

Briefing note: Baseline evidence on the 'Prospects' theme

May 2019

Key messages on phase 2: 'Prospects'

- Edinburgh shows higher than average levels of health and wellbeing, compared against Scottish averages, but levels of health inequality are very high. Citizens in the most deprived areas of the city experience lower life expectancy, higher levels of premature mortality, higher levels of incidence of mental health and other disorders than those in affluent parts of the city.
- This inequality is best articulated through small area level life expectancy data which show that a boy born to a family living in New Town West can be expected to live on average 21.4 years longer than one born in a more deprived area such as Greendykes /Niddrie Mains
- One of the fundamental causes of health inequality is the unequal distribution of power, money and resources in the city. Evidence shows that poverty can have a significant and adverse impact on both the health and life chances of adults, and the developmental outcomes of children both prior to birth and throughout their childhood.
- There is evidence of persistent challenges for children living in poverty in progressing through education to work. Data show evidence of a gap in attainment, poorer post school destinations, poorer access to further and higher education, and resulting lack of access to high skilled, higher paid jobs for students from disadvantaged areas.
- Efforts to address these issues and improve social mobility rates depend on reversing these three gaps: – the attainment gap, the fair access gap, and the progression gap.
- The Scottish Government have made addressing the attainment gap challenge at schools a priority, making additional investment available and given directly to schools. Efforts to address this are funded from programmes such as the Pupil Equity Fund.
- Universities in Scotland seek to widen participation to students from low income or SIMD 20 areas. While some improvement can be demonstrated, a sizeable gap between top and bottom SIMD measures exists.
- Edinburgh is a job rich city, with a variety of jobs and high average pay. Nevertheless:
 - the proportion of non-permanent employment in Edinburgh has been increasing since 2013 but remains almost the same over time in Scotland.

- average earnings in Edinburgh are static, structurally there are many low skilled jobs in Edinburgh with employers seeming more likely to adopt a low wage model, as indicated by the increase in low skilled jobs.
- the number of jobs at the two ends high-skilled and low-skilled have been increasing over time in Edinburgh, this limits opportunity for mid-career progression. When combined with high and rising expenses of home, childcare, and education choices, this risk pushing more into poverty.

Baseline data – phase 2: ‘Prospects’

Introduction

This is the third of four papers planned as background data analysis prepared to support the work of the Edinburgh Poverty Commission. This section provides a recap of the baseline evidence.

The first paper, prepared in November 2018, provided an overview of data and trends on poverty rates in Edinburgh and Scotland, showing that:

- Poverty rates in Scotland are rising, following a decline in the early 2000s.
- Poverty rates for families with children are higher and rising more quickly than the overall population.
- Levels of in-work poverty have risen rapidly in recent years - 59% of all working adults in poverty, and 66% of children in poverty live in households where at least one adult is in work.
- An estimated 82,000 people in Edinburgh live in relative poverty, or some 16% of the city population.
- These rates vary considerably between electoral wards across the city, from as low as 5% in some areas, to as high as 27% in others.
- 22% of all children in Edinburgh live in poverty. Again, this rate varies widely, with some areas recording child poverty rates as high as 35%. At the high end, these rates rank among the highest levels of child poverty recorded in any local authority in Scotland.
- Low income families live in all areas of Edinburgh. Almost two thirds of all people in poverty in the city live in areas not recognised as ‘deprived’ or disadvantaged.

The second paper, prepared in February 2019, provided additional analysis to support discussions relating to income trends and patterns in the city and across Scotland, showing that:

- Over the last decade real household income in Scotland has been relatively flat compared to the growth in income observed since the mid-1990s into the first half of the last decade.

- The majority of household income comes from earnings or social security payments. For the median household in Scotland 65% of their household income is sourced from work earnings and a smaller but still sizeable proportion of 23% comes from social security payments.
- Edinburgh median income is estimated at £35,678 per annum for 2018, some 27% higher than the Scotland average.
- However, in Edinburgh an estimated total of 3,400 households in the city record an annual income of less than £5,000, and over 37,000 households (16% of the population) record an annual income of less than £15,000 per annum.
- Significant levels of income inequality exist in small areas across Edinburgh. In Forth, the most affluent 10% of households record annual incomes 9 times higher than those of the poorest 10%. Even in the most equal ward in the city, Leith Walk, this 90:10 ratio is recorded as high at 6.3.

This paper now builds on these findings to provide additional analysis to support the theme of ‘Prospects’ to be considered at the Commission’s meeting of 21st May 2019. These discussions aim to cover the relationship between poverty and the life chances and opportunities of people in Edinburgh, with analysis of data in this paper providing baseline evidence on:

- poverty and health and wellbeing
- early years, education, and the deprivation related attainment gap, and
- skills and career progression opportunities.

Poverty, Health and Wellbeing

In common with other socio-economic indicators, data for Edinburgh show that average levels of health and wellbeing in the city above the average for Scotland as a whole and for other Scottish cities.

- Only 16% of residents report a long term physical or mental health condition, well below the Scottish average of 22%
- Average life expectancy for boys born in Edinburgh in 2017 was 78 years, higher than the Scottish average of 77, and well above the Glasgow average of 73 years, and
- For individual conditions such as Chronic pulmonary disease or lung disease, average age standardised rates are recorded at less than half the level recorded in cities such as Glasgow.

Rather than widespread evidence of poor health, however, data in Edinburgh show a consistent pattern of very wide inequalities in health and wellbeing between those living in affluent and poorer areas of the city. This pattern is most strongly illustrated by data on life expectancy which shows a gap between the most and least deprived areas in Edinburgh of 8.3-year difference for

women and a 11.4-year difference for men. These gaps are higher than the Scottish averages of 9.4 for men, and 6.4 for women between the same area groups.

Male and female life expectancy in Edinburgh by relative deprivation



These patterns of inequality are replicated across a wide range of health outcomes in the city. Over the period 2015/16 to 2017/18, data show that citizens living in the 20% most deprived areas in Edinburgh:

- 2.6 times more likely to be hospitalised as a psychiatric patient than those in the most affluent parts of the city
- 3.3 times more likely to experience premature death than those who live in the most affluent parts of the city, and
- 7.4 times more likely to be hospitalised with COPD (Chronic obstructive pulmonary disease) or lung disease than those in the most affluent parts of the city.

On this last measure, Edinburgh records one of the lowest incidence rates in Scotland overall, with rates for median households, those in deprived or affluent areas all showing incident rates well below the Scottish average and well below those of other cities. However, the gap between the least and most deprived groups in Edinburgh is one of the largest across all Scottish cities.

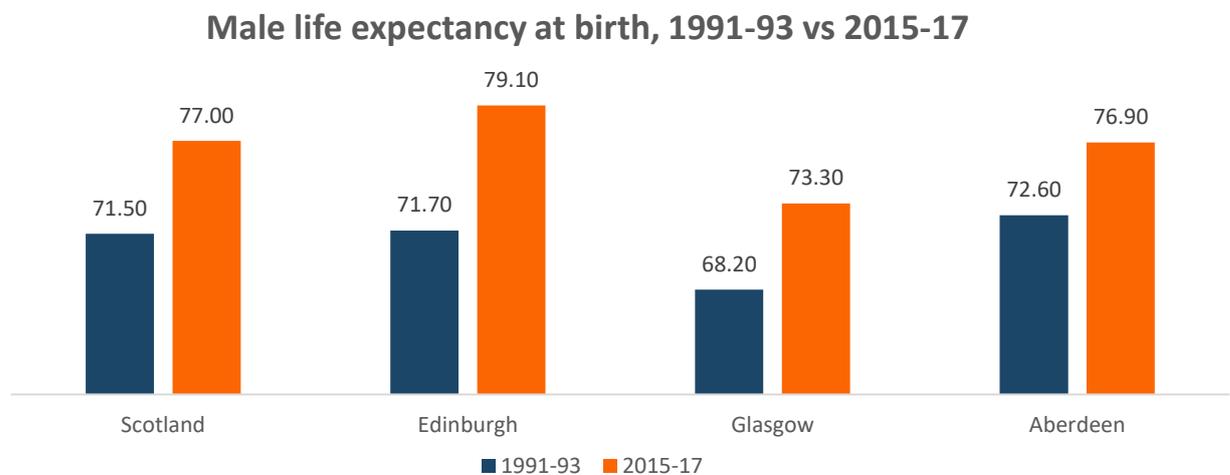
If you are from the most deprived group in the city you are 7.4 times more likely to be hospitalised for COPD or lung disease than if you were from the most affluent group. The size of this gap in Edinburgh is higher than both the national average at 5.2 and other cities in Scotland such as Glasgow, which is 4.0.

Table showing Hospitalised with COPD (Chronic obstructive pulmonary disease) or lung disease (age standardised incidence rate) 2015/16-17/18.

	Edinburgh	Aberdeen	Dundee	Glasgow	Stirling	Scotland
Average	108.7	171.4	319.6	486.2	92.9	207.5

Most deprived quintile	437.7	504	563.2	763.2	481.7	526
Least deprived quintile	51.9	73.4	67.1	151.6	67.7	85
Gap most to least deprived	7.4	5.9	7.4	4.0	6.1	5.2

Over time some datasets suggest that Edinburgh has seen improvements in health inequalities in recent years compared against the Scottish average. Life expectancy rates have risen by 8.7% in the past 24 years in the city, above the average of 7.8% for Scotland and 7.5% for Glasgow.



Source: National Register of Scotland

Early years, education and the attainment gap

This pattern of poorer health outcomes in areas characterised with high concentrations of low income households in Edinburgh confirms observations recorded across Scotland. One of the fundamental cause of health inequality is the unequal distribution of power, money and resources and poverty can have a significant and adverse impact on both the health and life chances of adults, and the developmental outcomes of children both prior to birth and throughout their childhood.

Data published by the [Child Poverty Action Group](#) outlines some of the health inequalities linked to poverty in Scotland, showing that:

- adults who experienced poverty as children are 50% more likely to have illnesses which limit their daily life (eg arthritis), high blood pressure, respiratory illness, certain disabilities and mental ill health
- children with low birthweight are more than four times likely to have Type 2 diabetes and 25% more likely to die from heart disease as adults.
- women from low-income families are more like to be in poorer health when pregnant.

- almost half of low-weight live births come from the most deprived areas.
- women in low-income areas are three times more likely to smoke when pregnant, and less likely to breastfeed.

Early years expansion

Among a package of interventions to tackle these issues, in 2014, the Scottish Government announced that it wanted to almost double the number of funded hours of early learning and childcare (ELC) to 1,140 hours a year by the end of the next parliament. The priority for the expansion to 1,140 hours is to improve children's outcomes and close the poverty-related attainment gap. In addition, the expansion aims to support parents into work, study or training.

In Edinburgh, the expansion of Early Learning and Childcare has taken place in the context of the Edinburgh Early Learning and Childcare Strategy (presented to Education, Children and Families Committee in October 2017). The Expansion Plan criteria for identifying settings to phase in 1140 hours included a focus on children residing in areas of deprivation SIMD 1&2 and children living in households where the parent/carer is in receipt of one or more specified of the benefits. Of the first 26 local authority settings that began phasing in the 1140 hours from August 2017 ten had 50% or more children in SIMD deciles 1 and 2.

The proposals represent a significant change programme for the Council requiring a redesign of one of the Council's largest and most high-profile services and the delivery of a significant supporting infrastructure programme. At present Edinburgh currently has a baseline revenue budget of £30,000,000 to deliver 600 hours of Early Learning and Childcare, with an additional Scottish Government allocation of £5,420,242 revenue funding for 2018/19 to meet the cost of delivering the next phase of the expansion. Over the period to 2022 an overall level of funding of £48m of revenue funding and £39.5m capital funding has been allocated to support expansion of provision.

Key steps identified by the Council in delivering expansion of provision in the city include:

- recruiting additional staff required. Approximately 650 additional staff will be required to deliver 1,140 hours by August 2020. Since August 2018, over one hundred and forty full time equivalent staff have been recruited to the early years service to support the delivery of 1,140 hours.
- delivering new infrastructure. transition to a service that also offers optimum flexibility within each Council locality will be delivered in phases. New standalone nursery buildings within the boundaries of Craigtintny, Echline, Granton, Nether Currie, St Mark's RC and St John Vianney RC Primary Schools are on target for delivery before August 2020. Refurbishment works at 12 Early Years establishments have been completed or are programmed to be complete by August 2020. Proposals for new sites and infrastructure in other parts of the city are in development.

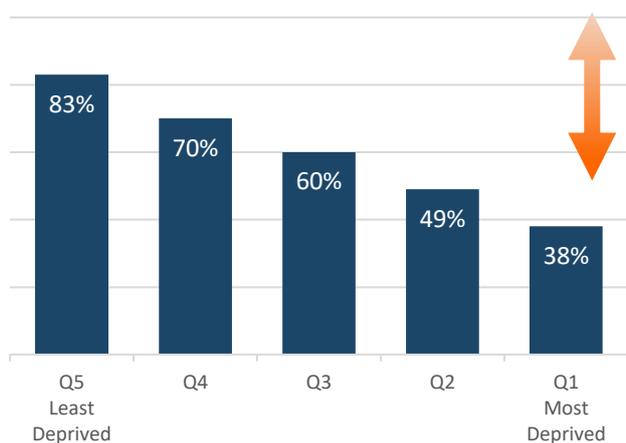
Attainment Gap

As with other areas in Scotland, data show that pupils from disadvantaged areas in Edinburgh recorded poorer educational outcomes than their peers in more affluent areas.

There are multiple ways of measuring education attainment related to the poverty gap. One of the most common used and easy to access is the one provided in the Local Government Benchmark Framework. This data shows that:

- in Edinburgh, 38% of secondary school pupils from the most deprived areas achieve more than 5 awards at SCQF level 5.
- by comparison, 83% of pupils from the least deprived areas achieve attainment above this level
- this results in an attainment gap of 45 percentage points between pupils from the most and least deprived areas of the city.

Proportion of pupils gaining 5 or more qualifications at SQA level 5 by relative deprivation level



Attainment at Edinburgh Schools

There is variation within Edinburgh between school performance, in terms of pupil attainment., where 71 per cent of pupils from Boroughmuir High School in Foutainbridge achieved five or more Highers, this compares to a School in Wester Hailes, where 8 per cent of pupils attained five or more Highers.

Source: [The Times, 20 March 2019](#).

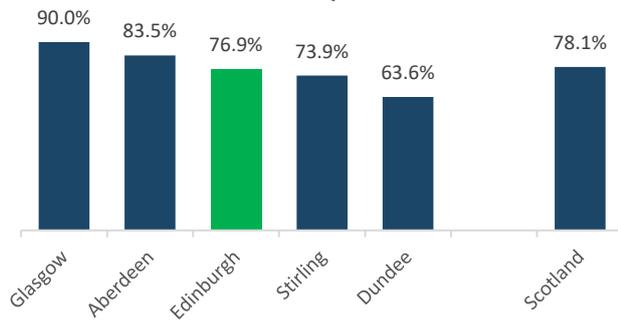
The latest trends in attainment for Edinburgh

show a mixed picture depending on the type of measure used. For example, the attainment gap between the most and least deprived areas in Edinburgh, increased at SCQF levels 5 and 4, and for pupils at level 5 there a two-year decreasing trend at level 5 by this measure. However, for other measures of attainment and deprivation there is evidence of closing the gap at SCQF level 3, and the figure for the most deprived at level 6 reversed a decrease from the previous session.

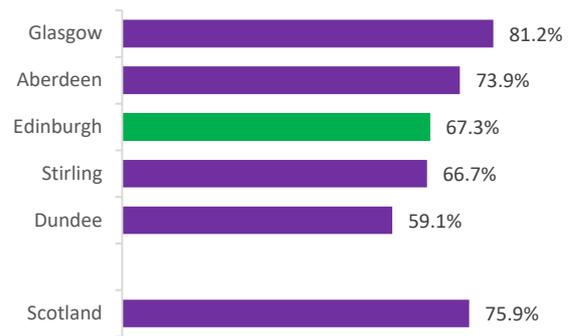
These patterns mask considerable differences in attainment and experience for different groups of pupils across all areas of the city. In particular, attainment levels for looked after children is consistently lower than that of those living in the most deprived areas, with a gap widening at S3, and raising attainment for care-experienced learners remains a high priority for the city.

In 2016/17 results for looked after children in Edinburgh showed that only 67.3% went on to a positive post school destination, much lower than the overall positive destination rate of 92.3% for Edinburgh - this gap of 25 percentage points, compared against an average gap of 17 points across Scotland as a whole.

Highest attainment level for looked after children 2016/17, % with at least 1 SCQF level 4



Positive destination for looked after children 2016/17, follow-up survey



Education in Edinburgh

Scotland is famous for its first-class education system and highly qualified graduates and school leavers. In Edinburgh, there were around **59,000 pupils** in primary and secondary schools in Edinburgh, with **19%** of these students going to a private independent school in 2017. The estimated cost for attending a private school in Edinburgh is around **£14,000 per pupil per year**. The range in fees in Edinburgh is from **£11,000 to £28,000 per pupil per year** for day fees, as published in by the [Scotsman, in December 2018](#). Edinburgh also hosts four Higher Education (HE) establishments with around **60,000 HE students** attending, and a Further Education (FE) college, which provides educational services to around **19,000 FE students** enrolled in 2017, with **40% of FE Edinburgh students being over 25 years old**.

Pupil Equity Fund

The Pupil Equity Funding is being provided as part of the £750 million Attainment Scotland Fund which will be invested over the current parliamentary term (2016 to 2021). The Scottish Government have clearly made the attainment gap challenge a priority for this administration since 2016, releasing extra funds on this endeavour. The funding is allocated directly to schools and targeted at closing the poverty related attainment gap. The allocated based on the number of pupils eligible for free school meals.

Edinburgh receives an allocation of around 6% of the total £120 million fund per year, equivalent to around £7.5 million. This is distributed to around 122 different primary and secondary schools. The average allocation per school is £60,000, with a range between £7,000 and £230,000.

In Edinburgh many schools opted to provide additional staffing to meet certain outcomes, such as family learning, pupil support and raising attainment. A comprehensive survey (PEF Planning for Improvement and Impact Analysis) of all primary, secondary and special schools was issued to support planning for improvement and impact analysis in Edinburgh. It should be noted that, at the time of survey, 62% of interventions had progressed well without barriers. The remaining 38%

of interventions also progressed but with some barriers to the pace of this progress. Schools are being innovative with existing school resources in terms of improving outcomes for children and young people in poverty as the case study of Tynecastle school demonstrates.

Case Study PEF in Edinburgh Schools

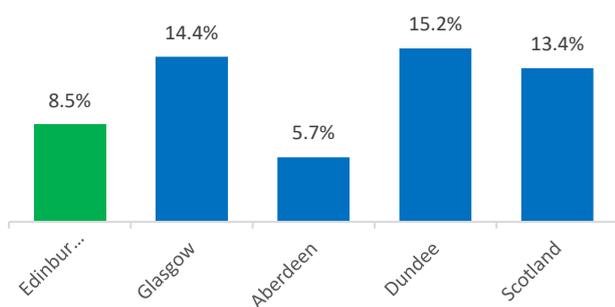
Tynecastle High School has used PEF to support their ongoing ‘poverty proofing’ work and focus on equity for all. One of the initiatives having a measurable impact is the recently launched Breakfast Club, providing a healthy start to the day. Well-supported by a Pupil Support Officer, whose post is funded by PEF, the school is able to track and monitor uptake across SIMD deciles and target those who would benefit from attending. Other initiatives such as a recent “formal wear” donation campaign aiming to provide suitable attire for Christmas dances and prom, the school’s provision of free feminine hygiene products, and the usage of local business partnerships show the school’s commitment to equity.

PEF has enabled the school to increase staffing to support the continuing implementation of the school’s Digital Learning Strategy, which includes equity of resource provision. More recently, Brilliant Club, a STEM initiative to raise aspiration, and the appointment of a Development Officer of Outdoor Learning has continued to enrich the curriculum for identified learners. Participatory Budgeting has been used for the second year; young people have chosen health and wellbeing for investment and are leading this work

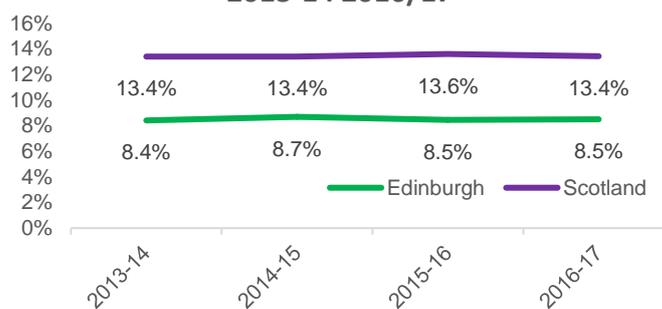
Narrowing the gap in HE admissions in Scotland

Students from the most deprived areas in Scotland account for only 13.4% of Scottish admissions to undergraduate degree courses at Scottish Universities. While progress is being made in reducing the SIMD equality gap among students entering university at older ages, although a sizeable difference between most and least deprived groups remains. For the 2016 young cohort (those who were aged 18 in 2016, 19 in 2017, and 20 in 2018), those from the least deprived areas were 3.21 times more likely to enter HE by age 20 than those in the most deprived areas. This compared to 3.97 times when just considering those who entered HE by age 18 years old.

Percentage of Scottish graduate entrants to higher education from 20% most deprived at Universities, 2016/17



Percentage of Scottish graduate entrants from 20% most deprived to higher education at Universities, 2013-14 2016/17



Note: total refers to Higher Education at Higher Education Institutions. Source: Scottish Funding Council

The Scottish Funding Council publishes an annual report on widening access for Scotland, the latest figures available relate to the period 2016/17. The measure used is the percentage of Scottish domiciled undergraduate entrants to Higher Education. These national measures use Scottish Government Standard SIMD and will therefore not match institutional figures, it does however provide a standardised approach for comparison purposes. On this measure, the percentage of Scottish domiciled graduate entrants to higher education from the 20% most deprived areas varies by city. In Edinburgh representation among the four universities combined is 8.5%, which is lower than the national average at 13.4% and some of the other cities in Scotland like Glasgow and Dundee. Over the short period the data was provided going back to 2013-14, there has been little overall change with Edinburgh city between 8.4% and 8.7% over the period, similarly in Scotland the representation was 13.4% in 2013/14, 2014/15 and 2016/17.

Within this dataset, results may vary considerably between institutions. The University of Edinburgh set out a widening access target that 10 percent of new full time Scottish degree students be from SIMD20 areas by 2021. It has reportedly exceeded this target due to a combination of initiatives such as outreach programmes, scholarships and support programmes centred around the application process and student transition into the University.

Skills and Career Progression

Alongside evidence of a poverty related attainment gap at school, and a lack of progression to education at the post-16 level, data also shows evidence of an opportunity gap related to poverty that follows into the workplace in terms of skills developments, wage growth, and opportunity for progression.

A report from the Institute of Public Policy Research in 2017 found that young people with the lowest levels of qualifications, often from the most deprived areas, are the least likely to initially go into the skills system after leaving school. At the same time, workers with the lowest levels of skills are less likely to see investment from employers than more highly skilled workers. What this means is that those often from deprived areas will see far less engagement in the skills system after school and less investment from employers when in a career.

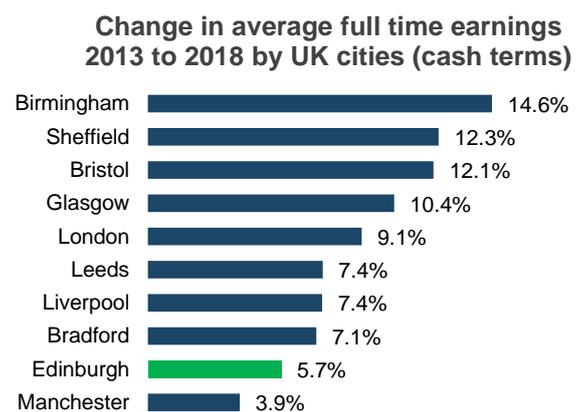
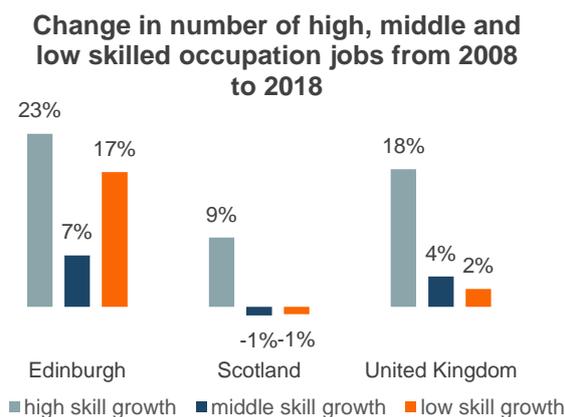
Skills polarisation in the Edinburgh jobs market

The strong relative attributes of the Edinburgh labour market are well known, high employment rates, low unemployment, high average pay for workers. In Edinburgh qualification levels for the workforce are higher than level in other UK cities, however, the city continues to have lower rates of in-work progression, and pay rates although increasing, have reduced in real terms, when the rate of inflation is considered into the trend analysis.

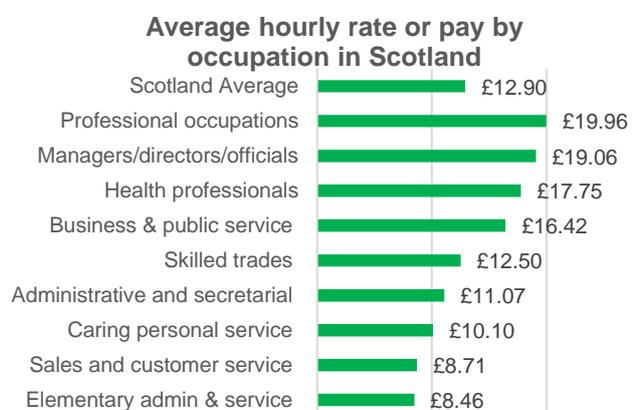
Despite the high proportion of high skilled occupations and high output per capita in Edinburgh the city has seen a rise in the number of jobs in low skilled occupations in recent years, increasing by 17% from 2008. This marks a process of increasing polarisation in the jobs market in Edinburgh, with strong growth in high and low skilled jobs, but slow growth in medium skilled occupations. Such patterns of polarisation suggest a trend towards:

- fewer opportunities for workers in low skilled, low paid jobs to progress into medium skilled roles
- higher likelihood of under-employment or under-utilisation of skills, with graduates and other skilled workers unable to access a limited number of openings in medium skilled roles and instead competing for low skilled jobs
- higher likelihood of unemployment and underemployment for low skilled workers unable to compete in the jobs market with higher skilled workers.

This trend is also marked by relatively slow growth in wages in the city, with growth in median full-time earnings in cash terms growing more slowly in Edinburgh than in most other major UK cities in the past five years.



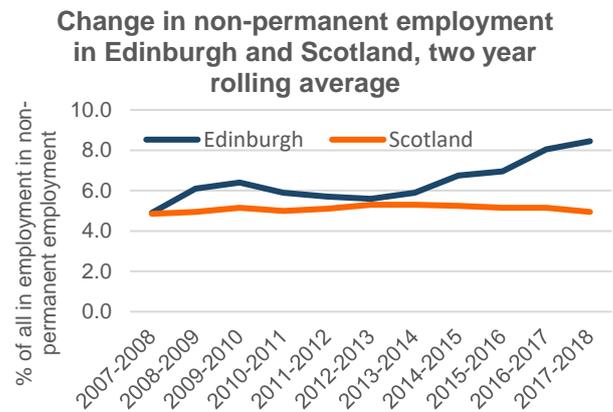
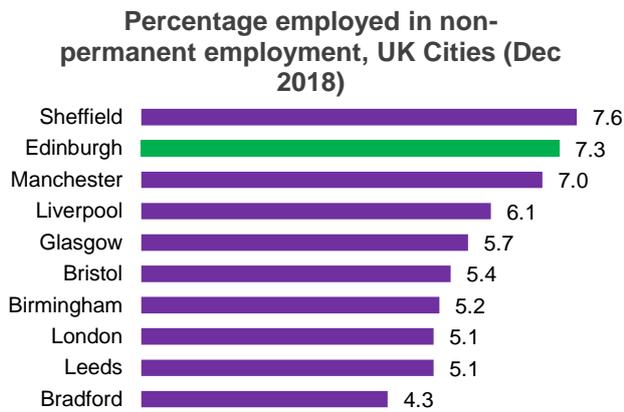
Source: Annual Population survey and Annual Survey of Hours and Earnings



Source: Office of National Statistics, Annual Population Survey

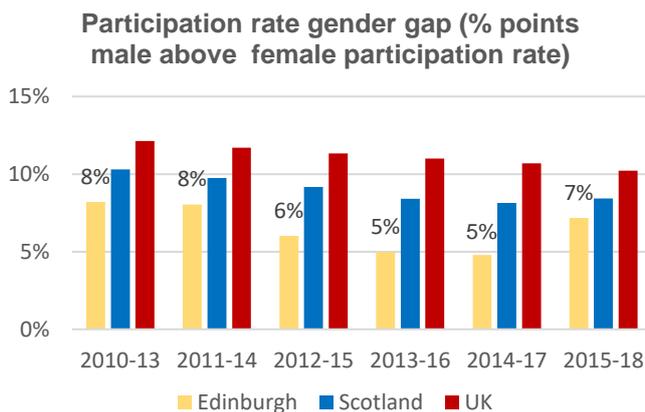
Non-permanent employment in Edinburgh

Edinburgh, like many other UK cities offers a range of different employment opportunities, such as fixed term contracts, temporary agency work, and seasonal work, collectively these group as those in non-permanent employment. Edinburgh has a higher relative proportion of people employed in ‘non-permanent’ jobs. The latest data shows that around 7.3% of all people employed are in non-permanent employment, higher than most other UK Cities. There is also evidence that over a sustained period starting from 2013 that the size of non-permanent employment in Edinburgh is growing as a proportion of all jobs. Since 2013 the percentage of non-permanent employment has increased from around 5% to just over 8%, with the same measure in Scotland remaining below 5% overall.



Source: Annual Population Survey

Inequalities in wages and participation



Source: Annual Population Survey and Annual Survey of Hours and Earnings

An estimated 14% of Edinburgh residents work for wages below the hourly rate recommended by the UK Living Wage Foundation in 2018. This represents an estimated 38,000 residents working for an hourly wage below £8.76 in 2017/18. While this rate remains lower than the Scottish average, and lower than that in other Scottish local authority areas, it does represent an increase in

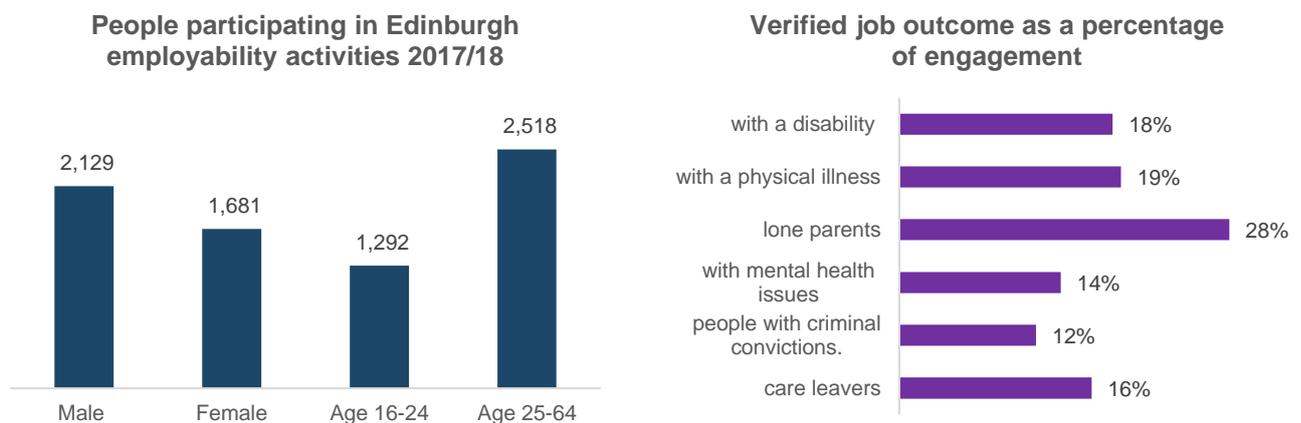
low paid workers, rising by 1.5 percentage points (or an extra 8,000 residents) in the period since 2013/14.

At the same time, data show persistent inequalities in participation in the labour market between men and women. Overall, participation rates for men are 7 percentage points higher than for women in Edinburgh. While lower than the UK and Scottish averages, this gap has remained relatively consistent over the past twenty years, and in the most recent datasets shows some signs of increase against the backdrop of a falling UK trend.

Support for employability and skills

What the city does to intervene in the market is crucial to ensure that groups of society are not disadvantaged and are given opportunities to access employment and further training. Capital City Partnership is the delivery body for the city's employability strategy and programme.

A total of 3,810 citizens have participating in an Edinburgh based employability activity over the year to April 2018. Most participants for the programmes over the year were males at over 2,100. There were also around twice as many over 25 years old participating in the programmes than those aged 16 to 24 years old.



Source: The City of Edinburgh Council – Employability Services

Since 2015 there have been over 24,000 client engagements in Edinburgh through this service. Many of the jobs clients move to are in the low paid sector, with 58% of outcomes located in the elementary, and sales and customer service sectors. Some of the challenges facing the delivery of employability sector relate to the changing employment sector and the possible creation of new roles.

Contact

Chris Adams, Strategy Manager, Policy and Insight Email: Chris.Adams@edinburgh.gov.uk tel: 0131 529 6258

Gareth Dixon, Senior Policy and Insight Officer, Policy and Insight Email: Gareth.Dixon@edinburgh.gov.uk tel: 0131 529 3044

Appendix 1: further resources

More data about Edinburgh

[Edinburgh by Numbers 2018](#) provides a comprehensive compendium of statistics with more than 140 datasets covering Edinburgh, its population, its economy, and its environment.

[Edinburgh Economy Watch](#) is a quarterly publication providing up to date tracking of key indicators on the progress of Edinburgh's economy.

[Edinburgh People Survey](#) is the largest annual survey of residents run by any local authority in the UK. It provides detailed analysis of citizen's changing perception of the city, the Council, and their neighbourhoods.

More case studies of citizen's experience

[Compact Voice 2018](#) is an annual publication produced by Edinburgh's third sector. This year Compact Voice is all about telling people's stories and illustrating the positive change that Edinburgh's third sector organisations make to people's lives.

More analysis of poverty in Scotland and the UK

[Poverty and income inequality in Scotland: 2014-2017](#) is an annual publication produced by the Scottish Government. It provides high level analysis of trends in income and poverty in Scotland and is the source for many of the Scotland level statistics included in this briefing.

[Poverty in Scotland 2018](#) was published by the Joseph Rowntree Foundation in October this year. It provides a new analysis looking at poverty trends for families with children in Scotland, reflecting the commitments in the Child Poverty (Scotland) Act to achieve substantial reductions by 2030.

[Report on poverty in the UK by the United Nations Special Rapporteur on extreme poverty and human rights](#) was published in November following visits by Professor Philip Alston to a number of cities in the UK, including Edinburgh.