

Poverty Proofing Guidelines

NB: The guidelines below date from April 1999 and were circulated to Government Departments and other State agencies. As part of the enhancement of the poverty proofing process they are currently in the process of being reviewed.

Office for Social Inclusion, April 2005

1. Introduction

- 1.1 Following the Government decision of 23 July 1998, in line with a Partnership 2000 commitment to strengthening of administrative procedures for equality proofing in the context of the National Anti-Poverty Strategy (NAPS), it is now a **requirement** in the updated Cabinet Handbook, published in October 1998 (p.19), that Memoranda for the Government involving significant policy proposals "**indicate clearly the impact of the proposal on groups in poverty or at risk of falling into poverty in the case of significant policy proposals**".
- 1.2 Although some Departments' remit may not seem to impact directly on poverty, and while some Departments are not involved in direct service delivery, it must be noted that this is an **obligatory requirement**. While the secondary effects of some proposals (particularly those which are not directly aimed at alleviating disadvantage) may not be immediately apparent, **they may still have an impact on the poor**, or may, inadvertently, lead to a risk of poverty for some people/groups.
- 1.3 The statement of impact on poverty should be based on a **systematic analysis**, using the Framework outlined in section 4 below.

2. What is Poverty?

- 2.1 Poverty is defined in the National Anti-Poverty Strategy (adopted by Government in April 1997) as follows:

"People are living in poverty if their income and resources (material, cultural and social) are so inadequate as to preclude them from having a standard of living which is regarded as acceptable by Irish society generally. As a result of inadequate income and resources, people may be excluded and marginalised from participating in activities which are considered the norm for other people in society."
- 2.2 The NAPS overall target focuses on the 6 - 8% of Irish households that were determined, in the 1998 Living in Ireland Survey by the Economic and Social Research Institute (ESRI) to be "consistently poor" (based on the 50% and 60% relative income lines **combined with** the presence of basic deprivation). The target is to reduce this proportion to less than 5% of households by 2004.

There are also subsidiary targets in relation to the five key themes identified in the NAPS: Educational Disadvantage, Unemployment, Income Adequacy, Disadvantaged Urban Areas, and Rural Poverty.

3. What is Poverty Proofing?

3.1 Poverty proofing is defined as follows:

" Poverty proofing is the process by which Government Departments, local authorities and State agencies assess policies and programmes at design and review stages in relation to the likely impact that they will have or have had on poverty and on inequalities which are likely to lead to poverty, with a view to poverty reduction."

3.2 The primary aim of the process is to identify the impact of the policy proposal on the poor so that this can be given proper consideration in designing the policy. It is not intended that Poverty Proofing would require that all policies be fundamentally transformed so that they are **explicitly** targeted at the disadvantaged. (Attention is drawn to the point made at 3.3 following.)

3.3 The potential effects of some policy proposals may be ambiguous in the sense that the policy may have a positive effect on some poverty risk groups and a negative (or no) effect on others. In such cases, **all** potential effects should be highlighted. One should consider the varying effects (if applicable) to each of the poverty risk groups as outlined below (4.4) and how any adverse effects on these groups might be counteracted. The possibility of particular groups being inadvertently excluded from the potential benefits of a proposal should also be noted.

4. Poverty Proofing Procedure

4.1 The procedure outlined below is as previously circulated in the document, "Policy Proofing in the Context of the National Anti-Poverty Strategy".

4.2 Proofing What?

Poverty proofing should be undertaken in the following circumstances:

- * in the preparation of **SMI Statements of Strategy and Annual Business Plans;**
- * in **designing policies** and preparing **Memoranda to Government** on significant policy proposals;
- * in the preparation of the **Estimates and Annual Budget proposals** - this will also include **expenditure reviews** and **programme evaluations;**
- * in the preparation of the **National Development Plan** and other relevant EU Plans and Programmes; and
- * in the preparation of **legislation.**

4.3 **Proofing How?**

In the circumstances outlined above, Departments should individually address the following questions:

- * What is the primary objective of this policy / programme / expenditure proposal?
- * Does it . . .
 - i) help to prevent people falling into poverty?
 - ii) reduce the level (in terms of numbers and depth) of poverty?
 - iii) ameliorate the effects of poverty?
 - iv) have no effect on poverty?
 - v) increase poverty?
 - vi) contribute to the achievement of the NAPS targets (including subsidiary targets under the five themes)?
 - vii) address inequalities which might lead to poverty? (See 4.5 below)
 - viii) as proposed, reach the target group(s)? (See 4.4 below)

and what is the rationale and basis of the assessment (for example, administrative data sources/household survey data, Working Group or Task Force Reports etc.) behind each of these replies?

- * If the proposal has the effect of increasing the level of poverty, what options might be identified to ameliorate this effect? [*this could include proposals to counteract adverse effects which may be identified for certain sub-groups even where the impact on the overall population is positive - see 3.3 above.*]
- * If the proposal has no effect on the level of poverty, what options might be identified to produce a positive effect? [*Again this could address any potential for certain social categories to miss out on benefits generally available to the target group.*]

4.4 In answering these questions, **particular attention should be paid to those groups which have been identified as being either in persistent poverty or known to be at risk of poverty** (in both rural and urban areas), viz.:

- * the unemployed, particularly the long-term unemployed;
- * children, particularly those living in large families;
- * single adult households and households headed by someone working in the home;
- * lone parents;

- * people with disabilities;
- * older people, in particular households headed by a retired person;
- * members of the Traveller community;
- * the homeless;
- * ethnic minorities.

[It should be noted that the extent and composition of these groups are likely to change over time and the focus of proofing would change accordingly over the lifetime of the NAPS.]

4.5 Particular attention should also be paid to **inequalities which may lead to poverty**. These could arise, for instance, in the context of age, gender, disability, belonging to an ethnic minority (including membership of the Traveller community) or sexual orientation.

5. Evaluation

5.1 Poverty Proofing is currently in place on a pilot basis. The effectiveness of the process is being reviewed.

Should you have any queries on these guidelines, please contact the Office for Social Inclusion, Department of Social and Family Affairs at (01) 7043851 or 7043827, or osi@welfare.ie. (April 2005 contact details).

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