

## **Introduction**

1. The purpose of this paper is to provide evidence to the Communities, Equality and Local Government Committee in relation to Strand 4 of the Inquiry into Poverty – Community-based approaches to tackling poverty.

## **The Welsh Government's approach to tackling poverty**

2. Tackling poverty is a fundamental priority for all Welsh Government Departments. We have ensured the needs of low income households are reflected in the policies and programmes we have developed, and we will continue to take this approach.
3. Our commitment to equality underpins all we do, which is why tackling poverty and addressing the generally poorer outcomes experienced by those living in poverty, is such a priority. As a Government, we want to ensure all people (regardless of their backgrounds, income or where they live) have the same opportunities as anyone else to succeed, they have equal access to the services they need and their local environment is pleasant and safe.
4. Mainstream programmes and budgets are our primary means of achieving this, playing a key role in tackling poverty and mitigating the impacts of poverty. Making the right decisions about significant investment in the key areas of devolved policy are vital, and can disproportionately benefit those living in poverty.
5. Examples include:
  - Over the last four years, we have created or safeguarded 150,000 Welsh jobs, while employment in Wales is nearly at a record level. Creating jobs and growth is central to our efforts to increase the prosperity of people in Wales. Employment provides the best route out of poverty.
  - The roll out of Healthy Child Wales will bring a consistent, universal Wales-wide core healthcare programme for the early years. This can particularly benefit those living in poverty at greatest risk of experiencing poorer outcomes in the critical early years of life.
  - Wales Housing Quality Standard is ensuring all social landlords improve their housing stock to an acceptable level by 2020. This will mean all social tenants have a decent home, which evidence tells us can guard against poorer health and education outcomes.

- Since January 2015 a school categorisation system has been in place to identify schools which need the most help and guidance to improve. The educational performance of learners who are eligible for free school meals (eFSM) is an important component of this analysis. Schools where the performance of eFSM learners is below expectations are identified as requiring additional support.
  - The Housing (Wales) Act 2014 will ensure more is done by Local Authorities and their partners to help people who are homeless or at risk of homelessness.
6. The poverty-specific programmes funded by the Welsh Government are working with mainstream services. Our poverty programmes, both area and non-area based, are an enhancement to mainstream services which offer additional support to those communities and individuals most in need.

### **Place-based poverty programmes**

7. Across mainstream services and through specific programmes, the Welsh Government is committed to working with communities to ensure they are cohesive, resilient, able to adapt to change and work collectively to minimise the impacts of poverty. We have a number of approaches to tackling the complex issue of poverty, and working with communities is a very important part of this.
8. We consider the best means of tackling poverty is through a mix of place-based and universal programmes. This allows us to reach as many people in need of support as possible, gives us the best chance of improving outcomes for those people, and helps generate maximum value from what are inevitably limited resources available to us.
9. The majority of programmes which aim to help tackle poverty are not area-based and are available to all, based on need. These include the Supporting People Programme, Families First, the Pupil Deprivation Grant and the Community Facilities Programme. However, targeting resources to specific communities where there is a concentration of need, allows interventions to be tailored towards the needs of a community, for efficiencies to be made and offers the opportunity to harness the resources of communities themselves.
10. There is, by definition, a geographic focus to capital programmes which seek to regenerate communities and improve local environments. All capital investment is place-based, although deciding where this investment is made is important. The Welsh Government has sought to weight resources towards deprived areas. Through Vibrant and Viable Places (VVP), Local Authorities are sharing more than £100m for regeneration schemes until 2017. This fund is being invested in town centres, coastal communities and Communities First areas. We are exploiting opportunities from our capital investment to create opportunities for people in local communities, as we recognise funding streams should not be thought of in isolation. For example, in Newport,

Communities First is providing tailored training opportunities for members of the local community, so they are well-placed and have the skills to be able to take advantage of job opportunities arising from the VVP scheme in their local area.

11. There are two principal tackling poverty programmes which have geographical coverage: Flying Start and Communities First. The geographical parameters of these programmes are as follows:

#### *Flying Start*

Data from the Department of Working Pensions and HM Revenue and Customs provides Local Authorities with information on geographical areas with the highest proportions of children under four years of age living in income benefit households. Flying Start is targeted at these areas.

#### *Communities First*

The programme concentrates on the 10% most deprived communities in Wales, as defined by the Welsh Index of Multiple Deprivation (WIMD) 2011. In all cases there is an increased emphasis on ensuring the most vulnerable individuals, families and groups in those communities are supported.

12. Since 2012 Communities First has had some flexibility to work outside Cluster boundaries, for example, where a school sits close to a Cluster or they are targeting a specific group of people some of whom live outside the Cluster area. The primary focus is on the people within the designated area.
13. Flying Start Outreach funding, is providing an integrated approach to Family Support services utilising the structures and systems delivered by Families First, Communities First and Flying Start. The objectives of Outreach are to extend the reach of Flying Start to families with identified need living in non-Flying Start areas, provide an element of flexibility in the delivery of the programme, and provide continuity of support to children and families moving out of Flying Start areas.

### **Achievements and successes of key programmes**

14. Both Flying Start and Communities First are cross-cutting interventions, adding additional value at a local level to existing services. They are working with mainstream services and other poverty programmes to deliver a range of interventions in the communities they serve.

#### Communities First

15. Since 2012, the programme has had an emphasis on supporting the most vulnerable people living in deprived areas, fully recognising poverty does not affect everyone in those areas to the same extent. It is based on fewer, larger areas than previously and has developed a stronger outcomes-based approach using Results Based Accountability.

16. Communities First has three strategic objectives, aiming to promote Learning, Prosperous, and Healthier Communities. It is focused on improving economic, education/skills and health outcomes for people in our most deprived communities. In the twelve months to March 2015, Communities First areas reported:
  - 3,534 participants entered employment.
  - 59 social enterprises established with support from CF.
  - 1,897 participants gained basic IT skills.
  - 8,507 participants were supported to access benefits they are entitled to.
  - 6,043 children increased school attendance.
  - 11,050 children improved academic performance.
  - 5,181 people gained a qualification.
17. This long-established programme has a history of working closely with people in deprived communities. It has built trust with people in these areas and, as a result, has enhanced engagement opportunities for its own activities as well as for partner programmes. This is illustrated by other Government Departments and specific projects being able to build capacity within communities and work with those in most need in Wales. For example, European projects and policy recommendations, such as those made by Baroness Andrews around culture and poverty, can access Communities First as a means of harnessing the power of the arts, culture and heritage to promote social justice in Wales.
18. Communities First is being used as a basis for delivering other focused programmes, such as Lift, which aims to offer 5,000 training and employment opportunities to people in workless households by the end of the 2017 calendar year<sup>1</sup>. Lift has already been recognised as successful and has provided the model for the much larger Communities4Work ESF programme, which will be available in all Communities First Clusters.
19. The Communities First structure is also supporting the delivery of other community-based programmes, utilising the Communities First teams embedded in their communities. Clusters engage individuals furthest away from desired outcomes and support them to become ready to participate in other programmes, such as Jobs Growth Wales. The structure can support the appropriate signposting of individuals to other sources of help provided by other programmes and service providers, and act as a vehicle by which mainstream services can engage with the poverty agenda.
20. Last year's independent evaluation report concluded Communities First is seen as a valuable programme by many of those involved in its delivery, and by beneficiary communities. It reported "changes made to the design of the programme since 2012 have generally enhanced chances of meeting its aims and monitoring progress".

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<sup>1</sup> As of 30 November 2015, 2,744 training and employment opportunities have been provided, with 520 people supported into employment.

## Flying Start

21. Flying Start is an early intervention programme informed by the growing international body of evidence which supports the positive role of interventions in early years in improving the development of children and young people and their prospects in adulthood. The Welsh Government has significantly expanded the Flying Start programme, committing to double the number of children and their families benefiting from the Flying Start Programme from 18,000 to 36,000 by the end of this Assembly's term. In 2014-15, 37,260 children benefited from and were in receipt of Flying Start services in Wales at any time, exceeding the target numbers.
22. Flying Start fosters the co-location of services, encouraging childcare workers, Health Visitors and a wide variety of other professionals to be located together. There are also many examples of co-location with other services, such as schools and healthcare settings. Co-location makes it possible to offer a seamless service and to identify and refer children who require additional support more easily. This demonstrates the additional value of Flying Start, linking mainstream services with each other and with communities. Where Flying Start childcare settings are located within or adjacent to schools this aides the smooth transition into the Foundation Phase.
23. The impact evaluation of Flying Start suggested outcomes for families living in Flying Start areas may now be on a par with outcomes from families in less disadvantaged areas. Qualitative evaluation data also found evidence of all anticipated immediate outcomes of the programme. This includes children's language skills and their social and emotional development. Researchers concluded "experiencing the Flying Start programme has been life-changing for some high need families".
24. More detailed management data indicates particular success in certain areas, including 85 per cent of Flying Start 3 year olds meeting or exceeding their developmental norms for speech and language skills and 92 per cent of Flying Start 3 year olds meeting or exceeding developmental norms in Interactive Social Skills.
25. As with many early intervention programmes, some outcomes may not be realised for a number of years. A report published by the Early Intervention Foundation last year highlighted the fiscal cost of missed opportunities to provide early, targeted support to children and young people. The report concluded "early intervention is the smart and realistic choice for using ever scarcer public money". Current evaluation activity includes developing an approach to track outcomes for Flying Start children as they move into and through education. We will also continue to monitor a range of health outcomes including immunisation take up, healthy child weight and children's development.

## **Alignment of tackling poverty programmes project**

26. Whilst we are satisfied we are funding the right mix of programmes to support mainstream services, we also appreciate there is always room to improve all programmes.
27. The Welsh Government has recently undertaken a piece of work to identify actions to bring closer alignment between the four principle tackling poverty programmes, Flying Start, Families First, Communities First and Supporting People in readiness for the coming financial year.
28. A project board was established with the aim of making recommendations around how the programmes could work better together through improved alignment and integration of activities where possible. The board is examining how they might be simplified and streamlined in order to deliver administrative efficiencies to help maximise the use of funding.
29. Three working groups were established to provide recommendations on funding and governance, performance frameworks and reporting measures and guidance and communications. Both Welsh Government officials and external stakeholders took part in these working groups, which reported their recommendations to the project board. The project board identified a number of both short-term and longer term proposals which provides opportunities for simplification between the four programmes.
30. I am currently considering the recommendations from the project board.

## **Rural poverty**

31. Over a wide range of measures, rural Wales tends to be better off than the rest of Wales. These include average incomes, rates of benefit claimants, educational standards, health standards and crime rates. However, we recognise while rural areas are generally better than the Wales average on these measures, this does not mean there are no problems or the scale of problems is acceptable.
32. Evidence shows people living in poverty within rural areas need the same assistance as those experiencing poverty elsewhere. Families in rural areas are particularly faced with higher living costs, fuel and transport costs, as well as reduced access to the internet.
33. Recognising the problem of rural poverty, the 2014 and 2015 Annual Reports on progress towards the objectives in the Tackling Poverty Action Plan have also included actions being taken to address rural poverty. For example, the introduction of tackling poverty as a Cross Cutting Theme across all parts of the Rural Development Programme will mean funded programmes need to

include a focus on the poorest within their communities. Advice Services funded through Welsh Government continue to meet the different needs of the people of Wales, including making practical support available through telephone, face-to-face at outreach and regional premises or through home-visits where needed. We are also working closely with the Public Policy Institute for Wales to review the evidence around successful interventions in rural communities. We expect to report on our findings in Spring 2016.

### **Approach moving forwards**

34. Poverty is extremely complex, with people experiencing a range of obstacles as a result of living on a low income, which means there are no easy solutions. Equally, the Welsh Government recognises the dynamics and characteristics of poverty change, so we need to continually assess our approach and make changes when they are necessary.
35. The alignment of the tackling poverty programmes is a part of this. However, as our approach to tackling poverty is cross-department and across all policy areas, we want to ensure there is a common approach and common priorities to addressing poverty. We have emphasised the key role of mainstream policies and programmes to address poverty, and there are opportunities to strengthen this. Across Ministerial portfolios, all Departments and every relevant policy area we look to embed tackling poverty as a priority.
36. We have been refreshing our approach to focus on the root causes of poverty. Resources are stretched and budgets are reducing. Within this context, we need to focus on those areas where we can have most impact. All Government Departments have been working together to identify the right priorities to tackle poverty.
37. Recognising employment is the best route out of poverty our key focus will be on maximising people's employability and aligning this with the creation of appropriate employment opportunities. Investment in the early years is also crucially important for children's long-term health and development and their achievements in later life.
38. These priorities will be reflected in our approach moving forwards. A key part of implementing activities which support this will be through place-based programmes, helping people in the places they live.. The Welsh Government sees place-based programmes as an ongoing tenet of our approach to tackling poverty, along with the role being played by mainstream services and other programmes.
39. The role of data, research and evaluation will continue to inform and direct our approach to tackling poverty. The Welsh Government recognises it is vital the resources we invest in policies and programmes demonstrate their value and lead to positive outcomes for the people they are directed towards.

40. As part of the Well-being of Future Generations (Wales) Act we have committed to the seven well-being goals, one of which is 'A Wales of cohesive communities'. It is essential we do all we can to achieve this goal, and if we are to do so we must dedicate resources towards some of our poorest and most vulnerable communities to ensure they are viable, safe and have every opportunity to thrive.