

Y Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau | 6 Ebrill 2017
Equality, Local Government and Communities Committee | 6 April 2017

Poverty in Wales: scoping paper

On 23 March, the Committee agreed to undertake a number of pieces of work on poverty:

- A one day inquiry into **Communities First**, including outreach visits and/or rapporteur visits by Members;
- A one day seminar (in line with the Economy, Infrastructure and Skills Committee’s seminars) into **asset-based approaches to reducing poverty** and how it could work in Wales, and
- An inquiry on **‘Making the economy work for people on low incomes’** in June–July.

This paper outlines suggested terms of reference for each piece of work, and some suggested witnesses.

1. Communities First – lessons learned

The majority of stakeholders raised Communities First (CF) as a key issue for the committee to consider. As other programmes such as Lift and Communities for Work are based on the same geographical boundaries as Communities First, participants questioned whether this would be adjusted in line with learning from Communities First.

On 16 February, the Cabinet Secretary told the Committee that full current funding to CF clusters will continue until June 2017. Transitional funding will then continue at 70% of current levels until March 2018, when a ‘legacy fund’ of £6 million revenue and £4 million capital funding will be introduced to maintain the ‘most effective’ programmes and community assets over a minimum of 4 years. The capital programme will be reviewed after 4 years.

Suggested terms of reference:

- what worked and didn’t work about the Communities First programme;
- how local authorities will decide which projects continue to receive funding after June 2017; and
- how different poverty reduction programmes (Communities for Work, Lift, Flying Start etc.) will change as a result of the end of Communities First.

Possible witnesses: WCVA, Bevan Foundation, [Dr Eva Elliot](#) – regeneration and health specialist, [Dr Dave Adamson](#)– specialist in poverty and deprivation in Wales, [Dr Mark Lang](#)– specialist in regeneration and socio-economic policy, Cytûn.

2. Asset-based approaches to poverty reduction

Some stakeholders suggested that the Committee should consider how an asset- (or capability-) based approach to poverty reduction might work in Wales. This kind of approach emphasises the importance of analysing what people and areas *can* do and be, rather than focusing on deficits in income, wealth or rights.

An inquiry into this approach could look at:

- how an assets-based approach to poverty reduction could work in Wales;
- the evidence available on the effectiveness of this approach, and examples of international good practice; and
- practical ideas for application.

Possible witnesses: Oxfam Cymru, Public Health Wales (PHW have [done some work](#) about how an asset-based approach could work in the NHS), Public Policy Institute for Wales (who considered an asset-based approach in their [recent research](#)), Duffryn Community Link (who used an asset-based approach in a [Communities First project](#))

3. Making the economy work for people on low incomes

Responsibility for poverty has shifted from the Communities and Children portfolio to Economy and Infrastructure. Stakeholders were keen for the Committee to explore how the Welsh Government’s approach to economic development would be designed to reduce poverty and boost prosperity.

It’s worth noting that the **Economy, Infrastructure and Skills Committee** has recently completed a series of sessions on the [economic strategy for Wales](#), which included: women in the economy, the foundational economy, the Living Wage and the environment and the economy. The recent [plenary debate on the foundational economy](#) (and accompanying briefing from the [Research Service](#) and [Bevan Foundation](#)) also highlighted the potential for using the model to reduce poverty.

The First Minister [recently announced](#) that the Welsh Government plans to establish a Fair Work Commission involving trade unions and business representatives to help Wales become a fair work nation, where more people have access to decent work and a fair income.

Suggested terms of reference:

- How the Welsh Government’s economic strategy and employability plan can:

- create more inclusive economic growth that benefits people and places equally across Wales;
- reduce the proportion of people on low incomes in Wales; and
- address economic inequalities between different groups of people;
- An exploration of low pay sectors, and measures to improve pay of low-paid workers such as the living wage;
- Ways to increase the security of work in Wales; and
- The role that welfare benefits play in supporting people on low incomes in Wales;

Possible witnesses: Bevan Foundation, Joseph Rowntree Foundation, Public Policy Institute for Wales, Oxfam Cymru, Chwarae Teg, trade union representatives, [Prof Karel Williams](#) – lead on foundational economy at CRESC/ University of Manchester, Women’s Equality Network, [Professor Jill Rubery](#) from Manchester University, FSB Wales (possibly with small business owners).

Members could also undertake outreach visits to speak to low paid workers (similar to Oxfam Scotland’s [research into decent work](#)).