



**Credit Unions**  
 great with people  
 great with money

ABCUL  
 Credit Unions

Contact your credit union  
 Call us today



Llywodraeth Cymru  
 Welsh Government

[www.cymru.gov.uk](http://www.cymru.gov.uk)



# Tackling Poverty Action Plan 2012-2016

Copies are also available in Welsh.



Printed on recycled paper

Print ISBN 978 0 7504 7010 0  
Digital ISBN 978 0 7504 7017 9  
© Crown copyright 2012  
WG14688

## **Contents**

	<b>Page</b>
<b>Foreword</b>	1
<b>Introduction</b>	3
<b>Section 1: Preventing Poverty</b>	4
<b>Section 2: Helping People out of Poverty</b>	13
<b>Section 3: Action to Mitigate the Impact of Poverty</b>	19
<b>Joining up across Government</b>	25

# Our Tackling Poverty Action Plan

## Foreword

Our Commitment to social justice and equality of opportunity makes it essential in the current climate that we continue to drive forward tackling poverty by prioritising the needs of the poorest and protecting those most at risk of poverty and exclusion.

We do so against a challenging economic environment where prospects remain very uncertain and with a severe risk of weakening prospects for jobs across the UK and internationally. There are also clear challenges to the Welsh and UK labour markets associated with the UK Government's programme of fiscal austerity. In this context the welfare and benefits reforms introduced by the UK Government threaten to drive many of the most vulnerable members of our society into severe poverty and to undermine our efforts to reduce poverty overall. Rural areas can also experience higher rates of poverty. The Joseph Rowntree Foundation estimates that it costs 10-20 per cent more to achieve a basic adequate standard of living in rural areas than urban areas mostly because of increased transport and heating costs.

We cannot do everything that needs to be done but we will do all we can and we will do it well. We will do it not just because it is right, though a life free from poverty is indeed a civil right, but because it makes financial and economic sense. Poverty results in poorer educational, health and behavioural outcomes for individuals. Poverty imposes enormous costs on society from lower economic productivity, reduced social cohesion and increased demands on public services such as health care and children's services. The lower level of skills; poor health and poverty of ambition that deprivation brings with it are a brake on the potential of the Welsh economy.

Sustainable development lies at the heart of the Welsh Government's agenda for Wales. This means that when faced with hard choices we choose the option that works best for the long term, such as investing in better early education and support for families now to prevent social hardship later; or helping Welsh citizens and businesses to use energy more efficiently to prepare for future price rises. We need to make sure that we design and build organisations, infrastructure and public services which will serve us for the long term, which are accessible to everyone, and are affordable to run and maintain. This plan sets out how we are balancing the need to tackle the impacts of poverty now, with the need to tackle the issues which will cause people to be in poverty in the future.

Our Tackling Poverty Plan and our Strategic Equality Plan will work together to achieve better outcomes for everyone in Wales. Our Tackling Poverty actions will supplement the delivery of our statutory Child Poverty Strategy and build on complementary strategies such as the Fuel Poverty Strategy.

Given that many of the factors that influence poverty directly and immediately are outside our control, it is even more important that we optimise what we can do and that we can measure the outcomes of those actions. The effectiveness of our actions will depend on our capacity to do things differently and to maximise the impact of what we do by being more focused and joined up across departments and with our partners.

The challenges are not ones that Government can meet on its own. We will now engage even more closely across all sectors to take forward and develop the actions in this plan. We will refresh and report progress on the plan in 12 months.

We do not accept that a general increase in the wealth of society will inevitably “trickle down” to individuals and communities in poverty. There are multiple barriers that prevent people from fulfilling their potential and we must tackle these across our portfolios. We must demonstrate that we direct our efforts to the people and places where they will have the greatest impact.

**This is not about putting a sticking plaster of additional actions on top of existing programmes. It is about tackling poverty through everything we do.**



**Carl Sargeant AM**  
Minister for Local Government and  
Communities



**Gwenda Thomas AM**  
Deputy Minister for Children  
and Social Services

## Introduction

In keeping with our commitment to long-term well being the key objectives of our Tackling Poverty actions are:

- to **prevent poverty**, especially through investment in giving children the best possible start in life. From conception through to early adulthood, our aim will be to reduce inequality at the earliest possible stage and break the link between socio-economic disadvantage, educational under achievement and the impaired life chances that flow from these;
- recognising that the best route out of poverty is through employment, we will continue **to help people to improve their skills and enhance the relevance of their qualifications**. We will also remove other barriers to employment – from practical barriers such as the accessibility of transport and buildings to less tangible barriers such as poverty of aspiration - helping people to move on to and up the employment ladder;
- at the same time, we will increase action to **mitigate the impact of poverty** here and now. We recognise that for more and more people, even being in work will not guarantee that they can escape poverty. We can act to improve the quality of life of these communities, families and individuals.

Action in these areas must be taken forward in ways which are **mutually reinforcing**. Good quality, affordable childcare should help children to reach important developmental milestones: at the same time it will create employment for some and remove a barrier to employment for others. Early, targeted action to prevent young people from falling out of education, training or employment should benefit them directly but should also benefit the next generation. Advice which helps people deal with debt, or get on-line, should be a basis for enabling them to manage their finances sustainably and use new skills to increase their engagement in work and society.

For each of these three objectives, this plan gives examples of what the Welsh Government has put in place previously, illustrating a long standing “track record” of commitment to social justice and equality; what this Government is already doing to tackle poverty; and what we will now do in addition, to place an even greater priority on action that will have a positive impact for the most vulnerable and disadvantaged.

## **Section 1: Preventing poverty and making it less likely over the longer-term**

The early years are a critical time for children's physical, cognitive, language and social and emotional development. Research is also beginning to show that what happens to children in the early years can have physiological effects that are lasting. Poverty begins to exert its effects from a young age; by age 5 children from the most economically advantaged groups have been found to be more than a year ahead in vocabulary tests compared to those from disadvantaged backgrounds.

If we are to make a difference in the longer term outcomes for children and families in poverty, we must offer support earlier and sustain that support until families become resilient and self-sufficient. Low income and debt makes family life more difficult and it becomes harder to manage stressful events. Families in poverty require different levels of support. Families with complex problems, for example substance misuse, need more intensive and acute services.

Education has a fundamental role in helping to lift people out of poverty and in protecting those at risk of poverty and disadvantage. There is a strong link between poor educational attainment, low skills and poor health and wellbeing. As a Government we are committed to tackling poverty by raising aspirations; improving standards in education; increasing skill levels and reducing inequalities in health and wellbeing.

In addition to specific funding programmes and grants, such as those mentioned below, approaches that combine whole school improvement with specific pupil-level interventions will be necessary to ensure that schools improve overall and that attainment gaps narrow.

### **Our track record**

- The Welsh Government has based its approach to child poverty on the rights of children and young people in accordance with the Rights of Children and Young Person's (Wales) Measure 2011, recognising that tackling poverty is as much about improving children's wellbeing as it is addressing income poverty. The Children and Families (Wales) Measure 2010 placed duties on public bodies to ensure the right to play and the right to participate for children and young people.
- The Welsh Government is committed to providing Free Breakfasts to all primary school age children in maintained schools in Wales. This is to help improve the health and concentration of pupils, and to assist in the raising of standards of learning and attainment. This provision is of particular importance to children in poverty who are at particular risk of their ability to learn being adversely affected by inadequate nutrition.

- Most of the funding for schools goes through the Revenue Support Grant to local authorities, which is calculated using a formula that includes a deprivation measure - that means more funding for local authorities and schools in poorer areas. Last year, the Higher Education Funding Council for Wales, who already have demanding targets to widen access to higher education amongst deprived communities, rejected Welsh universities' initial tuition (student) fees plans because they were insufficiently ambitious in meeting our widening access ambitions. Tackling disadvantage is deeply ingrained throughout our spending patterns and interventions.
- The Educational Maintenance Allowance Scheme has been continued. The aim of the Allowance is to address the link between low income and low participation by providing a financial incentive to young people aged 16 - 18 years from low-income households to remain in full-time education beyond compulsory education.

## What we are doing now

### *Early years*

- We know that interventions to support children in the early years are highly effective in tackling the effects of deprivation on educational attainment. That is why we are investing significantly in the **Foundation Phase** – a developmental curriculum for 3-7 year olds, which is now fully implemented throughout Wales. The Foundation Phase encourages children to be creative, imaginative and to have fun, and makes learning more enjoyable and more effective. The Foundation Phase is based on the principle that early years' provision should offer a sound foundation for future learning through a developmentally appropriate curriculum.
- The *Foundation Phase* is a universal entitlement; by engaging young children in learning, whatever their background, circumstances and particular needs, we aim to ensure all children are given the best possible start and the confidence to develop their full potential.
- The *Foundation Phase* builds on the **Flying Start Programme**, which is targeted on children in the most deprived areas. Flying Start provides free quality part-time childcare for 2-3 year olds; an enhanced Health Visiting service (where the Health Visitor caseload is capped at 110 children); access to Parenting Programmes; and access to Language and Play sessions. These are universally available to all children aged 0-3 and their families in the areas in which it runs.

## **Early support for children and families**

- **Families First** aims to spur improvement in local systems of support for families, particularly those living in poverty. It requires local authorities to improve and innovate in relation to support for children and families and more appropriately tailor services to local need. To underpin its delivery more effective multi-agency working and integrated services are needed to provide holistic support to children and families across the levels of need, but with a strong emphasis on early support and prevention. All local authorities have received additional funding in this financial year, and will in 2013/14, to deliver at a local level the Families First programme, including its focus on families with disabled children and/or young people. Up to £87m has been allocated to Families First from 2012-2014.
- Families with complex problems such as substance misuse will need more intensive and acute services. The **Integrated Family Support Service** will target such families and multidisciplinary teams will work earlier and intensely with children and families to affect change. The support includes debt management; housing (to minimise eviction and homelessness) and return to work training and better engagement with key health and education services. From Spring 2012, Integrated Family Support Services will be available in 10 local authority areas and the programme will be available across all of Wales by 2013. The services will support over 5,500 looked after children and care leavers to improve life chances and maximise wellbeing. They will aim to do this by providing stability, building resilience and will promote and encourage them to achieve through education, training and employment towards independent living. These services will be supported by early intervention programmes such as Flying Start and Families First.
- We placed a duty on local authorities to work with local statutory, voluntary and community bodies to ensure that, as far as is practicable, there is flexible, and sufficient childcare available locally to support parents. Funding is provided via the Local Authority Revenue Support Grant to support this, and in addition, we provide a grant of £2.3m per annum to local authorities to help in developing out of school childcare, and in particular after school provision.
- Play is central to the physical and social development of children and can help to contribute to longer term improvements in both health and educational outcomes. This year we will commence the duty on Local Authorities to assess and secure sufficient play opportunities for children in their areas, and support them in doing so.
- The Welsh Government has developed and adopted National Standards for Participation, for all providers of services to children and young people. Local authorities and key delivery partners are required to produce a Local Participation Strategy, so that children and young

people have opportunities to have their views heard and to be involved in decisions that affect their lives at the local level.

- ***Fairer Outcomes for All*** is the Welsh Government's strategic action plan for reducing inequities in health. In response to this, all Local Health Boards are required to identify, and take action to address, inequities within their areas. By 2020, we aim to improve healthy life expectancy for everyone and to close the gaps in health inequities between social groups from the most to the least deprived.
- We will make extra effort to bring families into contact with GPs and extend GP hours linking them to a range of services. The process of developing 'localities' will strengthen the population focus of general practice, better interpreting the needs of those communities and matching resources to need. A new annual reporting system will help Local Health Boards to identify and act upon variation in service provision and performance.
- The ***Designed to Smile***, service specifically targets inequalities in oral health. The scheme aims to prevent children's teeth decaying and leading to dental loss and disfiguration that in adulthood can have a detrimental effect on employment prospects. The Welsh Government will shortly be issuing for consultation our national oral health plan which strengthens our practical actions to combat tooth decay.
- We will also use school nurses to reduce inequality in the uptake of certain sorts of immunisation by teenagers. We are taking action to more rapidly reduce road traffic accident-related child death and injury in lower socioeconomic groups. We also provide parents with resources through Flying Start to enable them to reduce accidents and injuries in the home.
- Teenage pregnancy is often associated with poor health and social outcomes for both the mother and the child. Young mothers are more likely to suffer postnatal depression and less likely to complete their education. Children born to teenage parents are less likely to be breastfed, more likely to live in poverty and more likely to become a teenage parent themselves. Public Health Wales working with Local Health Boards are taking action to reduce teenage conception rates. This includes offering long acting removable contraception to specific teenagers.
- We will report on teenage conception rates, low birth weight and dental caries at age 5 and 12.
- Early support is important for individuals at all ages. The implementation of the Mental Health Measure will play a key role in strengthening services in the community and improving links with specialist services. This will be particularly relevant in providing support

for patients with mental health issues related to financial or redundancy issues.

- The new mental health strategy, ***Together for Mental Health***, aims to eliminate inequalities in access and to ensure those most vulnerable service users themselves are heard and acknowledged. Outcome measures and indicators are currently being developed for the strategy.

### ***Narrowing education attainment gaps***

The Welsh Government's overall reforms to raise school standards play a key role in reducing the impact of poverty on educational attainment. By raising the performance of all schools, and by reducing the variations found between and within schools, standards of learning will increase for all learners, and those from deprived backgrounds will benefit most. This, in turn, will equip young people and adults to reach their potential and secure sustainable employment. Secondary school banding has helped us identify which schools need support, and enabled the consortia to differentiate the support available for schools in specific circumstances.

- All four regional education consortia have action plans in place for all schools in bands four and five. These action plans include a practical focus on steps towards improvement, with financial support from the Welsh Government of £10,000 to support individual action plans.
- Good literacy and numeracy skills are essential to improving standards in education. The National Literacy Programme for Wales sets out the actions that will be taken by the Welsh Government and our partners to achieve a step-change in standards of literacy over the next five years.
- Amongst the key initiatives in the Literacy Programme are targeted support for pupils; support for teachers' professional development; the sharing and consistent use of best practice; a statutory National Literacy and Numeracy framework; and development of national reading tests. Our National Numeracy Programme will be published in the Autumn.
- We also recognise that as children and young people move through the school system, they will have a variety of needs and preferences. Our 14-19 Learning Pathways policy has been developed to ensure that all learners have access to a wider choice of general and vocational courses at both Key Stage 4 and Post-16. It also secures an entitlement to support learners to overcome any barriers to their learning or to remaining engaged in learning.
- In the short term, the Pupil Deprivation Grant is a key opportunity for schools to invest in effective approaches for tackling the impact of deprivation. Under the Pupil Deprivation Grant and the School Effectiveness Grant, there is an additional investment of some £58 million going to schools and local authorities in 2012-13 and a further

£68million in 2013-14 and 2014-15 respectively. Our guidance for schools strongly encourages schools in areas of high socio-economic disadvantage to link and work closely with the Communities First Programme, to maximise the resources available for initiatives to raise school standards and narrow the educational attainment gap.

- For those choosing to continue their studies at a higher level, the Welsh Government believes that access to Higher Education should be based on the ability to learn rather than the ability to pay. Our student support package and requirements for tuition fee plans are designed to remove financial barriers and to encourage applications to Higher Education from disadvantaged groups. Widening access to Higher Education is a fundamental aim of ***For Our Future*** and a core aspect of the Welsh Government's drive for social justice.
- The ***Assembly Learning Grant for Further Education*** is a means tested grant aimed at adults aged 19 years and over to help with the cost of continuing with, or returning to, further education. There are levels of support based on a household income threshold of £18,370. Eligible students can receive payments of up to £1,500 if they are studying full-time and up to £750 if they are studying part-time.

We know that very often it will be the same young people we need to target in order to narrow the attainment gap between pupils from deprived backgrounds and their peers who will require support because they are at risk of disengaging from education, employment and training. Our approach to reducing the number of 16-24 year old disengaged young people in Wales is set out in pages 14—17 below.

## **What we will do in addition**

- An extra £55 million has been allocated to support the expansion of ***Flying Start*** over the three financial years 2012-13, 2013-14 and 2014-15, to double the number of children benefitting during this term of Government.
- We will target the expansion of ***Flying Start*** on concentrations of families with children aged 0-3 living in Income Benefit households across Wales. As detailed in the Strategic Equality Plan, the Flying Start Team will work with stakeholders to implement new systems to report on take-up of elements of the programme by some of the “hardest to reach” groups including ethnic minority families. This guidance will also include a requirement on local authorities to identify how they will address those needs.
- We will forge stronger links between programmes, for example between Flying Start and the Foundation Phase and between Families First and ***Communities First***. We will work to ensure that Communities First links effectively with education and health bodies to

increase the reach and impact of mainstream education and health funding in our most deprived communities. Following consultation in 2011, Communities First has been relaunched (from April 2012) as a Community Focused Tackling Poverty Programme which will continue to support and encourage local action to address the long-term causes and effects of poverty in the most deprived areas in Wales. There will be fewer, larger Communities First areas (known as Clusters) so that effective partnership working with key service providers and other strategic stakeholders will be simplified. A new monitoring framework, based on Results Based Accountability, will demonstrate the contribution made by the programme to three key outcomes: Prosperous Communities, Learning Communities and Healthier Communities.

### ***Team around the family***

We are already committed to delivering multi-agency support for families who need it, tailored to the particular issues they face and putting families, and not the services involved, at the very centre of Teams Around the Family. We will do this through our Families First and Integrated Family Support Teams, ensuring the support of the social services, health services, education, justice and the Third Sector. The indications are that a whole family approach, with a strong emphasis on preventative and early support, will be both more effective and more cost effective in achieving better outcomes; but it involves a step change in the approach of the Welsh Government and other service providers. A cross-Government group supporting the Deputy Minister for Social Services and Children will take this forward. Actions will include:

- A three-year evaluation contract of Families First will be awarded this summer. The independent evaluation team will report annually on the progress of Team Around the Family approaches being developed and implemented at local level as a key component of the Families First programme. (The approaches to Team around the Family are underpinned by the five-year Families First plans submitted this year by Local Authorities.) The Families First team is also establishing national 'Learning Sets', including one for Team around the Family approaches, with Local Authorities and partners in July this year. Learning Sets will provide structured opportunities to share learning around the development and implementation of key elements of Families First. These will be supplemented by case studies and reports on the Families First website.
- We will work with the Public Service Leadership Group to provide leadership at local and regional level for the development of approaches which join up services around the needs of the individual and the family. We will also support more organisations to make the financial case for adopting integrated "team around the family" approaches. We will establish by mid-2013 outline characteristics for the various Families First Team around the

Family interventions. By mid-2014, we will develop a set of national standards based on the evaluation evidence.

- The actions identified in ***Sustainable Social Services*** will remove unhelpful boundaries between adult and children's social services. This will deliver a programme of transformation in the delivery of social services, to meet the needs of our most vulnerable and disadvantaged people.

### ***Educational attainment***

- The School Standards and Organisation Bill will ensure that primary school free breakfasts are available in all maintained schools unless the Local Authority cannot reasonably achieve this.
- There is strong evidence that particular groups are under-achieving and this includes disabled children, boys and certain ethnic minority groups including Pakistani, Bangladeshi, African Caribbean and Gypsy Traveller children and young people. Within the Strategic Equality Plan there are detailed actions to address this:
  - We will improve the outcomes for disabled children and young people and those with Special Educational Needs through the reform of the Additional Learning Needs statutory framework.
  - We will analyse information and identify issues where interventions are needed to drive up attainment amongst those ethnic minority groups who are underachieving including patterns of school exclusions.

### ***Childcare***

Access to affordable childcare that is of a quality that ensures that the developmental outcomes for the child are improved is also central to supporting parents back to work. Successive reports have highlighted that this is still one of the biggest barriers to people in poverty who are looking to enter the workplace. Access to high quality affordable childcare has therefore been identified by Ministers as a key priority for tackling poverty.

We will examine ways of increasing the availability of affordable, quality childcare, building on statutory local authority assessments of need and engaging with the private sector, social enterprises, professional bodies and others. A cross - Welsh Government group has already begun looking at how we can integrate childcare provision across Early Years from pre-birth to 7 years, including Flying Start and Foundation Phase. This work will be extended to further cooperation to develop an integrated approach to services and 'wrap-around' care outside of core school hours for children from 8-16, including Out of School Childcare Grant and free school breakfasts. We will:

- undertake a more detailed analysis of the most recent Childcare Sufficiency Assessments and further develop the cross departmental work around early years to encompass the priority of affordable childcare, in the context of reducing levels of poverty;
- undertake an analysis of the financial assistance currently available to parents through local and Jobcentre plus programmes;
- establish where there are gaps in childcare provision and make early recommendations on how the supply of childcare can be stimulated and supported;
- explore where key programmes can be used to maximise the ability for parents to access childcare support, including the role of local Family Information Services;
- make initial recommendations on the type of support that we could provide parents; indicative costs and potential models for delivery.

## **Section 2: Helping people to take up job opportunities and earn an income**

Growth and sustainable jobs are at the heart of the Programme for Government and jobs and the economy are the Welsh Government's over-riding priorities. Employment offers a high level of protection against poverty for individuals and families. There is a strong correlation between qualifications and skills, employment and earnings. One of our objectives in the Strategic Equality Plan will be to work with partners to identify and address the causes of the gender, ethnicity and disability pay and employment differences.

### **Our track record**

- Over the six years to 2010, Wales made great strides in improving qualification levels in Wales and the overall skills mix. The proportion of the working-age population with a degree or higher qualification rose by 5.2 percentage points, whilst the proportion with no qualifications fell by 4.9 percentage points.
- There have been improvements in apprenticeship completion rates (from 54% in 2006/07 to 80% in 2009/10).
- Over the last decade the ReAct programme has established a strong track record for helping people back into employment. An internal evaluation of delivery for the period from 1 October 2008 to 31 November 2011 shows that the proportion of participants who found new employment as a result of ReAct was 76%.
- GO Wales is a graduate employability and skills programme, sponsored and managed by the Higher Education Funding Council For Wales and delivered by Higher Education institutions across Wales. The programme has established credibility with employers with more than 3,500 people so far benefitting.
- Investing European Union funding, particularly the European Social Fund, in actions to increase employment and tackle economic inactivity (30 projects with a combined value of over £280m) and to raise skills levels. Our European programmes also support social enterprise, financial inclusion and locally-led approaches to development which help to tackle poverty and exclusion.

### **What we are doing now**

- The risk of poverty for children in workless families remains high, at 58 per cent, which is considerably above the average of 22 per cent. Therefore, although the Welfare to Work agenda remains a matter for the DWP, we are determined to do what we can to boost skills, and create and safeguard jobs. We are working with our partners in local

government, the third sector, the Work Programme Providers, employer bodies and the Department of Work and Pensions through the Joint Employment Development Board to coordinate support for the unemployed.

- Traineeships for 16-18 year olds and Steps to Employment for 18 plus support young people and adults to gain confidence, motivation, improve their skills and gain work experience to enable them to enter sustained employment.
- Help for adults to gain basic skills has been remodelled with the launch of 'Essential Skills in the Workplace'.
- Jobs Growth Wales (helping young people into employment). Jobs Growth Wales is a key commitment within the Welsh Government's Programme for Government and will create 4,000 job opportunities across Wales for 16-18 year old who are not in education, employment or training as well as those unemployed young people, aged 18-24. The Programme will also provide a package of support for the individual from day 1 of unemployment (up until they become eligible for the Department of Work and Pension's Work Programme) with the focus on supporting the individual to progress into sustained employment or where appropriate an apprenticeship. The scheme will offer young people work experience for a 6-month period. This will be paid at or above the National Minimum Wage for a minimum of 25 hours per week.
- We have built upon the success of the acclaimed ProAct scheme through Skills Growth Wales, a £30m extension (including £17m European Social Fund of which has now been approved and will be open to new applicants until 2015. This will support 200 companies, contributing to the creation of up to 3000 new jobs.
- Apprenticeships in Wales are open to everyone and innovations for learners and employers are motivating engagement. Pathways to Apprenticeships and the highly successful Young Recruits Programme, together prepare the supply of highly skilled apprentices whilst stimulating demand for apprenticeships from employers. The Economic Stimulus Pack has provided additional investment £4.23m to the Young Recruits Programme, offering support to employers for additional apprenticeship opportunities where there is a need to maintain a highly-skilled workforce.
- We continue to invest in re-skilling for those facing redundancy through ReAct and Adapt – aligning skills of people leaving employment with those required by recruiting employers.
- We will deliver a £30m Economic Growth Fund to provide the catalyst for growth, enabling businesses to invest in projects that will support

the creation of up to 1,700 new jobs and the safeguarding of up to 1,600.

- Requiring contractors to provide local employment and training opportunities as well as seeking to use local supply chains – through helping Welsh Government and the public sector to fully adopt the Welsh Government ‘community benefits’ procurement policy to all appropriate contracts over £2m. This will meet one of the Local Government Compact commitments.
- We will make efforts to strengthen the economic benefits from routine expenditure. National Health Service (NHS) capital spending has been linked to developing apprenticeships and the impact of the NHS capital programme on job creation is monitored closely. The NHS has been closely involved with the efforts to squeeze greater benefits from procurement, and the NHS has trialled ways of using its recruitment to provide training for people with relatively low skills to gain new skills which are transferable elsewhere in the economy.
- We will maintain a focus on health at work to help people hold on to jobs and avoid becoming unemployed by providing a range of support and advice to individuals, employers and health professionals on improving health at work, reducing the impact of ill health at work; and encouraging early intervention to support people who become ill at work.
- Within our Strategic Equality Plan there is an objective to reduce the numbers of disengaged young people including actions tailored to reduce the over-representation of certain ethnic groups, care leavers and of disabled people among those who are disengaged. Other actions include monitoring traineeship / apprenticeship by ethnic minority and disabled young people as well as young men and young women.

## **What we will do in addition**

### ***Working with business***

- We will review the evidence of success of recruitment and wages subsidies as ways to incentivise businesses to employ individuals disadvantaged by severe or persistent poverty and propose actions accordingly.
- We will assess our business support activities to see if more can be done to lift people out of poverty and consider, where appropriate, linkages to Community First areas.
- As part of our appraisal process for grant support to business, we will introduce positive weightings to allow for the impact of bringing harder

to reach groups back into work. We currently take into account the salary levels of jobs in assessing the quality of projects and allow enhanced cost per job limits in disadvantaged areas. We are also revising the appraisal process to better reflect the broader economic benefits of projects and to be sensitive to key factors of poverty. This will allow the investment process to better support individuals in severe or persistent poverty.

- We will review the model for supporting social enterprise; considering how this sector can provide social services and cultural activities to build capacity and skills, and actively boost the economy through improving the employment prospects of the economically inactive and workless.
- We will be expecting any business seeking support to sign up to our principles of Corporate Social Responsibility which includes a commitment to good employment practices, such as flexible working arrangements to encourage the creation of jobs that are accessible for parents and other carers.
- We will take integrated action under the next round of European programmes (2014-2020) to promote social inclusion and combat poverty. The Structural Funds and the Rural Development Programme will need to be flexible and adaptable, but with a single-minded focus on delivering sustainable growth and jobs for businesses and people across Wales and helping people into work while under the Rural Development Programme there will be a further focus on rural employment, Small and Medium Enterprises and community renewal.

### ***Community benefit requirements***

- We will strengthen the 'community benefits' procurement policy and ensure the expenditure covered by the Welsh Infrastructure Investment Plan incorporates this approach. We will track the outcomes from adoption of the 'community benefits' procurement policy.
- We will ensure that contracts for our significant investment in transport infrastructure and services include community benefit requirements that deliver local work and training opportunities for unemployed people.
- With a clearer focus on tackling poverty, the importance of removing barriers to employment is fully recognised within the new Communities First programme. The programme has a stronger focus on ensuring that local action will benefit those who are most vulnerable in deprived areas, including those who are furthest from the workplace.
- We will establish an internal Working Group on employment opportunities from across the Welsh Government's capital programmes chaired at Ministerial level.

- We will consider how particular community enterprise actions and social enterprise activity could work to alleviate poverty, including in the context of other initiatives to promote growth; specifically, how social enterprises could be targeted to provide support services and facilities in Enterprise Zones, such as catering facilities and quality, affordable childcare.

### ***Young people not in employment, education or training***

- Taking action on the evidence as to the actions which will substantively reduce the number of people who are not in education, training or employment, we will strengthen employability skills through the curriculum and work with employers to increase job opportunities. We will refocus resource as early as possible in identifying the young people who most need support, tracking them through the system until they reach university, Further Education or sustained employment.
- Schools and local authorities together can intervene to prevent disengagement. Recognition and support for their Free School Meal pupils and Looked After Children will reinforce the need for early intervention as well as tackling one of the root causes of poverty for the future.
- We will develop an identification and tracking system that monitors progress of young people at risk. We will:
  - ensure through a new brokerage function that young people receive properly co-ordinated support through a single point of contact;
  - track young people through the education and training system until they reach further or higher education or sustained employment;
  - ensure that provision aimed at supporting young people at risk of disengagement is effective in providing the support they need;
  - strengthen employability skills and opportunities for employment;
  - make schools, colleges and local authorities more accountable for the engagement and progression of their young people.
- We will also focus careers support on those individuals who face the greatest barriers and are working with partners including Value Wales to improve the quality and relevance of work experience, a key route to social mobility.
- We are developing smartcards for public transport and are piloting schemes in Newport and Mon a Menai. When it is fully developed, this technology will provide the opportunity to provide different fare offers to specific groups, for example, targeting additional support to young people who are not in employment education or training, so that they can access employment or training.

### **Section 3: Action to mitigate the impact of poverty here and now**

The lives of people in poverty like all lives are complex. In this current climate people lose their jobs, or can find only part-time employment. Others work as unpaid carers for other family members while many face barriers to finding work because of long-term health conditions and disability. It is important as a civilised society that we help people maintain a basic standard of well-being that will enable people to survive and find a route out of poverty. This support to improve the lived experience of poverty includes access to financial advice services, benefit take-up advice, support for sources of affordable credit, support to prevent fuel poverty, transport, affordable access to the internet, and the provision of inexpensive leisure, sport, and play facilities. Many people living in deprivation bear an additional burden in the sense of shame that poverty brings. It is shame that stops many families taking up their entitlement to free school meals for their children. It is shame that prevents many elderly people claiming the benefits to which they are entitled. Understanding and countering that feeling of shame is another of the complex challenges that our interventions need to address.

#### **Our track record**

- With our support, over 6000 financially excluded adults have joined Credit Unions and gained access to financial products across Wales (figures covering fifteen months to December 2011).
- We have maintained universal entitlements to free prescriptions, free bus travel for older people, disabled people and veterans. We continue to fund free swimming in Wales for children and young people aged 16 and under during all school holidays and weekends and a similar scheme operates for the over 60s.
- We have maintained investment in our fuel poverty and energy efficiency programmes. Between 1 April 2010 and 31 March 2012, Arbed phase 1 delivered energy efficiency measures to more than 7,500 homes throughout Wales. In 2011-12 our new fuel poverty programme, 'Nest', delivered energy improvement packages to over 3,500 householders likely to be vulnerable to fuel poverty, and provided advice on saving energy and maximising income to over 14,700 householders.
- We have increased the supply of housing. Between 1 April 2007 and 31 March 2011, a total of 9,091 additional affordable housing units were delivered across Wales which exceeded the original target set of 6,500 for 2011. Over this period over £570 million in Social Housing Grant has been allocated to support affordable housing schemes in Wales.

- We placed a duty on public bodies in Wales to develop Child Poverty Strategies. As a result the National Museum for Wales developed a strategy for supporting participation in cultural activities for children, young people and families in poverty 2012-2015.

## **What we are doing now**

### ***Advice and support services***

- We are providing Citizens Advice Cymru with £2.2m per annum for consolidated benefit take-up and advice provision, to help people access the support to which they are entitled. This includes the Better Advice: Better Health, Council Tax and Housing Benefit take-up and Benefit take-up for Children with Disabilities schemes along with generic advice provision through Adviceline Cymru.
- We are taking action to mitigate the impact of UK Government Welfare reforms through consultation and continued close work with our partners on Welsh successor arrangements to Council Tax Benefit and the discretionary Social Fund due to be devolved in April 2013.
- Through housing associations, many tenants in Wales are receiving support that specifically tackles poverty through helping them to increase their incomes or reduce their debt levels. Nearly £800,000 was spent on this in 2010-11 by registered social landlords.

### ***Support with the costs of living***

- The Blue Badge Scheme enables disabled people to park close to services without charge. In 2010-2011 nearly 230,000 badges were in circulation in Wales. We have recently set out our plan for modernising the Scheme, extending it to children under 3 with specific medical conditions and seriously injured service personnel. The administration of a Blue Badge will in future incur no cost to applicants in Wales (in England local authorities may charge up to £10, and in Scotland up to £20).
- We are maintaining our commitment to providing free bus travel to those over 60, the disabled and their companions and extended eligibility for the concessionary travel scheme to seriously injured war veterans and armed forces personnel living in Wales.
- We will measure the number of concessionary fare journeys (broken down by disability / age), Bus user satisfaction ratings from the Bus Users Survey and the number of new blue badges issued at no cost.
- Over 23,000 families with a low income receive weekly vouchers for fruit, vegetables and milk.

- The **Community Food Co-operative Programme** has a priority focus on areas of social, economic and rural deprivation, including Communities First areas. There are now over 300 Food Co-ops operating across the whole of Wales, serving approximately 4,500 customers with nearly 7,000 bags of produce per week.
- We are continuing to provide free milk for under 7s. The school milk scheme supports our whole school approach to improving nutrition in schools and encouraging children to develop good eating and drinking habits. The school census 2011 indicates that 109,617 pupils received free milk.
- Homecare and other non-residential social services are free to older people and people with disabilities if they have income below a pre-defined level. Even where their income is above this charges for these services are limited to £50 per week. The Social Services Fairer Charging -The First Steps Improvement Package, introduced in April 2011, has provided greater consistency to the charging by local authorities for the provision of non-residential social services. The Package introduced, amongst other initiatives, a maximum weekly charge of £50 across any local authority in Wales for key services provided to a person, regardless of the hours of care or complexity in each individual's circumstance. This Package has helped service users live as independently as possible in their own home and remain within their community, its financial safeguards ensured a significant proportion of users pay no charge at all. The Package therefore provides security for the most vulnerable members of society, often with limited disposable income.
- The Package is being monitored during its inaugural year of implementation with local authorities reporting the impact of the new policies on their charging regimes and its benefit to service users. The second and final set of Monitoring Reports from local authorities are being analysed to assess the overall impact the Package has had on charging by local authorities for provision of non-residential social services and an assessment of the appropriateness of existing regulations.
- We are committed to keeping water bills at an affordable level and for customers to have a choice of charging options that will reduce debt and protect vulnerable groups.

### **Community resilience**

- Communities First will continue to help to ameliorate the effects of poverty by providing support and opportunities to help people address challenges and difficulties which affect individuals, families and particular groups. At the same time the programme will strengthen the communities as a whole, by building the confidence and skills of local

people and organisations and giving them a greater stake in strategic planning and service delivery in their own areas.

- Our Regeneration Programme currently invests in the infrastructure, renewal and regeneration of some of our most deprived communities, including a number of our seaside towns and town centres. Our regeneration work improves the physical environment of areas in partnership, through safer and better quality design, and by developing family friendly environments and mixed use developments. For example:
  - The Llwyddo'n Lleol project aims to stem the flow of young people's outward migration of rural areas through a series of innovative activities designed to develop a culture of enterprise amongst young people; simultaneously developing the skills and confidence of the individual, whilst restoring their confidence in the opportunities available to both work and live within their own communities.
  - NW Watersports Mor a Mynydd aims to effect a positive and evidence based transformational culture change towards the Marine Industry within the communities of North Wales, allowing that industry to fulfil its real potential to provide sustainable local employment, economic growth and social vibrancy within those communities. To date there is a total of 17 secondary, 22 primary schools and 12 primary school teachers involved with the programmes.
  - Enterprise in the Valleys strategic project was developed in partnership with Neath Port Talbot County Borough Council, the Communities Directorate and all 17 local Communities First partnerships. Funding was drawn from the Communities First outcomes fund and Regeneration Area to develop Enterprise in the valleys. With the aim of strengthening and broadening enterprise skills by developing the entrepreneurship skills of young people aged 11-25 across the nine valleys within the Western Valleys programme area.
  - A one year pilot will target youth unemployment, the aim being to match job-seekers with employers, skills and training providers. Funding has been secured from the Swansea Regeneration Area via the Regional Learning Partnership to establish an e-Portal in Swansea.
- The Welsh Government has set an ambitious target of providing 12,500 homes during this term of Government. This is made up of 7,500 affordable homes - 1,000 more than the previous government's target - and 5,000 empty homes brought back into use through the new empty properties initiative.

- Our flagship Supporting People Programme spends some £136 million each year helping the most vulnerable in Wales, providing essential support to around 50,000 people who find themselves in very difficult personal circumstances, enabling them to find or keep their homes.
- There is evidence that higher incidence and fear of crime in deprived areas has a negative impact on communities. We are funding an additional 500 Community Support Officers) in Wales to work in our most deprived communities, including in particular Communities First areas, to increase community safety and to reduce crime and the fear of crime. The Support Officers will be highly visible in their communities, engaging with people, providing reassurance and tackling anti-social behaviour.

The Welsh Government also supports programmes to reduce substance abuse, youth offending and reoffending, Violence against Women and Domestic Abuse.

- Living in an already deprived area or community can often compound issues associated with poverty and residents of deprived areas can experience higher levels of anti-social behaviour. We have provided over £15 million towards improving local environmental quality under the Tidy Towns initiative. With a commitment to a further £10 million until 2015. Tidy Towns projects have made improvements to the local environment, helping our communities become more resilient, with a better quality of life and a greater sense of well being. Tidy Towns has enabled Keep Wales Tidy to engage with 15,177 volunteers throughout Wales in April 2011 to March 2012, assisting them to take pride and ownership of their local area through undertaking 10,703 environmental improvement projects which have contributed to lasting improvements in their community.

## **What we will do in addition**

### ***Advice and support services***

- Within the Strategic Equality Plan we committed to strengthen advice, information and advocacy services to help people with protected characteristics understand and exercise their rights and make informed choices. In response to this, and in the light of changes to the welfare system and Legal Aid, we will review our support for advisory services, including housing, drawing together programmes from across the Welsh Government. Our aim will be to develop a stronger network of services which is capable of providing people with support on all aspects of financial and housing related need. We will work in tandem with the third and statutory sector on this.

## ***Support with the costs of living***

- We will develop successor arrangements for the Social Fund as part of this network of support which will focus on sustainable solutions.
- Free School Meals are an important entitlement for children and their families. School meals, and particularly free school meals, are a means of reducing health inequalities brought about by poor diet. Free school meals provide those families that we have identified as being in greatest need with additional support. School provides an ideal environment to convey positive messages on healthy eating and support them through appropriate behaviours. The UK Government's proposal to introduce Universal Credit from 2013 will mean the current criteria for identifying entitlement for free school meals will no longer exist. In order to continue the provision of free school meals, we will find an alternative way of determining entitlement that aligns with the Universal Credit system. We will be considering a range of potential options for setting new criteria for free school meals and as part of this work the potential impact these changes may have on those currently in receipt of free school meals
- We will promote increased internet access for excluded groups. By 2015 we aim to reduce levels of digital exclusion in Wales to people aged over 50 to 40%, Employed to 8%, Unemployed to 20%, Economically inactive to 40% and Residents of social housing to 30%.
- We will publish guidance to water companies in the summer 2012 which will enable water companies to develop social tariffs during 2013-14. We will also work with stakeholders to evaluate the help we provide and identify gaps in provision and link with the wider advice services that the Welsh Government provides.
- We will report on the Number of Water company social tariffs developed in accordance with the guidance; Number of social tariffs approved by Ofwat; Number of households benefiting from social tariffs; The level of water company debt has reduced; Customer acceptance of proposed social tariffs; The decrease in the levels of people experiencing water affordability in Wales.
- We will announce in the near future which projects will secure funding in the first round of the arbed phase 2 European Regional Development Fund Project. Phase 2 is a £45 million programme, part funded by the Fund through the Welsh Government, that will improve the energy efficiency of a minimum of 4,790 homes by the end of 2015.
- We will report on the number of households supported through our Nest and arbed programmes each year. We will monitor and evaluate our programmes to ensure resources are targeted in the most effective way and that we facilitate additional investment in Wales through UK wide programmes.

- Our environmental and sustainable development work will focus on delivering an integrated package of support to communities where there is poverty, deprivation or need for regeneration. This place based programme will be piloted in a small number of urban areas and will later broaden to rural areas.
- We will develop and apply a screening tool that will enable us to assess the socio-economic impact of transport policy and investment options and enable us to make policy and investment choices that will contribute to tackling poverty.
- Future **Safe Routes in Communities** schemes will be assessed according to how they contribute to tackling poverty. This requirement will be included in our updated guidance for the scheme which will be issued by end Summer 2012.

### ***Building community resilience***

- Poverty is often linked to disability, as disabled people face both higher living costs and additional barriers to employment. The Joseph Rowntree Foundation (2011) has found that a third of low-income, working-age adults without dependent children are either disabled themselves, and/or have a disabled partner. Among those with dependent children, this proportion is a quarter. For all people of working age (and their dependent children), a disabled adult family member increases the risk of low income by about a half.
- We will tackle barriers and support disabled people so that they can live independently, and exercise choice and control in their daily lives. The Welsh Government is working with disabled people's organisations and other partners to develop a Framework for Action on Independent Living to be completed by Summer 2012.
- From this year, there will be a new approach to Regeneration. The consideration of areas which suffer from high levels of poverty will be given greater weight in future investment decisions. We will integrate our regeneration activity with our Communities First Programme. This will allow our regeneration activity to align with the priorities of our most deprived areas and support those people most in need.
- In health, we will aim to reverse the so-called 'inverse care law' that is the tendency for the best services to be provided for those people in the least need. Core aspects will be improved: management of chronic conditions and in particular mental health issues. The Communities First programme will be a key partner with the NHS.
- We are making an additional £16 million available this year to help provide more homes for those who need them.

- The Housing Bill will include a stronger framework for prevention of homelessness and more comprehensive homelessness services which help everyone in need and the Tenancy Reform Bill will improve standards and tenants' rights in the private rented sector.
- A new national programme to tackle empty homes has been launched. Working with local authorities, housing associations and third sector organisations, the programme will result in empty properties being used to house families in need of a home a target audience for help to overcome poverty, and a stable home they can afford is a key part of that.
- A key commitment is to drive up the condition of the private rented sector in Wales which will have a direct impact on those on low incomes.
- Following the Supporting People review, the administration of the programme will change which will mean that there are more efficient and cost effective services for vulnerable people in Wales ensuring those who most need help will get it.

## **Joining up in communities and across government**

We recognise that many of the successes in tackling poverty are down to the efforts of dedicated and enterprising individuals, starting on a small scale, in their local communities. The principle of community empowerment is fundamental to our approach. Success will depend on the collective efforts of those working in their communities, be they public service workers, third sector organisations, volunteers or businesses. Local authorities have a clear leadership role to play. We will rely on our partners to build on this plan by joining up their actions and innovating at local and regional levels. We will work to support this:

- Our work with public service leaders in Wales is driving the pace of public service improvement, including effective services for vulnerable groups. Good practice is being transferred to areas across Wales.
- The public service reform agenda, including the simplification of plans and rationalisation of partnerships to support joined up delivery of local services, will support this approach.
- The single integrated plans produced at local level will have a clear focus on a preventative agenda and support for people who are excluded or vulnerable.

- We will work through existing fora such as Local Service Boards, Partnership Councils and the Public Service Leadership Group, to secure leadership and engagement at all levels.

Every part of government can contribute to tackling poverty. It is integral to promoting sustainable development. For example, heritage-led regeneration can mean that our towns are better places to live because we work with the grain and character of their historic origins and growth to develop them for 21<sup>st</sup> century living. Imaginative and creative use of the monuments in State care for the benefit of local people and visitors can mean that heritage sites can play a vital and contemporary role in strengthening communities. Our National Transport Plan has taken impacts on equality and poverty as important factors in deciding priorities. Our Communities First programme will play a key role in promoting joined up approaches and enabling mainstream programmes to work to greatest effect in these communities.

One of our biggest challenges and opportunities is to make the sum of our actions greater than their parts by integrating them properly. We will aim to do this through the leadership of our Ministerial Programme Board.

- We will assess the impact of every new policy development and every significant investment for its contribution to tackling poverty. We will do this by applying “Delivering Results”, the Welsh Government’s system for testing that policies and programmes are being developed and implemented effectively.
- Our independent, external expert group will advise and monitor progress.
- We will continue to develop ways of tracking and evaluating the impact of our actions.

Next year we will publish an updated plan which will track our existing and future activity.