**Appendix 1**

**Social Inclusion & Poverty - Target Group Definition**

Participants must be able to demonstrate that they are within one of the key target groups of

Workless Household, Lone Parent or Low Income households.

**Lone Parent Household**

“An ‘adult’ is a person above 18 years of age”.

“Dependent children refers to individuals aged 0-17 years and 18-24 years if inactive and living with at least one parent.”

If the individual is in receipt of benefits, they may wish to provide the following -

Award letter detailing benefits e.g. Child Benefit, Housing Benefit, Council Tax Reduction.

**Workless Household \*\*** All individuals living within the household must be either unemployed or inactive (receiving no benefits on any kind).

Evidence should be provided by the participant to demonstrate that they are living in a jobless household, evidence should be retained by the Work Coach or Employability Partner to confirm that has been confirmed or confirmed by a recognised agency/service who can reasonably be considered to have an accurate knowledge of the

participant’s circumstances. (Housing Association, Local Authority Service, etc.)

**Low Income Household \*\*\*** It should be noted that under Social Inclusion &

Poverty interventions, this target group includes Workless Households.

 ‘Low Income’ is defined as “Income below 60% of the national median equivalised disposable income after social Transfers”.

The Scottish Government Analytical Services Division uses the following methodology:

Total household income (after taxes, benefits and earnings of all household members) is equivalised to take account of household size e.g. a household with two adults and three children would need greater resources than a single adult The poverty threshold is 60% of the UK median – a ‘reference household’ is a couple with no children.

<http://www.gov.scot/Resource/0045/00454875.pdf>

Based on the 2015 / 2018 figures – the current poverty threshold is £302 a week (or £15,800 a year) for a couple (with no children).

In addition, evidence should be retained to demonstrate that the information provided in the application form is accurate e.g. copy of household income assessment by a money adviser/work coach. Please note that it is not necessary to provide additional evidence of household income.

Poverty and income inequality in Scotland: 2015-2018

In certain circumstances, there may be justification for using a higher threshold amount as a result of differences in the local economy e.g. the cost of living may be higher in some areas.

In addition, participants who are considered to be experiencing ‘Material deprivation’ can be

considered as being within the ‘Low Income’ target group. ‘Material Deprivation refers to the situation of people who cannot afford a number of necessities considered essential to live a decent life in Europe.

Individuals are considered to be under material deprivation if living in households who lack at least three of the following nine items because they cannot afford them:

1. to face unexpected expenses;

2. one week annual holiday away from home;

3. to pay for arrears (mortgage or rent, utility bills or

hire purchase instalments);

4. a meal with meat, chicken or fish every second

day;

5. to keep home adequately warm;

6. to have a washing machine;

7. to have a colour TV;

8. to have a telephone;

9. to have a personal car