

## **Written Response by the Welsh Government to the report of the Equalities, Local Government and Communities Committee entitled Communities First Lessons Learnt.**

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### **Background/Present position.**

Following extensive engagement, it was announced on 14<sup>th</sup> February 2017 that the Communities First Programme would be phased out to make way for a new approach to building resilient communities. Overall poverty levels in Wales have remained stubbornly high and no one programme can succeed in tackling poverty at population level. Communities First no longer responds to, or reflects Welsh Government priorities and will therefore be phased out by March 2018.

The new approach will involve a Welsh Government-wide commitment to building resilient communities across Wales focusing on early years, employment and empowerment.

The wider Employability Plan, Valleys Taskforce, the North and South Wales Metros, promoting financial and digital inclusion, the Better Jobs Closer to Home project and the new childcare offer are part of a significant cross-Welsh Government investment in the prosperity of our communities and the employability of individuals.

In line with the intention for the Welsh Government to look afresh at our approach to supporting resilient communities, the strategic projects which are commissioned through Families First are being refocused. This will ensure the programme is able to do more to support parents, children and young people to build their resilience and confidence and achieve positive wellbeing. Revised Families First programme guidance was published in April 2017 and all local authorities will be operating under the new arrangements from 1 April 2018.

There is consistent evidence to suggest that an investment in early years can significantly improve health, social and educational development and long term outcomes. Likewise, failure to address harmful behaviours in the early years can have dramatic impact on the child and society. The Flying Start programme supports early intervention measures, working in some of Wales' most deprived communities. Its continuation is a Programme for Government commitment. We will review the programme to ensure its continued effectiveness and as part of the review process, we will consider removing barriers to families accessing support through the programme. Across Wales, the Healthy Child Wales Programme aims to provide a structured national programme for children and their families in the early years to achieve improved outcomes and support them in addressing potentially harmful behaviours.

Communities First is now in a transition year, Lead Delivery Bodies have received 70% of the previous year's funding and are fully supported by the Welsh Government Transition Team as they develop and implement their transition plans. The Cabinet Secretary also announced: a £6m Legacy fund to preserve the best, most effective aspects of Communities First; a further £4m of capital funding to help protect valuable community assets; and an additional £12m investment to extend our Communities for Work and Lift programmes, both of which are helping those who face barriers to getting a job into sustainable employment. Funding to Citizens Advice Cymru and Street Games has also continued.

**Detailed Responses to the report's recommendations are set out below:**

**Recommendation 1**

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

**Response: Accept**

Work towards this recommendation is already progressing. The Communities First Transition Division are working closely with a number of Welsh Government departments to support the smooth transition and mainstreaming of projects delivered by Communities First. A series of workshops and meetings have been arranged between health boards and Lead Delivery Bodies to highlight current delivery in these areas and seek to mainstream successful aspects of the programme.

The Chief Executive of NHS Wales has written out to his health board colleagues, urging them to take advantage of Welsh Government facilitated workshops to discuss implications of the programme closure. Similarly officials will be meeting with a range of education colleagues to highlight the projects that will not be in receipt of Communities First funding following the 2016-17 Summer term.

**Financial Implications:** None. Any additional costs will be drawn from existing programme budgets.

**Recommendation 2**

*The Committee 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*

**Response: Accept**

The Legacy Fund funding was agreed for two financial years commencing 2018-19. This information is already in the public domain and was announced during the oral statement on 14 February 2017. The principles of the grant have been co-produced with the lead delivery bodies and will be issued in due course.

**Financial Implications:** None. Any additional costs will be drawn from existing programme budgets

**Recommendation 3**

*The Committee recommends 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.*

**Response: Accept**

Communities First Transition and Strategy guidance is already available and can be found on the Welsh Government website. Any further formal guidance will also be available in written format and published. Where local authorities request written confirmation of tailored advice we are happy to provide provide this.

**Financial Implications:** None. Any additional costs will be drawn from existing programme budgets

**Recommendation 4**

*The Committee 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 Governments 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.*

**Response: Reject**

Achieving prosperity for all is the key objective of this Welsh Government and our approach to delivering this will be set out in the forthcoming national strategy, due to be published at the beginning of the Autumn term.

The Cabinet Secretary for Economy and Infrastructure has overall responsibility for the coordination of cross-cutting measures to promote economic opportunity for all and address poverty. Creating a more prosperous and a more equal Wales is also the responsibility of every Cabinet Secretary and Minister, enabling a truly cross government approach focussing on addressing the root causes of poverty.

Increasing prosperity, and supporting a strong economy that generates sustainable employment opportunities that are accessible to all, is fundamental to tackling poverty. This cross-cutting strategy will provide a framework for our whole-government approach to increasing prosperity and addressing the root causes of poverty in a more effective, joined-up way.

The Ministerial Taskforce for the Valleys is testing this integrated approach to supporting communities and responding to the needs of our citizens, including the needs of those living in poverty, and will provide helpful early evidence and learning.

We want to avoid separate strategies which fail to take a holistic approach to complex issues. It is only by joining up everything that we do that we can effectively respond to the long term challenge of addressing poverty.

**Financial Implications:** None.

### **Recommendation 5**

*The Committee 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.*

### **Response: Accept**

The Welsh Government's Employability Grant will provide the infrastructure to support the ongoing delivery of Communities for Work, take forward the learning from the Lift Programme, and enable Local Authorities to enhance their employment focussed support for those, often with complex barriers, who are furthest from the labour market.

It will also enable support to be provided to people who do not meet the Communities for Work eligibility criteria or who live outside the existing Communities First Cluster areas.

The Employability Grant will support individuals who are in, or at risk of poverty, consistent with the obligations under the Well-Being of Future Generations (Wales) Act. It will work with key stakeholders in providing pathways between programmes in order to provide interventions and support to prevent worklessness and economic inactivity.

Guidance to Local Authorities will emphasise the importance of supporting participants in addressing barriers to employment, developing employability skills and securing employment, as well as empowering, motivating and supporting them to move into, sustain and progress whilst in employment.

Our employability programmes have a significant role to play in ensuring we deliver on our commitment to work with all protected groups to counter discrimination and ensure opportunities for all.

**Financial Implications:** None. Any additional costs will be drawn from existing programme budgets

### **Recommendation 6**

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

### **Response: Accept**

As the Committee will be aware, Flying Start is a targeted Welsh Government funded programme for families with children under 4 years of age, in defined areas that have been identified as being the most disadvantaged across Wales. Local Authorities will benefit from over £76 million in revenue funding for Flying Start in this financial year.

The core entitlements of the programme are those that evidence has shown influence positive outcomes for children and their families:

- high quality, part-time childcare for 2-3 year olds
- an enhanced Health Visiting service
- access to parenting support and programmes;
- access to speech, language and communication support.

The programme is currently being delivered to over 37,000 children under 4 years of age, which equates to around 25% of all children under the age of 4 in Wales.

Flying Start is geographically targeted using income benefit data provided by the Department of Work and Pensions and HM Revenue and Customs. The data provides Local Authorities with information on geographical Lower Super Output Areas (LSOAs) which shows the proportion of children under four years of age living in income benefit households in each of those areas. The Welsh Government guidance directs Local Authorities to prioritise the LSOAs for Flying Start support in a ranked list in order of the highest concentration of disadvantaged children.

There is already a degree of flexibility for Local Authorities to provide Flying Start support to children and their families living outside Flying Start areas - this is known as the outreach element of the programme.

As set out in the guidance, outreach funding provides Flying Start teams with the flexibility to provide elements of the Flying Start programme to those

families most in need across the local authority, and it can be utilised in one of three ways:

1. *Children of families moving out of Flying Start areas* - Outreach funding can be used to ensure continuity of service and necessary support to children who are moving out of Flying Start areas that are identified (through local family assessment tools or panels) as medium-high need.
2. *Children of families living outside of Flying Start areas* - As part of a tailored package of support, Families First coordinators can request individual Flying Start entitlements for any child within the local authority aged under 4 years of age.
3. *Communities of Interest* - Flying Start teams can utilise their Outreach funding to target the children of specific communities of interest in their local authority. These might include women's refuges; traveller communities; homeless shelters; women in prisons.

**Financial Implications:** None. Any additional costs will be drawn from existing programme budgets

### **Recommendation 7**

*The Committee 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.*

### **Response: Accept in principle**

In line with our Taking Wales Forward commitments, a key part of our approach to building resilient communities is focusing on "empowerment". We will be working with partners across all sectors (including Local Authorities, the third sector, community organisations, and business) to create an environment that empowers communities both to be part of the decisions that affect them, and partners in the design and delivery of the services they need.

To inform this approach, we are working with experts and academics so that we can draw on the evidence and learning from past programmes and practice. The Valleys Task Force provides an opportunity to test new ways of working.

The Communities Transition and Strategy Guidance outlined that empowerment is central to building resilient communities. It made clear the requirement to involve and engage communities in planning and decisions around Communities First. Lead Delivery Bodies were required to set out their arrangements for working with communities in their transition plan for 2017/18 submitted to the Welsh Government.

The guidance defines empowerment as “making sure communities are engaged and empowered to have their voices heard in the decisions that affect them.”

**Financial Implications:** None. Any additional costs will be drawn from existing programme budgets

### **Recommendation 8**

*The Committee recommends 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.*

### **Response: Accept in principle**

The National Well-being Indicators provide a framework for measuring our progress as a nation towards the well-being goals. These include key indicators relating to poverty, communities and prosperity. They will be published as Official Statistics under the responsibility of the Chief Statistician and made publicly available as open data in as much detail as possible.

We also accept that as outcome measures they will not measure the performance of individual programmes. Where specific indicators are required and appropriate to measure the performance of individual programmes we agree that they should be produced in a consistent manner across Wales and published transparently and as open data. Individual programmes will also be evaluated in order to understand their contribution to improving outcomes for participants and to ensure that improvements to programme design and implementation are understood fully; these studies will be published according to the Welsh Government’s Principles for Research and Evaluation (<http://gov.wales/statistics-and-research/about/?lang=en>)

**Financial Implications:** None. Any additional costs will be drawn from existing programme budgets

### **Recommendation 9**

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

### **Response: Reject**

Given the ongoing work which outlines our analysis of existing poverty datasets, our commitment to report annually on progress towards the seven well-being goals through the National Indicators and the ongoing monitoring of

the indicators of the Child Poverty Strategy, we do not consider that an additional dashboard of indicators would be the best use of resources at this time.

The Welsh Government recognises the need to publish and utilise a range of indicators and other data to measure progress in tackling poverty. We currently undertake and publish analysis of key cross-sectional datasets (including the Households Below Average Income, Annual Population Survey and National Survey for Wales datasets) to better understand poverty and worklessness in Wales. We have also recently brought together a range of resources that are relevant to poverty, including data on material deprivation and persistent poverty, on the [Statistics and Research](#) page of the Welsh Government website.

In September this year, we will publish *Well-being of Wales*, the first report on the collective progress of our nation towards the seven well-being goals with reference to the National Indicators. These include a number of key poverty indicators which have a focus on the wider prosperity agenda around economy, health, education and skills.

Furthermore, we will continue to report on the key indicators of our *2015 Child Poverty Strategy* reflecting the policy levers of the Welsh Government which can have the greatest impact on child poverty levels in Wales. This series of indicators was reported on in December 2016 in the Welsh Government's [statutory progress report on child poverty](#). The report also includes a series of logic models which set out how Welsh Government policies and programmes are supporting low income households, and identifies which indicators are used to measure progress against each child poverty objective.

The Welsh Government has a strong working relationship with both the Joseph Rowntree Foundation and the Bevan Foundation, particularly in relation to the development of their framework for action in Wales 'Prosperity without Poverty'. This relationship will continue and consideration will be given to any findings published in relation to prosperity for all.

**Financial Implications:** None. Any additional costs will be drawn from existing programme budgets

### **Recommendation 10**

*The Committee recommends that the Welsh Government explores the feasibility of establishing a longitudinal study into poverty in Wales.*

### **Response: Accept in principle**

We are committed to improving prosperity for all in Wales. Whilst we are generally supportive of a longitudinal study into poverty, there are methodological challenges in undertaking such a study and concerns that the benefits it could provide might not justify the significant costs associated with undertaking such a study.



In terms of tracking poverty via a representative survey of the population, we have access to related data through the National Survey for Wales and Family Resources Survey; however we recognise that this does not track the same individuals over time. In addition, Welsh Government does currently boost the longitudinal Millennium Cohort Study which, whilst only focused on one age cohort, is regularly reported on such as in the Children and Young People's Wellbeing Monitor (reference below).

In 2014 we undertook a review into boosting the UK based British Household Panel Survey (BHPS) and its successor Understanding Society, which we co-fund. Prior to this, consideration was also given to boosting Welsh sample sizes for the Family Resources Survey and the Survey of Wealth and Assets. In all cases, at the time it was concluded that the cost was prohibitive and the sample size for Wales would need to be significantly bigger to disaggregate to the level of detail needed.

However, as the Welsh Government takes on additional tax powers we will undertake exploratory work to consider the feasibility of a longitudinal study, looking at costs, options, benefits and impacts of a potential study alongside other ways of improving data. Furthermore there is the significant potential of data linking through the Administrative Data Research Network, which may be a more powerful method of understanding individuals' outcomes over time at a more detailed level than a single new survey would allow.

**Financial Implications:** None. Any additional costs will be drawn from existing programme budgets

### **Recommendation 11**

*The Committee recommends that the Welsh Government considers and assess the impact of the closure of Communities First on other Welsh Government programmes and makes adjustments to the relevant programmes to mitigate any unintended consequences resulting from the closure.*

### **Response: Accept**

The Communities First Transition Team has been working closely with those involved in the closure of the Communities First Programme, internally and externally.

Senior officials have met with each Lead Delivery Body individually on a number of occasions to discuss initial approaches, how they are communicating with their communities on the development of detailed transition plans and delivery during the transition year.

The Lead Delivery Body Network, which was initially held twice a year is now held bi-monthly to ensure impacts are assessed and support is given to any concerns raised.

The Transition team are already considering the impact on other Welsh Government programmes and delivery streams by ensuring departments are aware of potential changes and to consider where current Communities First delivery might be mainstreamed into local delivery.

For example, a series of workshops have been arranged between Welsh Government officials, Communities First Lead Delivery Bodies and Local Health Boards where individual projects have been reviewed. This has allowed health boards to recognise what has previously been delivered through Communities First and what can practically be taken forward once Communities First is phased out. Similarly, initial meetings are now being held with senior officials and managing directors of education consortia.

**Financial Implications:** None. Any additional costs will be drawn from existing programme budgets

**Carl Sargeant**  
**Cabinet Secretary for Communities and Children**