprivation, Regional Drug Misuse Database at the Department of Health (DoH), New Deal Programme Statistics from the Department for Work and Pensions (DWP) as well as data from the Department for Education and Skills (DfES), and Land Use from the Office of the Deputy Prime Minister. Running in tandem with this report there has been a large-scale report undertaken by SLIM called *Reaching Out Across The Region: An analysis of European Objective 3 projects in the South West*. Data collated and mapped for that work has been utilised in this report to ensure consistency of approach.

A comprehensive literature review has been undertaken, with particular attention paid to the many appropriate government strategy documents, the *ESF Objective 3 South West Regional Development Plan* and publications from The Countryside Agency. Reports from other agencies and organisations were also considered, most particularly studies undertaken by the Joseph Rowntree Foundation (JRF). A full bibliography is reproduced as an appendix to this report.

3.1 Data and intelligence - the qualitative, the quantitative and the robust

There is as yet no agreed measurement of overall social exclusion, but it is possible to form an impression of the level of deprivation by using data relating to the recognised indicators of different forms of exclusion.

Government websites now provide more data for analysis than ever before. The ONS website offers a wide range of national and local datasets and links to related issues. More reports and government strategies can now be downloaded upon release and as more regional and local organisations go ‘on-line’, the availability of actual information and ready contact details have greatly reduced some of the frustrations of research. However, there are still some statistics that are many months out of date or hard to obtain.

In any event, those responsible for deciding policy and strategy at a regional or sub-regional level must access the data and information as ‘intelligence’ – looking at it in context, comparing it to other areas and having an awareness of the full implications of what is presented as ‘fact’.

Expectations of data have always been high, and on an official level there is an increasing recognition of this and efforts to resolve issues of compatibility and robustness are continuing. However, work is still frequently undertaken at a local level in isolation from its surrounding area, often by agencies that work together in partnership strategically. The result is valuable research projects often limited in their use by lack of compatibility.

In the development of this report, a large-scale examination of available data has been undertaken, with particular reference to disadvantaged groups in the South West. In the gathering of figures relating to population, participation and achievement rates in education and training, for example, it has become clear that some groups are better served by the data than others. As an illustration, there is an abundance of data relating to young people at risk of exclusion but very little relating to ex-offenders. This report has therefore relied upon pertinent regional and national secondary studies in order to obtain a clearer picture of need in those groups which do not figure to any meaningful extent in official statistics.

When examining indicators of disadvantage, it is important to acknowledge that there is a difference between urban and rural areas in the causes and distribution of such disadvantage. For example, data relating to ethnic minority populations of urban areas tends towards quantifying the numbers in individual ethnic communities and where numbers are high enough, then looking at the possible problems encountered. However, there are too few people from a non-white background living in rural areas to consider looking at their levels of disadvantage in a quantifiable way. Therefore problems of isolation and lack of access to services and support networks may be ignored. Similarly, if the issue of homelessness is under consideration, rural ‘rough sleeping’ will invariably undercount those, often young, people who sleep rough in between periods of ‘rooflessness’ – that is sleeping temporarily on friends’ and relatives’ floors.

In this report, therefore, a balance has been struck between the use of quantitative and qualitative research, recognising that a reliance on the data inherent in the former can lead to a narrower perspective, and that to rely on the latter too heavily risks diluting the evidence-based argument and regional perspective.

3.2 One-to-one interviews and meetings

In spring 2002, 20 interviews with key regional agencies and grassroots organisations were undertaken to gather information on objectives and key issues that interviewees would like to see addressed in *Moving Towards Inclusion*. Where appropriate, some of these interviews have been included at the relevant point in the text of the report. A list

of those consulted and details of the type of information gathered are included in Annexe 7.

3.3 The remit of the report

The remit of this work is to offer as comprehensive a picture as possible of current levels of disadvantage amongst the population of the South West, and the strategies that have been developed to remove the barriers.

This work has been undertaken to update the South West TEC reports completed in 1998. Those reports were well received and have proved useful to a variety of agencies and organisations in the identification of need and development of strategy.

Government Office for the South West (GOSW) and the SLIM steering group identified the need to expand the brief in order to make the work more substantial and useful, recognising the significant developments that have taken place. It is designed to be used by all those working towards a more inclusive society in the South West, from regional, co-financing, agencies such as the Regional Development Agency (RDA), co-financing organisations such as Local Learning & Skill Councils (LLSC's) down to grassroots organisations running, or bidding to run ESF Objective 3 projects. The aim is to ensure that Objective 3 activity in the South West, as expressed in individual bids, organisational and partnership strategies, is informed by robust and accessible evidence on the skills and learning needs of individuals and businesses across the region.

3.4 The report and the wider picture

There are now many points at which interested parties can access data relating to poverty and disadvantage. Comprehensive reports have been written and government strategy documents published addressing issues relating to social exclusion and inclusion. There have also been significant developments on national websites such as the ONS site at www.statistics.gov.uk which now includes statistics to neighbourhood level.

At a regional level, there has been the publication of the *Objective 3 South West Region Regional Development Plan 2000-2006*, (RDP) which describes itself as a:

'regional structural framework within which Objective 3 will support measures to combat and prevent unemployment, develop human resources and promote social integration and equality in the region's labour market.'

That document is available for download at http://www.gosw.gov.uk/A-Z_of_GOSW_Activities/Europe/Objective_3/.

Similarly, in November 2002 the South West Regional Development Agency (SWRDA) launched the South West Framework for Employment and Skills Action. (FRESA). This offers a 'vision' for the South West regional labour market, and has been summarised in Annexe 4. It is available for download at <http://www.southwestrda.org.uk/publications/slim.shtml>.

The Skills and Learning Intelligence Module (SLIM) of the Regional Observatory has also produced two research reports of relevance in recent months – *Skills Issues in the South West* and *Reaching Out Across The Region* - which analysed the ESF Objective 3 projects in the South West. This, and the other documents referred to above, are available to download at www.swslim.org.uk. SLIM has an important role in

collating regional research reports and has a comprehensive research database accessible via the website.

These developments have resulted in the easy availability of a great deal of information on the regional and sub-regional economy and overall labour market position. It is not the intention of this document to repeat all the hard work undertaken elsewhere. However, a brief regional overview is included as Annexe2 to this report, as it provides the context within which policies for social inclusion are developed.

4. BARRIERS TO INCLUSION

4.1 Introduction

This section of the report is intended as an overview of some of the issues that have a particular impact on how people may be excluded from aspects of society by specific barriers – structural and social – that manifest themselves within the South West region. Many of the issues here are relevant at a national as well as regional level, but as will be seen, the South West experiences significant differences – particularly in the urban/rural split, that make certain aspects of the social inclusion debate more relevant.

Moving Towards Inclusion is most specifically concerned with the beneficiary groups identified by the European Social Fund. Therefore, a chapter on each of the following groups has been developed as part of this report:

- Ethnic minorities
- Ex-offenders
- Homeless persons
- Lone Parents
- Older workers
- People with a disability
- Returners to the labour market
- Those involved in drug and alcohol abuse
- Young people at risk of exclusion

In each chapter, the barriers faced by the groups are discussed in detail. Many of the experiences are common to all or many of the groups. This is to be expected in light of the earlier discussion on the nature of exclusion and multiple disadvantages associated with it. In this section of the report, therefore, the focus will be on those issues which have been shown to have an effect on the capacity of a region or sub-region to ensure the proper mechanisms are in place to offer an inclusive society to its population.

4.2 Geography

The South West region is the largest in England. It extends to some 24,000 sq km and accounts for 15% of the total land area in England. The diversity of the region is not always recognised – remarkably the north eastern edge of the region is closer to the Scottish borders than it is to its own western edge.

The South West is a predominantly rural region, with a small number of major urban centres. Apart from Plymouth and Exeter, the major urban centres are concentrated to the east of the region – Bristol, Bournemouth & Poole, Swindon, Gloucester. This rural/urban split has a significant impact on the delivery of and access to all kinds of services in the region. This not only includes well-publicised difficulties in access to welfare and financial services, but also makes effective policing more expensive and increases distribution costs to such an extent that business development (and therefore economic prosperity) is restricted.

80% of the land in the region is put to agricultural use – mainly in the production of milk and the raising of cattle and sheep. The BSE crisis and outbreak of Foot & Mouth disease in 2001 had a serious impact on the agricultural holdings in the region, with a resulting increase in economic hardship in already increasingly depressed and

isolated rural communities. Again, the west was hit hardest – the east of the region having a greater dependence on and proportion of land use dedicated to cereal production.

A further restriction on the possible regeneration of deprived areas in the South West is the amount of land that is recognised as ‘designated’ – national parks in Exmoor and Dartmoor, large expanses of Heritage coastline and Areas of Outstanding Natural Beauty covering 30% of the land area. There is, of course, no argument to build large-scale industrial parks and business centres on this land. It is part of the natural beauty of the region that encourages a huge number of tourists, who in turn support the many enterprises – hotels, restaurants, attractions, crafts – that are dependent on them. However, the tourism industry is seasonal and jobs within it are notoriously insecure and poorly paid. The development of high-tech, higher-paid industry to the east of the region cannot readily spread to the west, resulting in a significant difference in average incomes (and employment opportunities) across the region.

In summary, therefore, the most significant contributors to exclusion within the region can be listed as follows:

- The physical ‘shape’– it is a peninsula, experiencing (most particularly in Cornwall) issues similar to that of an island in terms of access, communication and economy;
- A large proportion of land is classed as coastal;
- The high number of protected sites places limitations on land use;
- The significant economic divide between the North East of the region and the South West corner;
- There are few large urban areas, and these are surrounded by large rural expanses with a dispersed population.

The Government has recently recognised the vital links between market towns and their surrounding villages by introducing the Market and Coastal Towns Initiative, offering smaller communities the opportunity to develop services for the wider communities they serve. Area-based initiatives (ABI’s), however, work most effectively in urban areas where support agencies already exist and in many cases they are unable to address the problems of the 40% of disadvantaged people living outside areas recognised on official indices as ‘deprived’. This is an issue particularly relevant to the South West where poverty frequently exists side by side with affluence in rural areas.

This is exacerbated by the image of the South West as a picturesque and prosperous region. The attractions to tourists can be problematic when trying to convince those outside the South West that there are problems of serious disadvantage (although this perception has been changing with the award of Objective 1 status to Cornwall).

4.3 Housing

As discussed in more detail in the chapter of this report dedicated to homelessness in the region, the level of homelessness in rural local authority areas increased at a faster rate than in urban areas during the 1980’s and the rural homeless represented some 12% of the total homeless population. Factors contributing to this include loss of rented housing, owing perhaps to loss of tied accommodation on failing agricultural holdings or to a landlord converting to lucrative holiday lets or selling to take advantage of rapidly rising property prices.

It is not only homelessness itself that contributes to social exclusion in rural areas however. Following the increase in the number of people switching from an urban to a rural lifestyle in a response to the stresses of city life, there has been a consequent increase in property prices, with even the smallest village properties becoming too expensive for many local people to afford. This results in the breaking up of the traditional extended family support network in rural communities as young families have to move out of their home area to find accommodation and employment.

The State of the Countryside report, (The Countryside Agency, 2001), highlights the problems created for the South West region by demographic trends and changing lifestyles, including great pressure for new housing development fuelled by the demand for second homes and the use of much existing stock for holiday accommodation. Despite restrictions on land use described above, The ONS in *Focus on the South West* states that the South West has the highest projected rate of urban growth of any region in England. Estimates show there will be an 18% increase in urban growth between 1991 and 2016.

The *South West Regional Planning Conference* (2000) stated that there are 58,000 second homes in the South West - approximately 20% of all second homes in England and 3% of the region's housing stock. 41,000 of those homes are owned by people whose main home is outside the region. The Countryside Agency published a report in December 2002 entitled *Second homes in rural areas of England* detailing research into the number of second homes across the country and the impact on affordable rural housing. Interestingly, during the research it was established that there are some 100,000 second homes in England, and the areas within which they are concentrated are almost entirely within the South West region – Cornwall, Devon, Somerset, Isles of Scilly, Cotswolds, and all along the South Coast and within National Parks.

All types of property are now being targeted, including the homes that were traditionally low-cost – ex-local authority homes and new build, but it must be recognised that the problem is not solely caused by the purchasers of a second 'holiday' home. There is also the added pressure of in-migration and retirement to the same areas within which second homes are situated. However, regardless of the cause, it is clear that changes in the dynamics of local communities have serious implications for rural services such as schools and health services.

South West Housing Market 1997 to 2001: Average house prices, mortgages and income of borrowers

	All dwellings			First time buyers		
	Average dwelling price	Average advance	Average recorded income of borrowers	Average dwelling price	Average advance	Average recorded income of borrowers
	£	£	£	£	£	£
1997	73,004	51,022	24,072	53,211	46,005	19,995
1998	80,203	55,286	25,373	61,013	50,396	21,475
1999	89,217	61,553	27,608	71,119	55,909	23,918
2000	104,233	69,055	29,989	80,048	61,001	25,854
2001	118,639	74,206	32,553	92,817	70,074	28,355

Over the five-year period 1997-2001, average property prices in the South West region increased dramatically. First time buyers in 2001 had to find over £90,000 in order to take first steps on the property ladder, a rise of nearly £40,000 over five

years. Interestingly, however, the average incomes of purchasers has kept pace with this increase as the ratio of income to mortgage advance has only increased slightly from 2.3x income to 2.4x income for first time buyers.

It is important to realise that these figures disguise many of the problems faced by young people on low incomes, most particularly in rural areas where property prices are higher owing to the in-migration of people 'downsizing' from cities to the east. In those areas, the average income is more likely to be in the region of £18,000 and the average small property in the region of £150,000, excluding an increasingly large minority of the rural population from entering their local housing market. The restricted number of affordable new homes built has contributed to a forced exodus to urban areas.

This problem is exacerbated by a shortage of rented social housing. The proportion of households in local authority rented housing in 1999 was lower in the South West than in England as a whole – 16% in comparison to 20.2%. In 1997 a mere 2,256 new homes were completed by registered social landlords (such as Housing Associations) and 54 by local authorities. In 2001 the figures had fallen dramatically to 1,562 and just 12 by local authorities. The reduction in housing stock has increased overall problems of availability, accessibility and affordability for households unable to afford home ownership or the private rented sector.

Work undertaken by SLIM in *Skills Issues in the South West* (2002), available at http://www.swslim.org.uk/slim_reports.asp, looked at the districts for which New Earnings Survey data was available and examined how incomes in those areas related to house prices. The key findings were as follows:

- Kerrier in Cornwall appeared the most expensive area within which to live. More than **nine** times the average income of £17,852 would be required in order to meet the average house price of £171,300;
- The lowest earners in Kerrier (earning approximately 10,000 pa. would require **17** times their annual income to purchase the average house;
- Plymouth has the lowest house price to earnings ratio, one earner on the average annual income of £20,475 needing less than 4 times that figure to buy the average house at £77,123;
- The lowest earners in Plymouth require just over 7 times their income of £10,375 to buy the same property;
- Areas where people tend to earn the lowest average annual wages are areas with the highest property prices.

It would be interesting to undertake research into the results of these findings. If high earnings are less easy to achieve in the west of the region, does this result in those with the highest skills and qualifications moving to the east (or out) of the region? For those developing policy and strategy in the region this is something of a dilemma.

In line with trends across Great Britain, the number of single-person households is expected to rise dramatically. Thousands of new homes will need to be found to accommodate them. So what can local authorities do? Clearly there is a need for research to establish what impact these issues are having at a local level – on house prices, access, building and supply, and the use of local services. There must also be an examination of affordability. As has been seen above, it is often areas offering the lowest local incomes that experience the highest property prices.

Local authorities might also consider looking at the planning process – designating sites for affordable housing and assessing planning applications to take account of the latest socio-economic conditions.

4.4 Transport and mobility

It has been recognised that ‘mobility’ is key to a person’s ability to access the education, training, employment and support services necessary to offer them the greatest possible opportunities within the labour market and allow them to participate fully in the social fabric of the regions within which they live. That ‘mobility’ depends to a great extent upon the transport system available – its efficiency and cost. It is important in the context of this report, and has been identified as an issue in the SW FRESA. The SW Regional Employment Forum is looking at ways to establish how significant a barrier transport is ‘in terms of cost and reliability’.

Although this is not an area within which skills and learning organisations can have a direct impact, it is vital that these issues are considered in the design and delivery of programmes.

The Department of Transport report, *Social Exclusion and the Provision and Availability of Public Transport* (2000), explored the links between public transport and social exclusion in both urban and rural areas in England.

Interestingly, the report utilised the development of the New Deal for Communities (NDC) programme, focusing on ten pathfinder areas. Added to these areas were four rural areas. From a South West perspective, the case studies chosen are particularly useful, as one of the four rural areas chosen was the Tavistock and Princetown area of West Devon, and Bristol was one of the pathfinder NDCs.

Overall, findings for England as a whole suggest:

- There are ‘clear connections’ between transport and social exclusion;
- Transport needs to be considered as part of all service delivery – work, health, social services, shops etc;
- Affordability is key – concessionary fares and fare differentials must be examined;
- Availability and accessibility – it is necessary to define what is the minimum acceptable provision and the maximum journey an individual should be prepared to undertake to access services;
- Better access to transport may make areas more ‘desirable’. However, the traffic must be ‘two-way’ – not just encouraging local people to travel outside their communities for education and employment, but offering opportunities for those outside the area to travel in and contribute to the local economy.

The last point is crucial for the west of the region – Devon and Cornwall – in particular. As property prices increase, more and more local people are priced out of smaller communities. Those people moving in are more likely to be able to afford their own transport and accept the necessity to travel some distance to access services. Local facilities are therefore more likely to be permanently lost to small communities which will increasingly become less vital, and the divide between rich and poor within them will become wider.

It is also possible to be excluded by the transport system even in the largest urban areas. This is particularly the case in large cities like Bristol where the outlying estates are largely made up of social housing. Employment opportunities and local shopping

and social facilities are often limited, and those available in other parts of the city are made less appealing by long, tiring, expensive and difficult to access journeys into city centres. This most particularly affects those with small children, older people and those with a disability, many of whom can be placed within the ESF target groups.

The Regional Case Studies

West Devon

West Devon was selected as suitable in consultation with Devon County Council, this was an interesting area partly because of an existing strategy to address needs of the population in terms of transport provision. Tavistock is a typical, small (pop. 12,000) ex-market town on the edge of Dartmoor. By contrast, Princetown is a village high on Dartmoor with a population of 450.

The research showed that the current transport system can't meet the needs of all those needing to get to places of employment, health and education facilities. Even though Tavistock is a town with many of its own facilities, these are hard to access during the winter months (with a reduced public transport system out of the tourist season) and many people have to travel to Plymouth, where there is the greatest opportunity to find employment. For those resident in Princetown a car was an absolute necessity if people were to have access to any but the most limited variety of services, even though the research concluded that the village was better served by public transport than many other small villages. Many people stretched their budget to own two cars (even that being insufficient to meet the different needs of a larger household).

Bristol – Barton Hill

The key features of this study area are that it is a New Deal area covering Barton Hill and The Dings and is situated to the east of the traditional industrial heart of Bristol. A major factor contributing to the area's problems is that it is bounded on all sides by physical barriers which separate it from the city – motorway, canal and underpass.

The Barton Hill area is predominantly social housing made up of high- and low-rise blocks of flats. The Dings is the most obviously socially excluded area, cut off from Barton Hill by a major road. Roads are busy and dangerous with narrow pavements and poor visibility. The population includes a high proportion of lone mothers and older people.

Buses are regular but indirect and journeys lengthy. Supermarket buses run four times a week.

The research found that public transport is a very limiting factor for those resident in the area, particularly in relation to the choice of school, and this was clearly contributing to social exclusion. Short journeys are made longer by the unreliability of what should be a frequent bus service and it can be expensive. Almost half of the households interviewed during the research said that they found travelling difficult.

4.4.1 Accessibility Index

In *The State of the Region* (South West Regional Development Agency, 2002), the authors, DTZ Pieda Consulting, refer to their own 'Accessibility Index'. This combines travel times taken to get to particular locations, including the nearest urban centre, the nearest mainline railway station, airports and ports and journey time to London. A low index score indicates a high degree of accessibility.

To illustrate this, London has a score of 45 and Scotland 122. The score for the South West is 60, similar to that of the North West. Only Yorkshire and Humberside and East Anglia are ranked more inaccessible in England. This is, however, based on the regional average. Within the South West region, areas to the east scored as more accessible than those to the west, mainly due to shorter travelling times to London, access to major airports and ports in the South East. By contrast, DTZ Pineda calculates that Cornwall and parts of Devon are much more inaccessible than the regional average, scoring around 100 on the index.

4.4.2 Car ownership levels.

The South West has the highest car ownership rates of any region in the UK apart from the South East. Approximately two million cars are licensed. (*SW Regional Planning Guidance*, GOSW, 2001). This is likely to be a reflection of the geographical remoteness of some parts of the region, with the lack of public transport making the ownership of a car essential, although 20% of households do not own one at all.

Significantly, on average each person in the region travels approximately 11,500 km per annum. This is 10% above the national average. Only 7% of the distance is covered by public transport – 90% by car or other private vehicle.

The environmental pressures of increased road use are well known, and evidence suggests that road injuries or deaths are concentrated in the more deprived areas and among the lower socio-economic groups. The development of retail parks and industrial estates on the outskirts of towns and cities requires a greater level of investment in public transport not just simply to attract more clients but also, perhaps more importantly, to support employees.

Government policy to reduce car ownership does, therefore, impinge directly on issues of inclusion. Certainly, if fuel and car taxes are continually raised, a policy to 'ring-fence' some of the income generated to improve public transport and mobile and educational services in remote areas will be necessary to ensure full economic and social participation

4.5 Access to services

The issue of access to necessary services is obviously linked to that of transport and mobility. However, some of the services are more fundamental to the overall success of an area as a 'community' – something that the provision of adequate transport elsewhere can never replace.

The most comprehensive survey of access to services in the South West region is the work undertaken by The Countryside Agency *Survey of Rural Services 2001*. The research was undertaken in 2000 using nationally sourced postcode information and a comprehensive postal survey to all rural parish councils in the region, in which parish representatives were asked to assign services to the nearest 'settlement'. The national postcode data was particularly relevant for the analysis of data relating to post offices and banks as there is robust statistical coverage of both rural and urban areas.

As stated previously, the South West has fewer major conurbations than some other regions, although there are large settlements around Bristol, Exeter and Plymouth. By contrast, Dartmoor, Bodmin Moor, Exmoor, and parts of Salisbury Plain are sparsely populated. Agricultural communities also vary across the region, Somerset and West Devon being more densely populated than the remote farming communities of Dorset and North Cornwall.

4.5.1 Survey results

The table below is reproduced from the *State of the Region 2002* report. It is based on the results of the Countryside Agency survey and it offers sub-regional analysis of the percentage of the population living more than two kilometres from a range of services.

In general, the South West does not appear to suffer poorer access to basic services than England as a whole. However, Bath and North East Somerset has almost twice the number of households having to travel more than two kilometres to access primary education than the national average, and more than 50% of the population of that area are more than two kilometres from a bank or building society. There is little in the official indices to suggest, however, that this part of the region is 'deprived'.

Devon appears from these figures to be the most seriously disadvantaged in terms of travelling distance to these basic services, with all percentages well above the England average. Access to financial services is important, so the percentage of people having to travel more than two kilometres to find a bank or building society is alarming. However, it is the percentage of households that are not within a reasonable walking distance of a doctors' surgery that is surely of more concern. The issue is, of course primarily one of the welfare of local people, particularly the elderly and those with a disability. There is a fine balance to be struck between the cost-effective provision of GP and hospital services to more isolated areas and the serious risk to health posed by the distances doctors and ambulances have to travel.

In addition to the services detailed in the table, more than 15% of parishes in the South West had no access to a bus service, 11% had no village hall, and 70% did not have their own village shop. These are all facilities recognised by the report as making a major contribution to the success of an area as a community, particularly in terms of social interaction.

This does not only have relevance for rural communities, even though this survey was undertaken for the Countryside Agency. It must always be recognized that these issues are also key to the success or otherwise of inclusion initiatives in urban areas. There is little point in championing jobs created on large industrial and commercial developments when out-of-town means out-of-reach to many people currently ill-served by the transport infrastructure.

Service Provision in Rural Areas

	% households living > 2km from the nearest Post Office	% households living > 2km from Bank/ Building Society	% households living > 2km from Primary Schools	% households living > 2km from Doctors Surgery
Bath & N E Somerset	5.1%	51.5%	15.9%	26.8%
Cornwall	5.5%	37.3%	8.4%	37.6%
Devon	8.3%	42.3%	11.8%	39.4%
Dorset	6%	39.7%	11.1%	31.4%
Gloucestershire	7%	34.7%	7.9%	33.4%
Somerset	5.4%	39.2%	8.5%	31.3%
Wiltshire	7.1%	45%	8.3%	35.7%
South West Inc Urban Areas	5.8%	37.8%	8.5%	32.5%
England	6%	41.9%	8.4%	33.8%

Source: DTZ Pieda Consulting based on data provided by the Countryside Agency (2001 Rural Services Survey)

The *Rural Services Survey* also recognizes the value of other less obvious services, such as petrol stations (a vital component in the cost of transport), Jobcentres

(awareness of employment opportunities) and Benefits Offices (for ease of 'signing on' for benefits and awareness of their availability).

The target for all service providers must be to achieve effective and efficient delivery to relatively low numbers of people, often dispersed over a wide area. Location is obviously a crucial factor, along with the cost to the user. ESF funding is often used for the provision of mobile learning and advice services, as well as more directly for transport and childcare costs.

4.6 ICT

Information and Communication Technology (ICT) has huge potential to increase inclusion in society. However, there are signs that it has thus far failed to deliver sufficient benefit to significantly reduce the 'digital divide'- the gap between those who understand and have access to ICT and those excluded from it.

Government initiatives have ensured that reliable resources are found in schools so the gap may narrow with the next generation in the labour market. However, Government promises on enabling suppliers of broadband services other than BT to step in are not moving forward, compounding the problem of equal access. This is of particular concern to rural areas within the South West region where broadband is likely to be unavailable for some time to come.

With increasing longevity and the move towards encouraging older people to remain economically active, there remain millions of people for whom ICT is something to be feared rather than thanked. Therefore there is some debate over whether ICT should be resourced in a similar way to basic skills like literacy and numeracy to ensure that those reaching required standards with words and numbers are not then excluded from the labour market by virtue of employer insistence on familiarity with information technology.

The *Survey of Rural Services* examines the availability of 'community internet' facilities. Access to the internet will be vital if the e-Government proposals are to succeed in their aim of making access to services more readily available to those in remote areas. The survey shows that in 2000, only 10% of parishes contain community internet facilities, and that almost all of those have a population of more than 1000 people. No parish of fewer than 200 residents had community internet access.

In December 2002, The Countryside Agency published research entitled *Information Communication Technology (ICT) and Rural Inclusion*. This work is based on a two-year European study examining how ICT can reduce social exclusion in rural areas. The work concluded that there is likely to be a continuing 'broadband deficit' in rural areas if the provision is left to the private sector. This requires intervention by regional public sector organisations such as has been undertaken in the North East of England.

However, there is evidence to suggest that the small to medium-sized enterprises (SMEs) upon which many rural economies rely are relatively slow in their take up of the latest ICT technology. The report suggests that certain public sector intervention can stimulate SME's in rural areas to make the best use of ICT available to them to access new markets, even in traditional craft industries currently relying on tourist and local markets. In order to ensure that the local economy remains buoyant in the face of large-scale losses in the agricultural and manufacturing sectors, and threats to

tourism, on-going ICT support to small business is necessary to ensure that developments in new technology are passed on.

It must be recognised, though, that these small businesses, however desirable, will not create the number of jobs necessary to impact on disadvantaged communities, and indeed are rarely located within them.

Although the report highlights the information services' sector (that is generally the term that includes call and contact centres and shared service centres) as a potential inward investor in rural or semi-rural areas and market towns, a note of caution is sounded and should be heeded. Although call centres have offered a route back into employment for some of those returning to the labour market, they have by no means easily met the employment needs of those leaving traditional industries and have rather changed the profile of local labour markets as an opportunity for women to combine family life with convenient shift hours. Additionally, there is currently much discussion in this sector as to the desirability or otherwise of relocating services to parts of the world where costs are much lower. The sustainability of such jobs is crucial to areas which have already suffered large employment losses.

The report does make some useful recommendations for those seeking to develop a telecommunications' policy for their area. There is definitely a need for public sector involvement, as it is unlikely that private companies will invest in small area access. This will certainly be necessary in the South West where local authorities are required by government to make electronic access to services available to their population within the coming three years. One suggestion might be to create local partnerships between small businesses and public and private sector providers to offer on-site training for employees and local people alike.

However, it will take more than these practical interventions to 'include' rural areas properly in the ICT 'revolution'. ESF has an important role to play in funding projects which increase access to confidence-building and ICT training courses – the unemployed in rural areas often have to travel long distances to suitably-equipped colleges and those running small businesses simply do not have time to take part. It is obvious, therefore, that any such training will have to go to those needing it rather than the other way round. ESF projects have offered 'lap-top loans' to lone parents as a route to access employment and training from home. However, this has the potential to be 'exclusionary', as the benefits of attending a place of education or employment do not stop at attending lectures or earning a salary. It offers opportunity for communication with like-minded people that cannot be replaced by email.

4.6.1 *Young people and ICT*

The creative and recreational aspects of ICT are a particularly appropriate means of engaging disaffected young people in education and training. Many traditional work-focused courses are perceived as being 'boring', but using ICT to create programmes based on dance music or games graphics can encourage young people to get involved in courses that have a longer term aim of developing skills for employment in the creative industries. The media and creative industries have an important contribution to make to the economies of cities and towns all over the UK and regionally in areas such as Bristol and Bournemouth.

4.7 Discrimination

It is difficult to gauge the true impact of discrimination on social inclusion. Discrimination is of itself an instrument of exclusion in a way that geography and transport are not.

It becomes apparent upon examination of the research available on all the ESF beneficiary groups, that discrimination is a key issue for at least three groups in particular – older people, the ethnic minority communities and people with a disability. There are different experiences even within those groups, highlighting how difficult and emotive an issue this is.

In the South West there has been some difficulty in promoting the ESF strand dedicated to equal opportunities for women. GOSW has received few applications for funding, and there must be a concern either that there is a lack of commitment to equal opportunities in the region as a whole, or that the fact that women are the only disadvantaged group with a dedicated fund for tackling issues of equality is directing funding away from other excluded groups.

In addition to the three groups highlighted above, all other beneficiary groups could be said to experience discrimination of one kind or another. For example, lone parents can be excluded by unnecessary restrictions on the flexibility of hours worked. Ex-offenders frequently find it difficult to access employment through the need to declare their convictions on application forms even where they are entirely irrelevant to the job on offer. A homeless person will be well acquainted with the vicious circle of no job-no home/no-home no-job, a permanent address being the first requirement of an application for employment. Women returning to the labour market find that they are likely to access employment at a lower level and on a lower wage than their male counterparts.

Much of the discrimination is institutional, and the groups most seriously affected can point out discriminatory practices in basic services that most people take for granted. Much of the discrimination is inadvertent, and many organisations with well-written equalities policies would be shocked to realise that there are aspects of recruitment processes for example that are exclusive from the very beginning.

4.7.1 *Equality and Diversity: Making It Happen*

The issue of discrimination is currently high on the Government agenda. The recently launched consultation document, *Equality and Diversity: Making It Happen*, offers new arrangements for ensuring equality and combating discrimination.

The document was published together with the paper, *Equality and Diversity: The Way Ahead*, asking for comments on draft regulations to implement new anti-discrimination law under EU Race and Employment Directives under Article 13 of the Amsterdam Treaty. The Directives will tackle discrimination in employment and training on the grounds of sexual orientation and religion (by the end of 2003) and age (by 2006) There will also be changes to existing law on disability and race.

Equality and Diversity sets out the Government's view of a more inclusive and fair society. This is based on the well-used government phrase 'opportunity for all'. The paper recognises the need to remove barriers to participation and to implement a cultural change. Equal opportunities and equality are a priority for everyone. The document highlights the need for:

- enforcement alongside awareness-raising;

- promoting understanding of discrimination;
- mainstreaming;
- engaging with employers and providers;
- partnerships and local network building;
- new emphasis on flexible approaches to enforcement including conciliation and dispute resolution;
- new ways of tackling multiple discrimination.

The Government is looking at the creation of a new body with responsibility for issues of equality and discrimination. It is not yet clear what form this organisation would take. Options include a single body to look at the discrimination experienced by all groups in an integrated way, and a 'gateway' approach offering a single point of contact for information and advice on equality and diversity issues for individuals, businesses and employers. This would offer a gateway to the three existing commissions (Disability Rights, Equal Opportunities and Commission for Racial Equality) and to bodies concerned with sexual orientation, religion and belief, and age. Alternatively, there may simply be the creation of an 'umbrella' body, overseeing the work of the current commissions with some shared central functions.

The way in which the Government chooses to develop this work is obviously crucial to the agencies working most closely with disadvantaged groups.

It is not possible within the overall framework of this section of the report to do justice to such a complex area of social exclusion. The chapters devoted to each of the disadvantaged groups discuss the issue as it is most relevant to that group. Suffice to say at this point that *Moving Towards Inclusion* recognises that there cannot be proper inclusion without an end to discrimination.

5. ISSUES OF RURAL DEPRIVATION

5.1 Rural areas defined

The OECD defines a rural district as one with a population density below 150 per sq km. On this basis the South West is one of the most rural regions in the United Kingdom having 24% of the population resident in 'rural' areas. This is the highest in England, and with the Eastern region it has the largest total numbers (1.16 million) living in rural localities outside Scotland.

However, *The State of the Countryside 2001* report by The Countryside Agency offers the South West up as having 53.3% of its population living in areas it defines as 'rural'. This is the highest of all English regions and well above the England average of 28.5%. This highlights, as does the report, the difficulty of establishing an uncontested definition of 'rural'. The Countryside Agency defines it along local government boundaries – classifying them as 'urban' or 'rural'. Of the 45 districts in the South West region only 12 are defined as 'urban'.

'Rural' in terms of the South West region does not directly equate to 'agricultural' as only 3.3% of the region's workforce is employed in the agriculture industry and only 2.5% of GDP is produced by it. However, there are some local areas where agriculture is a more important employer, most particularly in Cornwall where over 5% of the working population is within the industry.

5.2 Deprivation

The countryside is something seen by many as an idyll, viewed only through the car window or on television. Although certain factions within the countryside have recently sought to highlight particular 'problems' associated with the rural way of life, there is little real appreciation of the issues that are having an increasing impact on rural communities. Too often the discussion of rural deprivation is 'hijacked' by groups with their own political agenda, and the real issues are lost amongst the discussion of 'threats' to traditional country pursuits. The real threats to rural communities come from economic restructuring, the change in markets for traditional products, migration from affluent urban areas and the increase in property prices.

There have also been social changes that have had a significant impact – such as the move towards 'individualism' rather than 'community', the 'I'm alright Jack' approach – and an increasing fear of crime in rural communities. This leads to greater social isolation, particularly for the elderly, and as divorce and separation rates rise, for the increasing number of lone parent families and single people living in rural communities.

Those living in more remote areas and areas with poorer transport links consider that they are disproportionately affected by taxes on vehicles and fuel. There is little recognition by those in urban areas, whose most frequent complaint is that they can travel only short distances before getting stuck in a traffic jam, that many people in rural areas have to travel 20 miles or more to access a supermarket, bank or hospital. This may not create difficulties for those who have moved to the countryside with the proceeds of an urban house-sale to 'escape' the rat race, but the high costs of car ownership can be a major concern to those living and working in the area on relatively low incomes.

The rural areas of the South West have had to cope with numerous threats over recent years, most particularly:

- a declining agricultural sector;
- restricted range of employment opportunities offering low wage rates;
- out-migration of younger people unable to find employment and affordable housing;
- declining availability of local services;
- increasing problems of social exclusion and deprivation in rural areas.

There are particular groups which are more likely to experience social exclusion in rural areas:

- Older people – particularly those living alone (most often female) and relying on state pensions;
- Low-paid manual workers and their families – there is a reliance on low-paid industry in rural areas, particularly tourism and agriculture. There is also a greater reliance on small business and self-employment, which increases the risk of rural economic disadvantage;
- The long-term unemployed and those on sickness related benefit

A past reliance on tied accommodation has created the dual problem of an initial lack of mobility when leaving frequently low paid work with poor conditions would also mean losing a home. However, as the number of jobs in agriculture has fallen, so have the number of tied homes, frequently sold off and bought by people from well outside the area, resulting in a greater dependence on social housing, frequently less available in rural areas. This has resulted in the splitting up of the traditional rural extended family, increasing levels of social isolation.

Employment in many rural communities can now be limited to a local shop, pub or seasonal work on local farms. This may suit the needs of some of the residents. However, there are few opportunities for young people, who increasingly move to urban areas to access employment, accommodation and transport.

Mark Shucksmith in the Joseph Rowntree Report, *Exclusive Countryside?*, quotes Fabes, Worsley and Howard who graphically describe how people born and brought up in rural areas contribute (albeit inadvertently) to the lack of acknowledgement of rural deprivation:

'The rural idyll conceals poverty... the poor unwittingly conspire with the more affluent to hide their poverty by denying its existence. Those values which are at the heart of the rural idyll result in the poor tolerating their material deprivation because of the priority given to those symbols of the rural idyll: the family, the work ethic and good health.'

There is also the problem of denial of poverty by the more affluent, who do not want to acknowledge the difficulties faced by the less well-off members of their local communities who somehow 'take the gloss off' their own ideas of country life.

Exclusive Countryside? offers the following possible policy measures to address social exclusion in rural areas, some of which have implications for the use of ESF:

- Rural 'exclusion-proofing' – that is, the examination of government policy before implementation to assess its relative impact on rural communities;

- Tackling low pay;
- Integrating into work – most of those on low incomes are not in work;
- Increasing benefit take-up;
- Raising pensions;
- Innovative ways of offering childcare;
- Training through local firms;
- Jobs outreach;
- Grants for transport or childcare;
- Fuel duties from rural areas being allocated to rural transport measures.

There is also the ubiquitous ‘joined-up policy making’. It is often difficult to believe that so much policy making is made without reference to others working in the same field. However, this phrase has appeared so often in research and government directives referred to in this report that it is clear that this is a fundamental problem, made more difficult in remote rural areas where bringing together organisations and groups is more difficult and costly. Regional agencies therefore have an obligation to ensure that policy and strategy is not made in isolation – literally and metaphorically.

Social exclusion is widespread in the South West, and Britain as a whole, but it is that very spread that often makes it ‘invisible’. As discussed above, those ‘excluded’ are often living in small numbers in close proximity to affluent in-migrants from urban areas seeking a ‘better’ quality of life. Area-based initiatives may be less effective than in urban districts where those experiencing disadvantage are often concentrated in particular areas. Community development is crucial to regeneration in rural areas, but the problem is still one of identification of need within a small area. Often local projects are run by those who already have some power and influence and may still fail to meet the needs of the most isolated.

5.4 The rural/urban split

This chapter has been included to highlight issues of exclusion that have often in the past remained hidden in a way that urban deprivation has not. The focus of *Moving Towards Inclusion*, and research on exclusion and inclusion in general, can tend to be an unwittingly urban one, as many of the projects supported by ESF funding are located within urban areas where the greatest number of people are affected. Research undertaken, by the Joseph Rowntree Foundation for example, has sought to address rural concerns specifically, as many generic, over-arching reports and research on the subject have appeared to concentrate on the ‘big’ numbers, developing projects that could not operate successfully in more isolated areas.

However, adoption of too strong a rural emphasis on some points can detract from their impact on towns and cities in the region. Although problems of isolation and poor access to services are thought of primarily in terms of the rural population of the region, some people in urban areas such as Plymouth and Bristol suffer similar multiple and mutually reinforcing barriers. Poor transport links are not confined to the countryside, for example, as more and more out-of-town shopping centres are built, creating jobs but excluding those without transport from accessing those jobs or the services supplied. In deprived urban areas, people may experience ‘postcode discrimination’ by employers and providers of services, and high crime rates, poor health, lack of job opportunities and educational underachievement can all contribute to feelings of ‘separation’ from mainstream society.

6. THE PRIORITY GROUPS

6.1 The Context

6.1.1 *European Social Fund - Objective 3*

The European Social Fund (ESF) is a key source of funding for projects that promote inclusion, employability and the development of human resources.

Its role is to add value to national activities promoting:

- active labour market policies;
- equal opportunities for all and social inclusion;
- training, education and lifelong learning;
- adaptability and entrepreneurship;
- the participation of women in the labour market.

The ESF covers every part of Great Britain under one or more of three objectives.

Objective 1 covers areas that are economically disadvantaged, in that they have a GDP per head of less than 75% of the EU average. Objective 2 covers areas that are adjusting to industrial change, rural areas in decline, urban areas in difficulty, and economically depressed areas heavily dependent on fisheries.

Objective 3, the focus of this report, does not target specific geographical areas. Uniquely among the EU Structural Funds, it is available for actions that assist individuals experiencing labour market disadvantage regardless of where they live (with the exception of Objective 1 areas, which have access to their own discrete ESF funds). It is therefore particularly important as a means of reaching excluded individuals who are widely dispersed or are hidden among more affluent populations.

While anyone who faces labour market disadvantage may benefit from ESF Objective 3, a number of 'priority' groups have been identified on whom funding is targeted.

These are:

- Ethnic minorities
- Ex-offenders
- Homeless people
- Lone parents
- Older workers
- People with a disability
- Returners to the labour market
- Those with drugs misuse problems
- Young people at risk of exclusion

ESF Objective 3 is managed at regional level. The South West has developed a 'Regional Plan' for Objective 3, setting out the labour market context and priorities that influence its use. It is designed to complement the South West Regional Strategy, endeavouring to 'accelerate the rate of sustainable economic growth and improving the quality of life of all the people of the South West by supporting the development of a wider range of transferable and specific skills across the region.' It also works with the aims of the Skills and Learning Framework and the Learning and Skills Councils' objectives to 'support the development of the South West as a learning society'.

Up to 45% of the project costs can be met by ESF. The balance is referred to as 'match funding' and must come from other sources.

6.2 The priority group chapters

Each of the priority groups listed above has had an individual chapter devoted to them as part of this report. They are available as a set or individually, according to need and interest. However, it must be noted that, as previously discussed in the first chapter of this report, issues of inclusion and exclusion are inextricably linked. Many of the priority groups experience extremes of multiple deprivation, including not only economic disadvantage (higher poverty levels) but also poor health, inadequate housing and vulnerability to crime. Linkages between groups have been made wherever feasible in the text. However, it is suggested that a reader should access as many of the individual chapters as is possible, within the restraints of time, to gain as clear as broad a picture of social inclusion within the region as possible.

