

Evaluation

Despite some terminological differences, and the short-lived experiment with the Social Inclusion Network, the Scottish Executive has integrated Westminster-based initiatives into its overall plan for social justice, adopting a system of long term targets to demonstrate results over time, and focusing on a strategy of attacking the problems of deprived areas.

The close match between policy development in Scotland and the rest of the UK may be indicative of the fact that formal and informal procedures for UK-Scottish policy co-ordination are working effectively. But the lack of tension in welfare state policies is rather more due to party politics. Since 1997 Labour has been in power at Westminster, while the Labour Party also dominates the Scottish Parliament, and controls the Executive in coalition with the Liberal Democrats. The absence of significant policy divergence reflects a high level of shared values and policy objectives within the same party. The Labour Party in Scotland appears determined to keep in line with Westminster.

The situation of course might be different if Labour's dominance in Scotland is reduced. Developments in Scotland have been determined by party control and the structure of the devolved powers. However, if Labour comes under electoral pressure in Scotland – or if a non-Labour government is elected to Westminster – then pressures for a more distinctive policy approach will mount.

This *Devolution Briefing* was written by Helen Fawcett, Department of Government, University of Strathclyde, and reports work carried out on the project Social Exclusion in Scotland and the UK which was funded as Grant L219 25 2010 under the ESRC's research programme on Devolution and Constitutional Change.

The Devolution and Constitutional Change Programme was set up by ESRC in 2000 to explore the series of devolution reforms which have established new political institutions in Scotland, Wales, Northern Ireland, London and the other English regions since 1997. It has commissioned 35 projects around the UK to carry out top-class academic research and to contribute to the policy debates surrounding devolution.

Further Information

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Findings from the Economic and Research Council's Research Programme on *Devolution and Constitutional Change*

Devolution Briefings

Social exclusion in Scotland and the UK: devolution and the welfare state

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Key Points

- Devolution has not created major policy divergence in policies on social exclusion between Scotland and the rest of the UK.
- There remains considerable in clarity at all levels of government over the concepts of social exclusion and social inclusion and the policy implications that follow; generally policies have been re-labelled rather than changed as the use of these concepts has grown
- There has been a preference in Scotland for using the term social 'inclusion' rather than 'exclusion'; this helped opened up thinking on the part of gender, race, disability and sexuality in a social inclusion agenda.
- The Social Inclusion Network was an institutional response to the aspiration for a new politics associated with the establishment of the Scottish Parliament and brought together civil servants with local authorities and NGOs in the field.
- The Social Inclusion Network provided important policy-making capacity as well as legitimating the Executive, which could report a practice of *inclusive* advice-seeking and consultation; however the Network was closed down in 2003
- Despite the emphasis on concepts of inclusion and the institutional innovation of the Social Inclusion Network, there has been a marked level of continuity with pre-devolution policies focused on area-based regeneration, and convergence between the policy objectives of the UK and Scottish jurisdictions.
- Convergence has been facilitated by the configuration of Labour-led government in Holyrood and Westminster. There is a high level of shared values and policy objectives within the Labour Party at both levels, and the Labour party in Scotland has sought to keep in line with Westminster policies.

Introduction

This briefing reports research findings on the impact of devolution on welfare state development, with a particular focus on social exclusion policy. After the 1997 election, the new Labour government at UK level promoted policies to tackle social exclusion as part of its welfare reform agenda. These changes were introduced as power was being devolved to territorial administrations. While the Scottish Parliament and Executive have control over some of the powers in this area, social security remains under Westminster's jurisdiction. The aim of the research was to explore how public policy has developed under the devolved administration in Scotland, whether it has diverged from the rest of the UK, and whether there is a contradiction between the notion of 'joined-up' government and the decentralisation of powers.

Understandings of social exclusion

Policy makers at all levels are uncertain as to the definition and interpretation of 'social exclusion'. They tend to relate it to pre-existing ideas of deprivation and disadvantage, and have failed to develop knowledge of ideas or policy practice outside the UK. The imprecision of social exclusion as a concept allows policy actors to tailor the concept to suit their own outlook. In Scotland the legacy of past policy, where there was a long-standing practice and expertise in area-based regeneration, shaped attitudes towards the concept of social exclusion. There appear to be deep-seated difficulties in introducing 'new' ideas into the political process which may lead to a re-labelling rather than a re-definition of policy.

In Scotland there were initial signs of a distinctive approach on social exclusion; in particular, the notion of separating social exclusion from poverty or income adequacy was rejected. Social exclusion policy was also developed rather differently to that of the Labour government in Westminster especially in the run-up period to devolution. In other words how social exclusion policy should apply in Scotland was not pre-determined - it was a matter for debate and discussion. It was also an area which placed the new Scottish Executive under a degree of pressure because it was not a field in which it had expertise. As a result, Scotland developed a new structure of governance to address the issue of developing what became the Social Justice strategy - the Scottish Social Inclusion Network. At first its remit was to co-ordinate Government responses to social exclusion, but later the Network became advisory to Ministers.

A New Structure of Governance in Scotland

The Social Inclusion Network in Scotland was a very different type of institution from the Social Exclusion Unit in Westminster. The Social Exclusion Unit in London is staffed by civil servants and individuals on secondment (although a wider range of people have been involved in the work of the Policy Action Teams). Donald Dewar, then UK Secretary of State for Scotland, also set up a Social Exclusion Unit in 1998 staffed by civil servants, and charged

with developing a strategy for Scotland. Subsequently, though, interested organisations lobbied for a more 'inclusive' type of organisation which represented the views of those working in the field. The Social Inclusion Network resulted: it had a committee structure, with an average membership of around thirty, of which half were civil servants and the rest were representatives from local authorities and NGOs with experience and expertise relevant to the field.

The creation of the Network was the product of historical opportunity. In the run up to devolution there was much discussion of 'the new politics of Scotland', that was to be more 'inclusive' of Scottish society. The arguments put forward for the Social Inclusion Network suited the rhetoric of the time, and supported a divergence from the Westminster model of policy-making.

Another rationale for the creation and persistence of the Network was Scotland's weak policy capacity in the field. The old Scottish Office had little experience or traditions in this area of policy-making outside of area-based regeneration. The Social Inclusion Network's membership consisted of representatives from well-established pressure groups and NGOs with interests in poverty, housing, area regeneration, health, crime, education and social work. Following the introduction of devolution civil servants and ministers required their advice and expertise. The creation of a Network, which allowed ministers and civil servants easy access to the major players, therefore became crucial to establishing policy capacity.

In addition, the existence of the Network served as a source of legitimacy for government policy. Government officials could claim that a policy had been discussed and approved by the Network, showing that they had fulfilled perceived obligations to consult and to expose their work to the scrutiny of experts. This proved a controversial area from time to time because some Network members have felt unhappy about requests to 'rubber stamp' policies they had not been involved in developing and did not necessarily support. More positively, the non-civil servant members of the Network also gained political resources by their participation. Prior to devolution, members of this particular group felt excluded from the policy process and they welcomed access to decision makers.

The significance of the Social Inclusion Network – did a new form of governance make a difference?

The Scottish Executive through its Social Inclusion Division and the Social Inclusion Network developed a Social Inclusion Strategy. From the outset, the Network insisted on the use of a different terminology in Scotland (*inclusion* rather than *exclusion*), and this immediately highlighted the potential after devolution to change the emphasis of government policy in important ways. The focus on *inclusion* represented a rejection of many of the ideas associated with social exclusion prior to the 1997 election, most notably the focus on the behavioural causes of poverty. Those involved in policy in Scotland spoke of the 'negativity' of this

type of language, and the dangers of 'pathologising' certain groups such as the homeless, the unemployed or lone parents.

In this sense in particular the Social Inclusion Network made a difference, with a strong focus on the economic causes of exclusion and income adequacy. In Scotland it was clear the Network was not going to allow poverty to be marginalised as an issue. This was linked to a consistent rejection of some of the 'negative' language associated with the social exclusion debate and the focus on group problems and behaviour. As a result, gender, race, disability and sexuality play a part in the social inclusion agenda in Scotland. By contrast, in England there is a sharp divide between 'social exclusion' and this type of inclusion.

Though this attempt to use the language and values of *inclusion* was useful as a way of framing problems and evaluating policies in a different way, its impact on policy content was more limited. The Network - which was abolished after the 2003 election - did not realise its potential to become a key policy-making and agenda setting body. Instead what has clearly happened is that the social justice strategy for Scotland has followed Westminster agendas. The Scottish Executive's final report on Social Justice in 1999 was strongly influenced by the UK Department of Social Security's *Opportunity for All: Tackling Poverty and Social Exclusion*. Rather than developing a distinctive policy for Scotland, the Westminster proposals were used as a template for Scottish policy.

Policy Legacies and Area Based Regeneration

Since devolution Scotland pursued a set of policies which have been broadly congruent with those of England and Wales. At the beginning of the devolution process there was much discussion of the potential for conflict or the possibility of policy divergence. As was seen in the case of the Sutherland Report on Long Term Care for the Elderly, or the Cubie proposals on student fees, Scotland has sometimes diverged where it has had the powers to act, at times to the chagrin of the Labour government in Westminster.

But in the case of social exclusion/inclusion policy, conflict has rarely arisen and policy divergence has been limited. In part this is a matter of competences: the scope for the Scottish Parliament and Executive to develop a distinctive social inclusion strategy is limited by the retention of the competence for social security at the UK level. This has meant that the influence of past policy, formed pre-devolution, has been strong.

In England and Wales, the UK government accorded a high priority to the issue of area-based regeneration, with the *New Deal for Communities* and its *Strategy for Neighbourhood Renewal*. In Scotland this approach has also been at the heart of the social inclusion strategy, and reflected a continuation and enhancement of a policy of area-based regeneration which had operated in Scotland under both Labour and Conservative administrations for nearly thirty years. As a result, policy-makers in Scotland had a great deal of experience in this area and already had the institutional structures to support implementation.

The new Executive was attracted to areas where there was a stronger capacity to develop, support and implement policy. For example, in introducing Social Inclusion Partnerships in 1999, the Executive explicitly drew on the structure of multi-agency regeneration partnerships instituted prior to devolution in 1996. Before that the Scottish Office was experienced in operating the Urban Programme (1969), and New Life for Urban Scotland (1988). The creation of the 47 Social Inclusion Partnerships in 1999 was a continuation of the partnership structure and area-based approach to deprivation which built on existing sources of knowledge. This was not a new technique for dealing with social exclusion but largely a re-labelling of existing structures. There was some incremental change in terms of allowing a number of experimental thematic Social Inclusion Partnerships. The most notable difference in practice was the emphasis on partnership working with other agencies.

Since 1999, the Executive's strategy has evolved, building on past policy and focusing on the use of its areas of jurisdiction. It has focused on 'joining-up' services to accommodate both Scotland-wide and local priorities in serving the needs of disadvantaged communities. Since 2001 there has been major administrative change. Responsibility for regeneration has shifted from the Scottish Executive to the newly created Communities Scotland (formally Scottish Homes) which now has responsibility for the Social Inclusion Partnerships.

In June 2001, the Scottish Executive produced its community regeneration statement, *Better Communities in Scotland: Closing the Gap*. This document represented a consolidation and a rationalisation of the Executive's approach to social inclusion. The overall objective of the strategy is to decrease inequalities between communities. The administrative solution to these problems is the introduction of Community Planning, a technique by which councils and other national and local organisations agree local priorities and then co-operate in the provision of services.

The aim is to integrate regeneration within community planning. It is claimed that this will enable policy-makers to 'join-up' national, regional and local priorities and overcome problems of fragmentation and lack of cohesion which reduced the impact of previous regeneration initiatives. By the same token, the Executive budget for 2003-6 was presented as 'closing the opportunities gap', and emphasised that achieving social justice in Scotland was the responsibility of mainstream services providers and not just those concerned with regeneration directly.