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# Child Poverty Strategy for Wales



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## Ministerial Foreword

Child poverty is unacceptable and levels in Wales remain stubbornly high. Our most recent data show us almost one in three children are currently living in low income households. This revised Child Poverty Strategy for Wales sets out what we will do to change this position. It provides the strategic approach for tackling the issue and reaffirms our ambition to ensure no child is living in poverty by 2020. We recognise the huge challenges we face in delivering this outcome, particularly in light of the impacts of Welfare Reform and their disproportionate impact on families with children. Nonetheless, setting this strategic direction is critical. We want to support parents to ensure children are provided with the best possible start in life. We want to break down those barriers which prevent many children and young people from achieving success and reaching their full potential. Furthermore, we want to mitigate the impacts of poverty through a continuing emphasis on access to services and support.

Following our 12 week period of public consultation, we have made the decision to maintain the three strategic objectives of the 2011 Child Poverty Strategy. These focus on reducing the number of children living in workless households, increasing skills and reducing inequalities in health, education and economic outcomes. Recognising the changing characteristics of poverty, we have also set two new objectives. One is focussed on the role of the economy in creating jobs and growth for Wales and tackling in-work poverty. The other aims to support families by increasing household income and addressing the poverty premium, where low income households pay disproportionately more for goods and services.

I became an Assembly Member in order to make a difference to the lives of people in Wales. As Minister for Communities and Tackling Poverty, I have the opportunity to drive forward an agenda which contributes to building resilience and improving outcomes in our most deprived communities and for the most disadvantaged children in Wales. This revised Strategy commits us to doing more. I have responsibility for the Child Poverty Strategy for Wales and the Tackling Poverty Action Plan. I intend to deliver against both of these by working with all Ministerial colleagues to ensure an ongoing focus on children's rights and equalities. While the Welsh Government does not hold all of the levers relevant to tackling poverty, we have a responsibility to maximise our efforts where those opportunities do exist, in order to support low income households. Education, health, the economy, transport, arts and culture, the environment and the Public Sector are all policy areas in which the Welsh Government can have a significant impact and help deliver the Wales we want.

It is also important to take this opportunity to reflect on some of our achievements to date. We have much to be proud of in Wales. We have a history of investing in the early years, an education system which has breaking the link between poverty and attainment at its core and an ongoing focus on supporting families through the social wage, which includes subsidised travel, access to free breakfasts for children, free prescriptions, access to arts and culture and a strong set of tackling poverty programmes which provide a focus for the delivery of services and support for those most in need. It is critical we reflect on what child poverty in Wales would look like, if these policies and programmes had not been taken forward over the last decade.

This Strategy reflects how tackling child poverty is a cross-Government issue and one which all departments prioritise. I am proud to be taking the Strategy forward, in collaboration with all Ministers in Wales.

A handwritten signature in grey ink that reads "Lesley Griffiths". The signature is written in a cursive, flowing style.

**Lesley Griffiths AM**  
**Minister for Communities and Tackling Poverty**

## Child Poverty Strategy for Wales: Introduction

The 2010 Children and Families (Wales) Measure placed a duty on Welsh Ministers to develop a Child Poverty Strategy for Wales. Welsh Ministers fulfilled this duty when they published their 2011 Child Poverty Strategy, which set new strategic objectives for improving the outcomes of low income households. The 2011 Strategy covered the period 2011 to 2014 and so in November 2014, the Welsh Government consulted on the content and direction of a revised Strategy.

Revising our Child Poverty Strategy has provided us with the opportunity to consider whether our current approach is the right one, whether the strategic objectives we have in place will enable us to deliver our ultimate goal of eradicating child poverty, and whether we are currently delivering change at the pace and scale which is needed to make a difference. We know there are considerable challenges ahead if we are to deliver on our ambition to eradicate child poverty. In order to overcome these challenges, this Child Poverty Strategy sets out our short, medium and long term vision for what needs to be achieved, in relation to each of our objectives. It recognises the policy levers we have available in Wales and commits to using these to maximum effect. We will continue to refine our approach, with the view to developing interim milestones for tackling child poverty.

The Strategy includes a renewed focus on ensuring our strategies, policies, plans and programmes all link together to ensure a consistent and ongoing focus on children and young people. Children's rights are central to our overall approach. Poverty is a major barrier to children and young people achieving better life outcomes, a principle which is at the heart of the United Nations Convention on the Rights of the Child (UNCRC). We also commit to doing more to support those most at risk, which includes groups with certain protected characteristics, such as disabled people and certain ethnic minorities. It is critical these individuals are not left behind when it comes to tackling poverty in Wales, a commitment which is also reflected in the Welsh Government's *Strategic Equality Plan*.

As we said in our consultation document, the Child Poverty Strategy should not be seen in isolation. Our *Tackling Poverty Action Plan* remains the key mechanism by which we will deliver the aims of our Child Poverty Strategy. Our Annual Report on the Action Plan will include new actions and commitments which will enable us to deliver the priorities we have identified as being most important for tackling child poverty. Working with partners from across the Public, Private and Third Sector will continue to underpin our approach. The Welsh Government has consistently recognised we cannot tackle poverty on our own: collaboration and a focus on delivering common outcomes remains a top priority.

## **2020 Target to Eradicate Child Poverty**

The Welsh Government remains committed to the ambition of eradicating child poverty by 2020. We recognise this will be extremely challenging, particularly due to the impact and scale of welfare reform and public expenditure cuts. The Welsh Government does not hold all of the levers for eradicating child poverty. Levers which could make a major contribution, such as changes to the tax and benefits system, are non-devolved and are the responsibility of the UK Government.

Against this backdrop, we will continue to do all we can with the levers and budgets the Welsh Government has to eradicate child poverty in Wales by 2020. This strategy sets out our approach. The contribution each Welsh Government Department will make needs to be well-defined. The development of interim outcomes and milestones is essential. Work will be taken forward with all Welsh Government Departments and external stakeholders to review our current position, to establish a renewed focus on child poverty and to build on those activities which will have most impact.

## Definition and Indicators

### Definition

We will continue to use our 2011 Child Poverty Strategy definition of poverty:

**“By poverty, we mean a long-term state of not having sufficient resources to afford food, reasonable living conditions or amenities or to participate in activities (such as access to attractive neighbourhoods and open spaces) which are taken for granted by others in their society.”**

### Indicators

The key indicator of child poverty is the percentage of children living in households below 60% of the median UK household income (After Housing Costs). Income matters as it is a key resource which enables households to meet their needs.

There are other factors, however, which also need to be considered. The Joseph Rowntree Foundation (JRF) recently highlighted, for example, “the cost, availability and quality of essential goods and services also matters” and “a look at expenditure, as well as income, can help to better understand issues such as debt or the longevity of poverty” (JRF Programme Paper 2014).<sup>1</sup>

In addition to using household income to measure poverty, we will continue to use a set of indicators (which form part of the Programme for Government and the Tackling Poverty Action Plan) to measure the outcomes of low income households. These indicators reflect the policy levers available to the Welsh Government and are focussed on education, health, housing and skills.

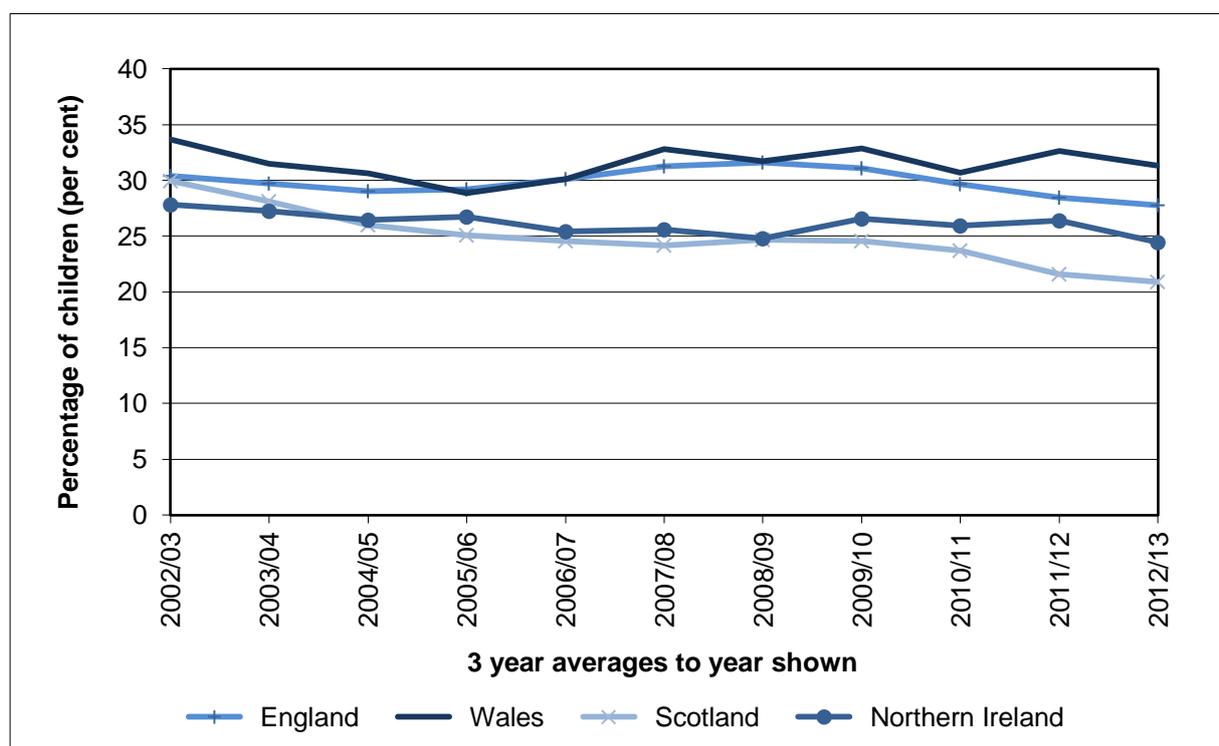
## What the evidence tells us

Child poverty in Wales remains stubbornly high. While some progress was made in the 2000s to reduce the number of children living in households below 60 percent of the median UK income, more recently it has been difficult to achieve the level of change needed which would enable us to reach the 2020 target. The most recent Households Below Average Income (HBAI) data show us an estimated 31 per cent of children in Wales were living in poverty, for the three year period 2010/11 to 2012/13 (After Housing Costs). This is approximately 200,000 children under the age of 18. As Figure 1 illustrates, the percentage of children living in poverty has remained higher in Wales, than the other UK countries. The equivalent figure for England is 28 per cent, Northern Ireland 24 per cent and Scotland 21 per cent.

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<sup>1</sup> Joseph Rowntree Foundation (September 2014) Programme Paper “A Definition of Poverty” by Chris Goulden and Conor D’Arcy.

**Figure 1: Percentage of children living in households with less than 60 per cent of contemporary median household income (After Housing Costs)**



There are no simple solutions to influencing headline poverty figures. Often there are multiple factors at work. Poverty in Wales is affected by factors which lie outside of the control of the Welsh Government. This includes the role of the wider UK economy and the ongoing recovery from the recent recession. Changes to the tax and benefits system will inevitably impact on headline poverty figures and contribute to the scale of the challenge we face. Recent analysis by the Institute of Fiscal Studies (IFS) on the impact of the UK Government’s tax and welfare reforms in Wales suggests it is those households around the poverty line (and particularly those with children) which are expected to see the largest income losses on average (Phillips, 2014), which will negatively impact on levels of child poverty.<sup>2</sup>

At the same time, UK projections by the IFS show the poverty-reducing effect of the introduction of Universal Credit being outweighed by the impacts of other reforms, particularly the switch to indexing most working age benefits to the Consumer Price Index. The tax and benefit changes are a key reason behind rising poverty, explaining more than half of the predicted increase in child poverty by the end of the decade using the absolute low-income measure (Browne et al. 2014).<sup>3</sup>

<sup>2</sup> Source: Phillips, D. (2014) The distributional effects of the UK Government’s tax and welfare reforms in Wales: an update. <http://www.ifs.org.uk/publications/7258>

<sup>3</sup> Source: Browne, J., Hood, A. and Joyce, R. (2014) Child and working-age poverty in Northern Ireland over the next decade: An Update. <http://www.ifs.org.uk/publications/7054>

Children and young people living in workless households are particularly at risk of living in poverty. While the percentage of children living in workless households has been decreasing since 2009 (from 20% in 2009 to 16.5% in 2013), the number of children living in workless households remains high at 86,000 (as at 31 December 2013). The availability of employment opportunities is a fundamental factor, which forms part of the overall picture. Since devolution, Wales has seen faster growth in Private Sector jobs than the UK as a whole and is also maintaining an employment rate well above its historical average. But it is important to recognise the characteristics of poverty are changing. Although being in employment offers the most sustainable route out of poverty, and is also highly protective against living in persistent poverty, work does not always guarantee a move above the poverty line.

Evidence from analysis undertaken by the Joseph Rowntree Foundation (2013) suggests there are now more people living in households in Wales where someone is working, than not. Analysis of the latest HBAI data show in the three years ending 2012/13, around two in every ten children in Wales live in both relative low income (After Housing Costs) and in a household where at least one adult works. While the number of people entering employment has continued to increase, factors such as the types of jobs available (e.g. low skilled / part-time), the seasonality of employment opportunities and wage levels are all likely to impact on whether households are earning enough to lift them out of poverty. Addressing these issues and reducing the number of people living in in-work poverty needs to be an important part of our overall approach.

There are also other factors which we need to consider, particularly in terms of a focus on preventing poverty in the longer term. We know children growing up and living in low income households are much more at risk of having poorer physical and mental health outcomes, are less likely to reach cognitive and developmental milestones in the early years, have poorer educational attainment, are more likely to be not in education, employment or training (NEET) between the age of 16 and 24, and more likely to be unemployed and living in poverty as an adult.

Important progress is being made in relation to some key indicators. The percentage of working age adults with no qualifications has reduced each year since 2006 (from 15.7% in 2006 to 9.7% in 2013). We are also continuing to improve the outcomes of young children through programmes such as Flying Start and the Foundation Phase. Nonetheless, reducing educational inequalities and “narrowing the gap” which currently exists is taking longer to achieve. Pupils eligible for Free School Meals (FSMs) continue to do less well across all key stages: 2014 data show the percentage of pupils eligible for FSMs aged 15 (KS4) achieving Level 2 including English / Welsh and Mathematics was 27.8%. While this is an increase of two percentage points from 25.8% in 2013, the percentage point difference between non-FSM and FSM pupils at aged 15 remains high (at 33.8 percentage points in 2014). At the same time, there have been important reductions in the number of young people who are not in employment, education or training (NEET) in Wales, through the implementation of the *Youth Engagement and Progression Framework*. We are on target to achieve the commitments in the Tackling Poverty Action Plan for young people in the 16 to 18 age group, although the number of young people who are NEET in the 19 to 24 age group remains high.

We also need to reflect on what the current evidence is telling us regarding our existing approach. The recent evaluation of the Welsh Government's approach to tackling child poverty suggested the scale of programming is currently not enough to have an impact at the required level, in terms of tackling poverty. Furthermore, many of the services, projects and programmes supporting low income households are based on short term grant funding. A longer term vision, alongside a longer term investment of resources and associated planning will help to ensure greater sustainability and stability.

It is critical we identify more opportunities to enable us to deliver change at the levels needed. For example, our *Tackling Poverty Action Plan* recognises the role of housing and regeneration, public procurement and a community benefits approach, in terms of generating training and employment opportunities for those living in deprived communities. The evaluation also highlighted more needs to be done to link the aims of our Child Poverty Strategy with the Welsh Government's overall economic strategy. This was also a key issue raised by external stakeholders during the consultation period on the Strategy. A strong economy and labour market, and a focus on job creation and the role of different employment sectors, is fundamental. This is now reflected in our strategic objectives for tackling child poverty.

## **Tackling poverty in Wales: What do we need to achieve, what does success look like and what are the key barriers...**

We need to continue to develop our understanding of what it will take to achieve the required shift in the headline population indicator on child poverty. As part of the work to revise and strengthen our approach to tackling child poverty, the Welsh Government will undertake further analysis of the outcomes we are looking to deliver.

We will determine what this means in terms of fewer children in workless households, supporting people into employment, supporting second earners into work, fewer young people who are NEET, tackling health and educational inequalities and increasing the number of adults with basic skills. An assessment and modelling of key trends will help us understand what needs to be achieved and by when, if we are to eradicate child poverty.

We will use this assessment to develop interim outcomes and milestones. It will form the basis of the Welsh Government's strategic approach to tackling child poverty and future work to improve the outcomes of children and young people in low income households, being taken forward by Welsh Government Departments.

Partnership working and a collaborative approach to tackling child poverty will be critical to ensuring the delivery of the interim outcomes and milestones. We will be working closely with external stakeholders, our Local Authority Anti-Poverty Champions and members of the End Child Poverty Network, as we take this work forward.

## **Our Vision and Strategic Objectives for Tackling Child Poverty: A focus on the short, medium and long term**

The consultation on the Strategy has highlighted the importance of maintaining the three strategic objectives of the 2011 Child Poverty Strategy for Wales. The Welsh Government will continue to use all available levers to deliver the following objectives:

- 1) To reduce the number of families living in workless households, as children living in workless households are particularly at risk of living in poverty.
- 2) To increase the skills of parents and young people living in low-income households so they can secure well-paid employment and in-work progression, as in-work poverty is a growing issue.
- 3) To reduce the inequalities which exist in the health, education and economic outcomes of children and families by improving the outcomes of the poorest. Preventing poverty is fundamental to our long term vision for supporting low income households.

These three objectives reflect the policy levers available to the Welsh Government. More importantly, they also reflect what the current evidence tells us around where the Welsh Government can have most impact, in terms of improving the outcomes of low income families. Evidence from our evaluation of the Child Poverty Strategy suggests, however, these objectives are more likely to have an impact in the longer term. As a result, this Strategy also includes two new objectives which focus on improving the circumstances and outcomes of low income families here and now.

These objectives are:

- To use all available levers to create a strong economy and labour market which supports the tackling poverty agenda and reduces in-work poverty in Wales.
- To support families living in poverty to increase household income through debt and financial advice, action to address the “poverty premium” (where households pay disproportionately more for goods and services) and action to mitigate the impacts of welfare reform.

Underlying these objectives is a fundamental focus on children’s human rights as set out in the UNCRC, and reducing inequalities.



## Tackling Child Poverty and the UNCRC

The UNCRC is an international agreement which protects the human rights of children under the age of 18. Improving the outcomes of children and young people from low income backgrounds is central to delivering on children's rights in Wales. Being in poverty is a fundamental barrier to children and young people accessing their rights and achieving better outcomes. Article 26 of the UNCRC (children, either through their guardians or directly, have the right to help from the Government if they are poor or in need) and Article 27 (children have the right to a standard of living which is good enough to meet their physical and mental needs) are specifically focussed on addressing income poverty and material deprivation. The right for every child to a standard of living adequate for their physical, mental, spiritual, moral and social development is a key element. Governments should provide material assistance and support programmes, particularly with regard to food, clothing and housing.

The direct link between tackling child poverty and the UNCRC is set out within the Welsh Government's *Tackling Poverty Action Plan*. The Action Plan is clear the Welsh Government approaches tackling child poverty using the UNCRC as a basis, recognising tackling poverty is as much about improving children's wellbeing as it is about addressing income poverty. A child rights based approach links the wellbeing of children with the wellbeing of parents and families and puts support for families at the heart of policies to tackle child poverty. Whilst this Strategy recognises child poverty is a direct reflection of the poverty of their parents (and hence the emphasis on increasing household income and access to employment), we also understand and acknowledge the child as a rights bearer who has specific needs in the here and now. These rights, whilst contributing to improving the position of their families and communities, may also extend beyond the family.

The Annual Report on the Tackling Poverty Action Plan provides us with the opportunity to take forward actions and commitments to address new and emerging issues relating to children and young people. At the same time, ensuring we have due regard to the UNCRC as we develop policies and programmes to support children and young people will be critical to addressing child poverty and improving outcomes. The completion of Children's Rights Impact Assessments (CRIAs) by Welsh Government Departments provides an ideal opportunity to link both the children's rights and child poverty agendas. We will continue to work collaboratively to ensure child poverty is considered in the development of our policies and programmes through the completion of Children's Rights Impact Assessments. The Welsh Government has identified child poverty as the main barrier towards realising and upholding children's rights in Wales. For this reason, we have identified the delivery of the Child Poverty Strategy as our priority commitment in relation to the child rights agenda. In reaffirming the Welsh Government's commitment to the UNCRC, we will make it clear all portfolios and departments have obligations and responsibilities in realising children's rights.



## Tackling Poverty and Reducing Inequalities

Action to tackle child poverty and action to reduce inequalities complement each other, via commitments set out in the *Tackling Poverty Action Plan* and the *Strategic Equality Plan*.

Supporting groups with certain protected characteristics who are at greater risk of living in low income households is essential, in order to ensure they are fully considered when it comes to the tackling poverty agenda. We know certain ethnic minority groups, disabled people, families with disabled children, lone parents (who are predominantly women) and younger people who are not in employment, education and training are more likely to be living in low income households. In particular, disabled people are disproportionately represented in both economically inactive and workless households. There is also evidence to suggest working-age disabled households, and particularly those on low incomes, will see significantly greater income losses on average than working-age non-disabled households as a result of the UK Government's tax and welfare reforms.<sup>4</sup>

It is unlikely we will eradicate poverty in Wales unless we aim to do more to support disabled people to achieve better outcomes and progress in the labour market. We will also consider ways in which we can improve the outcomes of looked after children, lone parents, refugees, those leaving the justice system (especially young people) and others who are at risk of entering poverty. This includes women who are experiencing domestic abuse. The focus of this work is being taken forward through the Violence against Women, Domestic Abuse and Sexual Violence (Wales) Bill and a range of supporting policies. Equality is a Cross Cutting Theme in all key European Structural and Investment Funding Programmes and provides an opportunity to target and support those furthest from the labour market with specific action.

It is critical we continue to identify opportunities to “dovetail” the Welsh Government's *Strategic Equality Plan* with the objectives in this Strategy and our *Tackling Poverty Action Plan*, and support those children and families with certain protected characteristics under the Equality Act 2010. It will be especially important to look at action to support families with disabled children and / or disabled parents, as these households are particularly at risk of living in poverty and are often faced with increased living costs. We have a statutory duty to review and refresh the *Strategic Equality Plan* by 1 April 2016. Throughout 2015, work will be taken forward with all Welsh Government Departments, the Public Sector and with stakeholders across Wales to understand those issues which people consider most important in tackling inequality. We will place a particular emphasis on engagement with those people whose lives are most profoundly affected by inequality in order to shape the Welsh Government's equality objectives in the next four year *Strategic Equality Plan (2016-2020)*.

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<sup>4</sup> Reed, H. and Portes, J. (2014) Cumulative Impact Assessment: A Research Report by Landman Economics and the National Institute of Economic and Social Research (NIESR) for the Equality and Human Rights Commission. Equality and Human Rights Commission Research Report 94. Phillips, D. (2014) The distributional effects of the UK Government's tax and welfare reforms in Wales: an update. <http://www.ifs.org.uk/publications/7258>

We will also ensure tackling poverty and child poverty are considered in the development of our policies and programmes through Children's Rights Impact Assessments (as noted on page 11) and Equality Impact Assessments. In particular, we will work to develop an integrated approach to assessing impact, where poverty and equality are considered together. This will support and enable Departments to consider impacts in terms of those most at risk of living in poverty and achieving poorer outcomes, as well as impacts for children and young people. It will also support a greater emphasis on monitoring the outcomes of those groups at risk of living in poverty and those with protected characteristics, on an ongoing basis.

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### ***Delivering Objective 1: Reducing the number of families living in workless households***

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Reducing workless households is a fundamental priority for the Welsh Government. Departments are working across a number of different policy areas – including education, skills and the economy – to support parents to gain the experience, skills and confidence to enable them to secure employment. Our Tackling Poverty Programmes (and in particular Families First, Communities First and Lift) have a key role to play, especially in terms of supporting those furthest from the workplace. Supporting young people into employment opportunities will remain a priority, through work being taken forward through the *Youth Engagement and Progression Framework*.

Over the medium term, projects being funded through the European Social Fund (ESF) 2014-2020 will be critical to delivering on this objective. ESF programmes will continue to help to deliver actions to support unemployed individuals, particularly those with low or no skills, to gain higher or more work relevant skills. At the same time, taking forward a community benefits approach to all aspects of public procurement contracts in Wales, building on the work being taken forward by housing and regeneration sectors, will offer considerable opportunities to support parents living in workless households.

Developing innovative approaches to childcare provision in Wales is key to supporting delivery of this objective. The Welsh Government is in the process of submitting a bid for European funds to help move parents into work where childcare is a significant barrier. Parents will be offered individual support and solutions to meet their childcare needs through community-based Parent Employment Advisers, who will help provide a route into more sustainable jobs. We have also awarded CWLWM, a childcare consortium comprising the five main childcare organisations, £4.3 million under the Children and Families Delivery Grant to support us in developing solutions to the issues facing families in accessing childcare.

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## ***Delivering Objective 2: Increasing skills amongst parents and young people***

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Skills have a major impact on both the economic and social well-being of Wales. Together with policy action to support the employability of individuals, skills provide a strong lever for tackling poverty and strengthening the creation of jobs and growth. The Welsh Government's vision for the skills agenda in Wales was set out in January 2014, when we published the Policy Statement on Skills. A *Skills Implementation Plan* was produced in July 2014 detailing the key delivery actions to be taken forward up to 2016. The aim behind these documents is to support Wales to evolve into a highly-skilled nation and to create the conditions which allow businesses in Wales to grow and flourish.

The Skills Statement and supporting Implementation Plan focus exclusively on post-19 skills interventions and the activities which provide the skills needed for employment (i.e. for those individuals looking for work) as well as those skills which are needed to enhance someone's employment and support businesses (i.e. the skills of the workforce). An integral part of the *Skills Implementation Plan* is for the Welsh Government to ensure it can track its employment and skills position, relative to the UK, and ensure interventions are delivering the right outcomes, linked to future jobs and growth opportunities.

The *Skills for Employment* section of the Implementation Plan is fundamentally aligned to the tackling poverty agenda. It includes specific commitments to simplify arrangements for accessing skills and employment support, through the introduction of a Skills Gateway, as well as providing employment support arrangements which add value to those available via the Department of Work and Pensions. This includes the continuation of our flagship programmes Jobs Growth Wales and ReAct. There is also a commitment to expand the provision of Essential Skills support through the introduction of a new adult employability programme, underpinned by a standardised assessment tool for identifying literacy and numeracy needs. Delivering the Skills Strategy and its Implementation Plan are also fundamental to tackling in-work poverty in Wales, recognising the important role increasing skills can play in supporting in-work progression.

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***Delivering Objective 3: Reducing the inequalities which exist in the health, education and economic outcomes of children and families living in poverty, by improving the outcomes of the poorest***

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The development of this Strategy is an opportunity to strengthen our collective efforts on making a difference to the lives of children and young people in Wales, tackling inequalities and improving prospects in adulthood. We want children and young people to be free from poverty. However, we also want them to be as resilient and capable as possible. Investing in the early years and the prevention of poverty should be central to the development of policies and programmes across Government. Supporting parents to provide a home environment where children and young people are able to learn and thrive is fundamental. This inevitably links to other factors, such as good parenting, mental health and wellbeing, improved educational outcomes for both parents and family support.

*Early years and parenting*

Our vision for improving the outcomes of children in the early years was set out in *Building a Brighter Future: Early Years and Childcare Plan, 2013*. This set out an agreed course of objectives to improve our early years and childcare provision over the next 10 years. The challenge now is delivering on those objectives.

The link between poverty and poor education outcomes is widely recognised and the effective sharing of information on children's development in the early years is a key component to breaking this link. The *Early Years Development Assessment Framework* aims to provide a common assessment framework which can be used by all early years services to assess children's developmental progression at appropriate points from birth through to age 7, at the end of the Foundation Phase. Part of the project is the development of the *Foundation Phase Profile (FPP)*. This is an assessment tool which can be used to record and track a child's developmental abilities throughout the Foundation Phase. The FPP will be introduced on a statutory basis in September 2015.

We will continue to invest in the early years through Flying Start, which aims to give children a better start in life and in the longer term this should see young people being less disadvantaged because of the communities in which they grow up. In the short term, the programme is not only helping to provide parents with the skills they need to support their child's development, but it is also giving them the opportunity to access training and support to improve their employment prospects. The free, part-time, quality childcare offered through the programme can enable parents to undertake training and development opportunities which will support them to move towards accessing employment.

We know the home learning environment is especially important and good parenting can make a significant and positive contribution to the lives of children and young people. It is important to ensure both parents are supported to remain positively engaged in the lives of their children. In 2014, the Welsh Government published *Parenting in Wales: Guidance on Engagement and Support* which aims to assist

those delivering parenting support services to provide a consistent and quality service. It will be important to build on this guidance, to ensure an ongoing focus on the contribution good parenting can make to the tackling child poverty agenda.

Families First will also continue to underpin work being taken forward to tackle poverty at a local level. The aims of Families First are aligned with the objectives of the Child Poverty Strategy and a range of different projects are contributing to supporting parents and children achieve better outcomes, particularly in terms of reducing health, education and economic inequalities.

### *Play*

Opportunities for children and young people to play contribute to mitigating the negative effects of poverty on children's lives and help to build their resilience and overall wellbeing. Providing opportunities for children and young people to play in their communities can also be a means of reducing inequalities between children living in families who can afford costly recreational provision and those who cannot, so reducing poverty of experience for all children.

On 1 February 2013, the United Nations Committee on the Rights of the Child adopted a General Comment which clarifies for Governments worldwide the meaning and importance of Article 31 (the right of the child to rest, leisure, play, recreational activities, cultural life and the arts). Through General Comment 17, the Committee strongly encourages States to consider introducing legislation to ensure the rights under article 31 for every child, together with a timetable for implementation.

The Welsh Government is the first country in the world to legislate for play and consider the principle of sufficiency as part of its anti-poverty agenda.

### *Reducing educational inequalities*

The attainment of learners from deprived backgrounds is too low and progress to improve outcomes has been too slow. The Welsh Government's vision, set out in *Rewriting the Future: raising ambition and attainment in Welsh schools*, is to have high expectations for all learners, regardless of background, and to ensure they have an equal chance of achieving those expectations. *Rewriting the Future* provides a call to action for schools, Local Authorities and regional consortia to tackle the complex factors which result in learners from low income families achieving less well than their more affluent peers. The policy is underlined by Welsh Government commitments and significant financial investment through the Pupil Deprivation Grant and Schools Challenge Cymru programme. Schools will be supported to bring the attainment of pupils living in poverty in line with the attainment of other pupils through per capita funding, guidance and resources, and bespoke support.

Breaking the link between deprivation and attainment is a key focus for the programme. This programme is about recognising some schools face unique challenges and these require more intensive, additional support, above and beyond

what is provided as a matter of course. These challenges include the socio-economic make-up of the school's cohort and many of them serve learners who live in some of the most deprived areas of Wales.

In recognition of the fact pupils from low income households are often already behind their peers when they begin school, the Pupil Deprivation Grant has been extended to the under fives in the Foundation Phase. This grant will aid continuity from Flying Start into statutory education, as well as providing an early boost for disadvantaged pupils living in poverty but who are not in Flying Start areas. High expectations are reflected in the new school categorisation model which only awards the highest green category to secondary schools which support pupils eligible for Free School Meals to exceed national averages.

In the short term, the success of the Foundation Phase in reducing the difference in attainment between disadvantaged and better off pupils will be built on, with revised targets to close the gap further. Efforts will be redoubled to ensure the progress made at key stages 2 and 3 feed through into improving the chances of pupils eligible for free school meals attaining five good GCSEs including English/Welsh and Mathematics. Further work will be carried out to create a better join up between adult and family learning opportunities and support for children in schools. This is particularly important in the light of reduced budgets and work will focus on how to improve the offer through collaborative approaches.

In the medium to longer term, lessons learned from Schools Challenge Cymru, the Pupil Deprivation Grant, progress against targets and commitments in *Rewriting the Future* and successes from other parts of the UK and further afield will be developed and embedded in mainstream education. Schools will, as a matter of course, set stretching targets for all their pupils. Those which do not will receive additional support and challenge. Progression into further and higher education and high value employment will be expected as the norm for all pupils, irrespective of background.

### *Reducing health inequalities*

We know we need to do more to reduce the inequalities which currently exist in the physical and mental health outcomes of parents, children and young people living in poverty. In the short term, our approach to delivering this objective will be based on four elements. These are: Improving the quality of all services while ensuring people in greatest need get the most support; giving every child the best start in life; helping people get and remain fit for work; and using the NHS's employment practices to help give skills to people from workless households.

The Department for Health and Social Services (DHSS) will progress these elements through primary care improvement, improved planning and work to promote "prudent health care" which ensures everyone gets the precise service he or she needs. The Welsh Government's new three year planning model supports identifying local health and wellbeing need and using all available resources to meet that need. Its new national plan for a primary care service for Wales places introduces local planning for communities of around 25,000 to 100,000 in population. It aims to develop primary care "clusters" based on groups of local GP practices. These will draw in all

local organisations and services, the NHS, social services, housing, environment, transport, education, leisure and the third and independent sectors, to collaborate in identifying and implementing local solutions to local challenges.

Using this more social model of health and wellbeing, the new NHS planning model will deliver a more preventive, primary care-led health system which can reduce inequalities in health outcomes and tackle the inverse care law and the harmful effects of poverty. The launch of Aneurin Bevan University Health Board's Living Well Living Longer Programme in its most deprived communities will aim to demonstrate how this can work in practice. We will also ensure our *Maternity Strategy* and the developing Healthy Child Programme help all children during the early years develop sound physical and mental health in a way which is designed to be sensitive to the needs of particular groups and localities. We will continue with schemes to support the health of people in work.

In the medium and longer term, we will maintain this focus on better planning, aiming to prevent health problems, particularly through the use of existing community assets. To support this, we will also improve our information systems to pinpoint where needs are most acute and targeting services there, and move money nationally and locally to where it is most needed. This will engage Public Health Wales, the NHS, Local Government and the broader community, in efforts to reduce health inequalities. DHSS will also work across all policy areas to seek and take up opportunities to reduce health inequalities. The NHS will work closely with people and communities to improve their health, and with other agencies to help people access whatever services best suit their needs. We will measure and report how effective we are at doing this.

In the longer term, the way the NHS works from top to bottom and throughout people's lives will focus much more effectively on preventing problems and matching services to need.

### *Housing and regeneration*

Housing and regeneration play a critical role in supporting young people and low income families to achieve better outcomes. Living in poor quality housing can be detrimental to children and young people's health and wellbeing, with effects lasting into adulthood. In particular, the physical quality of the home is key to children's life chances and will affect their ability to study and thrive. If we can improve the supply and quality of affordable housing, we not only help prevent homelessness, we make an important contribution to reducing health and educational inequalities.

Families living in temporary accommodation and those who are homeless are less likely to access important support services. Homelessness too can have a significant negative impact on the children in these households affecting their development and educational attainment. Furthermore, having a settled and secure home is important for parents. Without this, they are less likely to secure training and long term employment opportunities, which in turn affect their income. They are therefore more at risk of living in poverty.

In terms of our vision for the short term (to the end of the current Assembly) we will achieve our target of 10,000 additional affordable homes. New duties on Local Authorities as a result of the Housing (Wales) Act 2014 will be in force to prevent homelessness and the negative effects associated with it. By 2020, our current Vibrant and Viable Places local programmes will be delivered, Welsh Housing Quality standards met and social housing increased with benefits to communities flowing through. Over the next five years the Welsh Government and social landlords are making a massive £2.5 billion capital investment in the housing stock to meet the Welsh Housing Quality Standard. Our contribution is £540 million. The work includes improving the energy efficiency of homes which will also help tackle fuel poverty.

The “Community Benefits” approach in procurement ensures this huge investment in people’s homes will also provide job and training opportunities for local people and communities, with particular emphasis on those furthest from the labour market. We are also taking steps to increase our supply of affordable housing to provide good quality, low rented properties to those most in need of housing. By 2030, we hope to see a wholesale improvement in the quality and supply of homes and surrounding spaces in our communities, with very little, if any, homelessness, providing the best possible environment to support children and eradicate child poverty.

Homelessness legislation has been improved as a result of the Housing (Wales) Act 2014. This will result in more help for more people. In particular, it will help avoid the negative impacts of losing a home and having to move home, which affect adults and children alike. This legislation will sit alongside our Homeless Prevention Programme and Supporting People Programme.

The protection of our social housing stock is also important and we are consulting on proposals to end the Right to Buy and Right to Acquire which, over the last thirty or so years, have led to a significant reduction in the number of social homes available to help people who cannot take advantage of the housing markets. Developing and maintaining social housing is one of the key ways in which housing policy can be used to tackle poverty. The benefits extend to both adults and children.

Our commitment, however, is not limited to social housing and we strive to find better ways to help people including those in the Private Sector. In order to improve poor quality homes we have recently launched a £10 million Home Improvement Loan scheme to assist owners of sub standard homes by providing interest free finance to bring their properties up to a decent standard.

The increasing number of people who rent their home from a private landlord will benefit from the new mandatory registration and licensing scheme, which will commence in autumn 2015. The scheme, which is being introduced as a result of the Housing (Wales) Act 2014, will lead to better practices by landlords and lettings agents. It is complemented by the provisions in the Renting Homes (Wales) Bill, which was introduced into the National Assembly for Wales in February 2015. If passed by the Assembly, the provisions in the Bill will result in fairer and simpler law for renting a home, whether from a Local Authority, Housing Association or private landlord.

Regeneration is related to both people and place and aims to make sustainable places over the long term in order to improve the quality of life of the people who live and work in and around those places. The purpose of the *Vibrant and Viable Places Regeneration Framework* is to use investment in physical change to help local communities achieve long-lasting economic, environmental and social change. Our current Vibrant and Viable Places (VVP) investments can create virtuous circles: improving the physical fabric of communities, offering jobs and training to local people in the process, and often then providing spaces for employment support or new businesses – including childcare businesses.

In this way, regeneration can offer new hope to workless households. Improving the housing and town centre offer through regeneration is an integral part of the VVP framework and through linked investment is uplifting the quality of housing both in the private and rental sector across Wales. VVP, Arbed and ECO funding has been combined to improve the fuel economy of many units making sure children have a warm and safe living environment.

### *Natural Resources*

Beyond providing for our basic needs, natural resources can be a key driver of major economic growth sectors, attracting investment and skilled people and providing opportunities for innovation and technological development whilst also helping reduce the impacts of climate change and other stresses. In the current context, Wales now has the opportunity, via the sustainable management of our natural resources, to lead the European and global drive to tackle poverty, improve living standards and create wealth and economic growth, particularly our future generations.

Areas of child poverty tend to coincide with limited access to high quality green space, antisocial behaviour, fly-tipping, poor air quality and excessive noise, and with low levels of physical activity and poorer health in general. We also know climate change has a disproportionate effect on those most vulnerable, as those who contribute least to the problem through emissions, are ones who may be most affected by climate impacts. To make areas more resilient, places where families want to live, and businesses to invest, and to encourage healthier outdoor lifestyles and contact with nature, local environmental priorities need to be identified and addressed. Involving local communities gives people a greater sense of ownership and pride in their local community, encourages volunteering and discourages subsequent vandalism.

Through the development of the Environment Bill we are working to put in place a modern statutory approach for natural resource management which will focus on the opportunities available and which will be key to the long term viability of our communities through the potential to tackle poverty and drive regeneration. In addition, Wales' Designated Landscapes provide opportunities for children and young people to experience the natural environment and learn from it. Linked to this is the work being taken forward by the three National Park Authorities in Wales to support children and young people from deprived backgrounds, through the implementation of their *Social Inclusion and Tackling Poverty Strategy*.

## *Arts and culture*

Wales and the Welsh Government have taken the lead in articulating the powerful role arts and culture can play in tackling poverty. This is reflected in the two reports commissioned by Welsh Government on *Arts in Education in the Schools of Wales* and *Culture and Poverty: Harnessing the power of the arts, culture and heritage to promote social justice in Wales*. These reports set out the important role culture, heritage and the arts play in inspiring people to learn and gain skills, and emphasises the importance of cultural activities to improving the aspirations, ambitions and prospects of children and young people. The recommendations set out in these reports are now being taken forward. A Cultural Inclusion Board has been established to coordinate and drive delivery of the vision in Culture and Poverty. Closer working between cultural and community organisations at national and local level will be at the heart of delivery of the recommendations, and will require focused effort to trial, and learn from, new ways of working.

The aim in the short term is to establish a number of Pioneer Areas across Wales which will focus on helping individuals, families and communities living in one or more Communities First areas to have more lasting engagement with culture and heritage. This will help provide a solid evidence base for the most effective cultural interventions on educational attainment, skills, health and other national priorities, and ensure culture is mainstreamed within the planning and evaluation of the Communities First Programme. In the medium and longer term, we will look to extend successful approaches to other areas and other communities.

The Arts and Creative Learning Plan (*Creative Learning through the Arts and Action Plan for Wales, March 2015*) will implement the recommendations of the Arts in Education report. The aim of the Plan is to increase and improve arts experiences and opportunities in schools, and to improve attainment through creativity. It supports the Welsh Government's three education priorities of improved literacy and numeracy and of reducing the impact of poverty on educational attainment.

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### ***Delivering Objective 4: Creating a strong economy and labour market which supports the tackling poverty agenda and reduces in-work poverty in Wales***

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Jobs, growth and a strong economy are all essential to delivering on our ambition to eradicate child poverty in Wales. Some of the main influences on the Welsh economy and its capacity to create jobs in the short to medium-term are determined outside of Wales – in particular, global economic conditions and the monetary and fiscal policies of the UK Government. Nevertheless, action is being taken to protect and maintain existing jobs, support the creation of new employment opportunities and improve the overall conditions for sustainable growth in Wales. In the short term, this means taking direct action to ease the pressure from challenges and barriers faced by businesses to stimulate investment and promote growth. This includes supporting businesses through start-up and finance support, targeted business rate relief schemes, and the development of a strong property and land offer.

Support is provided by the Department for the Economy, Science and Transport for businesses across Wales. Together with prioritised support for a number of key sectors the Department is also working with anchor companies to maximise opportunities for jobs and growth through their supply chains. This balanced approach stimulates demand for the highly skilled, as well as creating opportunities for those further from the labour market. For example, the tourism sector can be a valuable source of employment opportunities across Wales for those with lower skills or for those which require flexible, part time hours. The Welsh Government will also be doing more to promote the tourism industry as a sustainable career path for young people. Similarly, as outlined in *Towards Sustainable Growth: an Action Plan for the Food and Drink Industry 2014-2020* we want to see growth in the food industry, helping us to achieve our ambitions to tackle poverty and to create a place for food at the centre of our vision for the future of Welsh society.

The Wales Rural Development Programme 2014-2020 will be a catalyst for transformational long term change, creating a resilient rural economy through a focus on green growth, which provides a framework to achieve sustainable progress which creates prosperity while being environmentally sound and socially inclusive. The focus is on transforming our business and social capabilities to be resilient and prosperous for the long term within the context of key challenges, such as our changing climate and creating a better future for our children and the generations beyond. It will be used as a framework to tackle poverty where opportunities are offered by the regulatory framework set out by the EU but specifically there are a range of opportunities which include support for job creation and skills development, entrepreneurship, improvements to the agriculture and food sectors, community energy, rural transport, broadband and locally based approaches to rural development such as the LEADER programme. It will support basic services and village renewal, and offer a centrally controlled fund (Rural Communities Development Fund) primarily aimed at community based organisations to support projects which aim to tackle poverty.

Over the medium term, action is being taken which aims to address some of the challenges faced by parents and carers when accessing employment or training opportunities. This includes efforts to encourage and promote responsible business practices, such as flexible working, which allow people to work around caring responsibilities, or take on more hours and increase the wages they are able to earn. In addition, work is being taken forward to develop the childcare market and increase the number of childcare businesses in Wales, particularly in areas where there are gaps in provision. Over the longer term, action is being taken which will increase the long-term productive capacity of the Welsh economy, through strategic investments in infrastructure, superfast broadband and providing support for innovation. On going investment and major projects such as the electrification of the Cardiff to Swansea railway and the Valleys Lines, are all vital to the recovery of the Welsh economy. As highlighted under this strategy's objective on reducing worklessness, adopting a community benefits approach to key developments will be important. Major infrastructure projects, including those funded via the European Regional Development Fund, offer real opportunities to provide training and employment opportunities to those most at risk of living in poverty.

The Welsh Government will also draw on findings from research being taken forward by the What Works Centre for Tackling Poverty. One of the research projects being funded by the Centre is focusing on the role of different growth and employment sectors and the contribution they can make to tackling poverty, particularly in terms of providing sustainable employment and opportunities for progression.

### *Role of transport in tackling child poverty*

Transport has an important enabling role in relation to our ambition of eradicating child poverty. Availability of affordable transport options is an essential precondition for people pursuing routes out of poverty through employment, training or education. In particular, new transport connections being funded by the Welsh Government will play an important role in increasing connectivity, and supporting people to access employment opportunities. It is also a key component of wider social inclusion. The *National Transport Plan* sets out our objectives and policies for transport in Wales in the short, medium and longer term.

The Transport Department ensures the availability of transport options by providing direct funding to local authorities to support socially necessary bus services, as well as by providing funding to run rail services in Wales. We fund further key services such as the TrawsCymru bus network, providing access to key employment and education centres across Wales. With the Active Travel (Wales) Act 2013, we are placing an increasing emphasis on improving the infrastructure for walking and cycling, which offers a no and low cost transport option for everyday journeys.

At the level of the individual, the Welsh Government's concessionary bus travel scheme offers free travel on local bus services and some trains throughout Wales for older or disabled people, and for seriously-injured service veterans and personnel. This scheme reduces the burden of travel cost for many households in poverty, including those with children. More specifically, from September 2015 we will introduce a young people's concessionary fare scheme which will reduce fares for young people between 16 and 18 for accessing employment, education and training, by one third.

Beyond its enabling role in helping people access opportunities to support them out of poverty, the Transport Department also has a more immediate role in reducing poverty. The Department makes substantial capital investments in new and improved transport infrastructure. Through the use of social clauses in our contracts, we seek to maximise the employment and training opportunities for people in local communities, for example, through apprenticeships. A particular emphasis is placed on trying to provide opportunities for those in workless households. The Transport Department will continue to seek to maximise such opportunities across our direct contracts and the wider supply chains.

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***Delivering Objective 5: Supporting households “here and now” to increase their household income and address the poverty premium***

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Supporting parents to increase their income is a key component of tackling child poverty. In particular, financial and digital inclusion initiatives can help mitigate the impacts of in-work poverty by equipping families with the skills and resources to “make their income go further”. The Welsh Government has a strong history of investing in the financial inclusion agenda, income maximisation schemes, the provision of advice services and reducing the cost of living for low income households through different entitlements and subsidised services. Action to address the *poverty premium*, where low income households pay disproportionately more for goods and services such as food, fuel, housing and credit, will also need to underpin this objective. Being excluded from mainstream services means families living in poverty often pay more for basic needs. For example, households may not be able to benefit from cheaper energy and fuel tariffs, which are linked to payments by direct debits. Furthermore, as highlighted earlier, households with disabled children and / or parents are known to face higher living costs.

In the short term, the Minister for Communities and Tackling Poverty has committed to revising the Welsh Government’s Financial Inclusion Strategy in 2015/16. This will provide us with an important opportunity to strengthen our existing commitments to ensure low income households are supported to achieve better economic outcomes. Supporting families to increase their financial capabilities is critical. Access to affordable finance and support for front line services (so they can provide advice on issues relating to debt, welfare benefits, housing, money management, income maximisation and discrimination) will continue to play a fundamental role. Supporting families with problem debt is particularly important – as all too often, high rates of repayments on debt are affecting the amount of household income subsequently available to cover the basic costs of living.

Families will also be supported through the Discretionary Assistance Fund, which provides vulnerable families facing difficulties with Emergency Assistance Payments and Individual Assistance Payments based on demonstrable need, and Credit Unions, which provide national coverage offering a range of savings and loan products to meet the need of those who have difficulty in addressing mainstream services.

The *Advice Services Review* published in May 2013 prioritised sustainable and quality assured advice services and recommended a National Advice Network be established to bring together funders, advice providers and other stakeholders to develop a strategy to deliver joined up services. In terms of front line support, the Welsh Government funds the Better Advice Better Lives programme through Citizens Advice Cymru. This promotes better health through face to face advice services including a prioritised help for families with disabled children aimed to maximise household income through benefit take up. Better Advice Better Lives and Frontline Advice Services will be subject to review during 2015/16. Supporting low income households will remain a priority, alongside action to improve the financial literacy and capability and money management skills of children and young people.

We will also continue to provide advice and support including energy efficiency improvements to households on low incomes helping homes to be warmer and cheaper to heat. The criteria for our fuel poverty scheme Nest means low income households with children will receive support.

In the medium to longer term, families living in poverty will be supported to increase their household income and make their money go further through actions to mitigate the impacts of welfare reform, action to address food poverty, access to affordable childcare, action to tackle in-work poverty and housing and regeneration.

## **Five key priorities for supporting families here and now: Why these are so important...**

**Mitigating the impacts of welfare reform:** The impacts of welfare reform in Wales are particularly acute for children and families living around the poverty line. Despite differing standpoints on aspects of welfare reform and the wider agenda, the Welsh Government recognises the importance of working with the Department for Work and Pensions (DWP) to maximise opportunities and deliver better outcomes.

**Childcare:** The availability of affordable and accessible childcare is fundamental to the tackling child poverty agenda. Affordable childcare is a real barrier for parents and carers who want to take up training and employment opportunities. Supporting people into full time employment opportunities (and supporting second earners into work) will be critical to reducing the number of children living in workless households and reducing levels of in-work poverty.

**Food Poverty:** Food poverty (defined as an inability to afford or have access to food which provides a healthy diet) is a growing issue in Wales. It is an issue underpinned by a number of different factors – including affordability, awareness (related to education, information and skills) and access or availability.

**In-work poverty:** A growing issue in Wales. We need to use all available levers to tackle the issue – for example, by supporting households to increase their earnings through access to full time employment opportunities which pay well, and supporting second earners into work.

**Housing and regeneration:** Housing and regeneration plays a critical role in supporting young people and low income families to achieve better outcomes. At the same time, housing and regeneration sectors can play a key role in reducing poverty by adopting a community benefits approach to new developments.

**New actions and commitments for each of these key priorities will be included in the Annual Report on the Tackling Poverty Action Plan, alongside associated milestones.**

## **A Strategic Approach**

The Child Poverty Strategy does not sit in isolation. Reflecting the cross-cutting nature of the tackling poverty agenda, it is directly related to the Tackling Poverty Action Plan and other strategies and legislation which seek to improve outcomes for people from low income households.

To highlight the links between the Child Poverty Strategy and other policies and programmes being delivered by the Welsh Government, Annex 1 includes a “logic model” for each strategic objective. These logic models highlight how different policy areas will contribute to delivering the intended outcomes of the Strategy.

### **Links with the Tackling Poverty Action Plan**

In terms of the levers available to the Welsh Government to tackle child poverty, we know there is much the Welsh Government can do to prevent poverty (for example, by maintaining a strong focus on the early years of a child’s life and action to improve educational attainment), to mitigate the impact of poverty (for example, by improving access to essential services), and to help people into work (for example, by increasing skills and supporting young people). For this reason, these key areas are the focus of actions being taken forward under our *Tackling Poverty Action Plan*. The Action Plan describes how we will tackle child poverty. It has a strong focus on improving the outcomes of children and young people from low income households, with specific targets which are directly linked to the strategic objectives of our 2011 Strategy.

We know, however, we cannot “standstill”. Action to deliver on the key themes of the *Tackling Poverty Action Plan* is kept under continual review, as we strive for the best outcomes for people living in low income households. Departments across the Welsh Government will continue to work together, to ensure existing and emerging policies and programmes are more targeted to support children and adults in disadvantaged households and communities.

Progress against the actions set out in the *Tackling Poverty Action Plan* is reviewed regularly. We are committed to producing an annual progress report. As well as reporting honestly on how we are performing against targets and milestones, the progress reports refresh the agenda by identifying further steps to ensure we are doing all we can to reduce poverty in Wales. In particular, the Annual Progress Report provides us with the opportunity to set out specific actions which will enable us to deliver our objectives for tackling child poverty.

### **Links with other policies and programmes**

This Strategy sits alongside a number of other key plans, policies and strategy documents. It is important to recognise the cross-cutting nature of the tackling poverty agenda and the contribution these make to one or more of the strategic objectives of this document. It is not the intention of this Strategy to repeat the specific actions included in other plans, policies and strategies. Rather, the revised

Strategy sets out the outcomes we are looking to achieve. We will continue to look for opportunities across the Welsh Government, which will allow us to make more progress and at the pace needed.

It is particularly important we do more to link our existing plans and policies with work being taken forward in our disadvantaged communities by our tackling poverty programmes: Communities First, Flying Start, Families First, Supporting People and Vibrant and Viable Place. Work is being taken forward to develop a common outcomes framework for Flying Start, Families First and Communities First. The common outcomes framework will support measuring performance across the three programmes and help to improve alignment and planning.

## **An Inclusive Approach**

The Welsh Government has consistently said it cannot tackle poverty on its own. In particular, we know we cannot hope to achieve significant reductions in child poverty without the support of the wider Public, Private and Third Sectors, which all have a crucial role to play. We also recognise the importance of engaging with children and young people on an ongoing basis to seek their views on our approach to tackling poverty. Forthcoming legislation such as the Wellbeing of Future Generations (Wales) Bill provides us with the opportunity to focus on delivering common outcomes.

### **A collaborative approach to tackling poverty in Wales**

The Welsh Government remains committed to taking forward a collaborative approach to tackling child poverty. Only by working in partnership can we hope to achieve the level and pace of change which is needed to eradicate child poverty in Wales. The scale of the challenge ahead, the impacts of welfare reform in Wales and the ongoing recovery from the recent recession makes it even more important for us to take forward a multi-agency approach. We know we cannot tackle poverty on our own and there are a range of key partners which we will continue to work and engage with, in order to maximise the investment of resources at both a national and local level on the tackling poverty agenda.

The Children and Families (Wales) Measure 2010 recognised the critical role to be played by Local Authorities and other Public Bodies in improving the outcomes of low income households. But we also know the Private Sector and the Third Sector have a vital role to play.

As the Welsh Government, we need to be clear about what we are expecting from different agencies and organisations and how we can work together to achieve common outcomes, at both a national and local level. A focus on collaboration will also help to avoid duplication, particularly in terms of the policies and programmes being delivered and the investment of resources to support those most in need. At the same time, effective and ongoing monitoring of different contributions is essential. Local Service Boards have a key role to play in ensuring all public services, and not just Local Authorities, are focussing on this agenda.

#### *Working with the Public Sector in Wales*

It is important Local Authorities and the wider Public Sector consider this Strategy when reviewing their own Child Poverty Strategies and objectives. This approach will build on the unique situation in Wales where the Welsh Government, Local Authorities and other Public Bodies are working to the same objectives to eradicate child poverty.

We recognise Local Authority Anti-Poverty Champions are key partners in driving forward the child poverty agenda at a local level. The Welsh Government will continue to support this network of champions through Tackling Poverty Regional

Events, which will focus on collaborative working to deliver better outcomes for those living in low income households.

Under the 2010 Children and Families (Wales) Measure, Local Authorities and Public Bodies (such as Public Health Wales, Arts Council for Wales, Sports Council for Wales, National Parks Wales, Fire and Rescue Services and National Museums) all have a duty to set specific objectives and develop strategies for tackling child poverty. Local Authorities have been able to discharge this duty through their Children and Young People's Plans and subsequently through Local Service Board Single Integrated Plans (SIPs).

The Welsh Government will be reviewing Local Service Board SIPs to assess the extent to which they are focussing on tackling child poverty. In particular, the Welsh Government will be working with Local Service Boards, Health Boards, Local Authorities and their Anti-Poverty Champions to identify good practice and opportunities to strengthen existing approaches. It will be important to support Local Service Boards and Local Authority Anti-Poverty Champions to encourage all local partners to engage in the poverty agenda.

In terms of local delivery, approaches such as Team Around the Family (TAF), where teams have worked with a wide range of different partners (including schools, Careers Wales, Family Information Services, Citizens Advice Bureaux, Job Centre Plus and Youth Offending Teams), are critical to supporting families in a joined up way. In addition, initiatives such as the development of the common outcomes framework for tackling poverty programmes will play an important role in aligning investment and a focus on common priorities.

We will also continue to work with the other Public Bodies cited in the 2010 Children and Families (Wales) Measure to ensure an ongoing focus on tackling child poverty and improving the outcomes of children and young people. A number of Public Bodies have a history of engaging and working jointly with our Tackling Poverty Programmes, Communities First, Flying Start, Families First, Vibrant and Viable Places and Supporting People.

### *Working with the Private / Business Sector in Wales*

Against the backdrop of cuts in public expenditure, we need to be working closely with a range of different organisations which can support us to achieve the outcomes of this strategy. Our consultation on the Child Poverty Strategy has shown us there is considerable support for the Welsh Government to be working much more closely with the Private Sector. Private Sector partners have much to offer, particularly in terms of job creation, supporting low income households into employment which pays a living wage, flexible working arrangements, childcare and in-work progression.

The Lift Programme, Jobs Growth Wales and apprenticeship schemes are all examples where the Private Sector can make an important contribution. Social clauses and community benefits approaches to procurement, as well as financial support for local communities and community groups are also important. At a

national level, the Welsh Government will be engaging with a range of different representatives from the private and business sectors in Wales, with the view to identifying opportunities for collaborative working and a focus on the key objectives of this strategy.

### *Working with the Third Sector in Wales*

It will be important for us to continue working with partners from across the Third Sector, including organisations such as the Wales Council for Voluntary Action (WCVA) and members of the Third Sector Partnership Council. The breadth and depth of the Third Sector in Wales – with more than 33,000 organisations including many which work directly to tackle poverty – offers huge opportunities, particularly in terms of investment in those communities where we have the highest concentrations of low income households. All sorts of local groups, voluntary organisations and social enterprises contribute to the wellbeing of these communities. However, we also know resources available are declining and we want to work with the sector to find ways of making it more resilient. In this way, the Third Sector can maximise the crucial role it plays in helping to build resilience amongst communities, which in turn can have an impact on social engagement and emotional wellbeing.

There is a range of different Third Sector organisations already working with children and young people from disadvantaged communities and helping them to achieve better outcomes, from small community based organisations to larger charities such as the Princes Trust. There are also Third Sector organisations supporting children, young people and parents who are most at risk of living in poverty, including those working with disabled people and young people with mental health issues. The Welsh Government will continue to look for opportunities to work together with Third Sector organisations (at both a national and local level) to ensure an ongoing investment in the early years, increasing skills, supporting young people into work and improving life chances.

### *Working with other stakeholders*

We will work closely with the Welsh Government's Tackling Poverty External Advisory Group (TPEAG) and the End Child Poverty Network. The work being taken forward by TPEAG will continue to inform our approach to tackling poverty and child poverty. Most recently, this has included advice and recommendations from TPEAG relating to the economy, tackling in-work poverty and the delivery of our key tackling poverty programmes. We will also continue to engage with external organisations working directly with children and families through the End Child Poverty Network (ECPN) Cymru. Coordinated by Children in Wales, the ECPN includes representation from across the Third and statutory sectors. Members work to ensure policies are in place at all levels of Government which contribute to eradicating child poverty in Wales.

Alongside working with TPEAG and the ECPN, the Welsh Government will also convene a Practitioners Group to ensure Welsh Government policies and programmes are fit-for-purpose and address the needs of people living in low income

households. The Practitioners Group will complement the work of the Tackling Poverty External Advisory Group and the End Child Poverty Network. It will provide an opportunity for direct feedback from frontline staff delivering programmes and initiatives to individuals in disadvantaged communities.

### **The Well-being of Future Generations (Wales) Bill**

The Well-being of Future Generations (Wales) Bill provides us with a further opportunity to strengthen our collaborative approach to tackling poverty in Wales. The Bill proposes to set ambitious, long-term goals to reflect the Wales we want to see in the future. These proposed goals are for a prosperous, resilient, healthier, more equal Wales – with cohesive communities, a vibrant culture and thriving Welsh language. By achieving these goals, it will help children to reach their full potential by giving them the best start in life, and in turn leave a better legacy for our children and grandchildren. It will require a joint effort and better collaboration between the Public, Private and Third Sectors, working together to tackle the big challenges we all face: climate change, jobs and growth, skills, health inequalities and tackling poverty. The Bill also puts Local Service Boards on a statutory basis and simplifies requirements for integrated community planning. These developments will be critical to delivering an outcomes based approach to tackling poverty and child poverty at a local level.

The Well-being of Future Generations (Wales) Bill sets a new context for relations between National and Local Government, and the whole of the Welsh public services: Welsh Ministers will set national strategic direction and Local Government will set its local objectives, responsive to local need and subject to local accountability.

Public Service Boards and their members will share joint responsibility for preparing local well-being assessments and Local Well-being Plans, which will replace Community Strategies and Single Integrated Plans. In deciding on local priorities for Wellbeing Plans, Public Service Boards will need to take into account the well-being of vulnerable and disadvantaged groups. We would expect this to include a focus on those living in poverty. While the requirement for a separate children and young people's plan will be repealed, the duties in the Children Act 2004 and the Children and Families (Wales) Measure 2010 relating to child poverty will still be in force and will be discharged through the Local Well-being Plan.

The Bill underpins the public service reform agenda in Wales, clearly setting out how Public Bodies, including Welsh Ministers and Local Government, will work to improve national and local economic, social and environmental well-being. The Bill places particular emphasis on long-term thinking, an integrated approach, preventative action, collaboration and involvement, ensuring the people and communities whose well-being is being considered are engaged in finding sustainable solutions.

### **Social Services and Well-being (Wales) Act 2014**

Supporting those most at risk of living in poverty is essential if we are to deliver on our ambition of eradicating child poverty. We know disabled people, young carers and care leavers are particularly at risk of poorer outcomes. The Social Services and

Well-being (Wales) Act 2014 is at the heart of transforming care and support in Wales. Integrated with health, it has a fundamental emphasis on prevention and intervention to ensure better outcomes. Underpinning the Act is voice and control, promoting independence (and focusing on individuals as people rather than as children or adults), providing rights for carers, strengthening safeguarding and embedding fair and sustainable charging mechanisms. It is critical we use the Social Services and Well-being (Wales) Act to ensure an ongoing focus on addressing the needs of those most vulnerable to living in poverty.

## **Ongoing Engagement with Children and Young People**

Consulting, listening and acting on the views of children and young people is essential and this Strategy includes a commitment to involve the participation of young people in the development of policies and programmes to deliver the targets in the Tackling Poverty Action Plan.

As a result of the full implementation of the Rights of Children and Young Persons (Wales) Measure 2011, children and young people's views should be considered in legislation, policies and Ministerial decisions across the government to further implement children's rights. This reflects our commitment to the United Nations Convention on the Rights of the Child and Article 12, which states "children have the right to say what they think should happen, when adults are making decisions which affect them, and to have their opinions taken into account".

It is vital to ensure the views and voices of children, young people and their families are considered in order to capture the lived experience of poverty. There are a variety of mechanisms already in place to ensure communities are involved and engagement in the decision making process. Ensuring children have an active voice and can participate in the workings of Government is a key theme in the new Children and Families Delivery Grant. Establishing national and visible mechanisms to support policy makers, practitioners and others to engage with and hear the views of children and young people will be critical. It will be important to continue our engagement with the Children's Commissioner and the work they are taking forward through their Community Ambassador Scheme, as well as Local Authorities and Anti-Poverty Champions and their work with local youth forums.

As part of these commitments around engagement, we will consider whether to establish additional mechanisms for working with children and young people to inform the development of the *Tackling Poverty Action Plan*.

## Accountability and Reporting on Progress

To measure progress on delivering the changes we want the Child Poverty Strategy to deliver, we intend to use a small set of key indicators. These indicators are:

- % of children living in relative income poverty (After Housing Costs).
- % of children living in relative income poverty where at least one adult is working (After Housing Costs).
- % of children living in workless households.
- % of working age adults with no qualifications.
- % of working age adults holding qualifications at levels 2, 3 or 4 and above.
- % of children living in low income households who are reaching health, social and cognitive development milestones when entering formal education.
- % of 7 year old pupils eligible for Free School Meals achieving the expected level at the end of the Foundation Phase.
- % of pupils eligible for Free Schools Meals who achieve the Level 2 threshold including English / Welsh and Maths at Key Stage 4.
- % of young people aged 16-18 who are NEET.
- % of young people aged 19-24 who are NEET.
- % of babies (live births) born with a low birth weight (defined as under 2,500 grams).

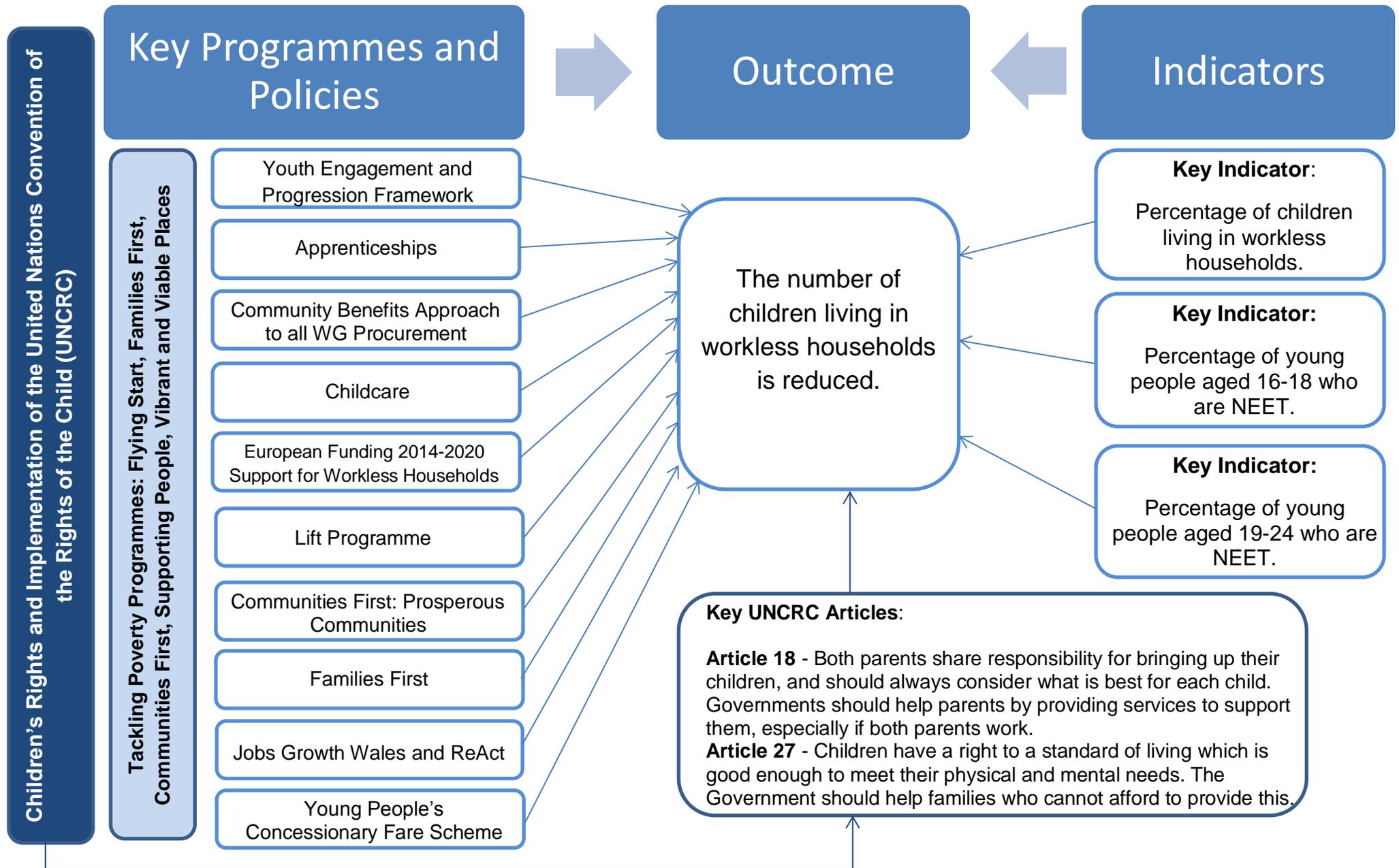
We will report on these headline indicators on child poverty as part of the *Annual Report on the Tackling Poverty Action Plan*. The Annual Report will also focus on a number of other indicators, relevant to the milestones and targets included in the 2013 Action Plan. The Tackling Poverty Implementation Board oversees delivery of the Tackling Poverty Action Plan and the policies and programmes which contribute towards delivering these population outcomes. A key role of the Implementation Board is holding different departments to account for the actions underpinning the Action Plan and the Child Poverty Strategy. Departments are responsible for reporting on progress – with performance measures in place to monitor whether children and families are “better off” as a result of the support and intervention they have received.

The Welsh Government will continue to report on the performance of individual policies and programmes as part of the Programme for Government and the Annual Report on the Tackling Poverty Action Plan, thereby ensuring a specific (and ongoing) focus on delivering better outcomes for children and young people living in poverty.

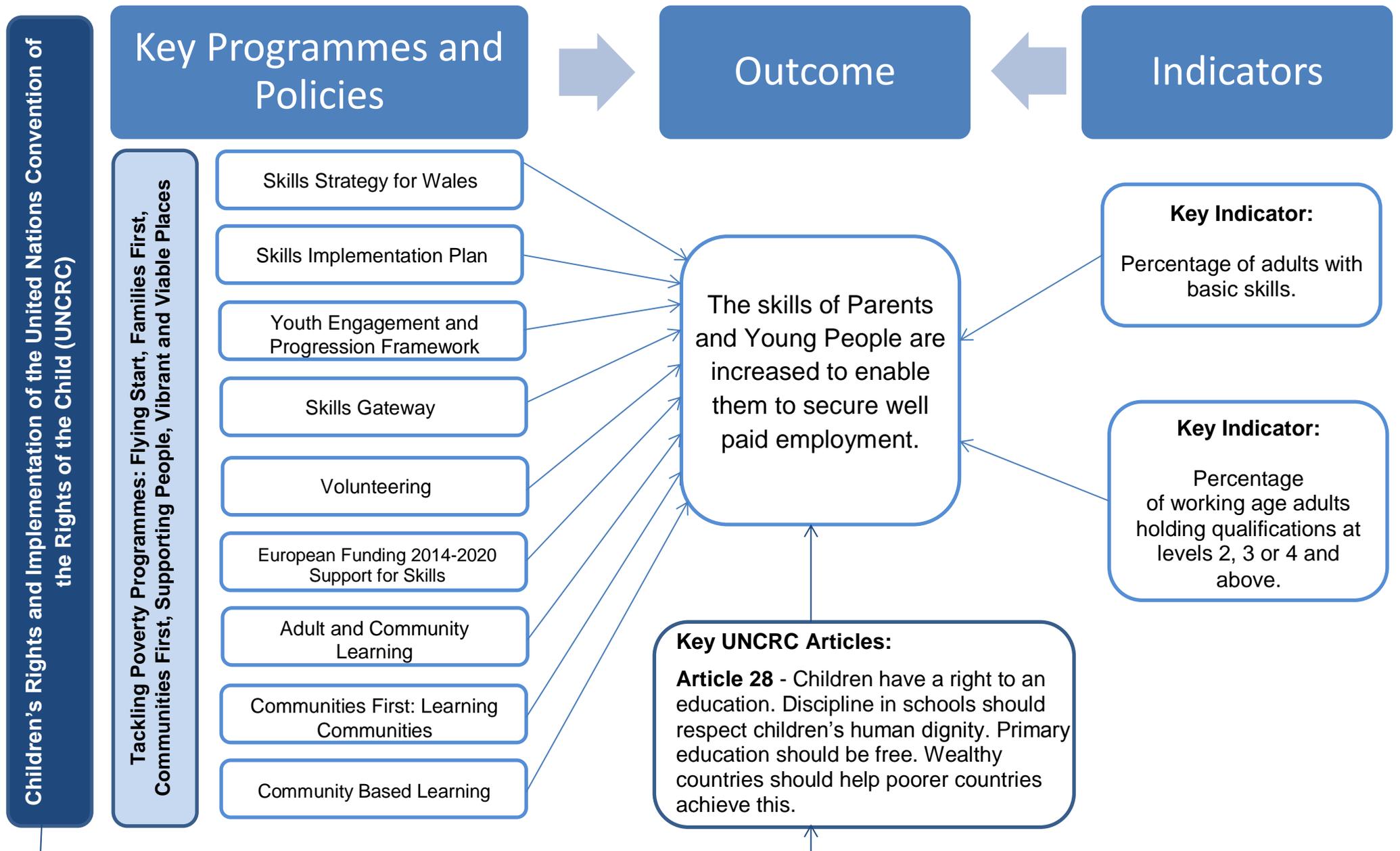
## **Annex 1: Delivering the strategic objectives of the Child Poverty Strategy, 6 Logic Models**

The Logic Models set out how we anticipate different policies and programmes will contribute to achieving the objectives of this Child Poverty Strategy. These models will be strengthened as we develop interim outcomes and milestones for tackling child poverty up to 2020.

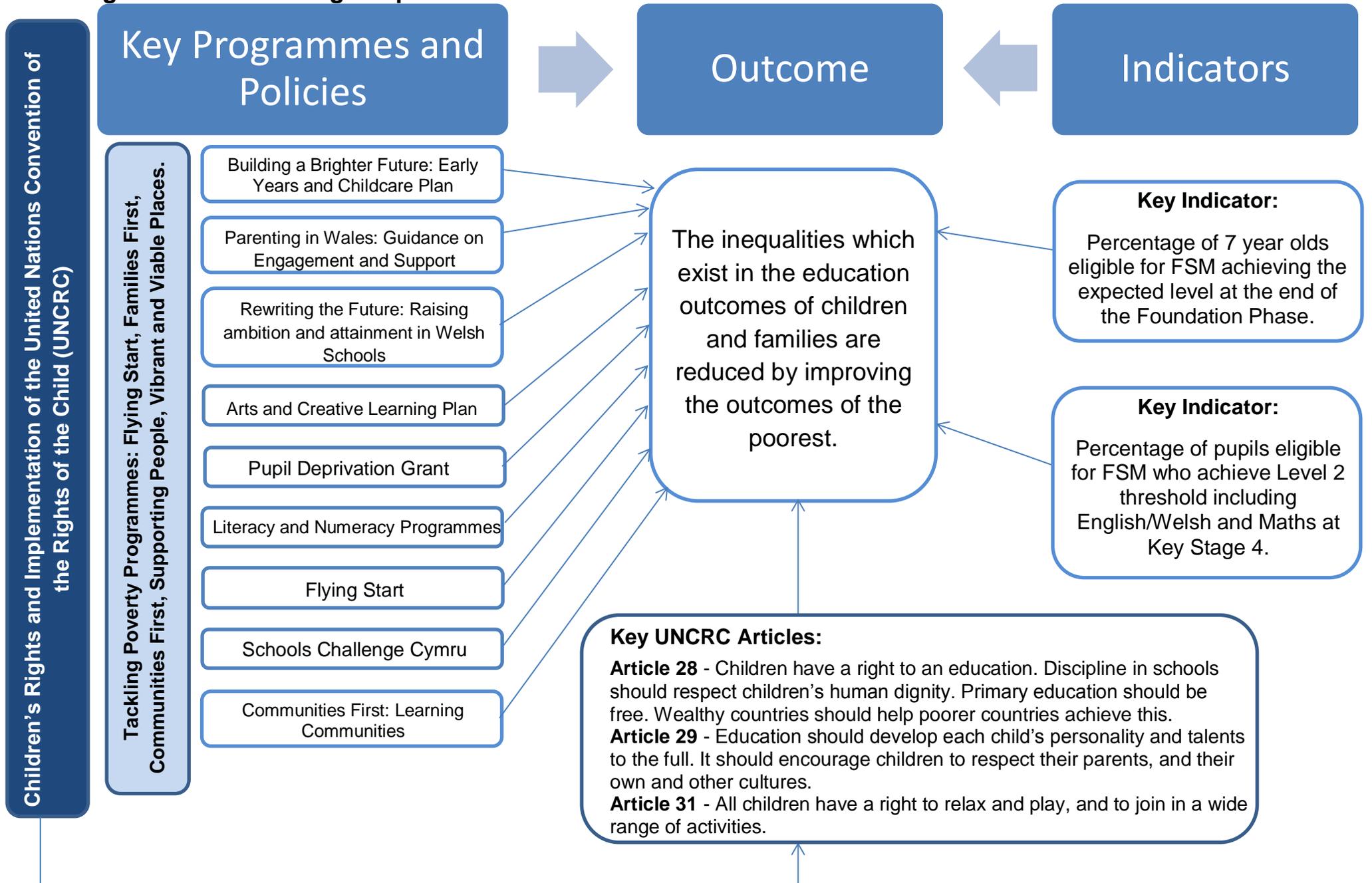
## Logic Model: Worklessness



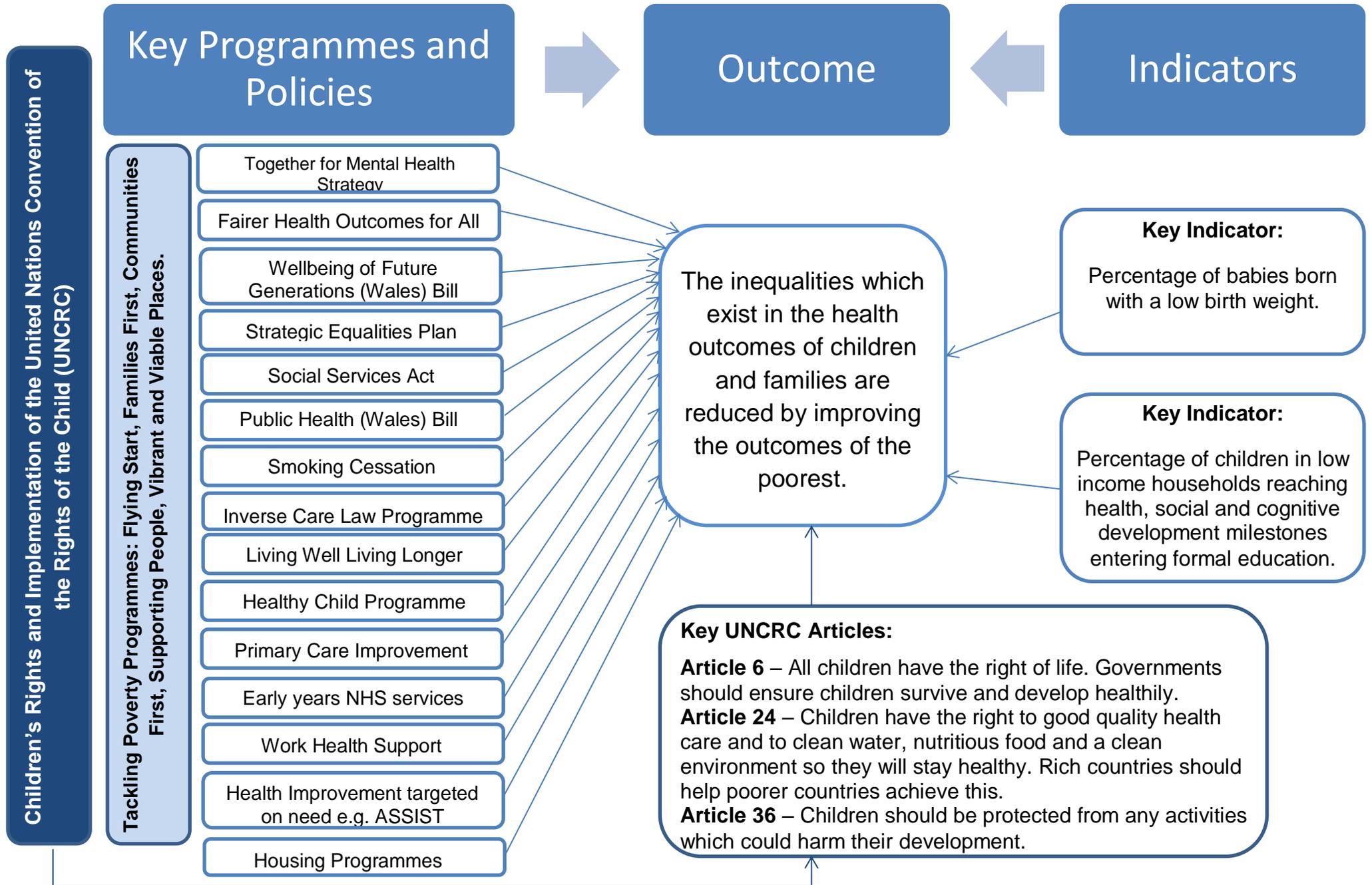
## Logic Model: Skills



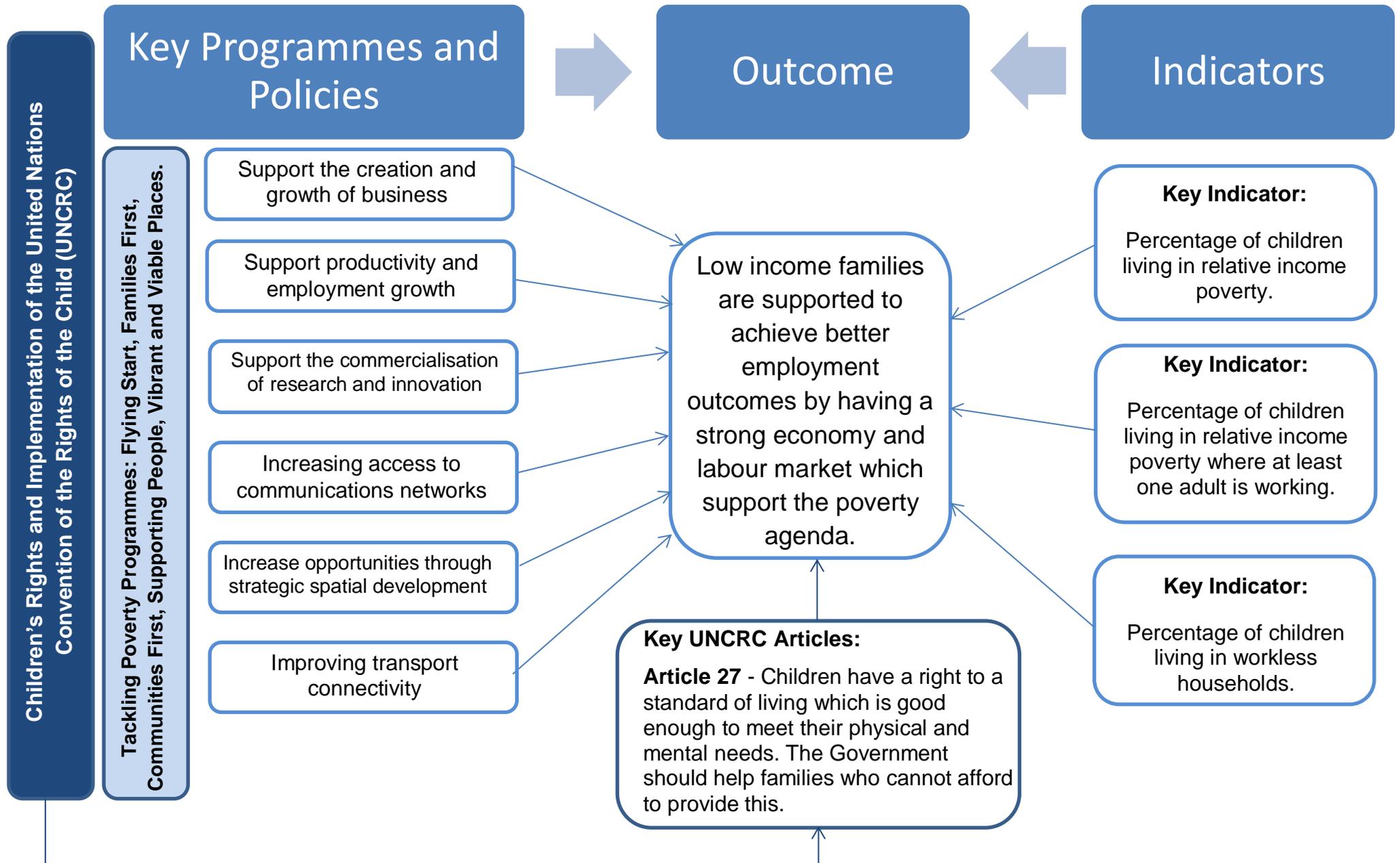
# Logic Model: Reducing inequalities in education outcomes



# Logic Model: Reducing inequalities in health outcomes



## Logic Model: Employment and a Strong Economy



# Logic Model: Income Maximisation

