

PIW 21
National Assembly for Wales
Communities, Equality and Local Government Committee
Inquiry into: Poverty in Wales: Strand 1
Response from: Wales Council for Voluntary Action

**Submission to the
Assembly Communities,
Equality and Local
Government Committee**



**Phase One - An Inquiry into the links between
tackling poverty and addressing inequality**

September 2014

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Introduction

1. [Wales Council for Voluntary Action](#) represents, campaigns for, supports and develops voluntary organisations, community action and volunteering in Wales. It represents the sector at UK and national level; and together with a range of national specialist agencies, County Voluntary Councils, Volunteer Centres and other development agencies, it provides a support structure for the third sector in Wales. It has over 3,000 members, and is in touch with many more organisations through a wide range of national and local networks. The [Third Sector Statistical Resource](#) provides annual information about the sector and its activities. WCVA's mission is to provide excellent support, leadership and an influential voice for the third sector and volunteering in Wales;
2. This paper has been prepared by Helen Wilkinson, WCVA's Senior Policy Officer for European Cohesion Policy and Anti Poverty in discussions with members of the [Third Sector Anti Poverty Programmes Taskforce](#) (hereafter referred to as Taskforce). The Taskforce meets quarterly on average (though it has met more frequently based on need and our influencing agenda).¹ The paper also draws on discussions and views from members of the [Equalities and Human Rights Coalition](#) which also meets quarterly and is facilitated by WCVA.²
3. If you want to clarify anything in the paper or invite individual members of the Taskforce or Coalition to provide verbal evidence on the relationship between poverty and inequality focussed on specific areas of members' expertise - for example such as food poverty, housing, fuel poverty, financial inclusion, community development, protected characteristics and human rights etc - please contact hwilkinson@wcva.org.uk to facilitate this. We also encourage the Committee to take verbal evidence from third sector organisations working with particular client groups on the front line as their evidence can bring people and their lived experience of poverty and inequality into the centre of the debate.

Poverty and Inequality

4. The relationship between poverty and inequality is well evidenced. In particular we refer the Committee to the foundational work of the Joseph Rowntree Foundation and the specific expertise of the Bevan Foundation in this area in Wales. We endorse their submission, and recommend that both organisations are invited to provide verbal evidence given their expertise and knowledge in this area;

The Poverty Challenge and the role of the third sector

5. From inception, the sector has worked to tackle poverty and disadvantage committed as it is to values of social justice, inclusion, mutuality and reciprocity, and a belief in the virtues of collective action. The sector is actively working in communities in Wales providing crisis interventions and emergency relief for those at risk of extreme poverty and potential destitution working to mitigate the worst impacts of poverty and disadvantage as well as providing longer term solutions. Our report, [The Poverty Challenge](#) outlines the varied response of the sector in this area and the innovative ways in which the sector is working to tackle poverty, and disadvantage.
6. As a sector, we are deeply invested in tackling poverty and challenging inequalities, and work tirelessly in communities with some of the most disadvantaged individuals and in some of the most disadvantaged communities to help deliver projects and activities which provide a [Gateway to a Better Future](#) and are transforming people's lives. The evidence provided by the [Coalfields Regeneration Trust](#), the only regeneration agency in the UK dedicated to improving the quality of life of people living in Coalfield communities, and a member of the Taskforce, is an important reminder of the relationship between people and place when it comes to poverty, inequalities and disadvantage.

¹ One of the founding aims of the Taskforce was to proactively influence policy and delivery of the Welsh Government's Tackling Poverty Action Plan and align this as far as possible with the objectives of European Cohesion Policy 2014-2020 in relation to key department programmes with anti-poverty programmes, and outcomes in mind.

² Membership of the Taskforce includes: Citizens Advice Cymru, Trussell Trust, Coalfields Regeneration Trust, Cynnal Cymru - Sustain Wales, Community Development Cymru, Oxfam Cymru, National Energy Action Cymru, Wales Disability Reference Group, Community Housing Cymru, Wales Cooperative Centre, Shelter Cymru, ABCUL, Cymorth Cymru, Chwarae Teg, Cardiff Third Sector Council (C3SC) and PAVO as WACVC representatives. The Taskforce also includes the following advisers, Joseph Rowntree Foundation, Bevan Foundation and Dave Adamson, former Chief Executive of the Centre for Regeneration Excellence Wales. Finally, the Big Lottery Fund Wales also attend meetings as observers. A number of members of the Taskforce also sit on the Third Sector Partnership Council and a number are members of the Equalities and Human Rights Coalition.

7. Third sector organisations are developing innovative delivery models such as [community hubs](#), in the process tackling poverty, developing skills and promoting jobs and socially inclusive growth in some of Wales' most deprived communities. A recent WCVA publication, [Our People, Communities and Economy](#), showcases the impact of third sector organisations in tackling poverty and supporting people into work from difficult circumstances, and in creating enterprise in areas of market failure and economic decline thanks to European Funding from 2007-2013. One case study in the report looks at how former Remploy workers set up an enterprise that is providing employment for ex-workers, and the publication contains data on employment pathways and jobs created, as well as enterprises established and the number of employers improving their equality practices as a result of third sector projects.

8. As a sector, we are not only diverse, and practical, we also have multiple roles to play - as citizens' advocates, as a critical friend to Government and as strategic partners in delivery. Precisely because we have close connections to the communities we represent and serve, we can testify to the debilitating links between poverty, inequality and disadvantage based on evidence from the ground up. We encourage the Committee to hear verbal evidence from third sector and community organisations who have provided evidence to the Committee to ensure that the citizen's voice is heard and amplified in this enquiry. This is an important part of [putting people at the centre of public services](#) and public policy debates and this is particularly important in the context of debates about poverty and inequality;³

9. Before responding to the specific questions relating to phase one of the inquiry, we wish to summarise the sector's key messages:

- We welcome the Committee enquiry, and look forward to working with AMs to ensure that the links between tackling poverty, inequality and disadvantage continue to be strengthened within and beyond Welsh Government, and that policies to tackle poverty and inequality are effectively put into practice, and that the anti-poverty potential of *all* policies and programmes is realised;
- We commend the Welsh Government for its strong track record and leadership in this area and for working in partnership with the third sector, and we welcome the chance to discuss how the partnership between the sector and Welsh Government can be extended and deepened through this Committee Inquiry and with Welsh Government more specifically;
- As a sector, we have welcomed Welsh Government commitments and the increased prioritisation being given to tackling poverty and addressing inequality. Following the recent Cabinet reshuffle and the decision not to retain the post of Deputy Minister for Tackling Poverty, there is a need for Welsh Government to evidence that tackling poverty remains a key priority of Government business. In our view, the First Minister has the opportunity to lead a whole Government approach by pressing Ministers to focus investment and make transparent the resources to tackle poverty in their respective departments. The Committee's Enquiry comes at an important political moment and provides the public scrutiny and challenge that is needed to hold the Government to account on its leadership commitments in this area;
- The integration of equalities, poverty and sustainable development within one Ministerial portfolio is welcomed by the sector, but there is a need to build support for integration by evidencing that equality will not be a lesser priority than the other cross cutting themes and that specificity is not lost;
- As a sector, we believe that the time is ripe to widen, and deepen the Welsh Government's commitment to tackling poverty and disadvantage whilst actively promoting equality and raising the profile of human rights in Wales. In the context of budget pressures, service reconfigurations and the impact of welfare reform, this is all the more important;
- We are particularly keen to discuss with members of the Committee, Welsh Government (and other key stakeholders including the WLGA) how current commitments and practice can be mainstreamed to produce greater impact but also how working together, we can strengthen independent scrutiny to ensure that the impact of policies and programmes on the ground is

³ For our work on co-production see Putting People at the Centre, http://www.wcva.org.uk/media/568384/wcva_putting_people_at_the_centre_e_web.pdf, Co-Production - putting people at the centre post Williams, http://www.wcva.org.uk/media/905306/wcva_co-production_putting_people_at_the_centre_e_7_.pdf.

assessed and challenged. The third sector has a key role to play in independent scrutiny, and challenge, as does this Committee;

The Committee Inquiry and the third sector view

Phase one of the Senedd inquiry focuses on the relationship between poverty and inequality and invites comments in three main areas. Our response addresses each of these in turn.

• How effectively do the Tackling Poverty Action Plan, Strategic Equality Plan and other government strategies work together;

10. There is a clear strategic objective to mainstream tackling poverty and equality targets across Government departments, policies, programmes, and budgets and evidence at a strategic level of cross cutting action to integrate the tackling poverty agenda with Welsh Government commitments to equality. For example, there is an explicit commitment in the refreshed Tackling Poverty Action Plan, Building Resilient Communities, published in 2013 to the need to align and build links with the Strategic Equality Plan. The commitment to align and build synergies across these two plans reflects the increased prioritisation being given to both policy areas and the aim of strengthening the relationship between the two.

11. Increasingly, tackling poverty and equality targets are being mainstreamed across other government policies and programmes such as the Vibrant and Viable Places regeneration framework, and recent announcements in relation to Education and Skills in relation to the attainment gap for example. This reflects the commitment to mainstreaming and embedding equality and anti poverty targets cross Government. This approach is welcome;

12. This two fold approach - increased prioritisation alongside mainstreaming - has the potential to change the way Government does business. There is some evidence at a strategic level of the Welsh Government organising itself differently to facilitate cross government action and to drive operational integration cross Government departments. For example, the Tackling Poverty Implementation Board overseen by the Deputy Minister for Tackling Poverty brings Welsh Government colleagues from all departments to monitor and report on progress against key targets. They in turn subject themselves to independent scrutiny through the Tackling Poverty Expert Advisory Group (which incidentally has strong third sector representation on it).

13. Other Welsh Government fora including the Strategic Equality Board and the Budget Advisory Group (which involves external stakeholders including the third sector) have taken active steps over the course of the last year to consider how to embed and strengthen the links between the Tackling Poverty Action Plan and the Strategic Equality Plan and to learn the lessons from European Programmes in implementing cross cutting themes. The Budget Advisory Group on Equality co-chaired by the Minister for Finance and the Minister for Communities and Tackling Poverty also appears to be sharpening its focus on the equality impacts on budget decisions over the last 12 months;

14. As a sector we welcome this progress (and the healthy representation and involvement of the third sector as key stakeholders in key fora). We also welcome the drive towards integration and the increased prioritisation being given to tackling poverty and inequalities. We recognise that there is evidence of closer collaboration and mainstreaming across government policies, programmes and budgets but we believe that the equality aspects of the Tackling Poverty Action plan need strengthening. We wish to foreground the importance of the Committee taking evidence from third sector organisations with expertise in protected characteristics such as [Chwarae Teg](#) who are members of the Taskforce and Coalition from the perspective of women and inequality and [Age Cymru](#), members of the Coalition with their perspective on the particular challenge for older people in relation to tackling poverty and inequality;

15. Whilst it is beyond the scope of this inquiry, we feel compelled to point out the need for strategic alignment where EU, UK government and Welsh Government have an interest (or overlapping areas of interest) in relation to employment and skills (for example as with the Work Programme and ESF), tackling poverty and social exclusion (including child poverty), equality and human rights . This requires a degree of alignment and operational collaboration cross Government to ensure strategic alignment and fit between UK and Welsh Government to ensure that public funds and public services and support goes to those most in need.

16. We favour an approach which focuses on widening and deepening Government commitments in this area and wish to emphasise the importance of independent scrutiny. The

challenge is to move beyond 'tick box' approaches to deep and meaningful integration. The drive for integration and mainstreaming must be underpinned by a strong commitment to tackling inequality and disadvantage so that the impact of policies, programmes and policy decisions on specific individuals and groups is not lost. It is vital that robust and meaningful equality impact assessments are undertaken and at all levels, with these being published to ensure transparency and facilitate independent challenge and scrutiny.

17. The sector with its expertise in equality and human rights advocacy (including its expertise on equality impact assessments and Strategic Equality Plans), alongside its commitment to tackling poverty and social exclusion, has a crucial role to play in providing this independent scrutiny and challenge. This is likely to become more important in ensuring that the impact of poverty, not to mention the rise of destitution and extreme poverty on different groups of people, is better understood, as our experience suggests that tackling poverty, and addressing inequalities requires different and specific approaches based on the nature of the problem;

• ***Impacts of poverty, particularly destitution and extreme poverty, on different groups of people;***

18. We refer to the academic and research expertise of the JRF and Bevan Foundation response in this area and welcome the research being undertaken by them to shed further light in this area.

19. We also wish to highlight some key issues from the sector's perspective. As a sector, we often work with some of the most disadvantaged individuals and communities in Wales. We witness the impact of poverty on different groups of people, and are often engaged in providing emergency responses to their life crises as well as seeking to do more preventive work;

20. There are some groups of people who are obviously destitute, e.g. people who are homeless and people subject to immigration controls with no recourse to public funds or refugees refused asylum. There is debate about whether others (such as those using food banks) are 'destitute' because they may, for example, have assets. Extreme poverty (and/or destitution) manifests itself in those who cannot meet their basic minimum needs due to lack of resources - be it through fuel poverty, food poverty, housing etc;

21. The pressure to borrow often creates debt, and leads to a downward spiral. The work that the sector does to mitigate the impact of immediate crises of hardship is also supported by longer term more preventive work which supports people to develop their financial literacy through lifelong learning, alongside services such as credit unions which promote financial inclusion. Whilst the sector is a strong advocate of prevention, this cannot be the only focus as there are people currently struggling in their day to day lives who need support. It is the sector's view that the refreshed Tackling Poverty Action Plan can and should be strengthened in the area of mitigation.

22. One of the most visible signs of extreme poverty can be seen in the numbers of people experiencing and suffering food poverty and the extent to which this is becoming an issue for those in work, and those without. The submission and evidence provided by the [Trussell Trust](#) (a member of the Third Sector Anti-Poverty Programmes Taskforce) provides important evidence in this respect. Fuel poverty is another important manifestation of extreme poverty. [National Energy Action Cymru](#) (also a member of the Third Sector Anti Poverty Programmes Taskforce) can testify to its extent and to the work the sector is doing in communities to mitigate it. Shelter, or the lack of it, and homelessness is indicative of extreme poverty and combined with welfare reform is potentially putting individuals more at risk of extreme poverty and destitution. [Citizens Advice Cymru](#), a member of the Taskforce, can testify to the increased demand for their services;

23. [Oxfam Cymru](#), a member of the Taskforce and the Coalition, have drawn particular attention to weaknesses in relation to refugees and asylum seekers. Whilst there is a serious lack of statistical data on the numbers of destitute asylum seekers in Wales, Oxfam Cymru can provide evidence of the survival strategies adopted by destitute asylum seekers in Wales. This is a complicated policy area because it cuts across devolved and non-devolved institutions. UK asylum policy has increasingly restricted asylum seekers' access to welfare support, both while their application is being processed and if they are refused and the UK Government's decision to cut statutory provision of in-person support choosing instead telephone support via Migrant Help has

placed a serious burden on third sector support agencies and is significantly increasing the risk of people becoming destitute;

24. The Welsh Government needs to revise and update the 2011 Refugee Inclusion Strategy and Action Plan and the refreshed Tackling Poverty Action Plan currently makes no mention of the Refugee Inclusion Strategy and Action Plan, an area of clear weakness in 'the integration' agenda. The welfare of asylum seekers and refugees clearly needs to be integrated into the refreshed Tackling Poverty Action Plan and Strategic Equality Plan. The Welsh Government could also follow the lead taken by pledged supporters of the City of Sanctuary <http://www.cityofsanctuary.org/category/tags/destitution-section-4> movement, such as Swansea City Council that have passed a motion against destitution committing to the clear principle that no-one should be destitute in today's Wales. There is an overarching, as well as specific need to strengthen the mitigation aspect of the Tackling Poverty Action Plan in this respect;

How legislation, policy and budgets targeted at tackling poverty and reducing inequality are coordinated and prioritised across the Welsh Government

25. We have already made a number of comments in response to the first question which also addresses this area. Please refer to page 3-5.

26. There is no doubt that legislation has been a key policy lever for mainstreaming the equality agenda and it has the potential to address inequality caused by poverty and socio-economic disadvantage. The Equality Act 2010 provides the framework and the legal requirement to produce the first Welsh Ministers Report on Equality by the year end has provided a focus for assessing the performance of Welsh public bodies. As a sector, we have engaged at a national level with Welsh Government (and other stakeholders)⁴ and we see the key challenge moving forward as being about how to mainstream and deepen the commitment to equality by moving beyond compliance to deep rooted cultural change which protects individuals and communities from inequalities and disadvantage.

27. There is work to be done by Welsh Government in certain policy areas to strengthen the practical links between existing equality obligations of public bodies and the practical links to poverty and disadvantage. For example, as a sector, we would like to see greater priority to embedding and mainstreaming equality and the Public Sector Equality Duty in Schools. There are also opportunities to build best practice from the bottom up and to mainstream and integrate approaches to educational under-achievement and equality through the Schools Challenge Cymru Programme by working in close partnership with the third sector. This is fertile ground to explore further;

28. One of our key messages is that when it comes to evaluating the effectiveness of equality and anti-poverty policies it is fine-grain knowledge, know how and practical insights that are essential. In tackling poverty and inequalities and all forms of discrimination the devil is in the detail and this is readily lost by trying to deal with these issues or assess progress purely at a national level. Local and regional knowledge provides an important commentary and challenge to policy makers working at the strategic and national level about the experience of policy implementation on the ground. This implies a degree of investment at local and regional levels to ensure that local and regional knowledge and know how is embedded and that capacity is built and supported.

29. Strong and robust Equality Impact Assessments are key tools for achieving the kind of specific analysis, challenge and scrutiny and providing a feedback mechanism during the policy planning process. Similarly the process of 'poverty proofing' policies and programmes and having to make transparent budget lines, has the potential to strengthen this further by focussing attentions on the particular individuals and groups most in need and targeting support accordingly.

⁴ This has included discussions on the approach being taken in the Strategic Equality Board. The Equalities and Human Rights Coalition, and members of the Third Sector Partnership Council have also met with key Welsh Government officials from the Fairer Futures team in open discussion on a number of occasions and have fed in views. We remain committed to working with Welsh Government and other key stakeholders including the WLGA, Public Health Wales and others moving forward.

30. Legislation can be a key driver of change - and there is potential (as yet unrealised) for the law to accelerate further integration by mainstreaming and deepening the legal commitment to equality and making practical links to the tackling poverty agenda through implementation of the socio-economic duty. We commend the Welsh Government for their commitment to implementing the socio-economic duty and our manifesto for the 2015 General Election is likely to emphasise how important it is that any incoming UK Government provide a clear commitment with timeframe for implementation of the socio-economic duty as part of the 2010 Equality Act or a clear commitment to repeal the duty with a clear timeframe for this to allow Welsh Government to exercise its rights to include a Wales specific socio-economic duty.

31. There is also the potential to use the legislative levers of the Future Generations Bill to strengthen the links to prevention by focussing minds on encouraging funding decisions which take the long view. The Future Generations Bill - with its focus on inter-generational equity - has the potential to focus minds on long term investments with the potential to embed commitments to tackling poverty and inequality more firmly through legislation.

32. Whilst legislation can be an important lever for promoting equality and for tackling poverty and disadvantage, the role policies and programmes play in directly addressing poverty and disadvantage should not be underplayed. Nor should the role culture plays in ensuring that these are mainstreamed and prioritised in practice. Please refer to page 4-5 as these are also relevant here. Leadership is a key determinant of success and in this respect, as noted, the Welsh Government is to be commended. The Government has made a clear commitment to tackling poverty and to promoting equality throughout policies and programmes. It has also identified measurable targets by which the Government will be judged. However, these targets often read as too top line, and generic and would benefit from being more specific in certain policy areas, focussing on particular client groups and different needs.

33. There is a need to 'poverty proof' budgets to ensure transparency and allow for scrutiny and challenge from the Assembly, the third sector and other stakeholders. As we noted in an earlier paper brought to the Finance Minister in Autumn 2013 under the auspices of the third sector scheme, the 'tackling poverty' budget is relatively small compared with the major areas of expenditure.⁵ Given the relatively small budget specifically earmarked for tackling poverty programmes, the high priority afforded to 'tackling poverty' by the Welsh Government in its Programme for Government and refreshed Tackling Poverty Action Plan, only makes sense if the major spending departments have fully incorporated 'tackling poverty' in their own priorities, policies and programmes. Mainstream budgets which do not explicitly set aside or make tackling poverty visible financial priorities, and simply refer to it as a cross cutting theme or objective in policy statements are likely to result in an implementation gap. Likewise targets which are too generic are at risk of not helping those groups most at risk. The debate and discussions about the draft budget this Autumn provide an opportunity for further scrutiny of the extent to which mainstream departmental budgets are being effectively 'poverty proofed' and assessed for their equality impacts below the top line, or tick box approach. The Assembly and AMs have an important scrutiny and challenge role in this respect, as does the sector to keep the focus on strengthening the links between tackling poverty and inequality and mainstreaming them across Government policies, programmes and budgets.

34. Opportunities to build best practice and share it and at all key levels (national, regional, local) around this integration agenda need to be prioritised - this means strengthening the relationships within and beyond pre-existing networks and intelligence with a priority placed on cross sector collaborations (for example, regional fora where Local Authority Anti Poverty Champions can network and share intelligence with Local Authority Equality Champions, the third sector with Welsh Government Anti Poverty Champions in attendance from key departments;

Summary

35. As a sector, we are heartened by Welsh Government progress and commitment in this area but we are acutely aware of the scale of the problem, and the challenging environment. Budget cuts and service reconfigurations (and at all levels) means that despite the policy rhetoric and

⁵ Last year the Taskforce took a paper to the Finance Minister, Autumn 2013, on the poverty proofing of budgets.

commitment given to effectively integrating the tackling poverty agenda with commitment to safeguarding and promoting equality, two steps forward could still be followed by one step back as the pressure to make service cuts intensifies.⁶ The third sector has a critical role to play in scrutinising and challenging the decision making processes of public sector bodies, including Welsh Government, local authorities and other public bodies and the role of the sector as citizen's advocate and critical friend of Government should be valued. The sector can bring the perspectives of ordinary people into the policy making process and make an important commentary on its effectiveness;

36. Welfare reform ([with its wide ranging predicted impacts in Wales](#)) is already and will continue to have negative effects for those already struggling. These changes are likely to exacerbate poverty and disadvantage, and produce further [inequalities for those with protected characteristics](#), as well as impacting on the Welsh Government's tackling poverty ambitions unless a more focussed approach to mitigating poverty and more specific and tailored interventions based on the particular needs of particular individuals and groups are developed;

37. The sector has shown itself capable of playing a significant role in mitigating the impact of poverty through food banks, credit unions, debt redemption schemes, citizens advice and initiatives to tackle financial and digital exclusion or fuel poverty. It has also shown itself capable of developing longer term solutions through community hubs or imaginative lifelong learning and employment and skills activities starting with people and their needs. These kinds of community based, personalised services and interventions are exactly what the third sector excels in and exactly what is needed to tackle poverty, and address inequalities.

38. The sector's varied role - as citizen's advocate, critical friend of Government and partner in delivery - means that in spite of the challenging financial climate, investment in the sector is key to effective anti poverty action, empowering individuals, developing life chances, building community resilience and helping to safeguard future generations from poverty, inequality and disadvantage.

⁶ For example, hard pressed officials who do not need to work face to face with the public when making difficult decisions may not always give equality - in all its complexity - the material consideration that is needed, especially in situations when time for decision making is tight, or when senior leadership takes the eye off the 'equality' ball or lets the agenda slip or sees it as marginal to the 'main issues' of protecting public services and jobs with reduced budgets.