The Cabinet Secretary for Children and Communities has said he is ‘minded to phase out’ Communities First, and that will ‘look afresh at how the Welsh Government can support resilient communities’. He indicated that his priority areas are:

- employment,
- early years, and
- empowerment.

The Problem

Phasing out Communities First does not mean the problems of poverty and disadvantage have gone away – poverty continues to be the a massive blight on people’s lives that also costs the public purse dear.

- Around 23% of population in Wales lives in income poverty
- Some communities have very much higher proportions of people on low incomes and with other disadvantages
- £3.6 billion a year of Welsh Government spending is associated with the consequences of poverty.

Reducing poverty and disadvantage should be central to any new programme. What is meant by poverty and disadvantage should be clearly spelled out and actions taken should be based on robust evidence that they address the problem.

Resilience is clearly desirable but there is a great deal of confusion about what it means. It is feasible that people live in a resilient community yet are in poverty. If it is to be the focus of a new programme it is vital that the Welsh Government clearly sets out its understanding and that that understanding is widely agreed.

Lessons from Communities First

Communities First did not reduce the headline rates of poverty in the vast majority of communities, still less in Wales as a whole. Within Communities First, performance has been mixed – some Communities First projects have worked well, others have been mediocre, and a small number have failed.

Experience of Communities First and evidence from elsewhere suggests:

- Community-based actions must be complemented with effective government, regional (e.g. City Deal) and local authority action.
- Strong links with local economic development and regeneration are absolutely essential.
- Mainstream services need strong leverage and incentives to deliver for disadvantaged communities.
- Strong local leadership, good governance and a supportive local infrastructure make a big difference.
- A ‘theory of change’ that builds on people’s assets and enables them to improve their lives is more effective than meeting needs or addressing deficits.
- Change takes time.

Next steps?

Communities cannot change on their own, nor can Welsh Government do it all. There needs to be sustained, concerted action at all geographical levels and by all organisations.

1. Welsh Government

The Welsh Government should take action to reduce poverty across the whole of Wales – this will create a positive environment for community-based action. Evidence shows the key areas of intervention are to:

- **Boost economy and labour market for least well off**
  - more jobs closer to disadvantaged areas
  - action to improve terms & conditions e.g. Living Wage
  - strategies to improve low-paid sectors e.g. social care, tourism.

- **Ensure key public services close the poverty gap, especially:**
  - good quality early years provision
  - closing the attainment gap in education and good quality skills for adults
  - effective support for couples and families

- **Cuts costs and ensure provision of essential and ‘enabling’ goods and services (e.g. food, housing, energy, public transport and digital access) by:**
  - Effective regulation of the market for goods and services and
  - encouraging alternative forms provision.

Community action cannot succeed without effective Welsh Government action.

2. Other Public Bodies

Other Welsh Government funded bodies and programmes, e.g. health boards and post-16 learning and training providers should play an active role in reducing poverty, including active involvement in community-based programmes. Welsh Government cannot do it all.

3. Community-based action

A new programme should be established for a limited number of disadvantaged communities. There should be a phased roll-out rather than ‘big bang’.

It should have a relentless focus on reducing poverty experienced by individuals and households. The focus should not be on community development or on improvements in the area for their own sake, neither of which necessarily have an impact on poverty.

The programme should be co-produced by communities and professionals and not be directed top-down. It should draw on evidence of ‘what works’ to create a good fit with community circumstances.

Welsh Government commitment should be for the long-term, focusing on successful outcomes rather than short-term outputs. Investment should be in good quality front-line services rather than management costs.

A new programme should be based on the following principles:
• **A clear theory of change** that builds on people’s and community’s assets not their deficits, and that focuses on:
  - prevention of poverty risk factors (e.g. unemployment, lack of skills, relationship breakdown, development of ‘complex needs’\(^2\)) and
  - cure (primarily secure, decent work).

• **Enterprise, employment and employability**: decent work remains fundamental to reducing poverty. As well as employment support services there needs to be action to:
  - support local job creation, including opportunities in intermediate labour markets for those furthest from employment;
  - create pathways into local employment opportunities;
  - stimulate local enterprise, social and individual.

• **Community hubs**: should provide access to those public and private services which prevent poverty and enable routes out. Key services include:
  - financial advice,
  - relationship support and counselling,
  - early years support (childcare, social services, health visiting etc.),
  - employment support and
  - essential community resources.

• **Community anchors**: local action should be led by established, community-based organisations which have a strong track-record of delivery and which have significant community engagement. They also ensure local ‘reach’ and keep management costs to a minimum.

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Bevan Foundation, 145a High Street, Merthyr Tydfil CF47 8DP

www.bevanfoundation.org

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\(^2\) Complex needs are circumstances such as substance misuse, homelessness and abuse