



**Cynulliad Cenedlaethol Cymru
The National Assembly for Wales**

**Yr Is-bwyllgor Datblygu Gwledig
The Rural Development Sub-committee**

**Dydd Iau, 31 Ionawr 2008
Thursday, 31 January 2008**

Cynnwys
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Inquiry into Poverty and Deprivation in Rural Wales: Evidence Session

Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal,
cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, an English translation of Welsh speeches is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Mick Bates	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Alun Davies	Llafur (Cadeirydd yr Is-bwyllgor) Labour (Sub-committee Chair)
Alun Ffred Jones	Plaid Cymru The Party of Wales
Brynle Williams	Ceidwadwyr Cymreig Welsh Conservatives

Eraill yn bresennol
Others in attendance

Lorraine Barrett	Llafur Labour
Nicola Lloyd	Y Comisiwn Cymunedau Gwledig Commission for Rural Communities
Yr Athro/Professor Paul Millbourne	Arsyllfa Wledig Cymru Wales Rural Observatory

Swyddogion Gwasanaeth Seneddol y Cynulliad yn bresennol
Assembly Parliamentary Service officials in attendance

Joanne Clinton	Dirprwy Glerc Deputy Clerk
Claire Morris	Clerc Clerk

Dechreuodd y cyfarfod am 9.30 a.m.
The meeting began at 9.30 a.m.

Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datgan Buddiannau
Introduction, Apologies, Substitutions and Declarations of Interest

[1] **Alun Davies:** Deuaf â'r cyfarfodi drefn a dechreuaf gyda'r cyhoeddiadau arferol. Os oes tân, gadewch yr ystafell a dilynwch y cyfarwyddiadau a roddir i chi. Nid oes prawf larwm tân wedi'i drefnu ar gyfer heddiw. Mawr obeithiaf fod pawb wedi diffodd eu ffonau symudol a'u BlackBerrys, oherwydd maent yn effeithio ar yr offer darlledu. Fel yr ydych yn gwybod, mae'r Cynulliad yn gweithredu drwy gyfrwng y Gymraeg a'r Saesneg. Os oes angen cyfieithiad arnoch, neu os hoffech glywed yr iaith wreiddiol wedi'i chwyddleisio, defnyddiwch y clustffonau. Gofynnaf i'r Aelodau a'r tystion i beidio â chyffwrdd â'r meicroffonau oherwydd cânt eu gweithredu yn awtomatig.

Alun Davies: I call the meeting to order and I will start with the usual announcements. In the event of a fire, please leave the room and follow the instructions that are given to you. There is no fire alarm test scheduled for today. I very much hope that everyone has switched off their mobile phones and BlackBerrys, because they interfere with the broadcasting equipment. As you know, the Assembly operates through the medium of both Welsh and English. If you require translation, or if you require amplification of the floor language, please use the headsets. I ask Members and witnesses not to touch the microphones because they are operated automatically.

9.31 a.m.

**Ymchwiliad i Dlodi ac Amddifadedd yng Nghymru Wledig: Sesiwn Dystiolaeth
Inquiry into Poverty and Deprivation in Rural Wales: Evidence Session**

[2] **Alun Davies:** Mae'n bleser gennyf groesawu'r Athro Paul Millbourne. Mae Paul yn gweithio i Arsyllfa Wledig Cymru, ac yr ydym wedi gofyn iddo roi cyflwyniad ar ei waith a sut y mae'r gwaith hwnnw ar dlodi yn y Gymru wledig yn datblygu. Nid ydym wedi gofyn i Paul i ddarparu tystiolaeth ysgrifenedig ar ein cyfer y tro hwn, ond yr ydych wedi derbyn adroddiad yr arsyllfa ar dlodi ac allgáu cymdeithasol yn y Gymru wledig cyn y cyfarfod hwn a chymeraf fod pawb wedi cael cyfle i ddarllen yr adroddiad felly. A fydddech yn fodlon gwneud rhywfaint o sylwadau agoriadol, Paul, cyn inni symud at y cwestiynau? A ydych chi'n hapus â hynny?

Alun Davies: It gives me great pleasure to welcome Professor Paul Millbourne. Paul works for the Wales Rural Observatory, and we have asked him to give us a presentation on his work and how that work on poverty in rural Wales is developing. We have not asked for written evidence from Paul on this occasion, but you will all have received a copy of the observatory's report on rural poverty and social exclusion in rural Wales before this meeting, so I take it that you will have had the opportunity to read the report. Would you be prepared to make some opening remarks, Paul, before we move on to the questions? Are you happy with that?

[3] **Professor Millbourne:** Yes, fine. For how long do you want me to speak?

[4] **Alun Davies:** Two to three minutes.

[5] **Professor Millbourne:** Okay. As Alun said, you should have seen a copy of the most relevant research that the observatory has done, which specifically focused on poverty and social exclusion in rural Wales, based on research in 2004 and 2005. The observatory more generally is concerned to explore social and economic issues within the Welsh countryside. In addition to this particular project on poverty and social exclusion, we have looked at housing needs and homelessness over the past two to three years, and we are in the process of writing up a big report on the findings of a survey of 4,000 households, which we carried out last summer. The report should be presented to the rural policy team in February of this year, in less than a month's time. That will update information that we have on the incidence and nature of poverty and social exclusion in the Welsh countryside. In relation to today's meeting, I will be referring mainly to the survey findings from 2004 and to the poverty and social exclusion report.

[6] The first thing to note is the different terms that we are using: we use the terms 'poverty' and 'social exclusion', and you use the terms 'poverty' and 'deprivation'. There is a slight difference between deprivation and social exclusion, but, on the whole, we are talking about the same sort of things, namely broadening out ideas relating to material poverty and thinking about the broader issues and dimensions of poverty. Do you want me to outline some of the key findings included in the report, or shall we just take that as read?

[7] **Alun Davies:** Yes, if you could.

[8] **Professor Millbourne:** The research that we carried out was a multi-method piece of research. It drew on the findings of our survey of 4,000 households and on new statistical analyses of poverty data and low-income data for the whole of Wales. It also drew on some interviews that we conducted with all local authorities in rural Wales—or the nine most rural local authorities in rural Wales—and with various national welfare agencies, and we finished

off with some more in-depth work that involved interviews with a selection of households on low incomes in Gwynedd and Pembrokeshire. This research points to the fact that, in overall terms, roughly 20 per cent to 25 per cent of households in rural Wales are experiencing some form of poverty. The household survey pointed to a figure of 25 per cent across rural Wales of households living below the 60 per cent national median income level, which is now widely accepted as the indicator of low income or poverty at a UK level. We carried out some analysis of income data, which showed that 20 per cent of people in work in rural Wales were living below that low income figure.

[9] We looked at the geography of low income and poverty in rural Wales, and what comes across, from various tables and maps, is a strong east-west division. The highest levels of low income and poverty are in the more remote, western parts of rural Wales, particularly the north-west parts—Gwynedd and Ynys Môn. There is a different situation in the eastern border areas, particularly in Monmouthshire, which records the highest income level for the whole of Wales.

[10] Beyond that, we did some work on the composition of households, and what emerged from that is that we are talking about households that are mainly those occupied by elderly people—two thirds of households on low incomes were occupied by people who were 55 or older. We are talking mainly about householders who own their properties, who have access to cars, and who see themselves as included within their communities, express high levels of satisfaction with rural living and tend not to recognise poverty around them. Indeed, one of the interesting findings is that a lower proportion of people in poverty recognise poverty in their area than is the case in higher income groups. Without going into the detail, statistics from the new survey replicate that finding. Therefore, there is a general lack of recognition, as many of you have probably observed, of poverty in the Welsh countryside. However, that lack of recognition seems to be more pronounced among people on lower incomes.

[11] When we talk to people in this category, they seem to be generally satisfied with their quality of life, their standard of living and their access to services. The work with the welfare agencies showed that it is more difficult to provide services to lower-income groups in rural areas, for various reasons, including dispersed populations. I suppose that, as has been shown to be the case in England, poor people in rural areas are less likely to come forward to people in statutory agencies than people in urban areas are. The Commission for Rural Communities has done some research on this recently, and it may talk to you about that later today. So, there is a lack of recognition of poverty and people tend not to come forward with problems to the same extent as people in urban areas. There is a history to this situation, because, for many years, there has been a lack of statutory provision of welfare services in many rural communities. People have become used to that, adopted their own coping tactics, and developed informal systems of welfare that tend not to involve statutory agencies.

[12] Those are probably the main findings of our research so far. With regard to our recent work on the new household survey, we have gone into a bit more detail on benefit receipt and the ways in which people cope with living on low incomes in rural areas. In due course, we should have much more information to share with you on some of these experiences of living on a low income in rural Wales.

[13] **Alun Davies:** Thank you. That was a fascinating introduction. I will ask Lorraine Barrett to begin our questioning.

9.40 a.m.

[14] **Lorraine Barrett:** In some ways, you have started to cover it, but could you say a little more—if you think that there is more to tell us—about the background to how you have defined poverty and deprivation? That is a big question, because it is often not only about

money and income; there are other factors and you just started to touch on those. Could you outline some of the key findings with regard to the nature of poverty and deprivation in rural Wales?

[15] **Professor Millbourne:** I could almost have thrown that question back at you for your use of the term ‘deprivation’, because, as you are aware, various terms are used, including ‘poverty’, ‘deprivation’, ‘social exclusion’, ‘disadvantage’ and ‘social justice’ and they all mean slightly different things. As I said at the start of my presentation, we use ‘poverty’ and ‘social exclusion’ as terms. What do we mean by ‘poverty’? I guess that we use it in more relative terms. As you are aware, there is an absolute definition of poverty, which is an inability to meet the basic needs of life. It is a very biological and physical definition linked to developing-world countries. There is also a relative definition, or what some people call the idea of overall poverty, namely looking at how a lack of income leads to other sets of deprivations and exclusions. It does not allow you to participate in those activities that are taken for granted in contemporary society.

[16] So, we are using that relative definition, and a statistical indicator or threshold is now widely accepted, namely households living below 60 per cent of median income. When we did the research in 2004, that 60 per cent of median income figure for Wales was around £10,500 per annum for households. You need to look at that in a bit more detail, and break it down further for different types of household. A single-person household is different from a household including three or four earning adults. So, there are some issues to do with that definition. Furthermore, that definition does not take into account savings or capital tied up in the house, and that sort of thing. So, you need to go beyond that. We have been trying to do that in our work by looking at the value of property and, more importantly, the value of savings not including property.

[17] We have also used ‘social exclusion’—and this is where we get at the issues that you are looking at—and if poverty is difficult to define in absolute and relative terms, social exclusion is more problematic. My understanding of it and the definition that I use relates to four components or dimensions of social exclusion. The first is exclusion from financial resources, which I take to be poverty. The second is exclusion from labour markets, which is to do with unemployment and low-quality employment and that type of thing. The third is exclusion from services, and housing is included in that. The fourth and most difficult to operationalise and measure is exclusion from social relations. That is very much to do with groups being isolated from society and community. So, those are the different dimensions that we looked at and we go into them in the report.

[18] Quite a lot of the work that we have done, including the writing in the report, is to do with poverty and exclusion from financial resources. However, we looked at the nature of the labour markets and employment, and we found the vast majority of households to be economically inactive. I have the figure written down somewhere. Around seven out of 10 households were economically inactive, and the vast majority was retired, which goes back to the point about the elderly. Having said that, three out of 10 households defined as living in poverty included people who were in work, and that work tended to be in smaller, private sector firms. They were overrepresented in the service sector, particularly hotels, in manufacturing, and in agriculture and related industries. The figures are all in the report. So, we looked at the issues there, and we looked at the difficulty in accessing employment in rural areas, including high-quality, well-paid employment. There is also a section in the report on the difficulty of accessing services. For me, a surprising finding was that lower income households did not report any greater difficulties accessing services than the sample overall did. That goes back to the point that I made about coping strategies and making do. If the situation has always been like that, they are not used to accessing those types of services.

[19] Finally—and I think that I touched on this before, on the social relations dimension—

a lot of work on social exclusion in an urban context deals with the ways in which poorer groups are excluded from society, and focuses on areas of multiple disadvantage in the city. Some of the interesting findings of our research point to the fact that you could argue that a lot of the poor people to whom we spoke felt a sense of inclusion in their local communities, though I would not go as far as to say that they felt empowered, or that their levels of civic participation were particularly high. When asked about their participation in the political process—signing petitions, contacting their Assembly Member or Member of Parliament, voting in elections, and so on—the figures were much lower for lower income groups. However, the people in those groups will tell you that they are satisfied with their standard of living, their quality of life, and their communities. They feel a part of their communities. The percentage figures that I am talking about, on feeling part of the community and on satisfaction with standard of living and with the local area, are in the high 80s or 90s among those low-income groups that we are talking to. That is a very interesting issue for you to look at, and I think that there is a need for more research on that.

[20] You need to be careful how you interpret this material, particularly given that most of it has come from a survey, which is quite a blunt instrument to use to get at experiences of poverty and social exclusion. When we did the follow-on, one-to-one interviews, the same kinds of issues emerged, but with a bit more disquiet about service provision. However, on the whole, the local community fabric and the surrounding natural environment were seen to compensate for some of people's everyday material hardships, although it was recognised that that natural environment was changing in the areas around these settlements.

[21] **Alun Davies:** I am very interested in your response, Paul. Through political campaigning and canvassing, one thing that I have found is a sense of insecurity, which can be expressed by an erosion of services, such as post offices and schools, and by fears about the provision of healthcare, as well as the erosion of the linguistic and cultural norms that people are used to in different communities. I find it curious, therefore, that you found high levels of satisfaction. When I speak to people, I tend to find high levels of fear and insecurity about the future. I do not know whether other Members share that experience.

9.50 a.m.

[22] **Brynle Williams:** This is precisely the picture that is emerging. Is it perhaps the case that the people who were spoken to in the academic study did not consider rural poverty when giving their answers? The fears for the loss of services in rural communities are genuine. It is perhaps one of these occasions when, as you said yourself, we need to drill down a lot further, and try to get people to understand what we are looking at. Maybe I am not making this plain enough. You used the words 'rural poverty', and the first thing that comes to mind is whether people can afford to live in the country, but perhaps we do not realise that 'rural poverty' also means the loss of services. These are genuine fears, but people have not connected one with the other. I am sorry, Chair, if I have gone on a bit.

[23] **Professor Millbourne:** In response to that, the first thing to say is that when we did this research, we never went in using the label 'poverty'; we always went in looking at what it was like to live in rural Wales. So, we have never asked people in a low-income household, or in a household more generally, whether they consider themselves to be poor; what we have tried to do is skirt around the issue sensitively by talking to them about the existence and nature of poverty, or about low incomes in their area. When I talked about low recognition, I was talking about the low recognition of poverty and low income in local areas.

[24] In response to Alun, what I was saying before was that people were not reporting problems, such as problems accessing services. That is different from saying that they were happy with the quality of service. We also asked narrow questions about the quality or the state of some five or six types of service, and we picked up the sort of things that you were

talking about. People were adopting quite complex coping strategies to deal with the limited provision of services and the retraction of local services in their communities.

[25] That comes back to the long-standing issue of whether the key policy challenge is to provide local services or to ensure that local people can access those services, that is whether those services could be located elsewhere. Therefore, it becomes more of a transport issue than an issue to do with the provision of services in the local area. That has emerged through previous research with Newidiam, which I was involved in, on age-balanced communities. A lot of young people were saying that they did not want their areas to be transformed into towns, but they wanted access to the services that young people in towns can access, which came down to a transport issue. For example, they were happy to drive to nightclubs in Birmingham from mid Wales, or to football matches in Liverpool for days out, but they did not necessarily want a swimming pool in their village. That is a clumsy way of putting it, but, as long as they could access services, whether through public transport or through sharing cars and that sort of thing, they were happy.

[26] Therefore, the points that you are picking up through talking to your constituents are not at odds with what I am saying. The point that I was making before was that there is very little difference when you compare levels of satisfaction or dissatisfaction among low-income groups with the overall sample or with higher income groups, which appears to go against what you would expect.

[27] **Alun Davies:** I think that Mick wants to come in on this point.

[28] **Mick Bates:** Yes, very briefly. You raise an interesting point about the concept of satisfaction, happiness and wellbeing. It is difficult to measure perception, and evidence is difficult to gain when you just ask people a straight question, such as, 'Are you happy with your life?'. We are talking about quality-of-life issues. There has been some research on this subject—I recall some work done in Devon about quality-of-life issues. Have you undertaken any specific quality-of-life-issue research, and have you found any correlation with the points that you have just made? It sounded as if you were speculating a little, in that people were content provided they have a transport link. That sounds fairly rational, but is there evidence to suggest that you have linked the quality-of-life issues with particular points such as transport, access to the GP, or whatever?

[29] **Professor Millbourne:** We have the ability to do that. We have not done a specific piece of work that focuses on the issues that you talk about. In this work, we asked everyone a series of questions in the household survey, so that we could compare different income groups. Social scientists would refer to social capital, and that relates to a series of issues that are related to living in a local area, general satisfaction, whether or not people feel safe or isolated, whether or not they feel part of their community and whether they feel that people can be trusted. There was a statement in the questionnaire that said, 'I definitely enjoy living in my community', to which people were given the opportunity to respond. The figures that I have show that 93 per cent of people in low income households agreed with that statement. We asked questions about isolation and whether people felt that they could influence decisions, and we asked a series of questions on what you might call civic participation, namely people's involvement in local groups and organisations, their participation in the most recent National Assembly elections, their contact with their councillor, AM, MP, and whether they sign petitions or do voluntary work, and so on.

[30] We had a whole series of questions, and it was through the analysis of those questions that I came to that point. It is a 'yes' and a 'no' answer to your question; yes, we can and, to a limited degree, we have looked at these levels of satisfaction in relation to people's material circumstances and what services are available to them. In the report, we talk about some of those things. However, I am doing more work on this issue at the moment in relation to social

capital. We are trying to get inside that low income group and break it down according to where people live, gender, age, length of residence, language competence, access to services, and all those types of things. So, we are able to do the more detailed type of analysis that you talk about.

[31] **Alun Ffred Jones:** To return to the issue of poverty, what measures did you use and why were they chosen?

[32] **Professor Millbourne:** The measure of poverty that we used was in relation to national median income, and we used what is fast becoming the official definition of poverty or low income in the UK and the European Union—households living below 60 per cent of the national median income.

[33] **Alun Ffred Jones:** When you talk about income, does that include pensions, benefits and everything else?

[34] **Professor Millbourne:** Yes. We asked households to provide us with their gross income from all sources. We were able to get hold of data on income levels at a local level, so we used the same 60 per cent figure for low income within work. We accessed data on income levels at a ward level, allowing us to do the spatial analysis in the report. So, that is the measure that we are using: below 60 per cent of national median income.

10.00 a.m.

[35] **Alun Ffred Jones:** Are there any problems with any of these measures with regard to highlighting issues in rural areas?

[36] **Professor Millbourne:** There are many problems with all indicators of income; as Tony Blair would say, 'period'. The problem in the UK is that we do not collect detailed income data. In the United States, they collect income data through the census. There has been talk of doing that in the next census, but I think that including that particular question has been ruled out. If we collected data like that, we could do great deal more. On the whole, we are restricted to proxy indicators. Earned income, which I talked about before, is used as an indicator by many organisations, including the Commission for Rural Communities. It is modelled income, based on pay-cheque data, provided by a private company. There are proxy data in terms of benefit received, unemployment levels and so on. In the report, we provide many statistical tabulations and maps of unemployment rates, low income levels and receipt of different types of benefit. The trick is to bring together as many sources of information as possible. If all of those sources of information point to the same sorts of issues, you can start to say something that has a little more significance than it would were you using only one source.

[37] **Alun Ffred Jones:** I may be straying on to someone else's patch, but I am interested in the comparison between your work and the index of multiple deprivation, which has been used extensively in policy-making in the Assembly. That has resulted in the definition of Communities First areas, practically all of which are in urban areas and concentrated in Valleys communities, with some in north-east Wales. Do your work and figures prove that that is—I do not want to say 'reliable'—a means of deciding the extent of poverty or deprivation?

[38] **Professor Millbourne:** I understand the question, and you have asked me this before when I gave a presentation. The first point is that the research and policy goal should be to develop more sophisticated indicators of poverty, deprivation and social exclusion, rather than to develop indicators that meet the purposes of rural, urban or Valleys interest groups. Therefore, we have been trying to look at what sources of information are available, and to

generate our own through the household survey, although, for understandable reasons, it relates only to rural Wales. So, the general goal is to provide more sophisticated indicators of poverty and social exclusion.

[39] I do not think that there is a disparity between the sort of findings that we have been producing and those that come out of the index of multiple deprivation analyses. The index of multiple deprivation, as you may or may not have been told by others, has a particular purpose, which is to measure spatial concentrations of multiple disadvantage or deprivation. Obviously, when you recognise the issues in rural areas, it is understandable that the index will bring out more deprivation in a concentrated urban context than in a rural context. I do not have a problem with that, and you can break down the different components of the index of multiple deprivation and look at those in more detail. I understand that there are some technical issues associated with the construction of the index, which, to date, have not allowed the team to include a measure of housing affordability, for example.

[40] When I saw the housing domain, I was initially quite surprised that there was no indicator or measure of housing affordability, because the other work that we have done on housing needs and homelessness has shown that housing affordability is a more pressing issue in rural parts of Wales than it is in other parts of Wales, although this point about the heterogeneity of the Welsh countryside also needs to be borne in mind.

[41] I am on the Joseph Rowntree Foundation's Commission on Rural Housing and we took more evidence on this yesterday. There are no major differences between what the index of multiple deprivation can do if you break down its individual components. In the context of our research, we have been looking at and reporting on the fact that we need to be aware of the issues and of many of the shortcomings that exist in terms of the indicators of poverty that are out there.

[42] **Alun Ffred Jones:** I do not have your report in front of me, but I think that table 1 refers to benefit claimant rates, including Jobseeker's Allowance, income support, council tax benefit and working family tax credit. This is crude, but I understand that, where you refer to 'the Valleys', you mean areas with high concentration of poverty, while other parts of it are perhaps more prosperous. Looking at the figures for Gwynedd, since I know Gwynedd very well, and comparing them with the Valleys, if you look at Jobseeker's Allowance, income support and working family tax credit, the figures are at least within striking range of each other. However, council tax benefit is almost double in the Valleys as compared with that of Gwynedd and other rural areas. Is there a reason for that?

[43] **Professor Millbourne:** There probably is, but I would not like to state what it is. More generally, we make the point strongly in the report that we need to move beyond average statistics and the average for rural, urban, the Valleys and semi-rural areas—those are the four categories that we use for those statistics. When you break down rural Wales, it is possible to look at similarities in terms of the incidence of benefit receipt, in this case, in particular parts of rural Wales with those in, for example, the Valleys. Some of the maps that we produce in the report show that quite clearly.

[44] **Alun Ffred Jones:** An east-west comparison or contrast would, perhaps, also be too broad, but you make the point that there are differences between poverty levels in rural areas in different areas of Wales.

[45] **Professor Millbourne:** Yes, it is a generalisation, but when you step back from those maps, you see how the colour changes. Having said that, in the unitary authority area with the highest average income level, namely Monmouthshire, 15 per cent of households still live below the poverty line, so we need to be very careful about that.

[46] **Brynle Williams:** Did you say that affordability and availability have not been factored into the equation on housing?

[47] **Professor Millbourne:** In the index of multiple deprivation?

[48] **Brynle Williams:** Yes.

[49] **Professor Millbourne:** In terms of the current one, it has not. However, people are looking at that. It is my understanding that it is down to the robustness of the data. We have produced maps of changing housing affordability in rural Wales over the last few years.

[50] **Brynle Williams:** In my area, like every area in Wales, it is devastating that people cannot live in their own community; there is simply no housing for them.

10.10 a.m.

[51] **Professor Millbourne:** Having been involved in five evidence-gathering sessions in different parts of rural Wales for the Rowntree foundation commission, that point comes across very strongly.

[52] **Mick Bates:** I am interested in the point that you made about the difference between your evidence and much of the evidence that forms the index of multiple deprivation. It is all spatial; how do you overcome that, and get a better picture? How else can you do this, other than looking at each case individually?

[53] **Professor Millbourne:** The Wales index of multiple deprivation is one statistical exercise, and has been undertaken for a particular purpose, as it has been in England. The data exist, but some further work needs to be done on those indicators. As I said earlier to Alun Ffred, there is always a need to develop more sophisticated, sensitive indicators—

[54] **Mick Bates:** What kind of indicators?

[55] **Professor Millbourne:** We could try to get at individual income levels. People have talked about getting information on income from people's tax records—that has been discussed, although it did not go very far. We could make better use of existing data that are collected on individuals in relation to benefit receipt data, and other types of data.

[56] However, going back to your point about the spatial focus, there are other ways in which you can present data—you do not have to present it as a proportion of households in a particular area, which I think is the issue that you are getting at in terms of the index of multiple deprivation. In previous work that I have done on rural poverty in different counties in England, what we have done—and we did this to a limited degree within the Welsh report—is look at it in terms of absolute numbers. So, rather than saying that there are only a small proportion of wards within rural Wales that contain over 10 per cent of households on a particular benefit, or on a low income, you make the point—and we do this within the report—that almost every ward or community within rural Wales contains at least three, or five, or 10 households living in poverty or in receipt of benefits. So, one way of turning this around is to deal with absolute numbers, so that you emphasise the thousands of people within rural Wales who are on particular benefits. The fact is that—I cannot remember the exact figures now—around 90 per cent of communities or wards within rural Wales contain at least five households in receipt of a low-income-related benefit. That is, you make the point that poverty is everywhere, and if poverty is everywhere then that needs to be recognised politically, and dealt with accordingly.

[57] Going back to some broader issues, the way poverty is socially constructed is

understood, and the dominant discourses of poverty are very much spatialised, and the reason for that is because it is most visible in particular places, and it becomes visible for different reasons. It may be that you walk past somebody in a sleeping bag in the subway, as I did yesterday when I went into work, and that reinforces an idea of poverty or homelessness within the city. It is probably to do with the fact that, if you look at where welfare services for vulnerable groups are located, they tend to be in the towns in rural parts of Wales, and, more generally, in the larger towns and cities. Again, that reinforces the visibility of poverty and homelessness in particular places. Compared with 10 years ago, we have much more statistical evidence to demonstrate the presence of low-income-poverty deprivation in rural areas, and in rural Wales in particular. Whether the best use is being made of that statistical information, maybe outside of the observatory, is another thing. The observatory is there to be used, and from a personal perspective I would be more than happy to be involved in discussions about doing further work on poverty and deprivation in rural Wales. It is an issue that is close to my heart, and I would do it regardless of whether I was funded to do it, and, indeed, I have done it for the last 20 years, for various reasons.

[58] There are alternative statistical indicators. The observatory is sitting on a rich resource in terms of two major household surveys. Wales is fortunate because the Department for Environment, Food and Rural Affairs has chosen not to continue the funding of its rural evidence centre, so Wales is in a good position to be going forward with addressing these types of issues robustly.

[59] **Mick Bates:** May I make a quick point?

[60] **Alun Davies:** We need to move on, because I am aware of the time. Brynle and Alun Ffred want to come in.

[61] **Brynle Williams:** In your evidence gathering on rural poverty, is there a proportion of people who will not be paying tax? There are some very proud people living in rural communities who will not claim benefits. Do you have any evidence that there is a category in the middle that would not show up? Is there a hidden category? There are several villages that I could refer to where there are certain people who could be classified as living in rural poverty, who are not making sufficient income to pay tax, and yet are too proud to claim benefits. I hope that you know what I am trying to get at.

[62] **Professor Millbourne:** Yes. It is true that there are groups entitled to benefit that are not claiming those benefits. I had a meeting with the person who is presenting to you next last week. The Commission for Rural Communities has recently commissioned research looking at levels of claiming benefit in rural and urban areas of England, and you might want to ask about that. I would not want to disclose the key findings from that, but you would find it interesting, I think.

[63] More generally, trying to get income information out of people is difficult. The textbooks show that the higher your income, the less likely you are to disclose that income to a researcher.

[64] **Alun Davies:** We have discussed the nature of poverty and descriptions and how we measure it this morning, but I would like to conclude our session by looking at whether you believe that poverty and deprivation in rural Wales are adequately recognised in the Government's anti-poverty policies—I should say public anti-poverty initiatives, because I mean those at local authority, at Assembly level and at UK Government level. Do you think that the poverty and deprivation that we see in rural Wales is recognised and built into those anti-poverty programmes?

10.20 a.m.

[65] **Professor Millbourne:** That is an interesting question. If I answer that as a researcher, as an academic, I would have to say that there has not been enough formal evaluation of the impacts of anti-poverty or welfare policies in rural areas. Rural-proofing has not been carried out to the same degree in Wales as it has in England, although I am sceptical about—the Commission for Rural Communities representative would come in when I am talking about England—whether rural-proofing is actually taking place in England. When you are trying to evaluate the impacts of national policy on rural areas, there are two things to consider: the likely impacts of developing a new policy and the actual impacts of the policy. In the context of England, all the attention has been given to the former and very little to the latter. For example, very little work has been done across the UK on the impacts of welfare reform, the New Deal, the minimum wage and poor disadvantaged groups within rural areas. Much information about this is coming out of the United States of America, which has implemented similar programmes of welfare reform, and it shows that there are some specificities associated with rural areas that have problematised the successful implementation of national welfare reform. There are many issues to do with the state of the rural economy and the provision of childcare facilities in terms of getting people back into work, and transport issues in terms of accessing labour markets and so on.

[66] Belatedly, there has been an increased recognition of the rural dimensions of poverty and social exclusion. Much more attention is needed on what is and what is not working in a rural context. I always talk about the need to have national policies that are sensitive to the particular needs of different groups and different places, and that is what the policy goal should be. There should be much more leadership to try to take forward and pilot new initiatives in different places. On the basis of the evaluations of those pilot schemes, those programmes should be rolled out more generally across rural Wales. The establishment of the observatory is a key commitment to dealing with rural issues, and a key recognition that there are particular dimensions to these issues in rural areas. So, I think that we are going in the right direction, but more work could and should be done to look at the different impacts of existing and new policies, particularly welfare and anti-poverty policies in rural areas.

[67] **Alun Ffred Jones:** When will you present your recent research to the rural policy team?

[68] **Professor Millbourne:** In February.

[69] **Alun Ffred Jones:** I suggest, therefore, that we ask Professor Millbourne to come back after presenting those figures, because they will be more recent and there may be new facts that are of interest to us.

[70] **Professor Millbourne:** I am more than happy to present you with a summary of the findings that relate to the specific remit of this committee; the issue is whether or not I am empowered to do so. My first commitment is to get the report to the rural policy team. If you wish to discuss the issue with the rural policy team and it is happy for me to give you some new information, I would be happy to pass on that information to you.

[71] **Alun Davies:** We will take that forward.

[72] Hoffwn ddiolch i chi am eich amser a'r ffordd y bu i chi ateb cwestiynau'r pwyllgor. Yr wyf wedi mwynhau'r drafodaeth a gawsom, a byddwn yn sicr o barhau â'r drafodaeth. Edrychaf ymlaen at glywed eich cyflwyniad yn ystod y mis nesaf, os bydd hyunny'n bosibl. Byddwn yn parhau i Thank you for your time and the way in which you answered the committee's questions. I enjoyed our discussion, and we will be sure to continue it. I look forward to your presentation next month, if possible. We will continue to discuss with the Minister and her team to ensure that. Therefore, I look

drafod gyda'r Gweinidog a'i thîm i sicrhau forward to that and I am extremely grateful to
hynny. Felly, edrychaf ymlaen at hynny ac yr you for your time and your evidence this
wyf yn ddiolchgar iawn i chi am eich amser morning.
a'ch tystiolaeth y bore yma.

[73] Symudwn ymlaen a chroesawu We will now move on and welcome Nicola
Nicola Lloyd o Gomisiwn Cymunedau Lloyd from the Commission for Rural
Gwledig. Diolch am eich amser a chroeso i'r Communities. Thank you for your time and
pwyllgor. welcome to the committee.

[74] We have some questions for you, but will you first introduce yourself and talk about
the work that you and the commission undertake?

[75] **Ms Lloyd:** I am Nicola Lloyd and I am director of rural analysis at the Commission
for Rural Communities. I have recently moved on from being the programme manager for our
securing social justice programme. Previously, I worked in the rural-proofing area, producing
our monitoring and rural-proofing reports.

[76] Our conclusion from looking at rural disadvantage in England is that, because it is
qualitatively different to urban disadvantage, its analysis and the identification of solutions
need a different approach. On the rural-proofing side, we found that rural-proofing involves
an effective assessment of rural needs, which are taken into account in policy, programme
design and implementation. However, that does not always happen, so although the policy is
being supported and implemented in England, our monitoring finds that its application is
quite patchy. However, where the spatial dimension is more obvious, or where stakeholder
engagement and research has revealed it, then rural-proofing does occur. So, basically across
those two areas, we have decided that there is a need for robust evidence of rural need and
clear communication to policy makers and service deliverers.

[77] The commission has a remit to pay particular regard to people suffering disadvantage,
so we do not only have the rural remit in England because it also relates to rural disadvantage.
We conducted a disadvantage study, which reported in 2006 and identified financial, access
and network poverty as being particular features of rural disadvantage in England.

[78] On the rural-proofing side, our remit is to monitor and to ensure that Government
policy is being rural-proofed to challenge Government to meet rural need.

[79] On tackling rural disadvantage, we find that policy makers are not convinced that
rural disadvantage is an issue, particularly in comparison with urban disadvantage. One of the
biggest problems is that the standard means of identifying deprivation is through the indices
of deprivation, which are an area-based measure and designed to identify concentrations of
poverty and disadvantage.

[80] In rural areas, deprivation tends to be much more scattered and dispersed, so we find
that it is not a very good measure. We continue to use it because we find that there are not
many alternatives. We have just done an analysis of the 2007 indices, released in December,
which show three key aspects of rural deprivation. The first shows that sparse areas are the
most poor, and the second shows that there has been an increase in deprivation in all areas
apart from those defined as the less sparse towns. Furthermore, if you disaggregate the indices
into their different domains, then it is possible to see that the pattern is much more diverse,
particularly in a couple of the domains relating to barriers to housing and services, and in the
environment domain.

10.30 a.m.

[81] So, we have been doing quite a bit of work to find other ways of measuring deprivation in rural areas. I can talk about those if you wish. On the rural-proofing side, our 2007 monitoring report—which was the sixth of these reports since rural-proofing became Government policy in 2000—found that rural-proofing across Government policy is not consistent or systematic. However, where stakeholders have been engaged or there has been some special research on rural needs, those needs are revealed. A further issue is that there is not sufficient use of the rural/urban definition; it is not being used properly to identify what rural need would be. It is of particular note that we use the same definition as is used in Wales. Our conclusion on rural-proofing is that it needs to be promoted more actively, but that it should also be linked more closely to Government policy in the areas of importance of place and mainstreaming. The continued drive for devolution of decision making offers an opportunity for greater assessment of need at a local level.

[82] **Alun Ffred Jones:** Thank you for coming. You have touched on this, but can you provide us with an explanation of the way in which the commission reports to the UK Government, and comment on the UK Government's response to rural issues in England? How do you report, and to whom?

[83] **Ms Lloyd:** We are required to report to Parliament, and directly to the Prime Minister through the rural advocate, Stuart Burgess, who is our chairman. He has a particular role to voice the concerns of rural people, and he has regular meetings directly with the Prime Minister and his advisers.

[84] **Alun Ffred Jones:** So you do not report to the Department for Environment, Food and Rural Affairs?

[85] **Ms Lloyd:** We work with DEFRA, but our remit is to report to Parliament. Therefore, when we produce the rural-proofing report, it is a report to Parliament. Generally, DEFRA Ministers would then give a response to that.

[86] **Alun Ffred Jones:** Do you appear before any committee?

[87] **Ms Lloyd:** Sometimes we would be called, and sometimes we are asked to provide evidence. Obviously, we respond to consultations, but there is not a regular arrangement that I am aware of for appearing at, for example, the Environment, Food and Rural Affairs Select Committee.

[88] **Alun Davies:** I am very interested by that. So you report to Parliament rather than to DEFRA? You are not a DEFRA-sponsored body?

[89] **Ms Lloyd:** We are a DEFRA-sponsored body, but we are a non-departmental public body.

[90] **Alun Davies:** So you report directly to Parliament?

[91] **Ms Lloyd:** I believe so, yes. That was established in the Natural Environment and Rural Communities Act 2006.

[92] **Alun Ffred Jones:** You suggested in your opening remarks that you did not find much evidence that your findings have been acted upon or mainstreamed.

[93] **Ms Lloyd:** That is what the rural-proofing reports show, and it is also my experience from working on the areas of poverty and disadvantage.

[94] **Alun Ffred Jones:** You said that there was evidence that where stakeholders are

engaged, needs are revealed. What did you mean by that?

[95] **Ms Lloyd:** In policy development, and where policy programmes are implemented, people, particularly those who would be beneficiaries and recipients of the policy, are consulted about how that should be done. It soon becomes fairly obvious that there are specific rural issues.

[96] **Alun Ffred Jones:** So, it is not that your reports are acted upon in certain areas?

[97] **Ms Lloyd:** Within the detail of the rural-proofing report, which is undertaken every year, we select a range of policies to look at. We then reach conclusions generally on the extent to which those policies have been rural proofed. We have found that if there is a very obvious rural dimension—particularly anything to do with agriculture—policies are rural proofed. However, it would be fair to say that policy makers are not looking for the rural dimension; it is not something that they would consider systematically.

[98] **Alun Ffred Jones:** You mentioned other ways of defining rural deprivation. I think that you mentioned financial access and another category, which was—

[99] **Ms Lloyd:** It was network poverty, and that is to do with isolation. We did quite a bit of work in the study on older people.

[100] **Brynle Williams:** What have been the reactions to the 2006 rural disadvantage study among those that you are aiming to influence?

[101] **Ms Lloyd:** We found that people were interested in the evidence that we put across, and it is quite a weighty report. However, it still seems to be the case that policy makers, in particular, feel that because the volume of the issue in rural areas is not as great—and we cannot claim that it is—and because it is not concentrated, that the issue itself is not as important. In fact, we have found that there are probably about 2 million people living in low income households in rural England, and our argument is that if they were all in one place, then someone would want to do something about it. However, the difficulty is that they are scattered, and we have found that when we put across this evidence, and have the opportunity to do that, it raises an interest in doing something about it. We are doing quite a lot with the Department for Work and Pensions at the moment on a particular topic to do with financial exclusion. Now that it understands a bit more about the issues, and we have been able to present some solutions to, it is more interested and wants to act upon them. However, this does not happen in any systematic way—the assessment of need for people living in rural areas is not considered unless we, or a rural lobbying body, bring the issue up.

[102] **Brynle Williams:** You said that 2 million people live in low income households. Our masters above us—not you, so please do not be offended—do not seem to think that the rural poor are significant. I think that they are very significant, and this is part of the whole philosophy of trying to uncover rural poverty. What kind of programmes has the commission developed, and how are they funded and evaluated?

[103] **Ms Lloyd:** We are an advisory body. Unlike the Countryside Agency, which preceded us, we do not have grant programmes, so we are not involved in any kind of programme implementation on the ground. All of that, on the social and economic side, was devolved to the English regions, and so some of the programmes that we used to have in the Countryside Agency, such as those dealing with rural transport, market towns, and rural economic issues, are continuing in that way. So, the work that we do is on the policy side—we provide expert independent advice on policy issues.

[104] **Brynle Williams:** Thank you. Finally, how is the impact of these programmes being

monitored? Can you tell us a little about that, please?

[105] **Ms Lloyd:** The monitoring and evaluation of the delivery of programmes lies with the regions, and the Government offices for the regions. So, within each programme there should be some form of evaluation, and when we do rural-proofing, we look at the kind of evaluation that takes place and whether there is consideration of the rural impact. That is where we find that not using the rural/urban definition is inhibiting.

[106] **Alun Ffred Jones:** Would it be true to say that the kind of people who are poor in rural areas are the same kind of people who are poor in urban areas?

[107] **Ms Lloyd:** They have some different characteristics, which adds to the difficulty. For example, it is more likely that poor people in rural areas will be working and not taking up benefits. Some of the features are the same, in that older people, in particular, have difficulties, and it is more likely that older people in rural areas will not have an additional pension, but that they will be living on the state pension. There are some other characteristics that stem from living in a rural area, such as not having the same kind of access to developing skills, which will be a big issue with welfare reform.

10.40 a.m.

[108] There are some differences. Broadly they are the same people, and rural areas are not some completely strange and alien country, but they do have some particular characteristics. They are the other arguments that we put across to Government to explain why policies need to be adapted for their application in rural areas.

[109] **Brynle Williams:** On the point that I made to the previous contributor, I find that we have a category of people, especially in rural villages throughout Wales, who are not earning enough to be showing up on tax returns, and yet they are too proud to be claiming benefits. Is that taken into your considerations in any way, and can we highlight the fact that people are not taking up benefits when they are there eligible for them? I am just trying to get that message across.

[110] **Ms Lloyd:** We published a new piece of evidence in December that we had commissioned the University of York to do, but, before that, there was no evidence to show that there was a difference in the take-up of benefits. We looked just at pension credit, and we have now shown that there is a statistically significant difference in the take-up of pension credits by rural pensioners and by urban pensioners. That is also of interest to the Department for Work and Pensions, and, having put the evidence to it, we hope that it will be interested in looking at that and in doing further analysis of whether that is the case with benefits across the board. There is a lot of other evidence to show that it is the case, and people such as you who are in contact with rural communities have seen that, but we seem to have to demonstrate it as a fact before getting any attention to the issue.

[111] **Mick Bates:** Thank you for your evidence. I want to examine in a little more depth these indices of deprivation. There is an interesting quotation in your paper:

[112] 'Furthermore, there has been recent research in Norfolk which shows that most deprived people in rural and urban areas do not live in the areas categorised by the indices as the most deprived'.

[113] So, when we look at these dimensions, it seems to us to defeat the whole object, but, as you have pointed out, they are spatial, and so will identify the most concentrated areas. How will you overcome that? Are there other indices that you would prefer to use, so that we do not always get the most concentrated area?

[114] **Ms Lloyd:** My view of the measurements and of their use is that it depends on what you are trying to do. If you are trying to target neighbourhood renewal, which is what the indices were for, they are absolutely the right way to do it, because they look at the coincidence of different types of deprivation and their concentration in particular areas. The difficulty comes when you use them to target other types of policies, particularly those that should be directed at individuals. So, in areas such as welfare reform, picking out those deprived areas across the country and piloting in them or giving them extra resources will not reach your most deprived individuals. We are looking at different ways of doing that, and including other indicators than those that are actually in the indices of deprivation, which rely particularly on benefits as an indicator of income. If people are not taking benefits up, you have a difficulty.

[115] We are also looking at whether it is possible to model income to a low, small-area level, which is quite technical, statistically. The UK department of Communities and Local Government has also been doing that, and we have commissioned people who did that at the University of Essex to look at that specifically in the rural sphere.

[116] We will not get information about income directly from sources like the census. The next census is still unlikely to have an income question, so it needs to be estimated. The big national surveys that give you information on income, particularly the standard measure of poverty that is used, which is households below average income, come from surveys. Given how surveys are sampled, you cannot model them down to these low areas, because the information is not reliable. However, if you want to look at the rural issues or a low area level, even in an urban area, we need other way of measuring people's income.

[117] **Mick Bates:** You mentioned income as one factor, but I am still unclear, other than going through the census, as to how you propose to collect robust income information, which would be sufficient evidence to change the programmes. I missed that.

[118] **Ms Lloyd:** I am not going into it too far, because it is very technical, but, in essence, it is down to using statistical modelling so that you take estimates at a higher geographical level, where they are available, and model them down to the low areas. That is what we are doing at the moment to estimate what we call the overall rural share of deprivation.

[119] **Mick Bates:** So, I assume that the indices would indicate the rural share of deprivation as a percentage figure.

[120] **Ms Lloyd:** It will not be a set of indices such as the indices of deprivation, because they include many other indicators, some of which are very relevant to rural areas, including housing conditions and access to services, although there is nothing on transport at the moment, which is an area that we feel should be included.

[121] **Mick Bates:** You mentioned the housing domain, but there is currently no index of housing affordability, which is a critical factor.

[122] **Ms Lloyd:** Absolutely.

[123] **Mick Bates:** In England, are you considering using that? You talked about the income sets, but what about the housing set? Would there be a reference to an affordability index?

[124] **Ms Lloyd:** We will analyse them, and we also do our own affordability calculations; we produce a report called 'The State of the Countryside' every year, which includes a mass of facts and figures and a housing affordability index that we have derived.

[125] **Mick Bates:** Is that recognised by Government and used to influence policy?

[126] **Ms Lloyd:** Yes, it is. We have done quite a lot of work on affordable housing and we have responded to the Government's Affordable Rural Housing Commission that reported last year. We conducted a housing inquiry throughout the country, and took local evidence as well as using some of the statistical material.

[127] **Mick Bates:** Thank you.

[128] **Brynle Williams:** Are these models based solely on the English aspect, or do you use Welsh communities too? There may be problems unique to Wales—and the Welsh language must be taken into consideration, for instance, although language is not unique.

[129] **Ms Lloyd:** There are differences, and, although I do not know the geography in detail, I imagine that it is more common for sparser populations and smaller settlements in Wales, and that what we will find in respect of those two variables will be more extreme in Wales. The rural/urban definition was developed together with the Assembly, so we use the same definition, and the models that we use should be applicable as long as the data are available for Wales at the correct geographical level.

[130] **Brynle Williams:** Thank you.

[131] **Alun Davies:** Before I move on, I want to ask about the work that you have undertaken. The committee's inquiry is trying to focus on the experience of different groups of people, such as older people, children and young people, economically inactive people, as well as economically active people. Have any of your programmes undertaken specific analysis or addressed the needs of these specific groups?

[132] **Ms Lloyd:** Within the study of the disadvantaged, a specific piece of work was done on older people. That included quite a bit of interviewing and some analysis of a wider piece of work on older people, using the rural definition. In respect of the other groups that you talked about, we are beginning to do some of that work. Our experience is still at an early stage, so we are looking specifically at how delivering the child poverty target—which, as you know, aims to eradicate child poverty by 2020, and to halve it within the next three years—is applied in rural areas. We are also considering how welfare reform could impact on people living in rural areas. That would definitely include your group of people who are economically inactive.

10.50 a.m.

[133] **Alun Davies:** I want to conclude this morning with a discussion on rural-proofing. Brynle, would you like to lead on that?

[134] **Brynle Williams:** Could you briefly outline the rural-proofing process?

[135] **Ms Lloyd:** The idea of rural-proofing is that, as part of policy development and then of programme development and implementation, there should be, first, proper consideration of whether there is a rural dimension to that particular policy, secondly, an analysis to say what that is, and, thirdly, consideration of whether the policy itself needs to be adapted if it is to be delivered in a rural area. The idea is that that part of the process is undertaken by the Government department, the region or whoever is developing the policy. It is not done to policy by civil servants at the Department for Environment, Food and Rural Affairs or by the commission as a regulatory body. We are a watchdog in respect of rural-proofing, and we come in at a later stage. Given our knowledge as experts on rural affairs, we are there to give

support and advice on rural-proofing.

[136] **Brynle Williams:** Your paper states that there is not a consistent approach to the UK Government's commitment to rural-proofing. Could you explain how that approach varies, and why that may be?

[137] **Ms Lloyd:** In looking at the implementation of rural-proofing over the past couple of years, taking a sample of 20 policies that cut across all Government departments, we have seen that the use of rural-proofing is variable even though it is part of the formal process of the regulatory impact assessment, which is supposed to take place. When each policy is put into place, particularly for the production of a consultative document or a Green or White Paper, there is almost a tick-box exercise called the regulatory impact assessment, and rural-proofing is part of that, but it is not always applied. We think that that is because of a lack of awareness and understanding of the rural dimension. If there is not an obvious rural dimension, people think that it has nothing to do with rurality and so rural-proofing does not apply. That is problematic, because there are quite often unintentional consequences of particular policies. We are currently concerned about welfare reform, whereby people's benefits will be partly dependent on their taking up training and skills improvement programmes, which may not be readily available in rural areas.

[138] **Brynle Williams:** That could already be happening in north Wales. Could you give us some examples of policies that have been adjusted to consider the needs of rural areas?

[139] **Ms Lloyd:** I apologise, but I do not have that information. My colleague, who did this year's report, was going to accompany me. I would be happy to send you the report, including all the detail of what happened this year.

[140] **Alun Davies:** If you could do that, we would be grateful.

[141] **Alun Ffred Jones:** Along the same lines, have you made any specific recommendations to Government on policies or strategies that have or have not, from what I gather, been implemented. If you have made such recommendations, could we see them?

[142] **Ms Lloyd:** In the overall monitoring report, we tend to identify issues with the application of the process. So, our recommendations are more general. One is, obviously, that, in monitoring and evaluation, they use the rural/urban definition, because, often, the reason given for why rurality has not been taken into account is that there are different definitions of 'rural', and that people do not really agree on what those are.

[143] **Alun Ffred Jones:** Is it correct to say that present policies or trends are driving low-income families from rural to towns and cities, so that rural areas are becoming the domain of the relatively well off and rich? Would it be fair to say that?

[144] **Ms Lloyd:** We definitely have that concern, particularly in respect of affordable rural housing. We have identified, and others have noted this too, that there is a large movement of younger people from rural areas. People moving in to rural areas, with the exception of migrant workers, tend to be better off.

[145] **Alun Ffred Jones:** Do they also tend to be older?

[146] **Ms Lloyd:** It is not just retirees; there is quite a big movement of young families seeking a better quality of life.

[147] **Mick Bates:** I am interested in rural-proofing from the perspective of the regulatory impact assessment. Are you the people who give advice during that assessment process?

[148] **Ms Lloyd:** There has been a change. With the establishment of the commission, last year, it was agreed that DEFRA would support other Government departments and bodies in rural-proofing. However, I believe that that is under review, and it may be the case that it comes back to us.

[149] **Mick Bates:** Would you undertake all that work, or do you contract some of it out, and get opinions from others through consultation?

[150] **Ms Lloyd:** We work with partners and conduct consultation in all the work that we do. We do not regard ourselves as the repository of all there is to know on these issues. We are a national body, but you are dealing a lot with local issues. However, if we were to take on the responsibility again for providing support and promoting rural-proofing, we would lead on that and take the initiative. At the moment, that responsibility lies with DEFRA.

[151] **Alun Davies:** There are no further questions so that concludes the meeting. Thank you for your evidence; we appreciate the time that you have taken and the information that you have given. We are very grateful. The next meeting of the sub-committee will be on 6 March.

*Daeth y cyfarfod i ben am 10.58 a.m.
The meeting ended at 10.58 a.m.*