

Jane Hutt AS/MS
Ysgrifennydd y Cabinet dros Gyfiawnder Cymdeithasol, y
Trefnydd a'r Prif Chwip
Cabinet Secretary for Social Justice, Trefnydd and Chief Whip



Llywodraeth Cymru
Welsh Government

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Liz Kendall MP - Secretary of State for Work and Pensions
Bridget Phillipson MP – Secretary of State for Education
Joint Chairs Child Poverty Taskforce

cc

Child Poverty Secretariat Mailbox childpoverty.secretariat@cabinetoffice.gov.uk

29 May 2024

Dear Chairs,

I was pleased I was able to have the opportunity on the 14 May to raise our priorities here in Wales for the UK Child Poverty Strategy with the Child Poverty Taskforce. I thought it would be useful, following agreement at that meeting that the work of the Four Nations Ministerial Group would be drawn to a conclusion, to write to you to re-state those priorities.

I would also like to note Gordon Brown's submission to the UK Government's Child Poverty Taskforce and his paper "[The Child Poverty Emergency: Reversing the Downward Spiral](#)". I was very interested in a number of his proposals and recommendations.

We are making progress in Wales on issues around child poverty using all the levers we have available to us, in particular for example on the cost of the school day where we have rolled out free school meals to all primary aged children and worked with schools to reduce the costs of school uniform. We are driving forward work to ensure that people can claim what they are entitled to through streamlining and simplifying access to our Welsh Benefits. We are investing in advice services to help the most vulnerable access their entitlements and address the cost-of-living crisis, including support with problem debt.

We recognise that affordable, available and accessible childcare enables parents to work, supporting our drive to tackle poverty and reduce inequalities as well as supporting our economy in Wales. Our Child Poverty strategy prioritises finding affordable solutions to childcare to remove barriers to work and make work pay. Funded childcare makes an important contribution to mitigating the financial pressures that families are currently experiencing in their everyday lives. This is why we invest over £100m a year to deliver

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

funded childcare across Wales through the Childcare Offer for Wales and Flying Start programmes.

We heard from our stakeholders during the development of our own recently published Child Poverty Strategy, and during the engagement on the UK Government's strategy, the impact social security policies have on child poverty, particularly the Benefit Cap and Two Child Limit. We believe addressing the benefit cap and two child limit will be the single most effective action the UK Government can take to address child poverty.

Whilst I recognise the fiscal challenges, and that any changes to welfare policy cannot be done in isolation, we need to ensure people, and especially families, are able to meet their essential costs and that the most vulnerable are protected and supported in order to be able to afford the essentials.

We would also call on the UK Government to take a strategic lead on a national benefits take-up campaign, which includes data sharing arrangements to ensure data held nationally or locally is used to identify the people who are missing out on their entitlements. I believe this would significantly improve take-up rates in Wales and across the UK.

The Welsh Government offers a range of employability and skills support programmes to help people into decent, well-paid jobs. This includes national employment and skills programmes and community led approaches. Our Young Person's Guarantee, provides people aged under 25 in Wales with the offer of support to gain a place in education or training, find a job or become self-employed.

We welcome any opportunity to explore and take forward all areas for collaboration. Offering supported employment through the Connect to Work programme is welcomed, and our Trailblazers in Wales will deliver locally led approaches to support people who are economically inactive and facing significant complex barriers to employment.

On temporary accommodation and homelessness, we have seen significant impacts from our 'no-one left out' policy approach supporting Local Authorities with immediate pressures and through long term transformation with record investment in Social Housing. Whilst housing is a devolved issue, decisions on the Local Housing Allowance rate are not. Uplifting the Local Housing Allowance rate to make renting in the Private Rental Sector more affordable is one of, if not the single biggest lever that could be pulled to help relieve and prevent homelessness. We would consider an annual uplift of the LHA set at the 50th percentile to be desirable.

Credit card debt and fuel and energy debt continues to be a significant issue in Wales as I know it is elsewhere in the UK. A social tariff for energy would help to protect those households who are most vulnerable to market instability. We believe it should be possible to fund a social tariff for energy in a progressive way that supports these households without having significant negative impacts on other households. In addition, the financial inclusion work currently being developed by the UK Government should consider the whole banking ecosystem, including ethical lending, with a view to ensuring even those with the most barriers and living in poverty have access to ethical lending products.

I look forward to meeting with the Secretary of State for Work and Pensions during the Wales child poverty round table on the 5 June and to continuing our more detailed nation-specific policy discussion as part of the ongoing bi-lateral discussions proposed during the taskforce meeting.

A handwritten signature in black ink, reading "Jane Hutt". The signature is written in a cursive style with a large initial 'J' and a distinct 'H'.

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