

PUBLICATION

Draft Child Poverty Strategy for Wales 2023: integrated impact assessment

How the Draft Child Poverty Strategy for Wales impacts on a number of areas.

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Section 1: What action is the Welsh Government considering and why?

The Welsh Government is committed to working with partners to drive change in tackling poverty and inequality to make a positive impact on the lives of children and their families in Wales. To support this in 2010 the Senedd Cymru made a law that means Welsh Ministers must have a Child Poverty Strategy in place for Wales which sets out the Welsh Governments Objectives in contributing to the eradication of child poverty. Tackling inequality will continue to underpin our child poverty objectives, the actions we take and the decisions we make to achieve them.

The current Child Poverty Strategy for Wales has been in place since 2015. Over the past 3 years families have had extra pressures because of the COVID-19 pandemic and the cost of living crisis. At the same time the Welsh Government budget has been under pressure and we have had to prioritise what we do and how we spend money to support the immediate needs of people.

Poverty and social exclusion remain major issues in Wales. Prior to the current cost of living crisis, poverty rates had remained relatively stagnant for 20 years and, for much of that period, higher than in England, Scotland, and Northern Ireland (Stats Wales, 2020); with almost a quarter of people in Wales living in poverty.

The Welsh Government commissioned the Wales Centre for Public Policy (WCPP) to conduct **a review** of international poverty and social exclusion strategies, programmes, and interventions to inform the alleviation of poverty and social exclusion in Wales. The Well-being of Future Generations (Wales) Act is about improving the social, economic, environmental, and cultural well-being of Wales. It is there to make public bodies think more about the long term work better with people and communities, and each other with a view to

preventing problems and take a more joined-up approach.

We have already looked at evidence from the Wales Centre for Public Policy, from Audit Wales, from the Children's Commissioner for Wales and from organisations like Children in Wales and the Bevan Foundation. This information has included evidence from children, young people and families living in poverty.

The Welsh Government asked children and young people, families and community members, and organisations that support and speak out for children in poverty to help us make decisions (to co-construct) about what we should do to tackle child poverty and is undertaking intense engagement work to ensure a wide range of input to the draft Strategy.

Following this co-construction activity, we have identified 5 objectives which we believe reflect the areas we must continue to take forward to make a measurable change to the lives of children and young people in poverty, including those with protected characteristics, and deliver for the families and communities that children and young people are growing up in:

- To reduce costs and maximise the incomes of families.
- To create pathways out of poverty so that children and young people and their families have opportunities to realise their potential.
- To support child and family wellbeing and make sure that work across the Welsh Government delivers for children living in poverty, including those with protected characteristics, so that they can enjoy their rights and have better outcomes.
- To ensure children, young people and their families are treated with dignity and respect by the people and services who interact with and support them and to challenge the stigma of poverty.
- To ensure that effective cross -government working at the national level enables strong collaboration at the regional and local level.

We have identified 5 priorities where we will redouble our efforts to deliver against the 5 objectives:

- Priority 1: entitlement (putting money in people's pockets).
- Priority 2: creating a Fair Work nation (leaving no one behind).
- Priority 3: building communities (accessible, joined up services to meet community needs).
- Priority 4: inclusion (kind, compassionate and non-stigmatising services).
- Priority 5: enabling collaboration (at the regional and local level).

The draft strategy explains where we will focus our work under these priorities to deliver against our objectives.

Long term

The revised draft Strategy should not be a plan for just the Welsh Government action, but a plan for all of Wales. This recognises the contribution that we all must make to deliver the change needed for children and families experiencing poverty. It will help us to create a Wales that we all want to live in, now and in the future.

Lots of the changes that can put more money into people's pockets, like welfare benefits, taxes, and public spending levels, sit with the UK Government. But there are still a lot of things that the Welsh Government and public services in Wales can do to improve the lives of children, and their families who are in poorer households and to reduce poverty in the longer term. Especially when we all work together.

The third sector (voluntary organisations and charities) provides critical support to children, young people, families, and communities in Wales and has a key role in tackling child poverty. The private sector (businesses) can also be key for supporting pathways out of poverty through their direct activity as employers and

working in partnership through charitable foundations with small and local charities, people and communities.

The draft Strategy explains what we plan to do, why we plan to do it and sets out our proposals on how we will know if we are achieving what we want to achieve.

Prevention

Actively embedding the draft Strategy across all sectors in Wales should impact positively in decreasing levels of poverty overall, and poor health stemming from poverty.

The recent survey undertaken by Children in Wales shows that the impact of living in poverty on a child's health is huge. Tiredness, hunger, additional stress and deteriorating mental health were listed as some of the main issues in terms of education.

The draft Strategy will aim to treat the causes of poverty, albeit with limited powers over much of the contributors to this in Wales. As concluded by WCPP, the draft strategy must focus on tackling the underlying structural drivers of poverty, supplemented by interventions targeted at specific elements such as food and fuel poverty.

Integration

Internally and externally, cultural ways of working in silo's might prove to be challenging to the implementation of an integrated draft Strategy. Some policy activity may not be seen as having an impact on child poverty, so there is work to embed this so that officials and stakeholders know they have a responsibility to consider potential impacts whether they are seen to be large or small.

It will be important for this draft strategy to link directly with various Programme for Government policies across the Welsh Government. Including but not limited to:

- Work to address food poverty
- Work to respond to the Cost of living crisis
- Claim what's yours campaigns
- Basic Income Pilot for Care Leavers in Wales
- Free School Meals
- · Childcare offer for Wales
- Flying Start
- Social Services Building Capacity through Community Care, Further Faster approach
- Equity in education
- Equity in attainment

The intention will be for this draft Strategy to inform any future policy development, and the consideration of Child Poverty to remain at the forefront of any Programme for Government considerations.

Collaboration

The Welsh Government is engaging partners in health, education, third sector and other government departments to draft a strategy that is meaningful and will make a difference.

Pre-strategy engagement took place with over 3000 internal and external stakeholders taking part, this included the views of over 1,400 children and young people across Wales. The responses received have been used to inform the draft Strategy and approach. The draft Strategy will be shared for a formal 12 week consultation period over the Summer months.

Involvement

Welsh Ministers were clear from the start that the strategy should be coconstructed with children, young people and families living in poverty and with the organisations that support them.

So that children, young people and families with lived experience could be involved in telling us what we need to change through this draft strategy we have worked with our partners to fund engagement events in the communities where people live. This has included engagement activity delivered by organisations that people know and trust. This was especially important in relation to engaging people with protected characteristics, including Black, Asian and Minority Ethnic people, disabled and neurodiverse people, LGBTQ+ people and women receiving support because of gendered issues.

We did this in several ways, we:

- commissioned 2 children's charities, Children in Wales and Save the Children, to undertake small scale well supported engagement activity
- commissioned EYST, Race Council Cymru and Women Connect First, who support Black, Asian and minority ethnic people to deliver engagement sessions with the children, young people and families they support
- awarded 15 small grants to organisations to deliver engagement sessions with children, young people and families with protected characteristics
- provided grant funding to the Councils for Voluntary Services across Wales, via the WCVA who administered the grants on our behalf. This was to undertake engagement sessions with children, young people, families, and community members

We asked these organisations to talk to people about 4 areas of discussion and what would make the biggest difference to them in relation to each area. These 4 areas have informed the objectives of this draft Strategy.

The engagement activity that was undertaken on our behalf has involved engagement with 2,909 people, 1,930 of these people engaged via work targeted at those with protected characteristics.

As well as directly engaging with people with lived experience, the Welsh Government have used evidence from recent surveys and reports undertaken by WCPP, Children in Wales to understand the key issues for those individuals.

Partner organisations from the third sector were also commissioned to use their existing relationships and networks to undertake phase 1 engagement with children and young people themselves.

Impact

Arguments for the draft Strategy far outweigh those against for all the reasons highlighted above. There have been continued calls from Stakeholders, including Children's Commissioner for Wales, to update the 2015 strategy. Stakeholder engagement has reinforced the request for a strategy that partners can sign up to/join with us to action.

Costs and savings

As a cross cutting strategy there are many programmes and actions which contribute to and support our activity to prevent poverty and support those living in poverty. During 2022 to 2023 and 2023 to 2024 we have allocated support worth more than £3.3 billion through programmes which go towards helping protect disadvantaged households and support putting money back into families' pockets".

Whilst there is no specified budget assigned to the development of the strategy, it is intended that a small budget is likely to be available for the year 2024 to

2025 to invest in supporting some time limited strategy implementation activity.

We will use the evidence gathered at the co-construction stage to target that money most effectively to make the biggest difference.

Section 8: Conclusion

How have people most likely to be affected by the proposal been involved in developing it?

Welsh Ministers were clear from the start that the draft Strategy should be coconstructed with children, young people and families living in poverty and with the organisations that support them.

Co-construction activity took place with many internal and external stakeholders taking part, this included the views of Young People and Children across Wales, the responses received have been used to inform the draft strategy and approach. The draft Strategy will then be shared for an official consultation period.

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We did this in a number of ways, we:

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What are the most significant impacts, positive and negative?

Positive impacts

The intended beneficiaries of this draft Strategy are children, young people and families living in low-income households. The draft Strategy will specifically affect children and young people living in poverty. It aims to tackle income poverty and ensure that parents earn enough to ensure that their children are not living in a low income household, making them more likely to be able to access the resources they need to claim their basic human rights. Crucially, it also aims to improve the educational and health outcomes of children and young people living in poverty.

We know that 28% of children in Wales were living in relative income poverty (after housing costs). This is approximately 190,000 dependent children under the age of 19.

The strategy also aims to put in place the structures and strategies needed to provide children, young people and their families with opportunities and resources according to their needs, equal with others, that ensure they are able to develop to their fullest potential in Wales.

Negative impacts

We do not envisage any negative impacts resulting from the revised draft Strategy.

The draft Strategy and its underpinning intent is aimed at directly helping children, young people and their families to live happy, healthy and financially stable lives.

In light of the impacts identified, how will the proposal maximise contribution to our well-being objectives and the 7 well-being goals?

We have embedded the 5 ways of working under the Well-being of Future Generations (Wales) Act, 2015 in this draft Strategy. These principles are central to delivering our long-term anti-poverty agenda for action, delivered in collaboration with our partners and stakeholders across Wales, with the needs of our communities and those with lived experience of poverty at its core. Achieving the 7 well-being goals will, in turn, help to deliver our ambitions on tackling child poverty.

How will the impact of the proposal be monitored and evaluated as it progresses and when it concludes?

When the Welsh Government introduced the **Children and Families (Wales) Measure, 2010** it placed a duty on Welsh Ministers to set child poverty objectives and to report every 3 years on progress towards achieving those objectives. The Welsh Government published the **latest report** on the 2015 Child Poverty Strategy in December 2022.

We are committed to identifying the best ways for children, young people and people with lived experience of poverty to be involved in measuring our progress and letting us know whether this draft strategy is having an impact.

National Milestone: Tackling wider inequalities is a fundamental ambition of this government and we are committed to reducing the poverty gap between people in Wales with certain key and protected characteristics (which mean they are most likely to be in poverty) and those without those characteristics by 2035 and committing to set a stretching target for 2050.

We will provide progress updates against this milestone in the annual Well-being of Wales report, and other poverty related milestones, and will continue our conversation with stakeholders as part of our Shaping Wales' Future work programme. This will include further work on strengthening and refining the supporting data.

In addition to these broader national milestones, we will seek independent research advice on suitable national poverty indicators, data availability and a framework to monitor and demonstrate transparent accountability in reporting on our tackling poverty progress and on involving people with lived experience in telling us whether we are achieving. We will consult separately on these proposals.

Children's rights

The Senedd Cymru made a law that means Welsh Ministers must have a Child Poverty Strategy in place for Wales. The Children and Families (Wales) Measure 2010 and the Wellbeing of Future Generations (Wales) Act 2015 places a legal requirement on Welsh Ministers to publish a Child Poverty Strategy for Wales, and to set objectives for tackling child poverty and improving the outcomes of low income families.

The current Child Poverty Strategy for Wales has been in place since 2015. As a result, the Welsh Government is now consulting on a revised Child Poverty Strategy for Wales.

This draft Strategy will take into account the difficulties facing all children and young people in Wales during these unsettled economic times. Our exit from the European Union, the economic shocks arising from the pandemic and the current cost of living crisis which have had such a profound impact on the economic well-being of vulnerable households in Wales.

The Welsh Government is committed to recognising and guaranteeing children's rights as set out in the United Nations Convention on the Rights of the Child (UNCRC). The UNCRC provides a minimum standard, a floor for which, no child should fall below.

In 2011, Wales became the first administration in the UK to enshrine the United Nations Convention on the Rights of the Child (UNCRC) in domestic law, through the **Rights of Children and Young Persons (Wales) Measure 2011**. The Measure embeds consideration of the UNCRC and the Optional Protocols into Welsh law, and places Welsh Ministers under a duty to have due regard to the requirements of the UNCRC when making their decisions.

Every child has the right to be treated fairly, and have equal access to the

support, opportunities to make the most of their lives and talents. No child should endure poor life chances because of discrimination or inequitable ability to claim their rights.

The draft Strategy aims to put in place the structures and strategies needed to provide children, young people and their families with opportunities and resources according to their needs, equal with others, that ensure they are able to develop to their fullest potential in Wales.

The draft Strategy will be issued for a 12 week consultation period which will run from June to September 2023.

The intended beneficiaries of this draft Strategy are children, young people and families living in low income households. The draft strategy will specifically affect children and young people living in poverty. It aims to tackle income poverty and ensure that parents earn enough to ensure that their children are not living in a low income household, making them more likely to be able to access the resources they need to claim their basic human rights. Crucially, it also aims to improve the educational and health outcomes of children and young people living in poverty.

We know that 28% of children in Wales were living in relative income poverty (after housing costs). This is approximately 190,000 dependent children under the age of 19.

This draft Strategy sets out how the Welsh Government will address these issues by taking forward policies and programmes across all Government Departments.

Evidence from engagement with Children and Young People

The draft strategy very much builds on and draws upon the 2015 strategy and the subsequent Income Maximisation Plan and has been co-constructed with children, young people, families and the organisations that support them to help us prioritise areas for focus in the current economic climate.

The engagement activity has involved engagement with 3,358 people. 1,953 of these people engaged via work targeted at those with protected characteristics. Of the total, 1,402 were children or young people, 1,329 were parent/carers and 319 were grandparents and great grandparents. This has included care experienced young people and kinship carers. We also engaged with 222 representatives of organisations directly or indirectly. The information gathered through this engagement activity has had a direct impact on our decisions about the areas to focus on in this draft strategy.

The information gathered through this engagement activity has had a direct impact on our decisions about the areas to focus on in this draft Strategy, statements such as:

- children and young people, parent/carers, grandparents, and organisations have all told us that the system for claiming their entitlements for financial support from the UK Government and via local government and the Welsh Government is complex and difficult to understand
- young people, parents and carers told us about the support they need to make work pay
- children, young people, their families and organisations told us that they value joined up community based support
- children and young people told us they want to feel fully included in the places where they go for education

Importantly we have included the things people have told us in the draft Strategy. We have also made sure that officials working across government in different policy areas, know what children, young people and their families have said matters to them.

Impact on children's rights

Improving the outcomes of children and young people from low income backgrounds is central to delivering on children's rights in Wales. Article 26 of the UNCRC (children, either through their guardians or directly, have the right to help from the government if they are poor or in need) and Article 27 (children have the right to a standard of living that is good enough to meet their physical and mental needs) are specifically focussed on addressing income poverty and material deprivation. The right for every child to a standard of living adequate for their physical, mental, spiritual, moral and social development is a key element. Governments should provide material assistance and support programmes, particularly with regard to food, clothing and housing.

Other relevant articles of the UNCRC include:

- Article 2: The Convention applied to anyone, whatever their race, religion, abilities, whatever they think or say and whatever type of family they come from.
- Article 3 (Best interests of the child): The best interests of children must be
 the primary concern in making decisions that may affect them. All adults
 should do what is best for children. When adults make decisions, they
 should think about how their decisions will affect children. This particularly
 applies to budget, policy and law makers.
- Article 6 (Right of life): All children have the right of life. Governments should ensure children survive and develop healthily.
- Article 12 (Respect for the views of the child): When adults are making decisions that affect children, children have the right to say what they think

- should happen and have their opinions taken into account.
- Article 18 (Parental responsibilities; state assistance): Both parents share
 responsibility for bringing up their children, and should always consider what
 is best for each child. Governments must respect the responsibility of
 parents for providing appropriate guidance to their children, the Convention
 does not take responsibility for children away from their parents and give
 more authority to governments. It places a responsibility on governments to
 provide support services to parents, especially if both parents work outside
 the home.
- Article 24 (Right to health care): Children have the right to good quality
 health care and to clean water, nutritious food and a clean environment so
 they will stay healthy. Rich countries should help poorer countries achieve
 this.
- Article 28 (Right to education): All children have the right to a primary education, which should be free. Wealthy countries should help poorer countries achieve this right. The Convention places a high value on education. Young people should be encouraged to reach the highest level of education of which they are capable.
- Article 29 (Goals of education): Children's education should develop each child's personality, talents and abilities to the fullest.
- Article 31 (Leisure, play and culture): Children have the right to relax and play, and to join in a wide range of cultural, artistic and other recreational activities.
- Article 36 (activities which harm development): Children should be protected from any activities which could harm their development.

Ministerial advice and decision

Officials in the Tackling Poverty and Supporting Families Division set out proposals regarding the development of the Revised draft strategy in a submission to the Minister for Social Justice and Chief Whip.

The Minister agreed to the overall draft approach at the end of May 2023. The Welsh Government Cabinet approved the draft Strategy for consultation on 5 June 2023.

Communicating with Children and Young People

This draft strategy has been co-constructed with the children and young people, families and organisations who have given their time to help us understand what will make the greatest difference to them. We are committed to continuing this way of working as we deliver the revised draft strategy.

Ongoing communication will ensure that children and young people, families and organisations who have already helped in this process, will continue to be involved in developing work and any implementation of recommendations as a result of the consultation of the revised draft strategy for Wales.

The consultation on the draft Strategy will be undertaken between June and mid September 2023.

Consultation documents will include a youth friendly and easy read versions.

Monitoring and Review

When the Welsh Government introduced the **Children and Families (Wales) Measure 2010**, it placed a duty on Welsh Ministers to set child poverty objectives and to report every 3 years on progress towards achieving those objectives.

The Well-being of Future Generations Act drives better decision making across the Welsh public sector and balances the needs of current and future generations. The **national milestones** measure our collective progress as a

nation and progress towards these national milestones will help us deliver a more sustainable Wales for current and future generations.

National Milestone on poverty: Tackling wider inequalities is a fundamental ambition of this government and we are committed to reducing the poverty gap between people in Wales with certain key and protected characteristics (which mean they are most likely to be in poverty) and those without those characteristics by 2035 and committing to set a stretching target for 2050.

We will provide progress updates against this milestone in the annual Well-being of Wales report, and other poverty related milestones, and will continue our conversation with stakeholders as part of our Shaping Wales' Future work programme. This will include further work on strengthening and refining the supporting data.

In addition to these broader national milestones, we will seek independent research advice on suitable national poverty indicators, data availability and a framework to monitor and demonstrate transparent accountability in reporting on our tackling poverty progress and on involving people with lived experience in telling us whether we are achieving. We will consult separately on these proposals.

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