

PIW 14

Communities, Equality and Local Government Committee

Inquiry into Poverty in Wales: Strand 1

Response from: Anglesey operational Welfare Reform Impact Partnership

Welsh Government enquiry into Poverty Wales.

Strand 1: poverty and inequality

To consider:

- how effectively the Tackling Poverty Action Plan, Strategic Equality Plan and other government strategies work together;
- the impacts of poverty, particularly destitution and extreme poverty, on different groups of people;
- how legislation, policy and budgets targeted at tackling poverty and reducing inequality are co-ordinated and prioritised across the Welsh Government

1. The Anglesey Welfare Reform Impact Partnership (WRIP) is a third sector lead groups which aims to mitigate against the impact of welfare reform at an operational level.

1:1. A sub-group of WRIP recently met with a view to contributing to the National Assembly for Wales' Communities, Equality and Local Government Committee's inquiry into poverty in Wales.

1:2. Each bullet point that the group feel able to respond to has been addressed in turn.

- **how effectively the Tackling Poverty Action Plan, Strategic Equality Plan and other government strategies work together;**

2. Jobs Growth Wales V The Work Programme

There is a conflict between central and devolved government initiatives e.g.; Anyone participating in The Work Programme is prevented from applying for any vacancy provided under Jobs Growth Wales

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- **the impacts of poverty, particularly destitution and extreme poverty, on different groups of people;**

3. Those living in rural areas

Rural/rurality is defined as a settlement which has less than 10,000 habitants, Ynys Mon is categorised as a predominantly rural Local Authority. There are a number of distinct challenges facing local authorities as regards to child poverty and social

exclusion rural Wales. The lack of adequate public transport infrastructure and its high costs, the lack of affordable childcare facilities and poor access to services are the main challenge facing policy makers and service providers.

3:1. Rural households often use fuels other than gas to heat their homes as they are more likely to be off the gas mains network. These households are more likely to use liquefied petroleum gas (LPG) or heating oil to heat their homes which significantly increases their expenditure on heating costs. Heating oil is particularly effected by crude oil prices .

3:2. Ynys Mon Citizens Advice Bureau Social Policy Unit recently surveyed the local oil suppliers and none of them are prepared to supply fuel clubs. Rural residents are also more likely to live in older, larger dwellings, which are often harder to heat and are able to benefit from a narrower and generally more expensive range of energy efficient technologies.

3:3. Key drivers for Fuel Poverty are

- The energy efficiency of the property (and therefore, the energy required to heat and power the home)
- The cost of energy
- Household income

3:4. Energy prices, income and benefit levels are non-devolved areas with direct action from Welsh Government focusing on energy efficiency measures.

3:5. For many people living in rural areas, having a driving licence and being able to afford to run a car is considered essential. However, particularly for the young where they have the means to pay for driving lessons and purchase a car, the high price of insurance is often cost prohibitive.

3:6. Availability of public transport is poor or non existent during evenings and at weekends. This particularly impacts on those employed in a job involving shift work and also proves a considerable challenge to finding and sustaining employment.

3:7. Current commercial bus services are not viable and provision is being cut to save costs in the most rural areas.

3:8. Those living in rural areas of Anglesey in poverty, destitution and extreme poverty face considerable inequalities compared with their counterparts in urban areas, particularly the towns of Holyhead and Llangefni which both have Communities First wards.

4. The unemployed

Single people and couples in receipt of Job Seekers Allowance without children living in under accommodated social housing property have an average of £15-£25 per week to spend on housekeeping and clothing after meeting essential expenditure. (See attached example)

4:1. Ynys Mon Citizens Advice Bureau have witnessed an increasing number of clients requiring for assistance with water arrears and subsequent applications to Welsh Water Customer Assistance Fund together with recovery action by enforcement agents following a magistrates court fine for non payment of TV license. The North Wales Money Advice Group have reported that debt advice

agencies are seeing an increasing number of clients presenting for debt advice where their expenditure exceeds their income who are seeking debt resolution and unable to afford the associated costs of bankruptcy, Debt Relief Order etc. This group are also becoming increasingly reliant on the services of the local food bank and are most likely to fail to pay water rates and TV licence. Those unemployed and under occupied living in rural locations are likely to face destitution with no clear pathway out of their situation as access to public transport is limited and costly and presents a significant barrier to employment. This group also face the added pressures of maintaining the new client commitment with a focus on actively seeking work 35 hours per week under Universal Credit.

5. The Working Poor

The most recent Jobcentre Plus figures for Anglesey revealed a downturn in Job Seekers Allowance claimants, however, the Isle of Anglesey County Council Revenues and Benefits department reported that those claiming Housing Benefit and Council Tax Reduction have not decreased proportionately and there has been an increase in administrative claims. This is due to the growth in zero hours contracts, part time working both of which are attractive and cost saving to employers and detrimental the worker and self employment.

5:1. The Isle of Anglesey County Council have indicated that there has been an increase in those unable to sustain tenancies who have also been forced to move back in with family increasing pressure on relationships and reducing community cohesion.

6. Homeless, threatened homeless and rough sleepers

The majority of individuals who are in this group are considered to be in extreme poverty or facing destitution. As a result of their situation this group have diminishing access to a wide range of services which significantly increases the probability that they continue to face extreme poverty .

7. The Digitally Excluded.

Anglesey has the highest percentage of people who have never used the internet in the whole of the UK – with slow broadband speeds and the cost to blame, according to figures released by the Office for National Statistics in 2013, nearly 30% of people on the island have never accessed the internet, compared to 13% in Gwynedd and 17% in Flintshire and Wrexham.

7:1. Figures from Ofcom show Anglesey is ranked in the worst rating for access and speed, with average speeds of 7Mbits, 19% getting under 2Mbits and no access to superfast broadband - although this has now arrived on the island. In comparison Cardiff has an average 12.6Mbits, 10% getting under 2Mbits and 70% of people with access to superfast services. In Cardiff just 10% of people have not gone on-line.

7:2. In addition, those who are digitally excluded face barriers to claiming benefits from Jobcentre Plus, the local authority and Her Majesty's Revenue and Customs as the "digital where appropriate" agenda gathers pace. They are also unable to access cheaper online tariffs for utilities, insurance etc, thus increasing the overall cost of living.

7:3. The operational Welfare Reform Impact Partnership thank Welsh Government for the opportunity to comment on the above.

