

Evidence Paper - Equality, Local Government and Communities Committee

Introduction

The purpose of this paper is to provide evidence to the Equality, Local Government and Communities Committee's inquiry into lessons learnt from Communities First.

What worked and what didn't work about the Communities First programme.

Whilst there is evidence of some success at an individual level, Communities First has not had an impact on overall poverty levels in Wales and these have remained stubbornly high.

Welsh Government is taking a cross-government approach to tackling the root causes of poverty, including a focus on increasing job opportunities and skills. My own portfolio priorities support this whole-Government approach, with a focus on early years, employability and empowerment of communities; there was significant support for this new approach in the recent #Talk Communities extensive engagement. Following the engagement, and as part of my decision to bring about a phasing out of Communities First, I announced a range of additional funding to mitigate some of the potential challenges. This included the 70% funding for a twelve month transition period; a £6m Legacy fund to carry forward successful aspects of the programme; £4m of extra capital funding to help protect valuable community assets; and an additional £12m investment to extend employability support around our Communities for Work and Lift programmes.

I am strongly encouraging public bodies to work together as part of the new approach and to consider maintaining Communities First projects valued by communities and which align with and help to deliver on their priorities. My officials are in productive conversations with other Welsh Government departments to ensure there is a robust, joined-up approach during the transition year, working towards our new cross-Government approach to building resilient communities.

In 2009, the Wales Audit Office (WAO) recognised a tension between setting a clear direction for the Communities First programme and allowing each community partnership to set its own direction. The WAO found that there were concerns locally about the unrealistic demands on partnerships, many of which did not have the skills or capacity to deliver harder outcomes such as those relating to jobs and child poverty.

The evaluation of the pre-2012 Programme by Amion Consulting Ltd and Old Bell 3 Ltd reported that overall, while the majority of Communities First areas remained significantly more deprived than the rest of Wales, conditions had generally improved

despite the impact of then-prevailing economic conditions. It considered the gap with the rest of the country against a number of indicators, including unemployment, economic activity, employment rates and attainment levels, had narrowed. It recognised that, although there had been improvements, conclusions could not be drawn about what would have happened had there been no Communities First programme. It concluded, in respect of worklessness, that there had been “positive, albeit limited, additional and attributable impact in the CF areas”.

The findings from these evaluations and the ‘Communities First – The Future’ consultation in 2011, provided a basis for the design of the current programme and a more outcomes-focused approach.

During the most recent evaluation of Communities First run by Ipsos Mori and Wavehill Consulting, a number of positives were highlighted. These included that, at the time, the programme sat within a strong policy context and it was clear how its aims fitted with the Welsh Governments wider tackling poverty agenda. It concluded that the changes made to the programme in 2012 had improved the programme’s chances of successfully meeting its aims and that challenges of previous iterations had been addressed. It did, however, identify a number of weaknesses and challenges. Obtaining robust, consistent, performance monitoring data was a key, ongoing challenge. Not all Communities First Clusters had the expertise to design effective monitoring processes and approaches were highly varied. The evaluation stated that Lead Delivery Bodies’ governance function could be improved, assuming greater responsibility for shifting budgets to ensure funding allocations were utilised and directed in the most effective way. It was noted that RBA accountability was in some areas encouraging the targeting of the easiest to reach rather than its true aim of those hardest to reach.

Whilst steps were taken to address these issues, weaknesses persist. More critically the evaluation correctly identified that the underlying premise of the programme - that it was possible to improve area characteristics by influencing individual-level outcomes – was (and remains) untested.

The feedback from the engagement phase held earlier this year demonstrated the many ways in which Communities First has benefited individuals and I am grateful to the Communities First workforce for the difference they have made to thousands of people and their communities. My aim is to intensify our efforts to give people the tools they need to have a more equal share of this nation’s prosperity. At the centre of this must be the promise of good, secure work. So while maintaining the valuable legacy from Communities First, I want to take forward our new approach to resilient communities.

During this transition year, we will be undertaking a lessons learned exercise to feed into the new way of working.

How local authorities will decide which projects continue to receive funding after June 2017.

Whilst it is for Lead Delivery Bodies to make these decisions at a local level based on the local needs and priorities, the Welsh Government has issued Transition and Strategy guidance to Lead Delivery Bodies which sets out expectations of how Lead Delivery Bodies should approach the decision making process when allocating their individual Communities First budgets for 2017-18.

The guidance makes it clear that the transition plans for 2017-18 should reflect the relevant assessment of local well-being and be consistent with the 5 ways of working set out in the Well-being of Future Generations (Wales) Act 2015. In addition, communities and Public Services Board should play a key role in the planning process

Lead Delivery Bodies have benefitted from having a two stage planning process. Outline transition plans were submitted at the end of March 2017, which informed the Welsh Government on their approach to the transition period, timescales and types of projects continuing in year. Final transition plans are to be submitted at the end of May.

The transition process has allowed for flexibility for Lead Delivery Bodies to determine how they profile their funding for 2017-18 in support of their local priorities. However, it is recognised that transition plans are living documents and may well be subject to change throughout the year. Officials have been, and will continue to be, in close contact with all Lead Delivery Bodies during the transition period.

How different poverty reduction programmes will change as a result of the end of Communities First.

The Government's core commitment going forward is to invest in the prosperity of our nation; generating jobs, creating apprenticeships, piloting projects such as 'Better Jobs Closer to Home' and the childcare offer for working parents.

The Welsh Government's approach to tackling poverty has been refocused, with a fresh emphasis on employability and early intervention which supported the decision to phase out Communities First in favour of a new approach to creating resilient communities that can thrive and succeed. With this new focus in place, the current delivery models for all poverty reduction programmes have been reviewed to ensure that they support the developing Government-wide approach to tackling poverty and social exclusion by increasing labour market participation and helping people to access sustainable employment.

An additional £12m is being invested to extend the Communities for Work and Lift programmes, both of which help those who are furthest from employment and face multiple barriers in moving into sustainable employment. Although Communities for Work, as well as other tackling poverty programmes may have relied on the Communities First footprint and infrastructure historically, by moving away from the geographical restrictions of Communities First, the new approach will further enhance the support to those people across the whole of Wales who are facing significant, and often multiple, barriers which prevent them taking up training or employment opportunities. The extended programme will have a particular focus on workless households, the long term unemployed and the economically inactive.

From 1 April 2017, the strategic projects commissioned through the Families First programme are being refocused to deliver parenting support and support for young people. This decision was taken to ensure Families First is better able to help families build resilience and confidence and equip them with the skills to achieve positive and sustainable outcomes over the long term. Other key elements of the programme, including the Team Around the Family approach to supporting families, will continue unchanged.