Poverty matters in Wales

Poverty in Wales has remained virtually unchanged in a decade. Around a third of children, nearly a quarter of working-age adults and about one in six pensioners struggle to afford the basics in life.

Living in poverty blights people's lives: it affects how well children do at school, whether people have a decent home, people's mental and physical health, and their life expectancy. It also costs the Welsh public purse about £3.6 billion a year -20% of the Welsh Government's budget.

This briefing looks at what should be done.

Our aim

Last year we set out what needs to be done by devolved bodies to achieve our aim that by 2030:

- Nobody in Wales is ever destitute;
- Fewer than 1 in 10 people in Wales live in poverty; and
- No-one lives in Wales lives in poverty for more than 2 years.





What should be done?

Our five-step plan is based on evidence of what works and has been developed and tested with people experiencing poverty. We recommended a range of steps to enable:

An economy for all

- More and better jobs
- Local jobs
- Supporting people into work

Boost education & skills

- Excellent education
- Better apprenticeships
- · Increased participation in adult learning
- Good quality careers advice

Stronger families & communities

- Stronger families
- Thriving early years
- Community action

Cutting costs

- Increasing the supply of affordable housing
- Cutting costs of essentials
- Ensuring access to 'enabling services' e.g. transport and broadband
- Reducing demand

Complex needs

- Scaling up the Housing First model
- Developing Individual Placement and Support
- Improving outcomes for care leavers
- Early intervention to prevent child maltreatment

We know it will work.

What has happened in the last year?

Over the last 12 months we've actively encouraged take-up of our recommendations through meetings with Welsh Government Ministers, submitting evidence to Welsh Government consultations and Assembly Committee inquiries, engaging with hundreds of professionals in Welsh Government, local government, the third sector and private sector, and with coverage in UK and Welsh print and broadcast media and publication of online articles.

In doing so, we have significantly shaped policy and debate about effective ways of reducing poverty. We've achieved:

- Acceptance of our approach by the Assembly's Equality, Local Government and Communities Committee inquiries into poverty.
- Inclusion of one of our proposed jobs targets in the report of the Valleys Taskforce.
- Acceptance of our recommended 'growth poles' in the Valleys by the Welsh Government.
- Cross-party support for action on the foundational economy.
- Inclusion of low-paid sectors in the forthcoming Welsh Government economic strategy.
- Recognition of the need to reduce poverty and generate inclusive growth in the Cardiff Capital Region's growth and competitiveness strategy.
- Promotion of the voluntary Living Wage in the Welsh Government's 'code of practice on ethical procurement'.
- Interest in a new approach to helping people into work in the forthcoming Welsh Government employability strategy.

At the same time, the Welsh Government has announced a number of new initiatives and programmes which, although not part of strategy to end poverty, will nevertheless make an important contribution to reducing it. Examples include piloting 30 hours of free childcare in seven local authority areas, steps to ensure the supply of additional social housing and improve the quality of private-rented housing, and the commitment to create 100,000 apprenticeships. Its new economic strategy, employability strategy and energy efficiency strategy are keenly awaited.

There is much more to do

There are few signs of poverty in Wales decreasing and every indication that poverty will increase in the next few years. As individuals, as communities and as a nation we cannot afford to see the blight of poverty grow.

We welcome the commitment to achieve 'prosperity for all' by the Welsh Government and the very valuable steps it is taking to increase household incomes and ease the pressure on low-income families.

But there is more to do.

The development and delivery of some of the new programmes and initiatives need to build on the evidence on best practice that we have identified. Additional action is required where there are currently gaps in policy and practice. And everyone, whether business or local authority or community group, needs to play their part in reducing poverty and spreading prosperity.

What we will do

The Joseph Rowntree Foundation and Bevan Foundation have established a fouryear strategic partnership to make significant progress towards reducing poverty in Wales, increasing the capacity of the Bevan Foundation to shape public policy and encourage action on the ground.

In the next 12 months, we will:

- Develop practical ways of stimulating 'inclusive growth' across Wales' two city deals and in its proposed growth deals.
- Encourage take up of innovative ways of increasing the affordability of housing in the South Wales Valleys.
- Monitor progress in Wales and the rest of the UK against key indicators of poverty and deprivation.

These sit within a longer-term strategy focused on bringing down the levels of inwork poverty; ensuring that everyone in Wales has a decent and affordable home and securing reforms to the social security system so that it works better for those who need it.

About the Joseph Rowntree Foundation

The Joseph Rowntree Foundation is an independent organisation working to inspire social change through research, policy and practice.

JRF is working with governments, businesses, communities, charities and individuals to solve UK poverty. The majority of the ideas outlined above were drawn from our recent <u>strategy to solve UK poverty</u> which contains analysis and recommendations aimed at the four UK governments.

All research published by JRF, including publications in the references, is available to download from www.jrf.org.uk

About the Bevan Foundation

The Bevan Foundation is an independent, non-political think tank which develops ideas to make Wales fair, prosperous and sustainable, and works with others to put them into practice. The Bevan Foundation's ideas are based on robust evidence, and shape public policy and practice.

www.bevanfoundation.org

For more information on the partnership between JRF and the Bevan Foundation and future work plans, please contact:

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