

# Written submission to: United Nations Special Rapporteur on extreme poverty and human rights

September 2018

## About the Committee

1. The National Assembly for Wales is the democratically elected body that represents the interests of Wales and its people, makes laws for Wales, agrees Welsh taxes and holds the Welsh Government to account.
2. We are an Assembly Committee established in 2016 (following the May 2016 elections). We were established to examine legislation and hold the Welsh Government to account by scrutinising expenditure, administration and policy matters encompassing (but not restricted to):
  - Local Government
  - Housing
  - Community regeneration
  - Cohesion and safety
  - Tackling poverty
  - Equality of opportunity; and
  - Human rights.
3. We are a cross-party Committee, with representation from all of the four political parties in the Assembly. Our membership is listed in Annex 1.



4. Our predecessor Committee in the last Assembly (2011-2016), the **Communities, Equality and Local Government**, also took a keen interest in poverty. This submission draws on the work of both committees. A list of the relevant work is available in Annex 2.

5. We have not responded to all the questions.

## Introduction

6. More than **one in five** people in Wales (23% of the population) currently live in poverty, which is the highest level of all UK nations. This means that 710,000 people in Wales live below the poverty line, including 185,000 children, 405,000 working-age adults and 120,000 pensioners.

7. Forecasts of poverty in Wales predict that the situation is **not set to improve**. By 2021-22, **it is estimated that** 27% of the Welsh population will be living in poverty, and that 39% of children will live in poverty.

8. The Welsh population living in poverty is expected to increase 3 percentage points (pp) by 2021-22. This is the third highest increase of all UK regions, behind only Northern Ireland and the North East with a projected 4pp increases respectively. The level of child poverty in Wales is projected to increase 10pp by 2021-22, higher than all areas except the North East, where child poverty is anticipated to increase by 12pp.

## (1) What is the definition of poverty and extreme poverty that your organization employs in the context of the United Kingdom and to what extent do official definitions used by the state adequately encompass poverty in all its dimensions?

9. In 2015 in a report into **Poverty and inequality in Wales**, our predecessor committee explored the definition of poverty (or lack of) used by the Welsh Government. It recommend that the Government:

“should adopt a clear definition of poverty based on needs and resources, rather than the standard income-based measurement. The government’s approach to tackling poverty should be formed around addressing every person’s minimum human needs – this means food, shelter and fuel. The definition should also reference the ‘minimum income standard’ research by the Joseph Rowntree Foundation, which

is based on what the public considers to be enough money to live on in order to maintain a socially-acceptable quality of life.”

**10.** The Welsh Government does not currently have a poverty strategy, as it did in previous Assemblies. This means that it still does not publish a clear definition of what poverty means, for use by not only its own departments, but by local authorities and private and voluntary sector organisations that administers services on its behalf using public funding.

**11.** This is a matter that we have repeatedly called upon the Welsh Government to rectify. In two of our recent reports looking at poverty in Wales: Communities First, lessons learnt and Making the Economy Work for People on Low Incomes, we made the same recommendation, which was rejected by the Welsh Government on both occasions:

“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.”

**12.** In rejecting the recommendation the second time, the Welsh Government told us that their national Strategy ‘Prosperity for All’ “provides a framework for our whole Government approach to increasing prosperity and addressing the root causes of poverty in a more effective, joined-up way”. They added that they wanted “to avoid separate strategies that fail to take a holistic approach to complex issues. We can only effectively respond to the long-term challenge of addressing poverty by joining up everything we do.”

**13.** We do not believe having a single focused strategy precludes the ability to take an holistic approach to tackling poverty. We are particularly concerned because we do not believe that Prosperity for All and the related Economic Action Plan do not set clear actions with related deadlines, and performance measures. In our report, “Making the Economy work for people on low incomes” we said that the “lack of indicators and milestones [in the Economic Action Plan] is a significant omission.”

**14.** We also recommend that the Welsh Government develop a single joined up implementation plan. While the Welsh Government accepted this

recommendation ‘in principle’. We were not reassured by the response the Government gave. It will be a matter we will continue to keep under close scrutiny.

## (2) What is your view on the current official measurement of poverty by the government, what are the shortcomings of the current measurement and what alternatives would be feasible?

**15.** Our predecessor Committee considered this issue. Its **2015 report** stated:

“People living in poverty in Wales are not a homogenous group, and the Welsh Government needs to improve its data around poverty to reflect this.

As a consequence of a lack of data, we heard that policy makers are currently ‘working in the dark’. This is unacceptable. The Welsh Government urgently needs to develop a strong evidence base that identifies exactly who is in poverty, and describes clearly the depth and persistence of poverty in Wales. This should go hand in hand with dramatic improvements to monitoring arrangements of current programmes that can demonstrate tangible progress in poverty reduction, or the lack thereof. Otherwise, the status quo will continue: policy developed in the absence of evidence; performance monitored in the absence of data.”

**16.** In 2017 as part of our **inquiry into the end of the Welsh Government’s flagship anti-poverty programme**, we were persuaded:

“of the merit of the Welsh Government funding a longitudinal study into poverty in Wales to rectify the paucity of established data from Communities First. In correspondence to the Committee, the Cabinet Secretary for Communities and Children outlined two studies which the Welsh Government support that can provide further data and information to help inform policy making. He also stated that the Welsh Government are currently considering the feasibility of constructing an individual deprivation measure in Wales using administrative data. We welcome this work, but do not feel that it goes far enough. We still believe there is a merit in the Welsh Government exploring the feasibility of a specific longitudinal study into poverty in Wales.”

**17.** The Welsh Government **responded** by saying it “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.”

**(5) Could you specify how poverty and extreme poverty in the United Kingdom intersect with economic and social rights issues (such as the right to education or the right to health care)? Please exemplify by referring to specific cases and relevant norms of international human rights law.**

**18.** There are numerous examples of how extreme poverty intersects with civil and political rights and economic and social rights in Wales:

- Our recent **inquiry into rough sleeping in Wales** found that the life expectancy of a rough sleeper is 47 years. Over 300 people currently live on the streets in Wales, which is a violation of their right to life and physical and mental integrity. We made a range of practical recommendations to reduce rough sleeping in Wales, including abolishing ‘priority need’ for accommodation to ensure that all people living on the streets are determined as being in priority need.
- In our **inquiry into refugees and asylum seekers in Wales**, we heard stories of destitution among people awaiting the outcomes of asylum applications. We found that while “the number of destitute people in Wales is not known, but the number of people referred to the British Red Cross for destitution support in Newport and Cardiff has doubled in recent years (from 564 cases in 2013, to 1,027 in 2015)”. While we welcome the Welsh Government’s **recent proposals** to prevent destitution through financial inclusion, policy reiterate our conclusion that “the fact that the UK Government is ultimately responsible for immigration does not override the moral duty upon the Welsh Government to help people in Wales who are in desperate need.” We stand by our recommendation that the Welsh Government should establish a small emergency grant fund for asylum seekers and those with no recourse to public funds, similar to the Red Cross scheme in Northern Ireland.

- In our recent inquiry into **pregnancy, maternity and work**, we found that 54,000 women in the UK lose their jobs each year because of discriminatory employment practices. We heard numerous examples of women in low paid employment being made redundant or forced to leave during maternity leave or after returning to work. We were told that “people in unskilled work are easily replaceable in the labour market and therefore more vulnerable to discrimination and unfair treatment as a result of pregnancy and maternity”.

## (6) Which areas of the United Kingdom should the Special Rapporteur visit in light of the poverty and human rights situation in those locations?

**19.** The Special Rapporteur should visit Wales, as the country with the highest levels of poverty in the UK. They should visit rural and urban areas to understand how poverty and extreme poverty manifests itself in different contexts, and how issues unique to Wales (such as the Welsh language and devolution context) affects access to employment, public services and benefits.

## (7) Which individuals and organizations should the Special Rapporteur meet with during his country visit to the United Kingdom?

**20.** In Wales: Equality, Local Government and Communities Committee; Cabinet Secretary for Economy and Infrastructure; Bevan Foundation; Oxfam Cymru; Welsh Refugee Coalition; Trussell Trust; Shelter Cymru; Crisis; Llamau.

## C. UNIVERSAL CREDIT

(16) What has the impact of Universal Credit been on poverty and the lives of the poor in the United Kingdom until now? It would be helpful to also distinguish the specific impact of Universal Credit on specific groups, including for example children, persons with disabilities, women and other groups which may be more vulnerable on the basis of their identity and circumstances.

**21.** We raised a range of specific issues with the rollout of Universal Credit which can be read in **our correspondence** with the UK Government.

**22.** In our recent report on **rough sleeping in Wales**, we highlighted welfare reforms as a structural cause of rough sleeping and a causal factor in the recent increase in rough sleeping. Our biggest concern is that the full repercussions of Universal Credit have yet to be felt in Wales.

**23.** In our inquiry into **'Making the economy work for people on low incomes'**, we concluded that:

“In the current financial climate, and in the face of welfare reforms, managing finances is becoming increasingly challenging, for the poorest and most vulnerable in our communities.

We believe that having the flexibility to change the way in which Universal Credit is administered would enable the Welsh Government to adopt an approach that is better suited to meet the needs of claimants in Wales. For example, providing payments to claimants twice monthly and enabling them to be made directly to landlords to help minimise the risk of rent arrears. We recommended that the Welsh Government considers seeking powers over the administration of Universal Credit akin to those available to the Scottish Government.”

## F. 'BREXIT'

### (28) What are the potential implications of Brexit for the situation of those living in poverty in the United Kingdom?

**24.** In our **joint inquiry into the human rights impact of Brexit in Wales**, we highlighted that “Wales currently receives £370m a year from the EU to invest in our 2014 - 2020 European Structural and Investment Fund Programme [which includes the European Social Fund (ESF) and the European Regional Development Fund (EDRF)]. [...] Equal Opportunities and Gender mainstreaming (EO&GM) is one of three crosscutting themes integrated into the 2014-2020 Programmes.”

**25.** We went on to say that:

“Recent research by the Equality and Diversity Forum (EDF) on replacing EU funding for equality and human rights after Brexit

highlights that objectives 8, 9 and 10 [of the EU Structural and Investment Funds Programme] relate directly to equality and human rights and are worth £4.15 billion in the UK between 2014 and 2020.

The target groups for these three objectives are: young people not in education employment or training (NEETs), older people aged 50 or over, women, disabled and minority ethnic people, people with multiple complex barriers, offenders and ex-offenders. The research found that the ESF budget amounts to £1.4 billion in Scotland, Wales and Northern Ireland. Around 60% of ESF-funded projects identifiably target people with one or more protected characteristic under the Equality Act 2010.

It also found that more than half of ESF funds focused on employability, skills and experience. EAAL Committee has previously highlighted concerns about the future of ESF funding as part of its inquiry into the future of regional policy in Wales. The Committee also recently recommended that “the Welsh Government [should] seek clarity from the UK Government on how the proposed Shared Prosperity Fund would be allocated and administered”.

**26.** We **recommended** that the Welsh Government considers commencing the Equality Act’s socio-economic duty, which would require public bodies to make decisions in a way that tackles inequalities of outcome caused by socio-economic disadvantage. Scotland is currently in the process of introducing the duty.

**27.** The Welsh Government **told us** that “we will be reviewing our position in the context of our Rapid Review of Gender Equality in Wales and exploring the matters that informed the Scottish Government’s decision to implement the duty. We will need to consider carefully whether it would be right to impose additional duties and reporting responsibilities on Welsh Public Bodies particularly when we have the ground breaking legal duty within the Well-being of Future Generations (Wales) Act 2015. We will continue to engage with the Equality and Human Rights Commission as we take this work forward.”

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## Annex 1: Committee membership

John Griffiths (AM), Chair, Welsh Labour, Newport East

Gareth Bennett AM, United Kingdom Independence Party, South Wales Central

Janet Finch-Saunders AM, Welsh Conservatives, Aberconwy

Siân Gwenllïan AM, Plaid Cymru, Arfon

Rhianon Passmore AM, Welsh Labour, Islwyn

Jenny Rathbone AM, Welsh Labour, Cardiff Central

Jack Sargeant AM, Welsh Labour, Alyn and Deeside

Bethan Sayed AM, Plaid Cymru, South Wales West

## Annex 2: Relevant committee work

### Communities, Equality and Local Government Committee (2011-2016)

- [Fourth Assembly Legacy report](#)
- [Poverty in Wales – community based approaches to tackling poverty](#)
- [Poverty in Wales- poverty and inequality](#)
- [The future of equality and human rights in Wales](#)
- [Welsh Government Budget scrutiny 2016/17; 2015/16; 2014/15; 2013/14 and 2012/13](#)

### Equality, Local Government and Communities Committee

- [Making the economy work for people in low incomes](#)
- [Asset based approaches to poverty reduction](#)
- [Communities First – Lessons Learnt](#)
- [Rough Sleeping in Wales](#)
- [Refugees and Asylum Seekers in Wales](#)
- [Human rights in Wales](#)
- [Welsh Government budget scrutiny 2018/19; 2017/18](#)