Strategic Integrated Appraisal

Prosperity for All: the national strategy
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Overview

We have published an ambitious, cross-cutting national strategy to focus the efforts of the whole public sector on this government’s central mission of delivering Prosperity for All.

Prosperity for all – the national strategy takes the commitments in the Programme for Government, Taking Wales Forward, places them in a long-term context, and sets out how they will delivered in a more joined up way that cuts across traditional boundaries, both inside and outside government.

This document provides information on how we have taken a strategic and integrated approach to appraising the impact of the national strategy on Wales and its people.

It should be read alongside Prosperity for all – the national strategy and the Well-being statement. Both documents can be found at: http://gov.wales/about/programme-for-government
Introduction

Strategic Integrated Appraisal

What we do as a government makes a real difference to people’s lives and therefore understanding the potential positive and negative impacts of what we do is an important feature of good decision making.

The aim of the national strategy is to realise our ambition of prosperity for all. It will deliver effective services throughout Wales to all people when they need them, also recognising that there are times when specific groups need additional support or help to access those services. The national strategy has been designed, first and foremost, to deliver positive impacts for Wales and its people, in particular for people from more deprived and disadvantaged backgrounds and those who face multiple barriers to work and to reaching their potential. It seeks to address some of the long-standing challenges Wales and its people face, which we will tackle through multiple interventions and collaborating with delivery partners.

We have developed the national strategy through a life course approach to understand where people may need more support, as well as people who may need additional help so that we focus on the needs of individuals. This approach recognises that people’s needs change throughout their lives and we have reflected that in this appraisal.

The national strategy has been developed in the context of ongoing austerity and the uncertainty of exiting the EU, circumstances that make it more challenging than ever to deliver our ambitious objectives. It contains 12 government wide well-being objectives and associated actions to make a difference.

This document provides a summary of how we have appraised the impact of the national strategy and informed where we should prioritise our efforts in order to maximise our positive impact (the five priority areas).

Our aim is to help and support everyone to live healthy, prosperous and rewarding lives. We know that people’s needs vary across the country and at different stages in their lives. The five priority areas within the strategy have been identified as those key areas where the government can maximise its positive impact and make a difference to people. They are priority areas where it has been shown that early intervention – tackling the root causes, rather than treating symptoms – pays dividends.

Many of the issues we considered when developing the national strategy are a requirement in law, others are longstanding commitments made by the government. These statutory and non-statutory impact considerations are:

- Equalities and Human Rights,
- Children’s Rights,
- Welsh Language,
- Climate Change,
- Rural Proofing,
- Health,
- Biodiversity,
- Economic Development.

The seven national well-being goals for Wales, set out in the Well-being of Future Generations (Wales) Act 2015, provide a useful framework to consider these issues in an integrated way, recognising the importance of a people-centred approach and the wider economic, social, environmental and cultural determinants of Wales.

The appraisal is divided into two sections to reflect the structure of the national strategy:

**Section 1** assesses the impact of the four key themes and associated well-being objectives.

**Section 2** assesses the impact of the five priority areas.

Throughout the appraisal, we have provided illustrative examples of how the actions in the national strategy will have a positive impact on Wales and its people. These examples are neither exhaustive nor exclusive; they instead provide an overview of the impacts we considered when developing the national strategy.

**Using evidence to inform the appraisal**

Strategic information about Wales and its people, and wider trends affecting Wales’ economy, society, environment and culture provide the evidence base for the strategy and appraisal. This helps us to understand the challenges and opportunities we face, what we need to address and where we as a government should focus our attention to have the greatest impact.

The national strategy and associated government objectives operate at a strategic national level and therefore evidence is drawn primarily from those sources that provide information at this level and are cross-cutting. For the most part these can be found on our statistics and research pages. These include

- Census of population;
- National Survey for Wales;
- Welsh Index of Multiple Deprivation;
- Future Trends Report;
- National Indicators for Wales (measuring the seven well-being goals);
- Assessments of local well-being by Public Services Boards;
- Welsh Government research;
- International Evidence; and
- The Review of the Evidence on Inequality in Wales.

Other key sources includes a range of wider national and international evidence and research, including from the Public Policy Institute of Wales (PPIW), and reports published by the respective Welsh Commissioners about priorities and specific needs of groups of people.

**Next steps**

Many of the actions in the national strategy will be delivered by the end of this Assembly term; others are about working in a more collaborative and integrated way, designing solutions for the future, together.

As implementation of the national strategy, the twelve well-being objectives and five priority areas is taken forward to the next stage of delivery we will undertake further work to appraise the impact of our actions at a more detailed level.

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1 Prosperous and Secure

Our **aim** is to drive a Welsh economy which spreads opportunity and tackles inequality, delivering individual and national prosperity. We will enable people to fulfil their ambitions and enhance their well-being through secure and sustainable employment. We will break down the barriers many face to getting a job, and create the right environment for businesses to grow and thrive.

Our **objectives** are:

- Support people and businesses to drive prosperity.
- Tackle regional inequality and promote fair work.
- Drive sustainable growth and combat climate change.

We can all benefit from a growing and prosperous Welsh economy and safe, secure employment. These are important for better health and life prospects, which in turn have an impact on the well-being of people at every stage of their lives. We know certain groups are more likely to experience barriers to obtaining and retaining decent jobs and achieving long term prosperity and well-being than others; government has a role in helping these groups to access jobs and in reducing inequality in the workforce.

Official data show that employment rates vary across ethnic groups, with non-white ethnic minority groups having lower employment rates between 2010-11 and 2015-16, the median hourly earnings for disabled employees in Wales decreased by 9.2 per cent, while there was no change for non-disabled people\(^5\). Disabled people also face barriers including inaccessible buildings and places, lack of access to transport, and negative attitudes of employers\(^6\). On average there remains a gender employment and pay gap with women earning less and providing more unpaid care than men\(^7,8\).

We have been working closely with disabled people in recent months to refresh our previous Framework for Action on Independent Living\(^9\). Our approach remains rooted in the Social Model of Disability, recognising there are barriers to equality and inclusion which must be removed. We will shortly be setting out details of the action we are taking under the national strategy to support disabled people to live prosperous, independent lives. A similar approach will be taken with people with other protected characteristics.

**We will take steps to make Wales a fair work nation, building on the work of our Fair Work Commission and ensure our commitment to ethical employment from every business supplying the public service.**

For Wales to be prosperous and secure, we are investing in early years as an investment in the economy and workforce of the future and to support people and business over the longer term. Delivering the right support for children, particularly those from deprived backgrounds,

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is an important means of breaking the poverty cycle, and raising the aspiration and attainment of everyone. There are still significant gaps between the educational performance of different groups of children, with persistent under-achievement by those from more deprived and disadvantaged backgrounds. We know that there are long lasting and positive effects from early years programmes; early action can bring cost effective benefits, not only by improving health outcomes and educational attainment, but also by reducing the knock-on costs of expensive health, social care, criminal justice and welfare support. Further consideration has been given to this issue under Ambitious and Learning.

We will implement our priority for 30 hours of free education and childcare to support working families across Wales and make it easier for people to take up and retain jobs.

We have seen strong signs that our economic interventions are having an impact. However, we know Wales has the capacity to grow its economy and improve in key areas such as productivity and innovation. The evidence we have from across a basket of economic indicators shows that Wales has been broadly keeping pace with the rest of the UK since devolution, after falling behind in the 1990s. The latest data available shows an employment rate in Wales of 72.7% (of those aged 16-64) between April to June 2017, up 0.5 percentage points from the same period a year earlier. The number in employment of people in Wales in this period was 1.4 million.

We have more to do to ensure people from different groups are not left behind. The longer someone is out of work, the lower the chance of ever returning to work and the higher the risk of poverty and social exclusion. Being out of work also adversely affects people’s mental and physical well-being. Conversely, good employment and working conditions can have a positive impact, providing not only financial security, but also social status, personal development, social relations and self esteem. Skills remain one of our most effective levers to address both economic performance and the needs of the individual over the longer term. Businesses need to innovate, grow, and create decent, secure employment enabling our economy to adapt to new conditions following Brexit and ensuring that benefits arising are felt by all people in Wales.

The national strategy commits us to developing a new employability plan for Wales, focusing on the diverse needs of individuals, and responsive to the particular skills needs of each part of the country. We will establish a new economic contract between business and government to stimulate growth, increase productivity, and make Wales fairer and more competitive. We will also establish the new Development Bank of Wales, improving access to finance for businesses, alongside high quality support services and management advice.

Regional inequality and insecurity act as a brake on national prosperity. Skills, particularly addressing low skill levels, is one of the most important factors in helping people secure a meaningful job and in driving the economic performance of a region. Access to jobs and services also has an important impact on economic performance of a region. We know different parts of Wales have different economic strengths. Our approach to promote growth, development and sustainable local employment will reflect this in order to bring benefits to both individuals and their community’s health and well-being.

Infrastructure projects can join up public services and other developments to enable people to access the jobs they want and maximise regional economic benefit. Supporting job creation locally and regionally can also enable people to stay in their home communities, support our language and cultural heritage and strengthen community cohesion.

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We will introduce a new regionally-focused model of economic development, working with each region to determine and drive its own sectors according to its strengths and opportunities. We will also design major Welsh Government infrastructure projects to join up public services and other developments, to maximise regional benefits.

The threat of climate change requires action to reduce our carbon footprint and energy use. We want to reduce CO2 emissions in Wales and are looking to produce more of our energy from renewable and low carbon energy sources. Wales generated 5.3TWh of renewable electricity in 2016, accounting for 6% of the UK’s renewable generation in 2016\(^{15}\) and there has been significant progress in waste reduction in Wales\(^{16}\) but there is more to do, in particular in protecting our natural environment. For example, none of Wales’ ecosystems are currently showing all the attributes of resilience, and overall biological diversity is declining\(^{17}\). Although the public sector accounts for a small amount of Wales’ emissions, it is uniquely placed to influence emissions far more widely in areas such as transport, energy and land use.

We will accelerate the decarbonisation of our public services, creating new opportunities for businesses in Wales in the transition to a low carbon economy. Setting out a low carbon pathway will provide clarity and certainty for action and investment around the low carbon economy through setting targets for 2020, 2030 and 2040.

Wales has significant potential to generate energy, including from renewable sources. Our abundance of natural resources is one of Wales’ greatest assets and has shaped our economy over centuries. We need to realise the economic opportunities and benefits of Wales’ natural resources, whilst building their resilience to support future generations. Access to nature and green space also has positive impacts on both physical and mental health.

We will harness the opportunities of major infrastructure projects, such as Wylfa Newydd and Swansea Bay Tidal Lagoon. We will set out a route map for a more resource efficient economy, building on our success in recycling and reducing the environmental impacts of production and consumption.

2 Healthy and Active

Our aim is to improve health and well-being in Wales, for individuals, families and communities, helping us to achieve our ambition of prosperity for all, taking significant steps to shift our approach from treatment to prevention.

Our objectives are:

- Deliver quality health and care services fit for the future.
- Promote good health and well-being for everyone.
- Build healthier communities and better environments.

Promoting good health and well-being for everyone is a key factor in supporting prosperous lives. We know that early years are the most crucial time to lay the foundations for life-long well-being and the right early intervention can have a significant impact on life chances. Equally, over a lifetime, people’s health and care needs vary greatly, often becoming more complex as we age.

When women make changes to their own health, they significantly influence the lifestyle choices of their children and family. Pregnancy is an opportunity to impact on the health and well-being of individuals, families and communities. Our NHS services and public health campaigns target women and mothers to make the best decisions to support themselves and their families to live healthier lives.

Throughout life, evidence tells us that poor environments and not following healthy lifestyle behaviours prevent people from having a prosperous life\(^{18}\). Supporting people to improve their well-being at all stages of their lives improves their life chances, but we know that the earlier we provide support, the more likely their well-being will be maintained. We know the scale of the challenges we face; for example the survey of Health Behaviour in School-age Children in Wales found that 21 per cent of boys and 15 per cent of girls are overweight or obese\(^{19}\).

The number of people aged 65 and over is projected to increase by 292,000 (44 per cent) between 2014 and 2039\(^{20}\). As people age we are likely to see an increase in the number of people living with one or more chronic conditions and an increase in those with caring responsibilities, which in turn presents more challenges for the NHS and social care services. However, by co-ordinating housing, health and social care programmes, we can respond to the need for innovative and affordable accommodation that provides easily accessible care. Keeping people active and engaged in their communities into older age not only supports their physical health, but it enables them to engage in society and prevents social isolation and loneliness. Harnessing the benefits that older people can bring to society can make a significant contribution to communities and strengthen what is, and what can be, a significant asset to Wales.

The national strategy will continue the drive to improve further the standard, quality and timeliness of treatment across the NHS, ensuring access to the services people need, delivering good health outcomes for all. We will deliver a tangible shift in the provision of health and care services into communities, and away from hospitals, and shift the emphasis from treating illness to well-being. We will introduce a step-change in public health campaign work, with measurable outcomes and targets, focusing on avoidable diseases, and building awareness of the positive benefits to people of healthier lifestyles.

We will also support and encourage a substantial increase in people’s physical activity, adopting a collaborative approach from all agencies involved in the promotion of healthier lifestyles, and drawing on Wales’ significant natural resources.

There are unacceptable variations in the levels of good health between different groups and communities in Wales, for example those living in areas of high deprivation, which can impact on all areas of an individual’s life\(^{21}\). Changing social demographics and more complex and serious conditions place new and different demands on health services. Health inequalities have been reported in *Fairer Health Outcomes For Wales*\(^{22}\) as costing the country £3.4 billion annually through additional illness, productivity losses, lost taxes and higher welfare payments. As part of the solution to reducing health inequalities we need to make it easier to access services and create opportunities that promote healthy and active lifestyles in our communities. People gain and retain good quality jobs, better incomes, better health, live longer and are more actively involved in their communities when they receive a high quality education and skills development.

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By working across service providers, using our community assets and our third sector partnerships better, we can respond more to local need and improve access to services.

In addition, we know that some groups still have difficulty accessing services. In 2014, the Welsh Government identified that some individuals who are seeking gender reassignment have difficulties in getting referrals from GPs. Negative interactions in Gender Identity Clinics have also been reported. We also know that refugee and asylum seekers are a particularly vulnerable group and may have had health-related problems related to their experiences.

We will work to tackle health inequalities both in terms of individual well-being and access to services.

Since the Social Services and Well-being (Wales) Act 2014 came into force, it has increased the range and diversity of services that are available, to people to serve their care and support needs, recognising that there is no “one size fits all” approach. It also facilities an environment where people are better able to support themselves, where appropriate. By integrating health and social care, making quality healthcare available in community settings and focusing on the need of local areas, we can contribute to more sustainable services and sustainable lifestyles.

We will further integrate health and social care, building on the work of the Parliamentary Review into Health and Social Care, and publish a long term plan for the NHS and social care in Wales.

Safe, secure employment provides better health and better life prospects. We know that 30 per cent of children (three-year average 2013/14 to 2015/16) live in households in relative income poverty, up from 29 per cent when compared to the previous three year period (2012/13 to 2014/15). The national strategy recognises the link between well-being and work by improving the health and well-being of workers and helping people to remain in employment.

We will deliver an in work scheme with rapid access to early, work-focused interventions for a range of conditions, helping people to stay in work or return to work more quickly from long-term sickness absence.

3 Ambitious and Learning

Our aim is to instil in everyone a passion to learn throughout their lives, inspiring them with the ambition to be the best they possibly can be. A prosperous Wales needs creative, highly skilled and adaptable people, so our education from the earliest age will be the foundation for a lifetime of learning and achievement.

Our objectives are:

- Support young people to make the most of their potential.
- Build ambition and encourage learning for life.
- Equip everyone with the right skills for a changing world.

Our education system must stretch the brightest, while at the same time making sure everyone attains the essential level of skills to build on in later life. This needs to build on a home environment that supports learning and development from the earliest age.

Many young people in Wales face barriers to achieving their full potential. Too many from disadvantaged backgrounds leave school

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without the skills they need to get a job and gaps in attainment exists between ethnic groups. Although attainment overall remains steady and stable, within schools there are gaps in educational performance for those children from more deprived and disadvantaged backgrounds. Some groups, such as those with disabilities face barriers in their goal to securing a decent job. Substantial inequalities persist in educational attainment for children living in poverty, Roma, Gypsy and Traveller children, children with disabilities, children in care and newcomer children.

Evidence also shows that referrals to child mental health services (including CAMHS) have almost doubled over recent years and bullying, including cyber bullying, remains a serious and widespread problem, particularly against children from protected groups. The number of children with mental health needs is increasing across the UK and those in the transgender community have also reported an increased prevalence of mental health issues.

Delivering the right support for all children, particularly those from deprived backgrounds, is the best means of breaking the poverty cycle, and raising the aspiration and attainment for everyone. There is a strong link between educational attainment and entitlement to free school meals and with 30 per cent of children living in households in relative income poverty in Wales, there are still significant gaps in educational performance at all key stages by those from deprived and disadvantaged backgrounds.

The national strategy will support every learner to overcome the barriers to reaching their full potential. It will reform our approach to additional learning provision, to place learners, parents and carers at the centre of support and develop the skills of the workforce to deliver effective, specialist support for learners at key stages in their lives.

The national strategy will focus relentlessly on driving up every pupil's attainment, transforming the standards teachers must achieve, and reducing the variations between schools – particularly the gap between higher and lower performing schools.

We have continued to build on our commitment to secure a thriving future for the Welsh language and there have been encouraging increases in primary school pupils being assessed in Welsh first language. Young Welsh speakers are more likely to have learnt to speak Welsh at school than anywhere else. The education system therefore has a vitally important role in securing the future of the Welsh Language. However, education and training alone cannot guarantee that speakers become fluent in Welsh, or choose to use the language in their everyday lives.

We will ensure more effective workforce planning systems to deliver a sufficient supply of teachers to work through the medium of Welsh, which will be a key contributor to our target of one million Welsh speakers over the coming decades.

Economic growth generates the taxes that enable the delivery of high quality public services and helps communities to prosper. We know that skills, particularly low skill levels, are one of the key factors in securing a meaningful job and the economic performance of a region. Furthermore, a vibrant and innovative higher education system is a crucial partner in building the Welsh economy, equipping individuals with the highest levels of skills required as well as building the public service workforce of the future.

We will work with the Regional Skills Partnerships to anticipate future skills needs, focusing on priority growth sectors identified within regions, aligning our programmes to those needs. The national strategy will focus our business support schemes on building an entrepreneurial culture in Wales, and establish targets for the numbers of school, college and university leavers starting companies, as well as targets for their sustainability and growth.

We will ensure closer working between industry, schools, universities, colleges and the NHS to raise ambition and increase investment in research, developing the jobs and technologies of the future.

4 United and Connected

Our aim is to build a nation where people take pride in their communities, in the Welsh identity and language, and our place in the world. We are building the vital links that make it easier for people to come together, for the economy to grow, and for us to become a confident nation at ease with itself.

Our objectives are:

- Build resilient communities, culture, and language.
- Deliver modern and connected infrastructure.
- Promote and protect Wales’ place in the world.

Communities prosper where people participate fully and play an active role in shaping their local environment, influencing the decisions which affect them. The ability to influence local decisions is an important factor in improving a person’s well-being. Whilst voting is the most effective way of providing feedback and effecting change, volunteering – where people play an active role and support others – can help make communities prosper for the benefit of all.

Using our community resources and assets differently can strengthen our local communities. The establishment of schools as community hubs can enable people to access the services and information they need to live healthy lives so that they can prosper in their local community. Providing the facilities for activities such as children’s clubs and fitness classes can provide people in the community with a focal point to come together, promoting community cohesion and well-being and also protecting against social isolation and loneliness which can particularly impact disabled and older people. Our pubs, libraries, museums, green spaces, arts centres and leisure centres can provide focal points for the community to come together and deliver benefits for the whole community. Additionally, improving the way we work with community groups and the police is essential for creating the safe communities that we all want to live in. We know that a more integrated community is more resilient to the influence of extremism.

We will trial reforms to the democratic process, modernising the elections process and backing votes for those aged 16 and over. The national strategy will also identify opportunities for more people to volunteer, including working with the WCVA and the third sector on the roll-out of a unified volunteer programme, Volunteering Wales.

We will build the capacity of communities as places which support better health and well-being using approaches such as social prescribing. We will also promote community cohesion by working with communities, the voluntary sector and local services to counter the threat of extremism and hate crime in our communities.

We will ensure schools take on a more wide-ranging role as community hubs, offering not just education but a much wider array of opportunities.
of community activities, helping to join up their communities and the services people need. We will also work with communities to help maintain local facilities that bring people together, including pubs, libraries, museums, green spaces, arts centres and leisure centres, helping communities take ownership of assets in their local area.

A significant proportion of the people of Wales live in less populated rural areas. This can have an impact on their ability to access jobs, housing, and the goods and services they need. Using our community facilities more flexibly will help people to remain in their communities. Linking communities with high quality, modern infrastructure and transport is a key enabler of competitiveness and productivity, and investment can act as a catalyst for wider regeneration and supporting vibrant communities. We know that the investment needs to be intelligently planned and well delivered to have maximum impact.

Transport plays a key role in shaping our daily lives. It has a critical role in improving our economic competiveness and delivering our social ambitions. It is also essential for encouraging companies to locate to Wales and our small businesses to grow.

The transport infrastructure improvements we are making will provide people with the ability to access jobs and their communities which are so essential for individual prosperity. We recognise the importance that transport makes to different groups of people, particularly disabled and older people.

Our public transport improvements also support our aspirations to reduce emissions. For example the South Wales Metro will transform the way we travel around the Cardiff Capital region, providing faster, more frequent and joined-up services using trains, buses and light rail.

Transport also has an important role in promoting health and well-being, addressing social exclusion and maintaining physical activity into later life. In particular promoting active travel is good for an individual’s health as well as the environment. Improvements to our infrastructure will enable companies to operate in the places they want to operate while enabling their workers to live in the communities they want to live in.

Our priority is to create an integrated public transport network, covering the rail and bus networks, which is safe, reliable, affordable and low carbon. We will deliver the South Wales Metro, underpinning the region’s economic development, and spreading jobs and prosperity through more rapid transport, and ensuring that all new and significant developments in the region are sited within easy reach of a station.

The Welsh language is part of that which defines us as a people. The economy is integral to creating the social conditions where Welsh speakers can stay in Welsh-speaking communities, or return to those communities. The education system also has a vitally important role in securing the future of the language. To achieve our ambition of reaching a million Welsh speakers by 2050, we will develop a transformational approach to the learning, teaching and assessment of Welsh.

We will work with communities across Wales to promote and facilitate the use of Welsh in a positive and inclusive manner, improve systematic planning of Welsh language provision, and provide a robust regulatory framework.

Improved digital connectivity links more people with more jobs, goods and services and can support the sustainability of rural communities. It can also help us to change our working patterns, reduce congestion, and support our aspirations for lower carbon living. Some developments, such as superfast broadband and comprehensive mobile coverage, are nationally important programmes. By ensuring that everyone in Wales has access to digital technologies, we are working to achieve a smarter, better connected society and economy.


This is not just about improving physical access to the internet for our businesses and communities. It is also about ensuring everyone has the skills to use digital technology which is why we are investing in digital skills and through our business support programmes.

We will deliver fast reliable broadband to those parts of Wales not currently served by the market and work with the mobile industry and OFCOM to deliver usable and reliable mobile phone connectivity across Wales. We will help people and businesses make the most of digital connectivity by investing in digital skills and through our business support programmes.

The economy in Wales is embedded in the wider UK economy and is influenced by developments in the rest of the UK and wider world. EU exit marks a fundamental shift in our international environment. We will ensure Wales remains outward-looking and fully engaged on the European and global stage, fostering new relationships for trade and investment, and promoting the best of our nation world-wide.

We will build on the successful Wales brand to reinforce a contemporary, compelling and engaging identity for Wales that drives the nation forward as a place to do business and study and that inspires the people of Wales to create their future with confidence. We will continue to press the UK Government to prioritise full and unfettered access to the EU Single Market and work with the UK Government to promote Wales' interests as new international Free Trade Agreements are prepared.
In developing the national strategy, we drew upon a wealth of evidence and engaged with stakeholders inside and outside of government to develop our objectives for prosperity for all. Analysis of the evidence informed development of the four themes and identified a number of priority areas which are likely to have the greatest impact on the national goals and which can best contribute to preventing problems arising and integrating services to respond to them. The five priority areas we identified are:

- Early years;
- Housing;
- Social Care;
- Mental Health; and
- Skills and employability.

Our ambition is that, in the longer term, sustained effort in focussing resources on a small number of priorities will have a greater impact than spreading finite resources over a wider number of priorities. The rationale behind identifying these specific five areas has been based on identifying key areas where there is a significant need for change and where we in Wales also have significant levers to effect that change.

Change in each area will not immediately affect everyone, but many people in Wales will at some point need the help of public services in at least one, often more, of these areas. Improvement, over time, person by person, will cumulatively build to a sustainable, significant impact that will provide positive benefits into virtually every other area of public and private life in Wales.

Although the areas we have identified apply to everyone, those with protected characteristics are those likely to be most impacted by our focused approach. Through taking a whole government approach to tackling these issues we are confident that we will bridge the gap and move towards prosperity for all.

The following presents a life course appraisal of how the five priorities can have the greatest impact on the most vulnerable in Wales; illustrating how they act as a catalyst to bring about change and achieve a long term return on investment and action. The evidence indicates that although an individual may not need to access support against each of these given priorities, it is highly likely. By putting in place the appropriate cross-cutting support we are more likely to have a positive impact on and individual and Wales’ well-being.
1 Early years

Our vision is for children from all backgrounds to have the best start in life. Our aim is that everyone will have the opportunity to reach their full potential and lead a healthy, prosperous and fulfilling life, enabling them to participate fully in their communities and contribute to the future economic success of Wales.

Events and experiences in the first months and years of a child’s life can set the foundations for lifelong well-being, determining children’s educational achievements, their ability to secure an income, their influences on their own children, and their health in older age. We also know that investing in early years is an investment in the economy and workforce of the future, establishing the skills and behaviours to ensure readiness for school, and later employment.

A child’s life chances are influenced by a variety of experiences and circumstances both before birth and during childhood\(^{37}\). Before birth, a child’s health is affected by the health and well-being of their mother, including stress, diet, drug, alcohol and tobacco use. The attachment that develops between a baby and their parents is linked to a child’s mental and physical health, behaviour, self-worth, social skills, resilience and educational attainment. Family circumstances including housing and employment can also have an important influence on children’s outcomes. Living in a good quality and safe home, can mean that there are more opportunities to play, both indoors and outdoors and a warm, comfortable home can be more conducive to study, healthy eating and better mental health. A steady income and a secure employment are likely to provide more security for families and sustain a good quality of life in the longer term\(^{38}\).

Every stage in a child’s life is important, but there are significant opportunities for changing life chances during the first 1000 days. Gaps in development between children from affluent and deprived families are already notable by the age of three, where the vocabulary of children from the most advantaged backgrounds is roughly a year ahead of those from the most disadvantaged\(^{39}\). Early intervention is therefore important because poor cognitive performance at this early stage has been linked to an increased chance of unemployment, low qualifications and low income in adulthood\(^{40}\). The national strategy therefore sets out a number of actions to improve individual well-being in the early years. We know that high-quality early education and childcare makes a positive difference to a child’s life chances, particularly for those children from disadvantaged backgrounds.

**We will build on our current early years programmes and create a more joined-up, responsive system that puts the unique needs of each child at its heart. We will ensure early years provision in the new curriculum builds strong key skills, and embeds health awareness, well-being and resilience in children from the earliest stage.**

Strong, supportive families are a protective factor for children growing up in disadvantage and have a positive impact on children’s development, physical and emotional health and well-being and learning and outcomes at school\(^{41}\). It is therefore important that parents feel supported and can draw on appropriate programmes when needed, particularly those who are dealing with challenges.

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We will deliver extended, coherent support for parenting, drawing together family support programmes, focussed on positive parenting and early intervention. We will also bring forward legislation to ban the physical punishment of children.

By tackling problems early on we are far more likely to stop children encountering difficulties at a later stage, where it can be much harder to effectively treat them. Early intervention and prevention are also key features of our actions to support parents, including into employment which has benefits for children’s development, parents’ skills and for the wider economy. Our childcare offer will ensure that more children can access the benefits of high quality early education and childcare. There is also substantial evidence to suggest that delivering the right support for all children, particularly those from deprived backgrounds, is the best means of breaking the poverty cycle, and raising aspiration and attainment for everyone.

We will take action to improve the resilience of children and young people. Piloting Children First areas will support the better integration of services to reduce the numbers of adverse childhood experiences (ACE) and create ‘ACE aware’ public services which take a more preventative approach to avoid ACEs. We will provide working parents of 3 and 4 year olds with 30 hours of free education and childcare for up to 48 weeks a year, delivered in a way that works for parents and children.

2 Housing

Our vision is for everyone to live in a home that meets their needs and supports a healthy, successful and prosperous life. Good quality homes are the bedrock of good communities, and form the basis for individuals and families to flourish in all aspects of their lives.

Wales, like the rest of the UK, has faced challenges in keeping with the current and projected demand for housing. There is a complex picture of provision, and the challenges that people face vary significantly depending on income and where they live in Wales. There are different needs in different parts of Wales, and that need often varies within local authorities.

We have also seen significant demographic changes in recent years, which is set to put pressure on the housing market. House prices and housing costs have risen in the last decade, increasing the burden on families and making it harder for them to find long-term housing solutions. There are also pressures on social housing stock which is in high demand, and in the private rented sector with increasing rents and variability in quality and supply in some areas.

The national strategy sets out our commitment to deliver our target of 20,000 new affordable homes by 2021 and make more homes available at affordable rent in every part of Wales. We will also make buying a home more affordable through the Help to Buy scheme and Rent to Own scheme and bring buying a home in high cost rural areas within reach of local people through Homebuy.

We recognise the need to support the most vulnerable and those at risk of homelessness\textsuperscript{44}, including homeless households in temporary accommodation. Providing secure, affordable housing is a strong basis for supporting vulnerable individuals to overcome mental health and substance misuse issues. We will take action to tackle the root causes of homelessness, recognising that prevention plays a major part in avoiding the spiral of decline caused by losing a home.

**We will significantly reduce the number of people forced to sleep on the streets by focusing on the individual support needs of rough sleepers, and deliver earlier and more effective interventions for those at risk of becoming homeless.**

There are health and social benefits from ensuring that good quality housing is available to those that need it. There is evidence showing links between for example cold, damp homes and respiratory disease and asthma. We have identified housing as a priority and taken actions in light of evidence that investment in housing quality is proven to reduce pressures on other public services; notably health and social care but also community services and policing.

We know that quality housing promotes good physical and mental health and supports healthy, independent ageing. Enabling people to stay in their homes for longer brings health, social and economic benefits. We also know that housing investment and building homes of all tenures has a wider impact on the Welsh economy and generates employment.

We need the right kind of housing in the right place that matches people’s needs, in some cases, purpose-built, in others, timely adaptations to existing homes. This can enable people to live independently and safely in their own homes for longer or offer specialist accommodation with varying levels of support. But in particular, for older and disabled people, appropriate housing linked to social care, physical adaptations and new technology is likely to reduce the likelihood of emergency admissions to hospital and other calls on the NHS.

We will incentivise housing providers to build homes which respond to the challenges of an ageing population and which enable people to live independently and safely in their own homes for longer. We will work with local authorities to begin council house building at pace and scale for the first time in decades.

### 3 Social care

**Our vision** is for Wales to have a high quality and sustainable social care sector, with preventative and integrated services in the community, supporting people to lead independent lives. With an ageing population, the demand for and cost of care is projected to increase. In a sector which can struggle to recruit and retain workers, our aim is to ensure that this demand is met, and care is affordable, whilst improving quality.

The number of children in care has increased and it is of paramount importance that these children are in an environment that is safe, secure, and supportive. In particular substantial inequalities persist in educational attainment particularly for children in care (and others)\textsuperscript{45}. Coupled with the increase in the number of children in care are cases where early or timely intervention measures have not been carried out, parents have not been provided with adequate family support, and the best interests of the child have not been properly assessed in the decision of taking a child into care.

\textsuperscript{44} Housing (Wales) Act 2014: \url{http://www.legislation.gov.uk/anaw/2014/7/contents/enacted}

We will raise the educational attainment and improved life chances of children in care, adopting a child-centred approach through collaboration between education, social services and others. Furthermore, we will strengthen edge of care services to provide families with timely support to reduce the numbers needing care provision, and provide assistance in the key transitional phase post-16 to access further education, jobs and housing for those leaving care.

The national strategy focuses on putting in place arrangements for a more resilient Wales, one where individuals are supported throughout their life journey so that when they enter old age they are well-placed to continue contributing to the economy and wider society.

As children grow into adulthood, our focus remains on prevention and the long-term. Healthy, active adults with secure employment, access to the right kind of housing and access to mental health services are better placed as they transition into their later years. Maintaining a good level of physical and mental health into older age aids independence, reduces social isolation and helps society benefit more from the contribution older people can make. Furthermore, it reduces the risk of developing dementia, which is currently projected to increase significantly up to 2051 in the UK.\(^{46}\)

Vulnerable adults may need help to access services, and engage in work, training, education or volunteering. They may need assistance in finding suitable housing, along with physical and emotional support, in order to be able to live full lives. In particular, young care leavers need intensive support at this key transitional stage of their lives, with attaining appropriate skills, improving employability, and access to safe, secure homes.

We will establish centres to co-locate support, advice and treatment services, taking advantage of innovative new technologies. We will build more purpose built housing developments that would allow people to live independently within a protected and sheltered environment, located close to easily accessible public transport. This will reduce loneliness and isolation and make it easier for social care workers to support people. We will invest in a new innovative care delivery model in the community, building a more diverse sustainable care sector in Wales, working with private and public sector partners.

### 4 Better Mental Health

Our vision is to ensure that mental health problems are not a barrier to achieving potential in all areas of life. One in four people will be affected by mental health issues at some point during their lives and for many the support of their family and friends will be enough.

The first few years of a child’s life are critical to laying the foundations for life-long well-being and a series of adverse childhood experiences can have a devastating effect on a child’s development. Becoming a parent is a significant

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life event and a critical period when some people need additional support. Although the under 18 conception rate has fallen\(^\text{47}\), young mothers are more likely to suffer postnatal depression and less likely to complete their education. We know that confident, positive and resilient parenting is fundamental to preparing children for life.

**We will deliver a new community perinatal mental health service and review the need for inpatient facilities in Wales, to stop postnatal depression worsening and to allow mothers to form a strong early bond with their child.**

Good mental health can have a positive impact on educational attainment. We know that referrals to child mental health services have almost doubled over recent years and bullying, including cyber bulling, remains a serious and widespread problem, particularly against children from protected groups\(^\text{48}\). Using the school environment is one of the best ways to respond to children experiencing difficulties and preventing mental health conditions from occurring. The national strategy will also ensure greater links between services and designated support for clusters of schools.

When we are in good mental health, we enjoy our life, our environment and engage in our community more. We can also cope better with some of the events and changes we experience across our life course. However, many of us will be affected by mental health issues at some point during our lives. Overall levels of sickness absence have been on a downward trend but mental health accounts for a growing share of long term incapacity for work\(^\text{49}\).

As young people prepare for adult life, they continue to face challenges in a changing world, such as income, employment, risk of poverty, housing and access to mental health services. Eight per cent of adults (aged 16 and older) living in Wales have a long standing mental disorder\(^\text{50}\). Furthermore, changes in our society and less personal interactions mean that loneliness is a growing problem but we know that being engaged in our communities helps us to maintain our well-being.

**We will design our new curriculum and assessment arrangements in schools to place real and meaningful focus on well-being, and developing the mental resilience of children and young people. We will make sure teachers have the help and support they need to respond to children experiencing difficulties, by ensuring effective links and joint working between schools and relevant services. This includes counselling services, education psychologists, children and adolescent mental health services, neurodevelopmental services and designated support for clusters of schools.**

**We will also continue our programme to improve mental health services for all in Wales, improving the quality and integration of services, addressing mental and physical health needs in tandem and enabling a better transition between different services.**

### 5 Skills and Employability

Our *vision* is for an economy founded on high quality skills, giving businesses the resources to grow and innovate, and people the ability to prosper. Every person should be equipped with the skills they need to get a job and the opportunity to develop new skills through their working life.

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Skills are a key factor in determining whether people get meaningful jobs and are an important driver of economic growth\(^51\). People can follow many routes to higher skills and access the training they need throughout their whole life. This can include apprenticeships, work-based learning, and further and higher education. Learning and development therefore has a vital role to play in growing and realising ambitions and aspirations in both individuals and communities. Education is one of the greatest levers for improving the life chances for low income learners and those with additional barriers\(^52\). The pace of global technological change has never been so great, meaning that learning and adaptability are at a premium throughout life.

Children are susceptible to early influences on their educational achievements with deprivation a key impact in the difference in attainment levels between pupils who are or are not eligible to receive free school meals\(^53\). We also know that positive outcomes for children are more likely when services take a rights-based approach in line with principles set out in the United Nations Convention on the Rights of the Child\(^54\). As well as developing children’s own skills, family learning can have a positive influence on the skills of parents and carers, improving their ability to assist with their children’s development.

**We will promote closer links between schools, colleges, universities and employers, businesses, public services, and the NHS to better anticipate the skills needs over the coming years. We will ensure that our skills provision through schools, further and higher education and work-based learning reflects current employer needs and keeps pace with the economy of the future.**

**We will deliver a school curriculum which meets the skills needs of individuals and the wider Welsh economy.**

Supporting young people to increase their employability skills and to move into employment is particularly important in light of the effect of long term unemployment\(^55\). Being unemployed when young can lead to a higher likelihood later life of lower pay, higher unemployment and reduced life chances.

Sustainable employment is often less likely amongst those experiencing multiple disadvantages. Therefore, increasing employability skills in isolation may not be enough to move people into employment. Individuals can face a wide range of barriers, in terms of access to employment and in sustaining employment. As a result, skills interventions for the most disadvantaged often need to be accompanied by other wrap around services (e.g. childcare, health services and supported employer engagement) in order to overcome the multiple barriers to gaining and retaining employment.

**The national strategy will provide a tailored, community outreach for those who face multiple barriers to work. We will set out a common approach to identifying the needs of the individual as part of a new approach to employability, identifying those with employment support needs at the earliest possible stage and making the referral process more seamless and less daunting.**

Safe secure employment contributes to better health and life prospects, which in turn has a positive impact on the well-being of people at every stage of their lives. Although employment offers a high level of protection against poverty, and particularly against deep and persistent poverty, there are now more people living in in-work poverty in Wales than in out-of-work poverty\(^56\). Increasing employability is fundamental to tackling poverty and reducing inequalities. If people have good employability skills their chances of minimising periods of unemployment and sustaining employment are improved.

While finding work is important to achieve prosperity for all, staying in work is also vital and losing a job is strongly associated with a move into poverty, particularly where people are out of work for more than 12 months. There remain issues with keeping people in work and workplace

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discrimination which includes barriers such as age-related bias and a poor understanding of the different needs of employees that prevents many from staying in employment. A growing proportion of work-related illness is accounted for by stress.

The national strategy will improve health and employment outcomes through employers, health services and employment services working together more effectively, including supporting employees at risk of long-term sickness to stay in work through our In Work Scheme.

Low skill levels are one of the biggest barriers to building the Welsh economy we want and many children from disadvantaged backgrounds: leave school without the basic skills they need to get a job. Geography and “place” play an important role in the transition from benefits into employment, particularly for low skilled workers who may be unable or reluctant to travel for a range of different reasons (including caring responsibilities). Skills and qualification levels (particularly addressing low and very low skills) are the key factor not just in the economic outcomes facing individuals, but also in the economic performance of the region in which they live.\textsuperscript{57}

We will reform our economic development and skills provision to work on a regional basis, building on the three employer-led Regional Skills Partnerships. We will use the valleys as a test bed for a place based approach to enhance employability, including extending the Flexible Skills Programme to drive a focus on engaging employers in deprived area.
