
COMMUNITIES FIRST LESSONS LEARNT FULL REPORT



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01. Introduction

1. In July 2017, we published our **initial report** on our inquiry into Communities First. We wanted to publish our key findings, analysis and recommendations as quickly as possible to help influence the transitional arrangements for Communities First. This longer report provides a more comprehensive narrative on the evidence we received.

2. We have taken the opportunity to explore in more detail one strand of the inquiry that was only alluded to in the **initial report**: the elements of the programme which were successful and those that were less so.

3. The Welsh Government published their response to the recommendations made in our **initial report** in October 2017. This report does not make any new recommendations, but it has allowed us to reflect on the Government's response to our recommendations.

4. Our work on Communities First forms one of a number of strands looking at poverty in Wales, and the evidence that we have taken for this report will also help inform our thinking and findings in the other work we are currently undertaking in this area. This includes:

- making the economy work for people on low incomes;
- local approaches to poverty reduction through the Well-Being of Future Generations Act and Public Service Boards; and,
- budget and general scrutiny.

02. Communities First Programme

Communities First is a long-running programme which is providing much-valued services across Wales. It takes a place-based approach to improving outcomes for individuals. Despite running for over 15 years, this approach to tackling poverty has not been sufficiently assessed to draw firm conclusions about its effectiveness.

The Welsh Government announced the closure of the programme in February 2017. We believe the announcement should have been handled better by the Welsh Government.

Background to the programme

5. Communities First was established in 2001, and over time evolved to become the Welsh Government's "flagship" anti-poverty programme. Over £432 million has been spent on the programme since 2001. It has a presence in 52 of the most deprived areas in Wales (as defined by the Welsh Index of Multiple Deprivation (WIMD)). The programme covered most local authorities in Wales, except Ceredigion, Monmouthshire or Powys.

6. Following criticism and evaluation of the programme, particularly in relation to performance management, there was a major reorganisation of the programme in 2012. Lead Delivery Bodies (LDBs) (which are usually the local authority) were established they covered a large area, and within each LDB, smaller "clusters" were formed. The aim was to "focus delivery in a smaller number of larger areas".¹ In addition to the structural re-organisation, a new Outcomes Framework was introduced to help measure performance. We explore views on the effectiveness of the reorganisation in chapter 3.

7. In October 2016, the Cabinet Secretary for Communities and Children (the Cabinet Secretary) said he was minded to phase out the programme², and a consultation was launched.³ Following the consultation, on 14 February 2017, the Cabinet Secretary announced the programme would be phased out.⁴

The Communities First approach

8. Communities First took a place-based approach to poverty reduction, seeking to change individual's circumstances in an effort to improve the community in which they live. The evidence we heard, including that of the Cabinet Secretary,⁵ suggests that it is still unclear as to whether this approach is successful. The Bevan Foundation warned us:

"Even when Communities First is able to change the characteristics of individuals, there is no guarantee that that will change the characteristics of the area."⁶

9. We heard differing views from the Bevan Foundation and the Wales Council for Voluntary Action (WCVA) on the impact of the approach to Communities First in how people accessing services

¹ Welsh Government, *Communities First: A process evaluation*, paragraph 1.7, February 2015

² National Assembly for Wales, Plenary, Item 3, 11 October 2016

³ Arad Research, *Talk Communities Engagement Programme Final report*, 14 February 2017

⁴ National Assembly for Wales, Plenary, Item 4, 14 February 2017

⁵ Written evidence, *Cabinet Secretary for Communities and Children*, paragraph

⁶ Written evidence, *CF02 The Bevan Foundation*, paragraph 11

are viewed. The Bevan Foundation told us the assumption is that the individual is the “problem” and should be “treated”.⁷ However, the WCVA indicated that since the 2012 reconfiguration the programme had taken a more “asset-based approach”, with a sensitive and holistic approach to service users.⁸ The Bevan Foundation also raised the fundamental question:

“I would say that, if the rationale for winding down Communities First is that this type of place-based intervention doesn’t work, then there have to be questions asked about the rationale for the other place-based interventions. The risk is that you actually have a framework in place and that by taking out the one in the middle....by taking out Communities First—you leave the others even more hanging in limbo, I suppose.

... Aligning all of our place-based efforts seems to me to be very sensible.

So....I think there are potential problems with leaving the other place-based initiatives in place while Communities First winds down.”⁹

10. We explored this with our oral witnesses. We heard a range of views, including Caerphilly Council, who told us that spatial targeting is “necessary” and that it is the only way to address major issues in some communities.¹⁰ This view was supported by the WLGA who described how:

“...if you look at the most disadvantaged areas, they’ve got the most parts of the system where intervention is needed, so they need a multi-agency approach, an intensive piece of work, to put all the bits back, and get them working again. In a more affluent area, where you’ve got pockets of poverty, the system isn’t quite as broken, and, therefore, you need fewer interventions—more specific interventions—to help those people get back up and running again.”¹¹

11. Isle of Anglesey County Council provided us with examples of how the place-based approach has had demonstrable impact, but indicated that it was only one intervention:

“The programme has reaped success for changing and improving individual people’s lives by supporting them into training, volunteering and work opportunities and improving their life skills.”¹²

12. Aside from the question as to whether this basic approach works, we heard concerns about some of the operational elements of the programme. The Vale of Glamorgan highlighted that:

“Partners and stakeholders found the geographical boundaries not necessarily ‘fair’, too small and divisive.”¹³

13. We heard lots of evidence suggesting that the community empowerment and involvement element of this approach was one of the most successful elements of the programme. Cytûn

⁷ Written evidence, **CF02 The Bevan Foundation**, paragraph 8

⁸ Written evidence, **CF04 Wales Council for Voluntary Action**, paragraph 10

⁹ ELGC Committee, **RoP [355]**, 7 June 2016

¹⁰ ELGC Committee, **RoP [56]**, 7 June 2016

¹¹ ELGC Committee, **RoP [58]**, 7 June 2016

¹² Written evidence, **CF11 Isle of Anglesey County Council**

¹³ Written evidence, **CF17 Vale of Glamorgan Council**

(Churches Together in Wales) provided an example of how Communities First had been “a major step forward for this community”, and that it had helped bring the community together with locals getting heavily involved.¹⁴ Oxfam Cymru also supported this, calling this element of the programme “a great aspect” and that it helped local projects to be developed by the local communities.¹⁵

14. Caerphilly Council seemed to summarise neatly the general consensus from all parties in relation to the Communities First approach:

“Can I just say that to expect a single programme to single-handedly reduce poverty is naive and unrealistic? You will never eradicate poverty—generational poverty—by a single anti-poverty programme....It has been very successful at some things and not so successful at others, but actually, poverty, fundamentally, is down to economics.

.... anti-poverty programmes and employment support programmes are all well and good, but actually, unless you have a robust economy, then we’re never going to eradicate it.”¹⁶

Our view

15. In our **initial report**, we stated that it remains unclear and un-evidenced as to whether interventions to improve individual circumstances lead to changes in a geographical area’s characteristics. This was accepted by the Cabinet Secretary.

16. We noted that despite this lack of knowledge as to how successful this approach is, a place-based approach remains in place for a number of other Welsh Government programmes including Communities for Work, Flying Start and Lift. We suggested that the Welsh Government keep these schemes under review to ensure they are working to maximum benefit. We also noted that place-based approaches could usefully be the subject of further research and evaluation. This will be an issue we will continue to consider in our other work and general scrutiny of the Welsh Government.

The decision to wind down the programme

17. As we highlighted in the **initial report**, the timing of the announcement has caused additional difficulties for local authorities in identifying and agreeing transitional arrangements.

18. The Bevan Foundation described the on-going uncertainty of Communities First as “policy blight”, and that knowing the axe could fall but not knowing if it would, or when, made it very difficult. They said that “in an ideal world you....wouldn’t do it quite like that”.¹⁷

19. Dr Eva Elliot also felt that the handling of the announcement could have a significant impact on the transitional management:

“... many highly skilled staff have already sought new employment. This means that a planned phasing out, with the protection of skills and successful

¹⁴ Written evidence, **CF07 Churches Together in Wales**, paragraph 4

¹⁵ Written evidence, **CF09 Oxfam Cymru**, paragraph 6

¹⁶ ELGC Committee, **RoP [94]**, 7 June 2016

¹⁷ ELGC Committee, **RoP [339]**, 7 June 2016

projects, will be a challenge as projects that ‘have worked’ are already ending.”¹⁸

20. At a visit to Communities First in Newport we heard that a number of staff found out about the closure of the programme from the media. This was supported by Dr Elliot’s evidence.¹⁹ We were also told that Newport Council received very little information to help them support staff in understanding what the announcement would mean.²⁰

21. We heard from a number of witnesses including the Isle of Anglesey County Council that it was important the closure of Communities First should not lead to a loss of the good practice which has been developed by the programme.²¹

22. Môn Communities First were optimistic that the winding down of the programme is an opportunity for positive change:

“Communities First is destined to be history in less than 12 months but the legacy will hopefully be new programmes which will take the best elements of CF - and deliver a new more impactful service which makes a real and visible contribution to tackling some of the practical issues which people need to overcome to reach their potential.”²²

Evidence from the Cabinet Secretary

23. The Cabinet Secretary was clear in oral evidence about why the decision to close down the programme was made:

“...it has, overarchingly, not delivered the wholesale change in terms of the tackling poverty agenda that it was set up to do.

I don’t say that it was just the programme, actually; there were lots of factors alongside that that were preventative in making Communities First work better. I think what Communities First has done is that it has had the ability to stop communities probably getting poorer. What is very clear is that the staff and workforce around those programmes have been excellent in working with communities and we shouldn’t ever forget that—it’s a really important point.”²³

24. We welcomed the Cabinet Secretary’s apology around how the announcement of the closure of the programme was handled:

“Now, in an ideal world, I would’ve liked all staff to have been informed the day before we made a public announcement, but I’m unable to do that because it causes a judicial-review-style challenge. So, because it’s such a big programme, with lots of people working in there, there will have been people that fell through the gaps, and I apologise for that, because the last thing I want is staff to be informed by a news break. There is a process that we are trying to

¹⁸ Written evidence, [CF14 Dr Eva Elliott](#), paragraph 8

¹⁹ ELGC Committee, [RoP \[191\]](#), 7 June 2016

²⁰ ELGC Committee, [ELGC\(5\)17-17 Paper 5 – Communities First](#), paragraph 01, 7 June 2016

²¹ Written evidence, [CF11 Isle of Anglesey County Council](#)

²² Written evidence, [CF21 Môn Communities First](#)

²³ ELGC Committee, [RoP \[8-9\]](#), 21 June 2016

make sure that there are no surprises now, and my team, as I said about the engagement of that process, is, I believe, robust. But that was one incident at the very start of the programme when we had to make an announcement on the detail of the programme.”²⁴

Our view

25. In our **initial report**, we said that the Welsh Government should have taken a more pro-active role in the management and communication of the announcement. In doing so, they should have ensured that those affected had the opportunity to get further information and to ask questions about the implications of the decision.

26. We also acknowledged and appreciated the complexity and difficulties of ensuring that a disparate range of staff who work across all areas of Wales are told about this sort of decision. This is why a clear communication plan should have been developed to ensure effective management of the announcement. We believe that the Welsh Government could learn lessons from this experience, and in the future should consider managing such announcements more sensitively, and prioritise consideration of how decisions like this are communicated to staff (and if necessary) service users. In particular the Government may wish to consider how to make use of technology to effectively communicate information to staff across Wales.

27. We also highlighted concerns not just about the way the announcement was made, but also the timing of the announcement, which has caused local authorities some practical problems, following the recent local elections. This issue is explored in more detail in chapter 4.

28. We highlighted that there were additional difficulties because, the Welsh Government’s Employability Plan, a key part of the jigsaw in helping local authorities draw up transitional plans and making decisions, was not published. At the time of writing, the Plan has still not been published. We do not believe this is acceptable. It is essential that the Plan, upon which the Welsh Government has placed much emphasis, is published as soon as possible. It is difficult for us to assess the full impact of the closure of Communities First without having sight of one of the key policy drivers for the transition period. This has meant that local authorities have been making provisional decisions about transitional arrangements for Communities First employability projects without the full picture.

²⁴ ELGC Committee, **RoP [94]**, 21 June 2016

03. The strengths and weaknesses of Communities First

Communities First has had a mixed record. It was particularly successful in developing relationships with the community, and helping engage those furthest away from accessing services. The reconfiguration of the programme in 2012 made some positive changes, but was also mixed. Overall, there was too much variability across Wales, and inadequate performance management frameworks.

29. We received a lot of detailed written evidence highlighting successes and failures of the Communities First programme, which informed our findings in the **initial report**. This chapter provides an overview of the evidence we received, and shows how it informed the development of our recommendations.

Relationships and engagement

Evidence from respondents

30. The positive work carried out by the Communities First programme was strongly evidenced by respondents. As acknowledged in the **initial report**, the lives of individuals were demonstrably improved by the work of staff and of the communities themselves.

31. A key theme was the effective relationships built between Communities First staff and the community, which increased the level of engagement with individuals. We heard that Communities First was often successful in developing relationships with those who are hardest to reach. We also heard that Communities First staff were often more trusted than other public sector staff.²⁵

32. City and County of Swansea highlighted the importance of this in their evidence:

“Community based, accessible services allow staff to understand communities, building relationships and trust that support disengaged people to participate in and access services that they would not otherwise.”²⁶

33. Other councils including Newport²⁷, Cardiff²⁸, and Isle of Anglesey²⁹ also emphasised this. They all highlighted that Communities First often engaged with the most disengaged, and that they supported people into engaging with statutory bodies, that they previously were distrustful or sceptical of. Torfaen Council told us:

“Often, at community level, the face that they see come through the door is quite important to them, and losing those faces may impact on delivery across the board in quite a distinctive way.”³⁰

34. Isle of Anglesey County Council also suggested that other public bodies could benefit from modelling their own engagement strategies on those used by the programme:

“Communities First managed to engage with the most disadvantaged communities, managed to gain their trust and deliver their agreed plans. A lot

²⁵ ELGC Committee, **ELGC(5)17-17 Paper 5 – Communities First**, 7 June 2016

²⁶ Written evidence, **CF20 City and County of Swansea**, paragraph 2.1a

²⁷ Written evidence, **CF01 Newport City Council**

²⁸ Written evidence, **CF16 City of Cardiff Council**

²⁹ Written evidence, **CF11 Isle of Anglesey County Council**

³⁰ ELGC Committee, **RoP [106]**, 7 June 2017

of good practice, which all public bodies can learn from and improve their engagement skills, should not be lost.”³¹

35. In particular, the WLGA noted that the positive relationships established by Communities First has helped improve interaction between councillors and their local communities, which has a broader positive impact on all the public sector, not just the local authority.³²

36. Despite the evidence received about the positive contribution of staff to the programme, it was highlighted that not all staff had the appropriate expertise. Môn CF felt that the programme was flawed from the outset as a result:

“The Bottoms-Up [sic] approach...often fell short of delivering true meaningful progress because of the lack of knowledge, expertise and confidence of grass roots activists. The ability to run a competent and successful programme cannot be achieved by complete novices as the skills set and knowledge needed to deliver a major publicly funded programme is often not at their fingertips.”³³

Partnership working

Evidence from respondents

37. We heard a range of views about the effectiveness of the partnership working within Communities First, for some this was one of the real strengths of the programme. For others, more could have been done to strengthen partnerships.

38. The WLGA said that other public services were able to use the strong brand of the programme to successfully engage individuals, enabling a joined up approach to tackling poverty in Wales:

“The relatively long term financial commitment from Welsh Government has enabled Communities First staff and partner organisations to focus on specific areas across Wales and build up a strong brand, well known in the communities and amongst professionals from a wide range of organisations in the public, private and third sector.”³⁴

39. Oxfam told us that the programme helped enabled partnership working leading to “holistic services” which could be accessed centrally by communities.³⁵

40. However, not all evidence we received in relation to partnership working and relationships was positive. We heard that there could often be a lack of coordination and duplication of delivery of work as a result.³⁶ Adult Learning Wales indicated more could have been done to provide an “effective steer” to Communities First programmes about the importance of collaborative working, and working with external partners.³⁷

³¹ Written evidence, [CF11 Isle of Anglesey County Council](#)

³² ELGC Committee, [RoP \[45\]](#), 7/6/17

³³ Written evidence, [CF21 Môn Communities First](#)

³⁴ Written evidence, [CF03 Welsh Local Government Association](#)

³⁵ Written evidence, [CF09 Oxfam Cymru](#), paragraph 7

³⁶ Written evidence, [CF09 Oxfam Cymru](#), paragraph 14

³⁷ Written evidence, [CF14 Adult Learning Wales](#), paragraph 10

41. Môn CF also felt that unhelpful practices formed within partnerships, such as competitiveness, “inward looking and insular” behaviour and a reluctance to share best practice as well as failures. They felt that these “massive gulfs” between partnerships were unhelpful towards the wider goal of poverty reduction.³⁸

42. The inconsistency of delivery of work and outcomes was raised in several respondents’ evidence. The Bevan Foundation highlighted that while the programme appeared successful in some areas, it was not in others.³⁹ Cytûn noted that each of the clusters arranged its workload differently⁴⁰ which Cardiff Council suggested was problematic not just for partners, but for residents.⁴¹ This was a clear weakness of the programme and contributed to the difficulty in evaluation and performance monitoring, which is discussed in further detail in paragraphs 55 – 66.

Delivery of Communities First

43. As mentioned in the [initial report](#), there were serious concerns about the management and effectiveness of the Communities First programme. Several respondents highlighted that the programme was flawed from the outset due to the lack of clarity about its fundamental objective, place-based approach and overall delivery. The Bevan Foundation said there were two reasons for Communities First not delivering:

“...the fundamental approach of the programme and its delivery.”⁴²

44. The Wales Co-operative Centre said that the design of the programme restricted effective partnership working, citing this example:

“...restrictions on working with schools presented barriers to working with parents and restricted partnership activities.”⁴³

45. Respondents also felt that there was a lack of alignment by the Welsh Government between the different tackling poverty programmes, as mentioned in paragraphs 150-151, which hindered effective delivery. Both the Vale of Glamorgan⁴⁴ and City of Cardiff councils⁴⁵ highlighted this, and indicated that the performance management frameworks did not join up. Additionally, the differences in the funding cycles affected the ability to have a coherent alignment. Môn Communities First also highlighted this:

“It has often been the case that a protectionist attitude and/or silo mentality has led to insufficient talking and joint working between the 3 programmes... There has been a danger of duplication caused by reluctance to engage in true partnership working – as partnerships often involve letting go of some responsibilities and control to another organisation.”⁴⁶

³⁸ Written evidence, [CF21 Môn Communities First](#)

³⁹ Written evidence, [CF02 Bevan Foundation](#)

⁴⁰ Written evidence, [CF07 Churches Together in Wales](#), paragraph 8

⁴¹ Written evidence, [CF16 City of Cardiff Council](#), paragraph 15

⁴² Written evidence, [CF02 Bevan Foundation](#), paragraph 6

⁴³ Written evidence, [CF13 Wales Co-operative Centre](#)

⁴⁴ Written evidence, [CF17 Vale of Glamorgan Council](#)

⁴⁵ Written evidence, [CF16 City of Cardiff Council](#), paragraph 14

⁴⁶ Written evidence, [CF21 Môn Communities First](#)

46. We heard repeatedly of how Communities First projects were often delivering programmes that could be delivered by other statutory bodies, and that in some places Communities First was papering over the cracks of other services. The Bevan Foundation told us:

“I think all statutory bodies have a duty to pick up some of the elements of Communities First. For example, we’ve just finished a piece of work in a community in Torfaen where one of the most valued elements of the Communities First activity was work around mental health. That’s great, except it’s not clear to me why it needed Communities First to do that. Why wasn’t the health board doing it anyway? Or why wasn’t the health board doing it in partnership with the third sector organisation in order to be that friendly face?”⁴⁷

Similarly, while Communities First has done some excellent work in schools—absolutely superb—why do we need Communities First to do that activity? Why aren’t the schools or the local authorities doing it themselves? It may well be that there are some good reasons, but I don’t think Communities First should let statutory bodies off the hook.”⁴⁷

47. As we first mentioned in chapter 2, some respondents highlighted one of the weaknesses of the programme is its place-based approach,⁴⁸ which was exacerbated by the inconsistencies between clusters and Welsh Government tackling poverty programmes. Although other witnesses were supportive of taking a place based approach.⁴⁹

48. Several respondents highlighted that a place-based approach meant that areas with significant deprivation were automatically excluded from the programme’s benefits if they were located outside the cluster areas. City of Cardiff Council evidenced that several of its areas require support but fall outside of the programme’s remit,⁵⁰ and Citizen’s Advice Cymru’s evidence supported this. They also highlighted that a place-based approach is particularly problematic in rural areas where there are dispersed populations.⁵¹

The 2012 reconfiguration

Evidence from respondents

49. A lot of the evidence received about what worked and what did not focused on the programme’s reconfiguration in 2012. The evidence was mixed: some respondents were critical of the reconfiguration to cluster working, due to its “top-down” approach, while others welcomed it overall due to the strategic direction and guidance it brought.

50. Some respondents welcomed the new approach and felt that it brought clear direction for the programme, which had been lacking beforehand. The Vale of Glamorgan Council found that this helped increase engagement with all parties:

“The Guidance provided clear direction about how best to engage with the community, stakeholders and partners in order to ensure that the most effective projects would be created and helped to lessen the chance of duplication. The

⁴⁷ ELGC Committee, [RoP \[336\]](#), 7 June 2017

⁴⁸ Including Citizen’s Advice Bureau; Vale of Glamorgan Council, Isle of Anglesey County Council

⁴⁹ Caerphilly County Council

⁵⁰ Written evidence, [CF16 City of Cardiff Council](#), paragraph 16

⁵¹ Written evidence, [CF06 Citizen’s Advice Cymru](#), paragraph 4.2

Guidance facilitated the creation of effective projects that addressed local and WG priorities. This enabled good partnership working to flourish at the outset, often delivering on joint outcomes with partners such as Families First.

Having a specific ‘tackling poverty’ targeted approach helped structure projects and provided a platform to evidence outcomes/achievements. All partners bought into this process as it was reasonably clear and transparent. Further to this, adoption of the Results Based Accountability (RBA) process also helped keep the ongoing measurement of progress simple but effective.”⁵²

51. Carmarthenshire County Council also felt that the reconfiguration was a positive step overall, and evidenced its impact on employment figures:

“Since 2013 over 300 individuals in the Cluster area have secured employment through Communities First support, with 963 individuals gaining an accredited qualification that has supported them to upskill ready for employment.”⁵³

52. The key criticism of the reconfiguration and the “top-heavy” approach was that it discouraged individuals in the community from engaging with the programme. Newport City Council found that its communities felt that the programme had lost its local focus, resulting in a loss of engagement.⁵⁴

53. The WLGA supported Newport City Council’s view that it had become a more “top-down” programme and as a result Communities First staff were more restricted in how they supported the community through the programme.⁵⁵

54. The Wales Co-operative Centre felt that the reconfiguration to a cluster model created a negative culture of competition⁵⁶, while Cytûn suggested there remained a lack of joined-up working within the clusters themselves.⁵⁷

Performance monitoring

Evidence from respondents

55. The 2012 reconfiguration placed increased emphasis on performance monitoring. As mentioned in our [initial report](#), one of the criticisms of the programme was the difficulty in assessing its effectiveness. The [initial report](#) acknowledged that the reconfiguration in 2012 sought to address this.

56. The Bevan Foundation stated something that has been reflected in our attempts to assess the impact of the programme:

“...there hasn’t been an assessment of the impact of Communities First since 2011. So, as to some of the assumptions that are being made about the impact

⁵² Written evidence, [CF17 Vale of Glamorgan Council](#)

⁵³ Written evidence, [CF19 Carmarthenshire County Council](#), paragraph 16

⁵⁴ Written evidence, [CF01 Newport City Council](#), paragraph 2.14

⁵⁵ Written evidence, [CF03 Welsh Local Government Association](#)

⁵⁶ Written evidence, [CF13 Wales Co-operative Centre](#)

⁵⁷ Written evidence, [CF07 Churches Together in Wales](#), paragraph 6

of Communities First at the moment, there is actually no independent evidence about that, which I think is a great shame.”⁵⁸

57. Several respondents particularly welcomed the performance monitoring measures that resulted from the reconfiguration. Carmarthenshire County Council viewed the “outcome led” steer of the programme positively and felt that “monitoring and evaluation processes were improved”⁵⁹, while Cardiff Council were able to evidence the positive impact of their programmes as a result of the new performance monitoring framework.⁶⁰

58. The evidence showed that some areas which operated the programme monitored and scrutinised its own performance, Môn Communities First said:

“Môn CF report annually to the Council’s Partnership and Economic Development Scrutiny Committee, and performance is monitored quarterly by the Housing Services staff... Financial scrutiny is undertaken by the Council’s Grants Manager.”⁶¹

59. However, as mentioned in the [initial report](#), performance monitoring varied widely between clusters because decisions about which indicators to use were made locally, rather than centrally by the Welsh Government. As a result, several respondents suggested that the methods of performance monitoring following the 2012 reconfiguration were not fit for purpose.

60. Torfaen Council told us that a balance needed to be struck between local need and national accountability, but that local determination meant that:

“the strong performance measures need to be evidenced across the board and shared across the board, and sometimes that information sharing hasn’t been as effective as it could be. So, then, it’s difficult to compare like with like.”⁶²

61. This view was supported by Caerphilly Council.⁶³

62. In particular, and as outlined in the [initial report](#), some respondents felt that the Welsh Government could have provided baseline data for the clusters to ensure effective and accurate performance monitoring. The Vale of Glamorgan Council said:

“At the inception of the new Cluster programme in 2013, the WG could have allocated research/academic support to the new Clusters right at the outset, establishing independent ‘baselines’ as the basis for an ongoing evaluation to allow the CF programme to be adequately measured and assessed, both on an annual and full-term basis. This opportunity has now been lost, with previous evaluations considering the ‘old’ programme and subsequent evaluations playing ‘catch-up’ and therefore missing a great deal of evidence.”⁶⁴

⁵⁸ ELGC Committee, [RoP \[289\]](#), 7 June 2017

⁵⁹ Written evidence, [CF19 Carmarthenshire County Council](#), paragraph 11

⁶⁰ Written evidence, [CF16 City of Cardiff Council](#), paragraph 11

⁶¹ Written evidence, [CF11 Isle of Anglesey County Council](#)

⁶² ELGC Committee, [RoP \[106\]](#), 7 June 2017

⁶³ ELGC Committee, [RoP \[129-130\]](#), 7 June 2017

⁶⁴ Written evidence, [CF17 Vale of Glamorgan Council](#)

63. Other respondents, such as Cytun⁶⁵ and City and County of Swansea⁶⁶ also said that the nature of the programme meant that its outcomes were often “soft” and difficult to measure. It was felt that individuals within the communities may have experienced improvements to their overall lives and well-being, but that they are difficult to capture and measure, and therefore have not been registered.

64. Further criticism of the reconfigured model was the lack of flexibility of the performance indicators and the administrative burden placed on Communities First staff due to the reporting requirements. Many respondents, including Oxfam, felt that the focus had gone too far in this direction. They felt that the dataset was “excessive” and placed “huge additional burdens” on Communities First programmes.⁶⁷

65. This could also have been detrimental to the evaluation of the programme, as highlighted in the **initial report** and by Caerphilly County Borough Council in its evidence:

“...it went a little bit too far, and we ended up with 102 performance indicators, which, by definition, means that you have no performance indicators.”⁶⁸

66. It was also highlighted by Môn Communities First that under-performing areas in the programme should have been identified at the outset of the reconfiguration.⁶⁹ Had they been identified then, these issues of poor performance could have been appropriately addressed. This could have improved the overall performance of the under-performing areas as well as enabled more effective scrutiny of Communities First in the longer-term.

Evidence from the Cabinet Secretary

67. In his evidence to the Committee the Cabinet Secretary for Communities and Children highlighted the achievements of Communities First and commended the work of its staff and others involved. As we noted in paragraph 23.

68. The Cabinet Secretary also praised the programme’s work at a local level:

“... the Communities First programme has worked very effectively on individual programmes, local to their need.”⁷⁰

69. However, the Cabinet Secretary acknowledged the inconsistency between areas running the programme as highlighted by respondents. He also acknowledged the challenges faced by the programme at its outset:

“...this is not an easy programme. We are talking about some of the most difficult communities in the whole of Wales here, and of course there are going to be challenges that are faced. As I said, it wasn’t a consistent programme; it was a different programme in every community.”⁷¹

70. The Cabinet Secretary acknowledged the issue of Communities First sometimes delivering services that could be delivered by statutory bodies:

⁶⁵ Written evidence, **CF07 Churches Together in Wales**, paragraph 13

⁶⁶ Written evidence, **CF20 City and County of Swansea**, paragraph 2.2a

⁶⁷ Written evidence, **CF09 Oxfam Cymru**, paragraph 15

⁶⁸ ELGC Committee, **RoP [129]**, 7 June 2017

⁶⁹ Written evidence, **CF21 Môn Communities First**

⁷⁰ ELGC Committee, **RoP [27]**, 21 June 2017

⁷¹ ELGC Committee, **RoP [125]**, 21 June 2017

“Before, when Communities First was the lead body, because they paid for some of these interventions, on health or whether it be, education or other areas, actually, health should have been coming to the table, and education should have been coming to the table, and that’s where we are in this space now. The transition period of the legacy will be about how we develop relationships with other third parties to make sure that, where there are good programmes in local areas, hopefully, they’ll be able to be continued through a different funding model.”⁷²

- 71.** He went onto acknowledge that there will be a “challenge for all organisations to come together to make sure that they can fund them together”.⁷³

Our view

- 72.** In our **initial report**, we were particularly concerned that in many places, Communities First programmes had been delivering services that could or should have been delivered by other statutory bodies. We wanted to ensure that statutory bodies stepped in to take over those programmes that are valued and effective, to ensure that the limited transitional funding can be directed at those programmes which are best delivered by Communities First. This formed the basis of recommendation 1:

We recommend that the Welsh Government should ensure that local authorities identify all programmes currently delivered by Communities First which should be delivered by other statutory bodies, and that responsibility for those programmes which are successful and are valued by local communities is transferred to the relevant statutory body.

- 73.** The Welsh Government accepted this recommendation, stating that work was already progressing on this issue by the Communities First Transition Team. The team is working closely with a number of Welsh Government departments to manage the transition and to try and help mainstream projects that are currently delivered by Communities First. The Welsh Government gave examples of work being done within the health and education sectors.

- 74.** We are not fully reassured by the response of the Government and we would welcome more detail on the work that has been done, especially for projects that fall outside of health and education. Additionally, the impact on projects which receive match funding based on Communities First funding levels will need to be considered. We note that the work currently being undertaken will not take account of those projects which were closed down directly as a result of the decision to wind down Communities First and the reduction in the 2017/18 budget. We would like further information on what assessment the Welsh Government has carried out on the number and range of projects which are no longer running since the closure announcement in February 2017.

- 75.** As outlined in the **initial report** we suggested that the Welsh Government should learn lessons from Communities First for the evaluation of future tackling poverty programmes. This formed the basis of three of our recommendations:

⁷² ELGC Committee, **RoP [28]**, 21 June 2017

⁷³ ELGC Committee, **RoP [72]**, 21 June 2017

We recommend that the Welsh Government ensures that performance indicators are consistent across the whole of Wales, are publicly available, broken down by local authority and are made available to the Committee to aid scrutiny.

76. This would include establishing a baseline of data against which to evaluate the programmes, and ensuring that any performance indicators are appropriately based on this data. Any baseline data should be updated regularly to ensure effective evaluation and performance indicators should be easily accessible.

77. The Welsh Government accepted this recommendation in principle, stating that the National Well-Being indicators provide a framework for performance monitoring. The indicators will be published as Official Statistics, and will be made publically available as open data in as much detail as possible. They acknowledged that these indicators will not measure the performance of individual programmes. They agreed that where programme specific indicators are necessary and appropriate they should be produced consistently across Wales, and available as open data. In learning the lessons from Communities First, it is important that Welsh Government ensures that performance indicators are established at the outset of programmes and can be used to evaluate effectiveness. We would welcome further clarity from the Welsh Government as to the circumstances where data would not be available publically.

78. Recommendations 9 and 10 related to broader work to improve data and understanding of poverty in Wales.

We recommend that the Welsh Government develops a dashboard of poverty indicators alongside an organisation such as the Bevan Foundation or Joseph Rowntree Foundation to ensure progress is measured.

We recommend that the Welsh Government explores the feasibility of establishing a longitudinal study into poverty in Wales.

79. The Welsh Government accepted recommendation 10 in principle stating that while they are generally supportive of such a study, there were concerns that the benefits may not justify the significant costs. They also outlined that they currently provide a “boost” to the Millennium Cohort Study.⁷⁴ They said they would undertake further exploratory work on the feasibility of a longitudinal study.

80. There are already examples within Wales of ground-breaking and important longitudinal studies, such as the Caerphilly Cohort Study, which has been described as “one of the most important health studies of its time”.⁷⁵ We are still convinced of the merit of investing in a study that explores the impacts of poverty on people in Wales and the effectiveness of various policy interventions. Such a study should be in line with the policy direction that is set by the Well-Being of Future Generations (Wales) Act, by studying what makes Wales “prosperous” and “equal”. As the Welsh Government has focused on interventions aimed at early years, we believe there would be significant merit in such a longitudinal study focusing on children.

⁷⁴ The Millennium Cohort Study is a multi-disciplinary research project following the lives of around 19,000 children born in the UK in 2000-01

⁷⁵ www.bbc.co.uk/news/uk-wales-29820916

04. Transitional arrangements

There was not sufficient information at the start of the transition process to help local authorities make decisions. We welcome the establishment of a team within the Welsh Government that is focused on supporting the transition. The emphasis on the three Es takes a limited view of poverty reduction. Further clarity is needed on what ‘empowerment’ means.

Management of the transitional period

81. Full funding continued for Communities First clusters between April to June 2017. Transitional funding continues at 70% of current levels until March 2018, when a “legacy” fund of £6 million revenue and £4 million capital funding will be introduced to maintain the “most effective” programmes and community assets over a minimum of four years. We sought clarity from the Cabinet Secretary on whether this funding was over the four year period, or for each year of the four years. In oral evidence, he confirmed to us, it was £6 million per year, for the first two years, with the potential of a further two years of funding.⁷⁶

82. In oral evidence to the Committee in February immediately after the announcement to close down the programme, the Cabinet Secretary told the Committee that “very little guidance” would be issued to local authorities and PSBs in terms of transitional funding, as this was a matter for local determination.⁷⁷

83. The Welsh Government provided Transition and Strategy Guidance to clusters in Spring 2017. This guidance was not publically available when our inquiry started. It is now available on the Welsh Government website.⁷⁸ The guidance stated that it would be followed by a guidance note on financial arrangements in April.

84. We appreciate that there have been developments during the course of our work, as all partners work hard to ensure robust transitional arrangements. We are also aware that the evidence we have taken on this particular issue can only reflect the situation at the time the evidence was given. Therefore we have taken this on board in considering the evidence, and making our recommendations.

85. We heard from a range of local authorities, including Cardiff, Carmarthenshire, Vale of Glamorgan and Caerphilly of how they were working to maximise the opportunities from the transitional funding and support. Cardiff indicated that they were looking to “align current and new arrangements” to ensure a consistent approach across both the public and third sector.⁷⁹ We were reassured to hear that some like Carmarthenshire⁸⁰ and Vale of Glamorgan⁸¹ are doing work to map gaps in service provision.

86. Caerphilly Council told us that while they had a clear view of the programmes they want to support going forward, they didn’t know if this was in-line with Welsh Government priorities.⁸² They said that they wanted to ensure that the transition was seamless, but that the lack of clarity from the

⁷⁶ ELGC Committee, [RoP \[112-115\]](#), 21 June 2017

⁷⁷ ELGC Committee, [RoP \[33\]](#), 16 February 2017

⁷⁸ Welsh Government, [Communities Transition and Strategy Guidance](#)

⁷⁹ Written evidence, [CF16 City of Cardiff Council](#), paragraph 19-20

⁸⁰ Written evidence, [CF19 Carmarthenshire County Council](#), paragraph 19

⁸¹ Written evidence, [CF17 Vale of Glamorgan Council](#)

⁸² ELGC Committee, [RoP \[27\]](#), 7 June 2016

Welsh Government made the phasing out more difficult.⁸³ Torfaen Council supported the views of Caerphilly Council, and described that while they were clear about the Employability Programme, they were still unclear about the Welsh Government's vision for the Legacy Fund.⁸⁴

87. The WLGA suggested that the guidance did not take account of the wider pressures on local authorities:

“Whilst it [the guidance] suggests LAs should look at transitioning key staff to other parts of the organisation there is no recognition of (i) the lack of resource in LAs and (ii) the fact that some staff (probably the best ones) could leave for other jobs, impacting on the ability to deliver in the wind-down period which is a common ‘end of programme’ problem and the continuation of Legacy projects.”⁸⁵

88. Concerns about the guidance, were also shared by the WCVA who felt that, at the time of producing their written response that it was not clear what the criteria was for the Legacy Fund. They also questioned the presumption that local authorities were always best placed to identify those projects which should receive Legacy Funding.⁸⁶ When they gave oral evidence, they were still concerned about the lack of clarity, and said that for many the question was still “transition to what?”⁸⁷ They suggested that there should be:

“...a learning element to the Legacy Fund in order to identify why a project is deemed effective and to presume that such leaning will be shared in order for replication, where appropriate can happen. There is a risk that effective projects are confined to individual lead delivery body areas/boroughs. This must be avoided. We should be looking for opportunities to upscale and transfer good interventions.”⁸⁸

89. Other members of the third sector provided us with their views on the transitional period, which Oxfam Cymru described as “somewhat mixed” with approaches differing across Wales (although they did highlight that it might be that this variety could be the right approach).⁸⁹ They were concerned that there was a risk some local authorities would just take work in-house and not engage with external delivery partners within their communities.⁹⁰

90. The WCVA also told us that the transitional guidance is focused on the current financial year, and operational matters such as how to wind down offices.⁹¹ They were also concerned that some organisations would not be able to survive until the point that greater clarity and guidance was available from the Welsh Government.⁹² As we noted in the **initial report**, having seen the transitional guidance, we thought it was quite short and light on detail. This surprised us because of the huge

⁸³ ELGC Committee, [RoP \[112\]](#), 7 June 2016

⁸⁴ ELGC Committee, [RoP \[37\]](#), 7 June 2016

⁸⁵ Written evidence, [CF03 Welsh Local Government Association](#)

⁸⁶ Written evidence, [CF04 Wales Council for Voluntary Action](#), paragraph 19

⁸⁷ ELGC Committee, [RoP \[261-262\]](#), 7 June 2016

⁸⁸ Written evidence, [CF04 Wales Council for Voluntary Action](#), paragraph 20

⁸⁹ Written evidence, [CF09 Oxfam Cymru](#), paragraph 22

⁹⁰ Written evidence, [CF09 Oxfam Cymru](#), paragraph 18

⁹¹ ELGC Committee, [RoP \[316\]](#), 7 June 2016

⁹² ELGC Committee, [RoP \[311\]](#), 7 June 2016

variety in the programmes, the ways in which they are delivered, and the diverse communities they serve.

91. Torfaen Council also raised concerns about the lack of written guidance, which was challenging for councillors, who are often not in the meeting that local authority officers have with Welsh Government officials:

“Detailed guidance that follows that timescale, really, is quite difficult sometimes. When you’re talking to members, particularly new members and new cabinet members—one: they want to see something on a piece of paper, when often the information we’re getting is through the lead delivery body meetings rather than anything on paper.”⁹³

92. The Bevan Foundation emphasised the central role the Welsh Government has during the transitional period and that as part of this, it should provide “robust guidance”.⁹⁴ They also felt this was an opportunity for innovation:

” This might include a change in emphasis away from individual ‘deficits’ towards those based on assets, such as building community wealth, creating a local ‘circular’ or sharing economy, and local intermediate labour markets.”⁹⁵

Supporting organisations to self-sufficiency

93. Many respondents highlighted the opportunity of the closure of Communities First to support services into self-sufficiency. There are already examples of this happening, in Anglesey⁹⁶ and we heard that the Vale of Glamorgan Council was also working towards this for those programmes that did not directly support employability, but were effective.⁹⁷

94. The WCVA suggested that there was a need for core funding for some organisations:

“...to allow them to continue to exist, because their existence, in and of itself, is of benefit to these communities, and the other apparatus and the programmes that Government, local government and colleges, et cetera, want to develop. And I think we’ve got a real concern. ... there’s a lot of worried anchor community hub organisations—those third sector providers delivering the programme.”⁹⁸

95. We talk about this more in the section looking at community assets (paragraphs 139-144).

Evidence from the Cabinet Secretary

96. Since the announcement in February, we have been scrutinising the Welsh Government’s approach with the Cabinet Secretary both in oral evidence and through correspondence. This reflects that it is a fast developing situation, particularly in relation to the guidance and transitional funding.

⁹³ ELGC Committee, [RoP \[11\]](#), 7 June 2016

⁹⁴ Written evidence, [CF02 The Bevan Foundation](#), paragraphs 15-16

⁹⁵ Written evidence, [CF02 The Bevan Foundation](#), paragraphs 17

⁹⁶ Written evidence, [CF11 Isle of Anglesey County Council](#)

⁹⁷ Written evidence, [CF17 Vale of Glamorgan Council](#)

⁹⁸ ELGC Committee, [RoP \[312\]](#), 7 June 2016

97. The Welsh Government's Director of Communities and Tackling Poverty detailed the work of the Transitional Team within the Welsh Government:

“Following the Cabinet Secretary’s announcement in February, we established a dedicated team ..., the Communities First transition team. The sole function of that team is to work with lead delivery bodies and to work with local authorities and other organisations like GAVO and the Co-op, who’ve been instrumental in delivering Communities First, to help them with their transition plans.

We issued them with guidance very shortly after the announcement and they responded by giving us very headline transition plans. I think it was at the end of March. They then had to work those up into more detailed transition plans, which they submitted to us at the end of May. We’ve given them feedback both on their initial headline plans and on their more detailed plans.

The team have met regularly with the lead delivery bodies. Ruth and the team have also met individually with pretty much every local authority that has Communities First. So, there is regular communication and there are members of the team who act, in a sense, as account managers. In addition to that, we have a contract with WCVA, who are providing additional support to lead delivery bodies to advise them on various aspects of transition planning. That team will stay in place right through the transition period to work with local authorities, to work with lead delivery bodies and partners, to give them as much support as we can throughout the process.”⁹⁹

98. The Cabinet Secretary also described the engagement work undertaken by the team immediately following the announcement, including holding two events, in North and South Wales to provide the Government with an opportunity to engage with the variety of agencies involved in Communities First delivery.¹⁰⁰ He was also confident that the transitional team were working hard to support all the local delivery bodies, and stated that if there is a “connection issue” it was not at the Welsh Government side, “it’s more local”.¹⁰¹

99. The Cabinet Secretary told us that the Welsh Government have managed to have a “softer exit” than was initially considered, and explained that they had managed to “find” some legacy funding.¹⁰² It is not clear what the original plans were, but we welcome this “softer” exit, which will hopefully provide communities the opportunity to secure the viability of successful and valued projects.

100. He was clear that the decisions about the projects benefiting from the transitional funding and support were to be made at a local level:

“What I’ve tried to do with the legacy fund is a hands-off approach. It’s really about local determination for local projects, and I want some general national principles of tackling poverty, sticking to the agenda of skills and jobs and

⁹⁹ ELGC Committee, [RoP \[80-82\]](#), 21 June 2016

¹⁰⁰ ELGC Committee, [RoP \[75\]](#), 21 June 2016

¹⁰¹ ELGC Committee, [RoP \[96\]](#), 21 June 2016

¹⁰² ELGC Committee, [RoP \[18\]](#), 21 June 2016

growth and opportunity, but I really want to have a hands-off approach in terms of what—. It's got to be lawful and within the rules of public funding, but I'm hoping that the legacy fund we'll be able to use as a local catalyst to change.”¹⁰³

101. The Cabinet Secretary also indicated that he was interested in the idea that was put forward by a number of stakeholders about supporting organisations to self-sufficiency:

“I would hope that what are perceived as locally good programmes continue, but there will be a challenge for all organisations to come together to make sure that they can fund them together. I noted—... [the suggestion]...that some of the individual programmes that were perceived to be very effective should start to consider should they become individual charities of their own, to attract funding et cetera. I am not suggesting that’s a bad idea at all, and that’s why we’ve given a lot of space here in terms of transition.”¹⁰⁴

Our view

102. In our **initial report**, we stated that there was still some confusion at a local level about the transitional arrangements, some on quite fundamental issues such as how long the transitional funding would be available for, as mentioned in this report in paragraph 81. We called for this to be clarified in recommendation 2:

We recommend that the Welsh Government clarifies how long the legacy funding will be available for as soon as possible, and communicates that to all local authorities and other relevant statutory bodies.

103. The Government accepted this recommendation and stated that legacy funding had been agreed for two financial years. However, the aim of this recommendation as to establish whether funding would be made available after the initial two year period. This possibility was suggested to us by the Cabinet Secretary in oral evidence.¹⁰⁵ We now call for the Welsh Government to provide clarity as to whether the legacy funding will be available for those additional two years. We would like this clarity before the publication of the Welsh Government’s final 2018-19 budget.

104. In the **initial report**, we welcomed the establishment of a transitional team within Welsh Government. While we were encouraged by the pro-active approach taken by this team, we were concerned that it was not enough.

105. As noted in paragraph 90 of this report, we share stakeholders concerns about the lack of written guidance on the transitional arrangements. In the **initial report**, we made recommendation 3:

We recommend that the Welsh Government ensures that all advice and guidance to local authorities is available in written form to supplement support provided in person or orally.

106. The Welsh Government accepted this recommendation, and clarified that local authorities can request written confirmation of tailored advice. We welcome this. We would like assurance as to whether all local authorities are aware they can request for this.

¹⁰³ ELGC Committee, **RoP [100]**, 21 June 2016

¹⁰⁴ ELGC Committee, **RoP [72]**, 21 June 2016

¹⁰⁵ ELGC Committee, **RoP [112-115]**, 21 June 2016

107. We welcomed the Welsh Government giving local authorities the flexibility to make decisions at a local level, but we stated it was important for the Government to provide a clear steer and guidance to ensure that local authorities decisions help deliver the Welsh Government's broader approach to poverty reduction.

108. As well as providing that clear policy framework, we also felt that the Welsh Government needed to make it clear that the mandate for making these decisions sits firmly with the local authorities, to end the "limbo" some local authorities are feeling.

The 'three Es'

109. The Transition and Strategy Guidance makes clear that the 'three Es' are central to the transitional period, and should inform the funding decisions local bodies make. It defines them as:

"Employability: ensuring communities are ready and able to work;

Empowerment: making sure communities are engaged and empowered to have their voices heard in the decisions that affect them; and

Early Years: giving children the best start in life."¹⁰⁶

110. The Bevan Foundation had clear views on the 'three Es':

"I think the empowerment, employability and so on are important, but it's not clear why those three have been chosen above others. I think they point to a problem that has been evident in the Communities First approach right from the beginning, which is that they're characteristics that are deemed to be a good thing for deprived communities, but in fact, they're a good thing for everybody. Why would you not want people to be engaged and empowered everywhere? Why only those communities? I think what that points to is a bigger policy gap, I suppose, in terms of what the Welsh Government is doing to reduce poverty and deprivation."¹⁰⁷

111. They expanded on other areas that they thought priority should be given to:

"I think the emphasis should still, very firmly, be on reducing poverty. I think that's a combination of improving people's incomes, some of which is through work, but it's also reducing costs. But you will not achieve that in disadvantaged communities unless those interventions are linked with a wider programme to create and spread jobs. Trying to expect people in very small neighbourhoods, some distance from any job opportunities, to get work through whatever measures, I think, is flawed. I think there is still scope for place-based activity, but it has to be within a broader framework, and it has to be delivering activities that are best done at community level, and not everything is necessarily best done at community level."¹⁰⁸

¹⁰⁶ Welsh Government, [Communities Transition and Strategy Guidance](#)

¹⁰⁷ ELGC Committee, [RoP \[275\]](#), 7 June 2016

¹⁰⁸ ELGC Committee, [RoP \[279\]](#), 7 June 2016

Employability

112. WCVA highlighted that employability is closely linked with other policy areas, that Communities First have been supporting:

“The option to transition to the model of the Employability Grant but using Communities First allocations for the employability activities is cautiously welcomed. However, where poverty and barriers to work for some people are primarily shaped or aggravated by health and educational factors WCVA would be hopeful that the Legacy Fund is sympathetic to funding these interventions.”¹⁰⁹

113. The WLGA welcomed that areas which had not received any Communities First funding, would receive funding to support employability programmes, including Monmouthshire, Ceredigion and Powys. However, they noted that these local authorities will need to be properly supported and resourced so they can make the most of the funding.¹¹⁰

114. The importance of looking at employability in the broadest sense was emphasised by Dr Eva Elliott:

“I think, if you ignore the stages to people becoming employable—you know, building confidence, those softer things that are recognised as perhaps successes of Communities First, but they’re soft outcomes; I think those are things that are important as well. For some people, it’s a long journey before becoming employable, and you have to recognise that, and we have to sort of look at that as well.”¹¹¹

115. She also highlighted the importance of the quality of the employment as did the WCVA. We heard that poor employment wasn’t empowering, and we were warned of the well-being implications of poor quality employment.¹¹² The Bevan Foundation described employability as being “half the story”.¹¹³

116. The Isle of Anglesey County Council told us that employability has been a focus for its Communities First programmes already,¹¹⁴ a view that was supported by Môn Communities First.¹¹⁵

Early years

117. We received evidence from the Royal College of Speech and Language Therapists (RCSLT) that the closure of Communities First provided an opportunity to consider lessons learnt from other poverty reduction programmes such as Flying Start. They called for early language support for children living in poverty to be expanded to those living outside Flying Start settings. They also felt it was an opportunity to reflect on support available for children as an integral part of poverty reduction.¹¹⁶

¹⁰⁹ Written evidence, [CF04 Wales Council for Voluntary Action](#), paragraph 18

¹¹⁰ Written evidence, [CF03 Welsh Local Government Association](#)

¹¹¹ ELGC Committee, [RoP \[239\]](#), 7 June 2016

¹¹² ELGC Committee, [RoP \[244 and 292\]](#), 7 June 2016

¹¹³ ELGC Committee, [RoP \[299\]](#), 7 June 2016

¹¹⁴ Written evidence, [CF11 Isle of Anglesey County Council](#)

¹¹⁵ Written evidence, [CF21 Môn Communities First](#)

¹¹⁶ Written evidence, [CF12 The Royal College of Speech and Language Therapists Wales](#), paragraphs 9 and 11

118. During the Chair's visit to Communities First projects in Newport, he heard directly from Flying Start staff their frustrations, that they couldn't fill spare capacity with children living close to the centre and who would benefit from their services because the family did not live in the "right" postcode.¹¹⁷

Empowerment

119. Dr Eva Elliot told us:

"I don't know what empowerment looks like or is being planned, but it seems to me that these organisations have been doing empowerment for quite some time and we need to learn a bit more about what that looks like, where it works well and for whom, under what circumstances."¹¹⁸

120. This was a view that we heard from a number of witnesses. The WCVA said empowerment had "an important role to play" but that it had to be really clear how empowerment fitted into the broader poverty reduction agenda.¹¹⁹

121. Another representative from the WCVA told us directly, that "the reality is [that] just getting lots of people into work isn't going to bring about empowered communities".¹²⁰

122. The Bevan Foundation emphasised the importance of empowerment being a two way process:

"...you also need to require the institutions to listen to people. So, if people are empowered, okay, are employers giving people interviews, are local authorities listening to the views of residents, et cetera, et cetera?"¹²¹

Issues outside the 'three Es'

123. As the Bevan Foundation noted the 'three Es' leaves a large number of areas outside of the remit for the transitional funding that are important to poverty reduction. For example, the Older People's Commissioner for Wales highlighted that the Welsh Government Strategy for Older People 2013-2023 stated that Communities First was a "mechanism" to improve older people's financial inclusion.¹²²

124. Both Carmarthenshire County Council¹²³ and the Wales Co-operative Centre shared concerns about the risk to digital inclusion programmes that are currently offered by Communities First programmes. The Wales Co-operative Centre told us they were concerned that digital inclusion might disappear and:

"There are some areas such as Rhondda Cynon Taf where we believe that frontline delivery of this digital training would not operate to the same level if Communities First projects were not replaced."¹²⁴

¹¹⁷ ELGC Committee, [ELGC\(5\)17-17 Paper 5 – Communities First](#), 7 June 2016

¹¹⁸ ELGC Committee, [RoP \[153\]](#), 7 June 2016

¹¹⁹ ELGC Committee, [RoP \[284\]](#), 7 June 2016

¹²⁰ ELGC Committee, [RoP \[292\]](#), 7 June 2016

¹²¹ ELGC Committee, [RoP \[306\]](#), 7 June 2016

¹²² Written evidence, [CFO8 Older People's Commissioner for Wales](#), paragraph 6

¹²³ Written evidence, [CF19 Carmarthenshire County Council](#), paragraph 27

¹²⁴ Written evidence, [CF13 Wales Co-operative Centre](#)

Evidence from the Cabinet Secretary

125. We raised the issue of broadening out the employability programme to continue providing support once someone has secured employment. We welcomed his positive response:

“I have been to a Communities for Work programme where that has actually taken place, where the teams go beyond the realms of what their statutory duty is and where they are picking up people who are needing sometimes a confidence-building approach to accessing an employment programme. So, it does happen, and I will give that some further thought, actually, whether we look at our staff and staff training about what that enablement for support in the local communities is. We are funding significant amounts of money into that programme now, and I take on board your concern about how we ensure that the most vulnerable in our communities are able to have confidence to move into that space. I will look at that.”¹²⁵

126. He also told us that this would be covered in the Employability Plan:

“I was very keen to ensure that the employability plan spans from people who are—...—right at the cusp of the market, about trying to give them confidence and opportunity to get into an employability programme, right to the other end, of degrees and Master’s, and how we fund that. So, the employability plan operates right across that.”¹²⁶

127. In light of stakeholders’ uncertainty about what empowerment means in terms of service delivery, we questioned the Cabinet Secretary on this issue and he told us:

“You can fund people to stay in poverty as long as you wish, but, actually, what you need to do is empower them. And that’s what we’re doing with our employability plan, and our employability programme.”¹²⁷

128. We explored with the Cabinet Secretary the concerns about the narrowness of the ‘three Es’. He agreed that the “capital element” of poverty was important.¹²⁸ He also outlined a range of work the Welsh Government were doing which he felt would address some of these broader issues, including the Energy Efficiency Programme, the Metro system, and the Valleys Taskforce.

Our view

129. In our **initial report**, we did not question the importance of the ‘three Es’ in reducing poverty. However, we noted that this could be seen as taking a limited view of tackling poverty, and that the Welsh Government needs to take the broadest approach to poverty reduction, including actions to reduce household costs and maximise income.

130. We noted that a sole focus on the ‘three Es’, could lead to significant gaps as projects outside these areas could be cut. This could have a particular impact on:

- 5-16 year olds;

¹²⁵ ELGC Committee, **RoP [49]**, 21 June 2016

¹²⁶ ELGC Committee, **RoP [129]**, 21 June 2016

¹²⁷ ELGC Committee, **RoP [34]**, 21 June 2016

¹²⁸ ELGC Committee, **RoP [53]**, 21 June 2016

- older people;
- people without children; and,
- those furthest away from the job market.

131. Moving to the individual components of the three Es, we urged the Welsh Government to take the broadest view of employability, to ensure that local authorities continue to support programmes which help people at every stage of securing a job. We also stated that it was essential that support continues once someone has got a job, if this is needed, as well as helping with progressing and maintaining employment.

132. We therefore made recommendation 5:

We recommend that the Welsh Government takes the broadest view of employability, and in guidance to local authorities, makes clear that employability support should encompass all stages of the employment journey, including any necessary support needed once a person is successful in gaining employment.

133. The Welsh Government accepted this recommendation, saying that the Employability Grant will provide the “infrastructure” to support delivery of employability programmes such as Communities for Work. It also stated that guidance to local authorities will “emphasise the importance of supporting people to address barriers to employment” as well as helping them move, sustain and progress in their employment. However, the Welsh Government did not provide any further details on what will be contained in guidance. We would like more information on how the guidance will help ensure that support can continue for the first six months of employment, especially given that Communities for Work is a geographically targeted programme and not available to all.

134. We believed that the focus on early years in the transitional period could enable local authorities to remove barriers to families accessing early years services that would be beneficial but are restricted from because of their postcode. We also thought that the introduction of the Childcare Offer¹²⁹ could provide an opportunity to ensure that existing provision, like that we visited in Newport, could be used to help deliver that pledge. This led us to make recommendation 6:

We recommend that the Welsh Government considers removing barriers to families accessing support through the Flying Start programme. If funding is available, there is capacity and the support is needed, Flying Start programmes may be able to support families who are ineligible simply because of their postcode.

135. In responding to this recommendation, the Welsh Government gave more details on how the Outreach element of the Flying Start programme works. It is focused on three groups:

- children moving out of Flying Start;
- children living outside of Flying Start areas; and,
- communities of Interest.

¹²⁹ The Welsh Government has committed to offering 30 hours of free childcare a week.

136. We believe that the Outreach programme is a sensible approach, and are reassured that there are opportunities for families outside of Flying Start areas to access services. Although there are some areas on which we would like greater clarity, including:

- whether all Flying Start staff are aware of the Outreach programme;
- whether the programme will address the situation we saw in Newport; and,
- the extent to which the Outreach programme is used across Wales, and any assessment of its effectiveness.

137. Like the stakeholders, while having a clear idea of what employability and early years means, in terms of supporting programmes going forward, we were unclear about “empowerment”. We therefore made recommendation 7:

We recommend that the Welsh Government makes clear what empowerment means in terms of priorities for local authorities during the transition period of Communities First and beyond.

138. The Government accepted this in principle, and stated that the transition guidance defines empowerment as “making sure communities are engaged and empowered to have their voices heard in the decisions that will affect them”. We remain unclear about what empowerment means in practical terms. We urge the Welsh Government to provide greater clarity, including examples of what it means in practice, for example: poverty truth commissions, citizens sitting on PSBs, or different methods of consultation and involvement.

Community assets

139. Community assets are the buildings that sit at the heart of a community, and from which many Communities First projects are delivered. They are integral to the development of resilient communities. We heard concerns from a range of witnesses that the closure of Communities First may have significant impact on community assets.

140. Dr Eva Elliot told us:

“The community anchor organisations have accumulated many years’ experience of how Communities First activities (and other government programmes such as Communities for Work, Lift, Flying Start etc.) might be delivered in ways that are acceptable, appropriate and effective in relation to the local context. Another reason why local people have made use of Communities First activities in places where community anchor organisations deliver activities is because they can access them in spaces where there are people they trust and where they feel safe.”¹³⁰

141. Caerphilly Council reiterated the risk to community assets and other programmes and organisations:

“We deliver in locally-based venues, and, as a consequence, they have income through the Communities First programme. So, anything that’s withdrawn is going to have an effect on locally-based assets. It could potentially have an

¹³⁰ Written evidence, CF14 Dr Eva Elliott, paragraph 8

effect on partner programmes where the venue is funded through Communities First and a wide range of organisations deliver out of that particular venue.”¹³¹

142. The WCVA were concerned that there will be a reduction in community centres:

“There is a real risk that at the end of Communities First there will be fewer community hubs than at its start. One could argue that by this, admittedly crude, metric that communities have been *disempowered* by Communities First.”¹³²

143. We heard of examples of Communities First projects becoming self-sufficient. For example Cwmni Bro which, following the 2012 reconfiguration, sought other funding streams and now is fully funded from external sources, receiving no Welsh Government funding. In terms of current Communities First projects, Mon CF, has sought other incomes, and now receives 50% of funding from sources other than the Welsh Government.

144. Cardiff Council outlined the approaches that could be taken to protect community assets:

“The additional funding available through the Community Facility Grant will allow local authorities and third sector organisations to apply for capital funding to make community buildings more sustainable over the longer term. This is to help address the loss of rental income or financial support that these buildings may receive from Communities First. It will be important to ensure this funding opportunity is linked and adds value to the current Community Asset Transfer (CAT) process in place. Cardiff will work to ensure that best use is made of this fund to make community buildings more sustainable in the long term.”¹³³

Evidence from the Cabinet Secretary

145. The Cabinet Secretary told us:

“...local determination—what the local communities believe is the right thing for them, and the local authorities. We are also aligning the communities asset grant with the communities facility programme. So, we are looking at how those both work together. I’ll be issuing some guidance on the capital asset programme for the long term. I’m happy to share that when we’ve drafted that with committee, if that’s helpful. But, again, we will expect that the community asset stuff is around how they plan for the long term. It’s not a short-term intervention; it’s about capital investment.”¹³⁴

Our view

146. As we stated in our [initial report](#), we share stakeholders’ concerns that there is a risk without some creative thinking and additional support at this stage, that these community assets will be lost. The loss of physical buildings, combined with the loss of the established relationships, which we explore in chapter 3, could have a significant adverse impact on communities. As with much of the

¹³¹ ELGC Committee, [RoP \[146\]](#), 7 June 2016

¹³² Written evidence, [CFO4 Wales Council for Voluntary Action](#), paragraph 12

¹³³ Written evidence, [CF16 City of Cardiff Council](#), paragraph 30

¹³⁴ ELGC Committee, [RoP \[181\]](#), 21 June 2016

concern around Communities First, we are concerned, that the value of what will be lost, will not be apparent until it is too late.

147. As a result, we can see significant merit in the approach suggested by both the Bevan Foundation and the WCVA of providing core funding to community assets, while also supporting them to identify alternative funding to enable them to become self-sufficient.

148. In the **initial report**, we said that we feel this is an area where the Welsh Government could do more to give a clearer steer to local authorities and lead delivery bodies to ensure that valued and at risk community assets are helped to ensure their continued survival.

05. Links to other programmes

Communities First has played a vital role in bringing together different programmes. Further work is needed to assess the impact that the closure of Communities First will have on other programmes, such as Communities for Work and Lift.

149. As highlighted previously, Communities First is currently the “glue” which helps hold together a range of related programmes and projects. The way relationships and interdependencies work will vary from area to area, depending on how programmes and projects are organised and hosted. However, we took a range of evidence that shared concerns about the impact the closure of Communities First would have on other programmes such as Communities for Work, Flying Start and Families First.

150. The Vale of Glamorgan and Cardiff councils told us that there had not been consideration of alignment between Communities First and other programmes during the life of the programme. Vale of Glamorgan Council said that connections and synergies between the various programmes were not made clear until two years after the 2012 reconfiguration.¹³⁵ While Cardiff Council highlighted difficulties that arose because funding cycles weren’t as “joined up as they could have been”.¹³⁶

151. Môn Communities First described what this lack of alignment could lead to:

“It has often been the case that a protectionist attitude and/or silo mentality has led to insufficient talking and joint working between the 3 programmes. In reality there have been a number of individuals assisted under all three programmes without staff at these institutions being aware that their counterparts are providing support for the client. There has been a danger of duplication caused by reluctance to engage in true partnership working – as partnerships often involve letting go of some responsibilities and control to another organisation. This is easier to explain than make happen in reality.”¹³⁷

152. Vale of Glamorgan, Cardiff and Isle of Anglesey councils indicated that they had done work locally to address some of these issues. Cardiff Council has established a Tackling Poverty Board which brings together representatives from the key programmes along with other partners.¹³⁸ The Isle of Anglesey County Council has established a Programme Board with responsibility for poverty reduction programmes.¹³⁹

153. Citizen’s Advice Bureau raised concerns about the impact the closure of Communities First could have on their services:

“When the programme comes to an end our delivery in outreach venues will be hugely reduced in many of Wales’ most disadvantaged communities. Current funding pays for delivery in 105 outreach venues across 42 clusters. This represents nearly 40% of all our outreach venues in Wales. It would also result

¹³⁵ Written evidence, [CF17 Vale of Glamorgan Council](#)

¹³⁶ Written evidence, [CF16 City of Cardiff Council](#), paragraph 14

¹³⁷ Written evidence, [CF21 Môn Communities First](#)

¹³⁸ Written evidence, [CF16 City of Cardiff Council](#), paragraph 25

¹³⁹ Written evidence, [CF11 Isle of Anglesey County Council](#)

in a reduction in advice caseworkers overall - our Shared Outcomes Project currently funds 50 FTE local Citizens Advice staff.”¹⁴⁰

154. They also called on the Welsh Government to consider the “unintended consequences” of the decision to close Communities First and the subsequent new approach to resilient communities.¹⁴¹

155. Oxfam Cymru raised concerns about the interdependencies between other programmes which will continue to run:

“A number of programme partners told us that they consider Communities for Work will be less effective without the supporting Community First framework and infrastructure and its wider programming, and the programme risks being run in isolation from any other tackling poverty programme(s).”¹⁴²

156. This was a recurring concern raised in both the written and oral evidence, with the WLGA highlighting the risk that, without the glue, “the impact of all those individual parts becomes much less”.¹⁴³ They highlighted the importance of the sign-posting role that Communities First performs and that the remaining programmes and any new ones will have to be flexible enough to fill any “critical gaps”.¹⁴⁴

157. Caerphilly Council said:

“It’s like an enormous jigsaw puzzle, to be honest. At the moment, we are having discussions with all the public bodies around what elements they can pick up and deliver, because when we know that, we will know what elements are remaining. It’s not so much about individual projects, it’s about a way of working...”¹⁴⁵

Evidence from the Cabinet Secretary

158. The Cabinet Secretary accepted the issues raised about Communities First being a “jigsaw” and said that the Welsh Government were in the same place as local authorities, drawing together different parts of the public and voluntary sector to deliver the range of programmes.¹⁴⁶

Our view

159. In the [initial report](#), we highlighted the issue about the significant impact that the closure of Communities First would have in its role as an effective and trusted sign-poster to other, often statutory, services.

160. We also mentioned earlier in this report how this may be an opportunity to broaden out the early years services and support. However, we are concerned that in particular, the closure of Communities First could have a significant impact on the employability programmes and projects. Communities First projects currently does a lot of preparatory work to help get people into a position where they are then able to access services such as Communities for Work or Lift. We felt it was

¹⁴⁰ Written evidence, [CF06 Citizen's Advice Bureau](#), paragraph 5.3

¹⁴¹ Written evidence, [CF06 Citizen's Advice Bureau](#), paragraph 5.2

¹⁴² Written evidence, [CF09 Oxfam Cymru](#), paragraph 23

¹⁴³ ELGC Committee, [RoP \[121\]](#), 7 June 2016

¹⁴⁴ Written evidence, [CFO3 Welsh Local Government Association](#)

¹⁴⁵ ELGC Committee, [RoP \[50\]](#), 7 June 2016

¹⁴⁶ ELGC Committee, [RoP \[18\]](#), 21 June 2016

essential that that the Welsh Government provided sufficient support, guidance and funding to local authorities to ensure that this work continues, and we made recommendation 11:

The Welsh Government needs to consider and assess the impact of the closure of Communities First on other Welsh Government programmes and make adjustments to the relevant programmes to mitigate any unintended consequences resulting from the closure.

- 161.** The Welsh Government accepted this recommendation and explained that the Transition Team were meeting with each Lead Delivery Body. They also stated that the team are considering the impact of the closure of Communities First on other programmes, and how Communities First delivery could be mainstreamed into local delivery. In doing this they described the work being done in both the health and education sector. As we stated in paragraph 74, while we welcome the work being done in these important areas, we are aware that Communities First deliver programmes across a range of policy areas, and that there is a potential impact on match funding. We would therefore like more information on what work is being done to consider the projects that fall outside of health and education, such as programmes that cover young people, older people or culture. We do not believe holding workshops will be enough to ensure these valued and effective programmes continue.

06. Welsh Government's strategic approach to poverty reduction

The Welsh Government has shifted its focus in poverty reduction to economic development. This also now sits within the legislative framework of the Well-Being of Future Generations (Wales) Act.

The Welsh Government does not currently have an over-arching poverty strategy or action plan. We feel there is significant merit in having such a strategy to ensure that poverty reduction remains at the heart of Government policies and actions, and that there is clear ownership for the issue.

162. Since 2016, there has been a significant shift in the Welsh Government's approach to tackling poverty. Ministerial responsibility has moved to the Cabinet Secretary for Economy and Infrastructure, which reflects the change in emphasis to economic development. It has been mainstreamed across all portfolios, and also sits within the wider legislative framework introduced by the Well-Being of Future Generations (Wales) Act. While there is a Child Poverty Action Plan, there is not currently a broader poverty strategy or action plan.

163. We note the Vale of Glamorgan Council's view that having an overall targeted approach to poverty has been helpful:

“Having a specific ‘tackling poverty’ targeted approach helped structure projects and provided a platform to evidence outcomes/achievements. All partners bought into this process as it was reasonably clear and transparent.”¹⁴⁷

164. The Bevan Foundation reminded us that:

“It is difficult for the Communities First programme – like all area-based programmes – to shape these big social and economic forces, such as wage rates, whether a local employer makes people redundant, or local rents to name but a few. The task is all the harder because of the relatively weak relationship in the past between economic development priorities and Communities First.”¹⁴⁸

165. As Caerphilly Council told us succinctly:

“...poverty, fundamentally, is down to economics.”¹⁴⁹

166. The Wales Co-operative Centre also highlighted the lack of linkages between economic development and Communities First.¹⁵⁰

167. While others such as Môn Communities First amongst others highlighted, that tackling poverty has to be done across generations:

¹⁴⁷ Written evidence, [CF17 Vale of Glamorgan Council](#)

¹⁴⁸ Written evidence, [CF02 The Bevan Foundation](#), paragraph 10

¹⁴⁹ ECLG Committee, [RoP \[94\]](#), 7 June 2016

¹⁵⁰ Written evidence, [CF13 Wales Co-operative Centre](#)

“No one programme could ever crack the complex problem of poverty in a matter of 10-15 years. The only way to tackle ingrained and deep seated generational issues is over the long term – more than 30 years ideally.”¹⁵¹

168. There was broad support from respondents about the more holistic approach being taken by the Welsh Government, which brings together the different interventions such as improved transport, better education and training. It was also suggested that the shift to regional working across local authorities would help ensure a more co-ordinated approach across Wales.¹⁵²

169. Torfaen Council stressed the importance of on-going performance management and monitoring in the future:

“...also the longitudinal study that should run alongside these programmes has never really happened. There’s always been a snapshot at different points, but that commitment to long-term monitoring and a long-term evidence base that you build up and then compare like with like over time, that’s never really been in place. I think any future programme needs to have that longitudinal study running alongside it.”¹⁵³

170. Dr Eva Elliott raised concerns about the best ways of capturing “successes” and “failures” from programmes and projects like Communities First, because “it requires a kind of more long term view”.¹⁵⁴

171. She also emphasised the need to bring together all the knowledge we have on poverty in Wales:

“I think there’s a lot of knowledge around anti-poverty and how you might address it, but it’s fragmented and I think it needs to come together better.... Our university is over the road to Welsh Government; we should be able to create the fora that enables us to come together to understand how poverty is— what the nature of poverty is in Wales and how we can best address it. We have a great opportunity to that. We should take advantage of the smallness and the spaces we have to do that.”¹⁵⁵

172. The WCVA highlighted the need for the Welsh Government to be clear about what it wants to achieve both for the transitional arrangements for Communities First, but also for “resilient communities” going forward:

“...to be really clear about that framework of outcomes at the higher level that Government and others are trying to achieve, so that we can understand impact a lot better, going forward. It feels like that’s been a real weakness to date.”¹⁵⁶

¹⁵¹ Written evidence, CF21 Môn Communities First

¹⁵² ELGC Committee, RoP [96], 7 June 2016

¹⁵³ ELGC Committee, RoP [132], 7 June 2016

¹⁵⁴ ELGC Committee, RoP [246], 7 June 2016

¹⁵⁵ ELGC Committee, RoP [219], 7 June 2016

¹⁵⁶ ELGC Committee, RoP [322], 7 June 2016

Evidence from the Cabinet Secretary

173. The Cabinet Secretary was clear that there has been a cultural shift within the Welsh Government, and there is now improved cross-governmental working to ensure a more integrated approach to tackling poverty:

“This is a long-term cultural shift and change to tackle the issue of poverty, making some soft interventions, but actually it’s longer term strategic planning....

The reality of this is that we’re not always going to be able to create employment pathways in a certain area, but what we have to have the ability to do is either create opportunities of employment or enable people to access employment elsewhere easily. That’s why the planning of the metro and the north Wales metro and other transport schemes are integrated into the broader discussion. That’s why the four strategies we’re talking about for our investments have to be co-ordinated.

.... I’ve never seen the Government operating in this style before. It’s much more integrated. There’s lots of discussions between departments as opposed to department discussions.”¹⁵⁷

174. He emphasised the importance of having a more holistic approach to poverty reduction:

“...as a Government, we’ve come to the conclusion that the way to grow communities is by giving people good-quality jobs, employment, the ability to have modal shift easier. And the skills agenda is something that goes hand in hand with our childcare pledge, about working parents, for the ability for them to access childcare.”¹⁵⁸

175. During oral evidence, the Cabinet Secretary told us that it was his understanding that there would be a Child Poverty and a national poverty action plan.¹⁵⁹ We followed this up in writing with the Cabinet Secretary for Economy and Infrastructure, and he stated that it would “not be prudent to publish a bespoke national poverty action plan at this point”. He felt that the forthcoming national strategy which would outline how the commitments in *Taking Wales Forward*¹⁶⁰ will be delivered was sufficient.¹⁶¹ He also clarified that the Welsh Government has a statutory duty to publish a Child Poverty Strategy, and that the latest was published in 2015.¹⁶²

Our view

176. In our [initial report](#), we stated that we were convinced by the Cabinet Secretary’s description of how the Welsh Government have taken a more joined up approach to tackling poverty. We welcomed the practical examples he provided of the Government working together to deal with the stubborn issue of poverty in Wales.

¹⁵⁷ ELGC Committee, [RoP \[137-139\]](#), 21 June 2016

¹⁵⁸ ELGC Committee, [RoP \[33\]](#), 21 June 2016

¹⁵⁹ ELGC Committee, [RoP \[65\]](#), 21 June 2016

¹⁶⁰ Welsh Government, [Taking Wales Forward 2016-2021](#)

¹⁶¹ [Letter from the Cabinet Secretary for Economy and Infrastructure](#), 17 July 2017

¹⁶² [Letter from the Cabinet Secretary for Economy and Infrastructure](#), 17 July 2017

177. However, we still believe there is significant merit in having a dedicated tackling poverty strategy, which would reduce the risk of poverty becoming both everybody's and nobody's problem. Tackling poverty effectively involves a large number of partners working together in the statutory, voluntary and private sectors, as well as covering devolved and non-devolved functions.

178. We therefore made recommendation four:

We strongly recommend that a clear tackling poverty strategy is published, which brings together the many strands of poverty reduction work to help provide clear direction and to help the Assembly scrutinise the Government's approach. The strategy should include clear performance indicators to ensure effective performance management, as well as setting out a broader evidence base to help underpin effective evaluation of different approaches to tackling poverty.

179. The Welsh Government rejected this recommendation, stating that achieving prosperity for all is a key objective for the Welsh Government, and that there is now a "truly cross government approach focussing on addressing the root causes of poverty". They added that they wanted to avoid separate strategies which fail to take a holistic approach to complex issues.

180. We remain disappointed that this recommendation has been rejected. We feel that a framework provided by a Strategy or Action Plan is absolutely essential to enable us to scrutinise whether Government policies are working. The key is a clear action plan, with performance indicators, which are disaggregated by area and gender. We support a holistic approach to tackling poverty, and acknowledge that it cannot be tackled when a Government works in silos. However a holistic approach does not preclude having a clear action plan, against which Government actions can be assessed. An action plan would also help demonstrate how well integrated the Welsh Government's approach is, and ensure that cross-portfolio work is all working to the same goal. We also note that there is not a consistent approach across the Welsh Government, for example, there are specific strategies in some policy fields such as the Welsh Language and Food and Drink.

181. We also noted the difficulties in effectively scrutinising the current approach to poverty reduction, as it can be very difficult to get an effective overview of the different interventions being made, what the intended outcomes are and how they will all fit together. We stated that to help aid scrutiny, it would be helpful if the Government responded favourably to requests for Cabinet Secretaries and Ministers to give joint written and / or oral evidence.

The relationship between the Well-Being of Future Generations (Wales) Act and poverty reduction

182. The Well-Being of Future Generations (Wales) Act will have a significant impact on how all parties shape and prioritise their approach to poverty reduction. This will be particularly relevant at a local level. It is an issue we are continuing to consider in our other poverty work.

183. The WLGA felt the Well-Being of Future Generations (Wales) Act provides a good framework to assess effectiveness of projects:

"I think the well-being of future generations Act gives you a really good framework to assess projects and certainly, the regional work that's going on

now, where they're developing their assessment frameworks, they are using the well-being of future generations Act as part of that assessment process.”¹⁶³

184. In their written evidence, WCVA said:

“Sixteen years of Communities First has broadened our understanding of poverty: its impact on ethnic minorities; rural and urban experiences of poverty; the relationship between poverty and availability and quality of services; determinants of poverty; links between poverty and educational attainment; experiences of poverty by different genders and ages, the impact of digital and more...”

... The prevalence of in-work poverty fundamentally challenges the presumptions of work in lifting people out of poverty. It also poses an ethical challenge of approaches to tackling poverty predicated on getting people into employment.”¹⁶⁴

Evidence from the Cabinet Secretary

185. The Cabinet Secretary acknowledged the importance of the Well-Being of Future Generations Act:

“I think the legislation that we put in place last year, around the Well-being of Future Generations (Wales) Act 2015, introducing well-being plans and opportunities for the future, plays a crucial role in planning a different way forward.”¹⁶⁵

186. He went onto add that the public service boards (PSBs) would be “really important units for the future”.¹⁶⁶ He was confident that if the correct processes, which are embedded in the legislation, were followed by PSBs, that:

“I don’t think that communities will drop off the end, subject to the processes being firmly adhered to.....It will stem back to the power of the well-being plan, and the commissioner said in her contributions in the past that she will be monitoring the well-being plans very rigorously.”¹⁶⁷

187. The Cabinet Secretary was clear about the broader approach the Welsh Government was now taking on poverty:

“So, there are lots of programmes that we are joining up to look at the whole agenda of poverty. This is not my role—Ken Skates hold the reigns, but it’s actually a cross-Government approach to how we can change communities’ resilience in terms of the effects of our capital poverty spends... Our investment on poverty is all our investment. We have to think about what do we do to change culture, to change people’s opportunity in life, and that’s why there’s a

¹⁶³ ELGC Committee, [RoP \[101\]](#), 7 June 2016

¹⁶⁴ Written evidence, [CFO4 Wales Council for Voluntary Action](#), paragraphs 16-17

¹⁶⁵ ELGC Committee, [RoP \[12\]](#), 21 June 2016

¹⁶⁶ ELGC Committee, [RoP \[30\]](#), 21 June 2016

¹⁶⁷ ELGC Committee, [RoP \[109\]](#), 21 June 2016

more holistic approach to tackling this. One programme won't tackle poverty on its own, we've seen that.”¹⁶⁸

Our view

188. As we stated in our [initial report](#), we have concerns that there is a real risk of a disconnect between the senior managers who sit on PSBs and the lived experiences of those in the most deprived or disengaged communities. As a result of this, we have recently embarked on a separate inquiry looking at the role of PSBs in relation to poverty reduction, and the process for developing their well-being plans.

189. We also echoed the findings of our predecessor Committee’s work looking at poverty in Wales, and felt it was an appropriate time for the Welsh Government to revisit the recommendation made by that Committee to establish a Poverty Truth Commission, which brings together decision makers and people experiencing poverty. We acknowledged that the “empowerment” strand for the transitional arrangements, may well, address some of these issues, but we are aware that this could end up being patchy and variable across Wales.

190. We felt that there is an opportunity for PSBs to build on the effective relationships that Communities First projects have developed within the communities to ensure the Well-Being Plans are reflective of all communities with an area.

191. We also strongly urged the Future Generations Commissioner to challenge any PSB that submits a Well-Being Plan that is not underpinned by wide reaching engagement with all communities, and does not reflect the importance of poverty reduction.

¹⁶⁸ ELGC Committee, [RoP \[54\]](#), 21 June 2016