



Wales Centre for Public Policy
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Poverty and social exclusion alleviation: overview of the international evidence

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Summary

- » This overview report draws on, and synthesises, a review of international evidence on the effectiveness of policies and programmes that aim to tackle poverty and social exclusion.
- » There are multiple drivers of poverty and social exclusion and therefore no single policy is sufficient to reduce them. What is required is a strategy which includes a range of policies designed to address the multidimensional nature of poverty and social exclusion.
- » The full evidence review (summarised in this overview report) covers twelve key policy areas. The selection was informed by the theoretical structure of the Bristol Social Exclusion Matrix (B-SEM), consultations with experts and guidance from the Welsh Government. The twelve policy areas should not be seen as an exhaustive set of policies required to reduce poverty and social exclusion.
- » For each policy area, this overview report summarises the key evidence within the policy context in Wales, highlights connections between different policy areas and reflects on all the evidence available (including the robustness of the available evidence) to make a number of policy recommendations (identification of promising actions).
- » In the process of assessing evidence, case studies were selected to further illuminate some of the key findings and to identify examples of promising policy interventions. In a few areas, there were knowledge gaps and lack of robust evaluation evidence.
- » We finish this overview with four main cross-cutting, take-away findings:
 1. Several policy areas are fundamentally connected, and effective strategies will be required to address 'upstream drivers' such as low income.
 2. In several policy areas there are evidence gaps and a tendency for producing weak evaluations.
 3. Emerging opportunities for data sharing can contribute to multi-agency working, promote synergies, simplify administrative processes and ensure greater access to services and benefits.
 4. For a number of policy areas, participatory approaches are emerging as a way to enhance the success of interventions and programmes.

Introduction

Poverty and social exclusion blight the lives of all those who are affected. Poverty has a negative impact on a range of outcomes, with intergenerational and societal consequences. There are multiple drivers of poverty and social exclusion and therefore no single policy is sufficient to reduce them. What is required is a strategy which includes a range of policies designed to address the multidimensional nature of poverty and social exclusion. The advantage of a strategy is that in selecting a policy mix, synergies between the policies can be exploited and the overall effectiveness can be greater than the sum of its parts.

To help inform the development of a strategy for Wales, we reviewed international evidence on the effectiveness of policies and programmes that aim to tackle poverty and social exclusion across twelve key policy areas. These were rapid, expert-led reviews rather than systematic reviews of the evidence. The selection of policy areas was informed by the theoretical structure of the Bristol Social Exclusion Matrix (B-SEM) (Levitas et al., 2007), consultations with experts and guidance from the Welsh Government. The B-SEM uses the following working definition of social exclusion:

“Social exclusion is a complex and multi-dimensional process. It involves the lack or denial of resources, rights, goods and services, and the inability to participate in the normal relationships and activities, available to the majority of people in a society, whether in economic, social, cultural or political arenas. It affects both the quality of life of individuals and the equity and cohesion of society as a whole.”
(Levitas et al., 2007, p.9)

The twelve policy areas cover the three main domains (resources, participation and quality of life) and ten sub-domains of the B-SEM matrix (see Figure 1) but the final selection should not be considered exhaustive. Some important policy areas were not included because they are not currently devolved to the Welsh Government. For example, while adequacy of social security is a key driver of poverty, the Welsh Government currently has no powers to set benefit levels.

Another factor which limited the selection to twelve policy areas was the project’s scope and timescales, which meant that some important areas were not included (for instance, social care, health care and crime). This also meant that it was necessary to identify a focus for each of the broad policy areas reviewed (for example, take-up of cash transfers within the broader policy area of social security, or community transport within the policy area of transport disadvantage). The focus was agreed between the research team and the Wales Centre for Public Policy (WCPP) who, where relevant, consulted sector and policy experts, and the Welsh Government.



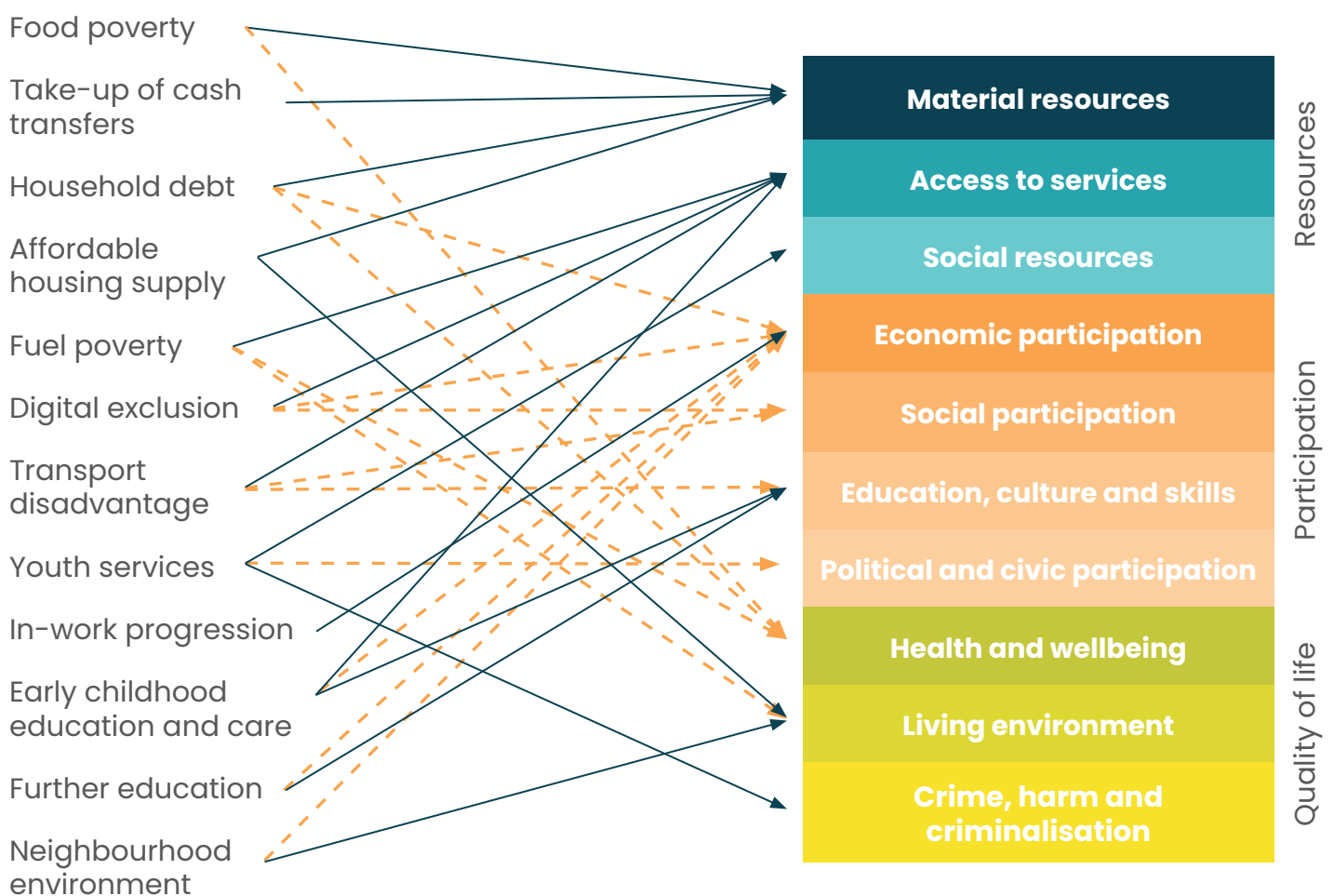
Each review covers:

- The relevant Welsh context;
- Evidence of effectiveness from a review of international literature (summarised in Figure 2);
- An identification of challenges and facilitating factors (in relation to effective policy implementation); and
- Transferability to Wales.

In a few areas, there were knowledge gaps and lack of robust evaluation evidence. The reviews underscore this and present the type of evidence found. In the process of assessing evidence, case studies were selected to further illuminate some of the key findings and to identify examples of promising policy interventions.

This overview report summarises the key evidence, highlights connections between different policy areas and reflects on all the evidence to make a number of policy recommendations, or promising actions, within each of the policy areas.

Figure 1. The selected policy areas mapped to relevant B-SEM sub-domains

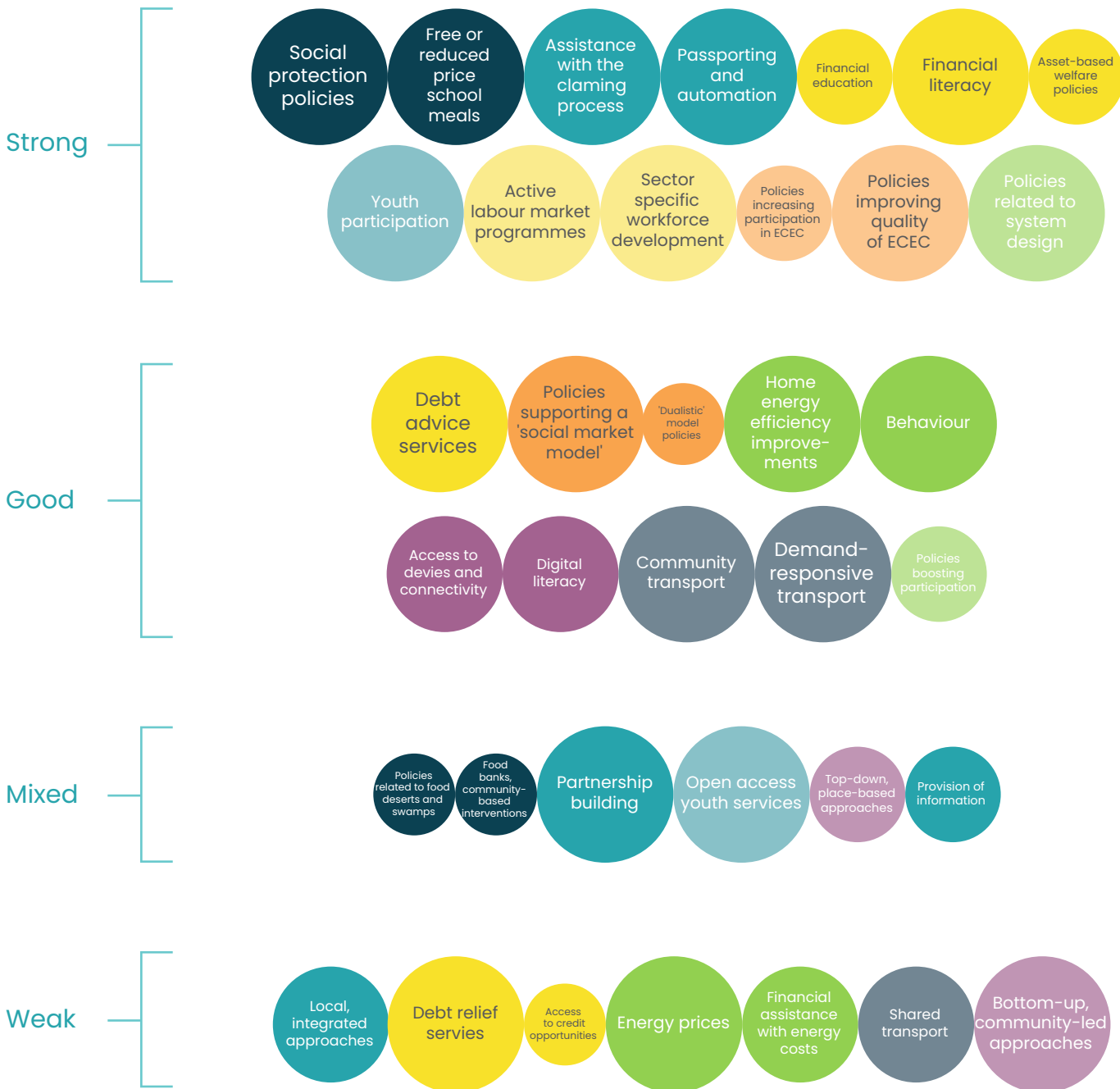


Source: prepared by the authors.

Notes: The figure maps the twelve policy areas, shown on the left, to the B-SEM matrix: bold lines map to the main B-SEM sub-domain(s), dashed lines map to selected secondary B-SEM sub-domains (a full list of these secondary subdomains is included in the specific reviews).

Figure 2. Summary of the strength of evidence and evidence of effectiveness across the twelve policy areas

Evidence



Policy area

- Food insecurity
- Affordable housing supply
- Transport disadvantage
- Early childhood education and care
- Take-up of cash transfers
- Fuel poverty
- Youth services
- Further education and skills
- Household debt
- Digital exclusion
- In-work progression
- Neighbourhood environment

Effectiveness



1. Food insecurity

Lacking stable access to affordable, good quality food can be extremely damaging to a range of outcomes, entrenching poverty and social exclusion. Income levels and volatility, as well as exposure to adverse experiences and ill-health increase households' vulnerability to food insecurity: younger people, people with disabilities and people with complex needs experience greater risks.

Food banks and community-based services have become more common, but their effectiveness is limited and they cannot replace policies that tackle the drivers of food insecurity. Free or reduced-price meals can ameliorate the food insecurity experienced by children and their families, while social security policies play a pivotal role in protection from both personal and macro-economic shocks and in mitigating the severity of food insecurity – but their protective role has been weakened in the past decade.

Promising actions

1. **Support for food banks and community-based interventions** (e.g. 'community pantries', 'community cafes' etc.) **should acknowledge their limitations** in terms of reach, wide-scale impact and ability to address drivers of food insecurity. Upstream interventions are necessary to ensure that households have the financial means to meet their basic needs.
 - Localised solutions should **promote service coordination and provide diversified support** (e.g. in relation to housing, mental health, debt relief).
2. The **expansion of free school meals** should be considered in light of evidence that universal provision reduces stigma and increases uptake. Restrictive eligibility criteria undermine their role in improving households' overall resources and work incentives. A range of actions can be evaluated in terms of feasibility (individually or jointly), including:
 - **Revising eligibility criteria** that currently exclude a large number of vulnerable households (e.g. maintaining extensions adopted during the Coronavirus crisis).
 - **Adopting universal free school meals**, for a limited age group as in England and Scotland, or for all school-aged children. Complementary **area-based solutions** could also be assessed.

Connections with other policy areas

- **Household debt; Fuel poverty; Transport disadvantage; Affordable housing supply:** Factors that impose heavy demands on household resources (such as housing costs, fuel costs, debts) exacerbate risks of food insecurity.
- **Neighbourhood environment:** Place-based interventions and regeneration strategies can disrupt informal networks of support that play an important mitigating role for families experiencing food insecurity.

Evidence of policy effectiveness

Intervention	Strength of evidence	Effectiveness
Policies related to food deserts and food swamps	Mixed (strong in relation to impact on health outcomes, limited in relation to food insecurity)	Limited effectiveness
Social protection policies (cash assistance, food subsidies)	Strong	Effective
Food banks and community-based interventions (e.g. 'community cupboards' and 'pantries')	Mixed (scarce in relation to food banks, more robust but still limited in relation to community-based interventions)	Limited effectiveness
Free or reduced-price school meals	Strong	Effective

Case study: Regional poverty reduction strategy

In 2006, the province of Newfoundland and Labrador in Canada implemented a new regional poverty strategy covering housing policies, wage policy, and reforms to income support (e.g. increased generosity; inflation indexation, enhanced childcare support). Prevalence of food insecurity declined overall in the region between 2007–2011 with a sharper decline among households receiving social assistance. Even when food insecurity rose overall in 2012, it continued to decline among these households, suggesting that the reforms under the region's poverty reduction strategy had a cumulative effect in improving households' resources and protecting them from food insecurity.

Case study: Community Eligibility Provision

Community Eligibility Provision (CEP) in the US allows schools to serve breakfast and lunch at no cost to all pupils. Schools or districts can opt into CEP if 40% or more of pupils are identified as 'categorically eligible' (e.g. based on participation in welfare benefits). School meals are reimbursed at a 'free' or lower 'paid' rate based on the percentage of eligible pupils. CEP has been shown to significantly improve participation in the National School Lunch Programme and National School Breakfast Programme and is linked to a reduction in pupils' food insecurity, including for ineligible pupils, indicating that the programme boosted food security for those who may have needed assistance but were missed by eligibility criteria.

2. Take-up of cash transfers

Social security is a key policy area but some especially critical aspects are outside the remit of Welsh Government powers. Interventions designed to increase take-up of cash transfers can maximise available support and tackle both individual barriers to take-up (e.g. stigma, knowledge, perceived costs) and administrative/scheme-related factors (e.g. complexity, level of support). Greater understanding of current take-up levels and the development of robust evaluation strategies are essential. 'Passporting' of benefits (e.g. through streamlined or automated cross-enrolment) can increase take-up and could be applied to some devolved benefits. Such solutions can operate in conjunction with localised interventions which are better suited to build local knowledge, adopt suitable pro-active outreach activities and can provide effective support to particularly vulnerable households.

Promising actions

1. **Automation** (see Case Study 1) is effective at improving take-up and can decrease fragmentation, ensuring that best practices are shared. Facilitating the process of claiming can address important barriers to take-up, such as inertia, lack of awareness and knowledge and, potentially, stigma. Priorities should include:
 - **Auditing existing data sharing arrangements and evaluating potential synergies** in order to identify opportunities for automation.
 - Useful lessons can be drawn from the Scottish initiative to link a number of devolved grants to Housing Benefit or Council Tax Reduction records.
 2. Local initiatives can integrate a range of interventions, from the provision of information to advice and assistance in claiming. Partnerships with civil society actors leverage established relationships of trust, which can be crucial to reach and support the most vulnerable claimants and account for attitudes and norms related to stigma (see Case Study 2). However, these types of programmes often lack robust evaluation. **Evaluation should consider:**
 - **Alternative claiming routes must be offered** in order to fix potential administrative errors and reduce risks of excluding claimants.
 - There should be an assessment of whether automated systems increase 'simplicity', as this cannot just be assumed. There is evidence that often administrative simplicity does not translate to simplicity for claimants. **Evidence of the lived experience of claimants and administrators can offer insights.**
- Which specific elements of the initiatives work;
 - For whom they work (which is particularly important to identify left-behind groups and develop adequate strategies to reach them);
 - Whether the initiative has produced benefits beyond the target population;
 - The extent to which there is deadweight; and
 - Outcomes (e.g. improved take-up) rather than just output indicators (e.g. increased service contacts).

Connections with other policy areas

- **Digital exclusion:** Increasing digitalisation of social security provision makes improving digital inclusion a priority alongside providing suitable alternatives for those who may benefit from personalised, face-to-face services.

- **Household debt; Food insecurity; Fuel poverty:** Local programmes that integrate a number of services can serve a range of purposes together with claiming assistance (e.g. debt advice, energy management etc.).

Evidence of policy effectiveness

Intervention	Strength of evidence	Effectiveness
Passporting and automation	Strong	Effective
Local, integrated approaches	Generally weak evaluation	Likely effective
Provision of information	Strong	Mixed
Assistance with the claiming process	Strong <i>*note: including evidence of outcomes resulting from lack of assistance</i>	Effective
Partnership building	Good evidence of their role, less on direct outcomes	Effective

Case study: 'Formulierenbrigades' in the Netherlands

'Form brigades' (*formulierenbrigades*) are municipal services in the Netherlands that inform people about entitlements to benefits and provide practical help and advice to complete claim forms. They comprise of paid staff as well as trained volunteers and use a wide range of outreach activities to engage potential claimants and provide personalised assistance. Evaluations have not focused specifically on take-up but rather reveal how it provides broader financial advice and support which may also lead to better identification of barriers to take-up.

Case study: Guaranteed Income Supplement in Canada

Most Canadians over 65 are eligible for the Old Age Security (OAS) pension. The Guaranteed Income Supplement (GIS) is an additional non-taxable benefit provided to two million low-income pensioners. Many studies highlighted concerns with GIS take-up rates. Automatic enrolment was introduced for OAS in 2012, and in 2017 was expanded to GIS for eligible new OAS applicants, as part of a broader strategy to ensure people from vulnerable groups receive the services and support they need. Recent evidence suggests that automatic enrolment increased participation rates among those eligible for GIS.

3. Household debt

Action on household debt alleviation, prevention and rehabilitation is important in light of recent increases in problem debts among low-income households, and the role of debt in entrenching poverty and affecting several dimensions of social exclusion. Common approaches to addressing household debt (e.g. debt advice and debt relief, regulation and improved access to low-cost credit opportunities, the boosting of financial literacy and capability, and asset-based welfare policies) largely do not tackle the root causes driving demand for borrowing among low-income households (namely low income). As such, they cannot be considered silver bullets to reverse these trends. However, a holistic, integrated financial inclusion strategy will need to include all these elements and consider them in conjunction with other elements bearing on households' financial resources, and in their interaction with the social security system.

Promising actions

1. An **approach that tackles the causes of household debt** should be based on an understanding of the mutually reinforcing relationship between poverty and debt.
 - Strategies to increase disposable income and reduce expenditure (e.g. cost of childcare, food, fuel, transport, housing) should be considered to **increase households' resources**.
2. **Alleviating and rehabilitating measures** are important to provide a fresh start and mitigate the negative effects of debt on health and well-being.
 - **Council tax reform** is particularly important in light of the regressive characteristics of the current system and the key role played by this type of arrears as a cause of indebtedness.
 - While beyond the remit of the Welsh Government's devolved powers, there is a strong case to call for **changes to the design of Universal Credit and its system of payment in arrears and repayment of advances**.
 - **Greater coordination between debt advice services and other agencies and services** can help identify households at risk of indebtedness and facilitate early intervention. Debt advice services can also serve as a point of contact and trigger a range of referrals to appropriate services. Data-sharing opportunities should be evaluated.
 - **Improved links between debt advice and debt relief services** can tackle lack of awareness of debt solutions. This can strengthen consumer protection and prevent debtors making unsuitable arrangements.

Connections with other policy areas

- **Digital exclusion:** Digital inclusion can boost financial literacy and capability and facilitate access to debt advice and support.
- **Take-up of cash transfers:** Data-sharing between local government organisations could improve uptake of the Council Tax Reduction Scheme.
- **Transport disadvantage; Food insecurity; Fuel poverty; Affordable housing supply; Early childhood education and care; Digital exclusion:** Debts are multi-layered and many households (not just the poorest) are vulnerable to problem debt because of the range of intersecting demands on their resources (e.g. transport, energy, food, access to digital technology, housing, childcare).

Evidence of policy effectiveness

Intervention	Strength of evidence	Effectiveness
Financial literacy	Strong	Effective – Financial literacy on financial behaviours Mixed – Financial education on literacy and behaviours
Asset-based welfare policies	Strong	Mixed
Debt advice services	Good	Effective
Debt relief services	Weak (Robust evaluations are scarce)	Effective
Access to credit opportunities	Weak evaluations of alternative financial products	Limited effectiveness (Able to reach a marginal portion of the population)

Case study: Debt solutions developments in Europe

Many innovative approaches to debt relief and settlement have not yet been robustly evaluated, but they are promising because of their potential to address the needs of particular at-risk groups. In Sweden debt settlement procedures have been combined with stronger protection of children in the household, e.g. with adjusted payment schedules for these households, including two months of free instalments. Other initiatives use proactive systems that can help with early intervention – for instance through public service referrals or collaboration with social partners (e.g. trade unions, employers) and advisory services who proactively contact potential clients (e.g. with utility bills or social housing rent in the Netherlands).

Case study: No interest loan schemes

The No Interest Loan Scheme (NILS) is the largest microfinance programme in Australia assisting people on low incomes with the purchase of essential household goods and services. NILS constitutes a network of more than 600 community-based organisations (e.g. youth centres; shelters, churches). NILS is an example of circular community credit: every time a repayment is received, funds are made available to someone else in the community. Evaluations of NILS showed positive effects on a range of health and social inclusion outcomes, as well as improved financial capability and reduced reliance on payday loans. Critics have emphasised that the evaluations have design weaknesses and that while subsidies and favourable regulation have supported the sector's growth, they cannot substitute adequate social protection, particularly as inadequacy is a key driver of poverty and in turn of the high demand for credit.



4. Affordable housing supply

Housing can play an important role in preventing and ameliorating poverty, but it can also reproduce and exacerbate existing disadvantage. Its impact on poverty depends on how the housing system shapes availability, cost, quality, location and security of accommodation.

The UK system has long prioritised homeownership and demand-side public investment, while the shrinking of the social rented sector undermines what once was a particularly effective element of the welfare state. The system also increases spatial segregation, affecting several dimensions of social exclusion.

The provision of genuinely affordable housing has been protected in Wales more than in England, but there are opportunities for Wales to improve provision. Lessons can be learnt from other European countries, where the social rented sector competes with the private rented sector, creating a 'wider affordability' system that encourages higher standards and curbs excessive housing costs. Increasing affordable housing supply may thus not only deliver short-term gains, but improve long-term housing affordability and reduce volatility in the housing market.

Promising actions

This section concludes with **promising actions** to consider in the Welsh context as emerging from the analysis of the international literature.

1. **Priority should be given to boosting a social housing provision which is genuinely affordable, secure and high-quality.**

- Scarcity of social housing leads to forms of rationing, increases competition for homes and increases costs in the private sector.
 - Short-term solutions focusing on increasing the supply of social housing may lead to **long-term systemic change – creating the conditions necessary for the system to increase 'wider affordability'**.
 - There is evidence that systems that promote wider affordability across the housing system reduce costs and volatility, increase quality standards and reduce segregation.
2. **Promoting regulation, quality standards and tenant protection in the private rented sector** can both promote greater affordability in the private rented sector and contribute to a wider affordability system.

Connections with other policy areas

- **Fuel poverty:** The wider affordability of housing is closely associated with its energy efficiency.
- **Transport disadvantage:** A holistic understanding of affordability should consider housing location and access to transport, employment, and key services. Cooperation between the housing and transport sector are needed to avoid trade-offs between affordability of housing and the affordability of transport which can undermine efforts to tackle poverty and social exclusion.
- **Food insecurity; Digital exclusion; Household debt:** Housing costs bear significantly on household resources, affecting expenditure on other essentials as well as risks of falling into debt.

Evidence of policy effectiveness

Intervention	Strength of evidence	Effectiveness
Policies supporting a 'dualistic model' (e.g. boosting homeownership; restricting access to social housing)	Good	Limited effectiveness (related to a reduced safety net function of a shrinking social sector)
Policies supporting a 'social market model' (e.g. regulating and subsidising the private rental sector; widening access to social housing)	Good	Effective (albeit challenging to implement in contexts characterised by high levels of poverty and inequality)

Case study: 'Social market' system in Europe

Social market systems in central European and Nordic countries (Germany, Austria, Switzerland, Denmark, the Netherlands and Sweden) are characterised by large shares of housing let at below-market rents, often by non-state landlords, non-profit organisations and sometimes partially owned by local authorities. These integrated rental markets (in which there is less difference between private and social renting) see social renting competing for tenants against profit landlords, resulting in a fall in real rents and lengthening waiting lists for social rental housing, which stimulates increases in supply. Good quality dwellings, affordable rents and adequate security of tenure attract a wide group, including better-off households, and decrease segregation.

Case study: Cost rental schemes in Ireland

A cost rental scheme has been piloted in Ireland since 2019. It offers not-for-profit housing, long-term, secure tenure with rents charged to cover only the costs incurred in delivering, managing and maintaining homes. In order to operate effectively, usually some form of subsidy to providers is required, e.g. the provision of low-cost finance, preferential access to land and loan guarantees. OECD assessment of this type of cost-based approach shows both strengths and weaknesses in relation to its impact on poverty and social exclusion. On the one hand, it can improve the sustainability of the sector by taking into account the actual costs of developing, operating and maintaining the stock and it can be an element of a 'wider affordability' model by signalling real costs and shaping the price formation in the private rental market. (Policies to reduce the cost of land may need to be in place where land prices are high.) On the other hand, it may fail to provide a genuine affordable alternative because rents do not reflect households' effective ability to pay.

5. Fuel poverty

Fuel poverty, or energy poverty, is a specific dimension of poverty relating to the ability of lower income households to meet household energy needs. Households in fuel poverty are faced with difficult decisions about how to cover energy costs or how to manage on insufficient levels of energy consumption, with some having to decide between 'eating and heating'. There are known health risks associated with fuel poverty and negative impacts on well-being and inclusion. Tackling fuel poverty not only has beneficial effects for households affected by it but there are potentially wider benefits gained through lower carbon emissions.

The lack of an agreed definition of fuel poverty creates some challenges in reviewing the international evidence in this area and different definitions and measures shape the policy response. There is universal agreement that the drivers of fuel poverty are energy efficiency of homes, energy prices and income. In addition, the behaviour of households is key to understanding how fuel poor households cope, how receptive they are to different measures and how they respond to interventions.

Promising actions

- 1. Home energy efficiency improvements**, particularly in the existing rental housing stock where fuel poverty rates are highest, are important for tackling long-term risks of fuel poverty. Options are available to overcome the split incentive problem (e.g. through grants and pay-as-you-save financing models).
- 2. Energy efficiency** improvements funded through general taxation are less likely to lead to higher energy costs which negatively impact low-income households. However, pay-as-you-save financing schemes, such as those provided by Energy Service Companies (ESCOs), offer a promising approach which can bring in important financing alongside delivering energy saving improvements (including retrofit).
- 3. Energy audits** can help elicit positive behavioural changes in relation to energy use. Helping households use energy and energy savings devices efficiently can help to reduce energy bills.
- 4.** One of the key drivers of fuel poverty is low income and any strategy to reduce fuel poverty needs to tackle this driver. Targeted **financial assistance** can take the form of 'labelled' social security payments or help with energy bills. More evaluation evidence is required to assess which is the most effective at reducing fuel poverty.

Connections with other policy areas

- **Food insecurity:** Fuel poverty and food insecurity often co-exist as households faced with high energy costs relative to income can be faced with the dilemma of 'eating or heating'.
- **Household debt:** Fuel poor households risk accumulating high levels of household debt, including the accumulation of arrears, as they struggle to pay for energy costs out of income.

Evidence of policy effectiveness

Intervention	Strength of evidence	Effectiveness
Home energy efficiency improvements	Good	Effective (important that they do not result in higher energy prices)
Energy prices	Weak (little international evidence of the effectiveness of different approaches)	Effective (although the evidence base is weak, reducing energy prices for low-income households will reduce fuel poverty)
Financial assistance with energy costs	Weak	Promising (clearly an important policy lever but little evaluation evidence of impact on fuel poverty)
Behaviour	Good	Effective

Case study: Energy audits – Stromspar-Check

- The Stromspar-Check programme provides free energy audits to low-income households by 'Energy-Efficiency-Checkers' ('Energy Saving Assistants') who are drawn from the unemployed and trained. This national scheme is funded by the German government. The aim is to reduce energy costs in low-income households. In addition to providing advice, energy and water saving devices can be supplied to households in need. The programme has led to long-term energy savings, and behavioural change was found to be at least as important as the installation of energy and water saving devices.

Case study: Overcoming split incentives dilemma

Fuel poverty rates are generally highest in rented homes. A challenge to improving energy efficiency in private rented accommodation is what is known as the split incentive or owner-tenant dilemma. This arises because landlords (property owners) are responsible for paying for large energy efficiency upgrades but are unable to recover the savings which accrue to tenants through lower energy bills. In the Netherlands social housing rents are regulated. A recent change has allowed rents to rise in more energy efficient properties. This encourages housing corporations to invest in energy efficiency and solves the problem of split incentive. An alternative option which does not involve higher rents is for energy suppliers and beneficiaries to share the savings resulting from energy efficiency improvements, which are initially funded by the supplier, until the investment cost is paid back. This could be in the form of a pay-as-you-save finance model. Although robust evaluations of their impact on fuel poverty were missing, addressing the split incentives dilemma is a promising approach to improving energy efficiency in rental properties.

6. Digital exclusion

Digital inclusion facilitates access to services that impact positively on health, employment, education, and housing. Exclusion from, or even partial access to, the digital realm can thus be a source of economic and social inequality, particularly as digitalisation increases and societies become more reliant on Information and Communication Technologies (ICT). Digital exclusion hinders people's ability to participate in social relationships and economic, social, cultural or political activities available to the majority of people in society. Strong links between social exclusion and digital exclusion have long been established. Digital exclusion is concentrated in vulnerable groups and there is evidence that social exclusion and economic disadvantage have become stronger determinants of digital disengagement. A more recent concern is the 'third-level digital divide' which focuses on disparities in returns from internet use and gaps in individuals' capacity to translate their internet access and use into favourable outcomes.

A lack of robust evaluation evidence on policies to reduce digital exclusion in the international literature makes it challenging to identify 'what works' in this area. However, there are clear indications that policies need to address physical access to ICT, data poverty and digital literacy. Without improving digital inclusion in an increasingly digitalised world, the digitally excluded will be increasingly marginalised and left further behind.

Promising actions

1. Access to devices and connectivity

- While affordability is a key element relating to access, and digital adoption is sensitive to price, successful programmes require a holistic approach and must tackle other aspects related to motivation, skills and training.
- Differences in use are also driven by perceived relevance to users' needs – which digital accessibility alone cannot change.

2. **Digital literacy programmes** can reduce digital exclusion. However, there is a lack of high-quality evaluation evidence to help guide 'what works'. There is a need to address motivational barriers and literacy programmes are likely to be more successful when linked to a clear need.

Connections with other policy areas

- **Take-up of cash transfers:** Increasing digitalisation of welfare provision makes improving digital inclusion a priority.
- **Fuel poverty:** Digital inclusion helps households secure the best energy prices through comparing different deals and increasing the ease of switching providers.

Evidence of policy effectiveness

Intervention	Strength of evidence	Effectiveness
Access to devices and connectivity	Good	Likely effective (some evidence that broadband subsidies increase adoption in low-income households but other barriers also need to be addressed)
Digital literacy	Good, although weak elements (for example, identifying what works in terms of course design)	Likely effective (particularly when courses are linked to specific need)

Case study: Increasing the adoption of broadband

In the US, the Federal Communications Commission manages the 'Universal Service Fund' and the Lifeline Programme, which offer subsidies to increase the affordability of advanced communication services, including broadband access. The programme focuses on supporting access and affordability in rural and low-income communities. Evidence that the Lifeline programme has increased adoption is mixed. Some initial evaluation found different participation rates across pilots, together with a preference for lower-speed plans, and little interest in participating in digital literacy training classes which were offered in conjunction with the service. However, there is evidence that Lifeline had a significant positive impact on service quality (crowding out lower quality unsubsidised services) and on households' out-of-pocket spending.

Case study: Participatory approaches

Participatory approaches can help include the perspectives of disadvantaged users in interventions to address digital exclusion by identifying inclusion barriers and formulating policies that are relevant to people's needs. Recent examples of participatory approaches include those adopted to inform the planning of 'smart cities' in Europe – cities in which ICT is central to the improvement of services and urbanisation. The development of 'smart mobility' in the Brussel city region is such an example. Published, high-quality evaluation evidence is hard to find to assess the impact of these approaches.

7. Transport disadvantage

Poor or lack of access to transport increases the risk of poverty and social exclusion through limiting access to job opportunities, education and training. It also restricts the ability to balance caring responsibilities with work commitments, enjoy a social life and spend time with wider family. Transport disadvantage has a negative impact on livelihoods, participation, and the overall quality of life of those affected. It is higher among lower income households and in rural communities, and can lead to a vicious cycle of disadvantage.

To address transport disadvantage, policies need to focus on public transport provision and integration of different types of provision. Availability, affordability and accessibility of transport all need to be addressed. Although community transport is only one small element of the transport system, it can play a key role in reducing transport disadvantage among some groups. However, community transport is fragmented, and because its true social value is hard to estimate this contributes to underinvestment. Technological advances can improve efficiency, and user experience and investment in fuel efficient vehicles could help meet carbon emission reduction targets.

Promising actions

- 1. Increasing demand-responsive transport provision offers greater flexibility than fixed routes/timetables.** However, digital exclusion can mean that not everyone has access to this type of provision.
- 2. Use of green vehicles**, whether for community transport, shared transport or more generally for public transport, can help reduce carbon emissions and pollution.
- 3. Whole transport systems** can help address fragmentation and improve integration of community transport, shared transport and demand-responsive transport services.
- 4. Focusing on estimating the social value of community transport** rather than more narrow quantitative assessments (e.g. number of journeys or passengers) has the potential to increase investment in line with impact.

Connections with other policy areas

- In-work progression; Further education and skills; Affordable housing supply:** Lack of access to good transport links negatively affects a range of other aspects of poverty and social exclusion. For example, it can limit opportunities for in-work progression, access to further education, early childhood education and care provision, youth services and affordable housing.
- Digital exclusion; Food insecurity:** To take advantage of demand-responsive transport provision, digital inclusion is important. Good transport links can help to reduce food insecurity, providing access to greater choice and cheaper alternatives.

Evidence of policy effectiveness

Intervention	Strength of evidence	Effectiveness
Community transport	Good	Effective
Shared transport	Weak	Likely to be effective
Demand-responsive transport	Good	Effective

Case study: California Green Raiteros Rideshare Program

This initiative provides a green, innovative solution to mobility in rural, less advantaged communities. The programme grew out of a self-organised dial-a-ride scheme which was run by community members. It provides rides, at fixed rates, for local residents (mainly workers but also other residents) in electric vehicles driven by volunteer drivers (who are compensated for the miles they drive). The programme is accessible to residents through different communication portals (phone, app, or visiting the Green Raiteros office). While a promising approach, no published robust evaluation of the impact of the programme on transport disadvantage is available.

Case study: Demand Responsive Transport service

A demonstration project on responsive transport services in Europe tested the effectiveness of telematics-based Demand Responsive Transport services in a number of countries. Under telematics-based systems, Travel Dispatch Centres manage a booking and reservation systems with the capacity to dynamically assign passengers to vehicles and optimise routes. Routes can be organised around a variety of stopping points with greater and lesser route flexibility. Automated Vehicle Location systems provide real-time information on the status and location of vehicles. Two main economic benefits were found: (1) the ability to support services on low demand routes that would be too expensive with regular services; (2) the provision of door-to-door service for the elderly led to cost saving.

8. Youth services

Youth services play an important role in helping young people negotiate the transition to independence and offer an opportunity for early intervention for young people who are struggling. They help to reduce social exclusion and address some aspects of poverty. Access to youth services can be critical for disadvantaged young people and ensuring that services are open access can avoid labelling and stigmatisation. However, funding cuts have put open access services under threat. Youth services are likely to be increasingly important due to the disruption of the Coronavirus pandemic on the lives of many young people, affecting their transitions to independence.

Promising actions

- 1. Open access provision** promotes inclusivity and avoids the stigmatisation that often arises from targeting services to the most disadvantaged.
 - Experts have expressed concern about the **increasing pressure to measure** and demonstrate the quantitative impact of open access youth work provision which can lead to misinterpretation and damaging reform.
- 2. Meaningful youth participation** which harnesses the lived experience of young people through their involvement in the design, provision and evaluation of youth services can lead to service improvements and benefits to young people.

Meaningful participation requires active engagement and real influence, as opposed to passive presence or token roles.

- There is good quality evidence that participation in youth service decision-making leads to **better social skills (efficacy and empathy)** and that leadership or decision-making opportunities lead to **greater feelings of ownership and empowerment and higher levels of attendance**.
- The **United Nations Convention on the Rights of the Child** has been a positive vehicle for change, leading to greater active involvement of young people in matters that affect them.

Connections with other policy areas

- **Transport disadvantage;**
Neighbourhood environment: Good transport links are critical for young people to participate in youth services. Neighbourhood planning can help ensure local and accessible services.
- **Take-up of cash-transfers:** Participation in youth services can provide an opportunity to offer assistance to young people who might need help to access services and benefits.

Evidence of policy effectiveness

Intervention	Strength of evidence	Effectiveness
Youth participation	Strong (quasi-experimental)	Effective
Open access youth services	Mixed (reviews of evidence) The results of inappropriate quantitative impact assessments are vulnerable to misinterpretation and can lead to damaging reforms.	Effective

Case study: Involving young people in decision-making

A US study investigated the prevalence and impact of youth programme decision-making practices (e.g. asking young people to help decide what activities are offered). The sample was taken from a randomised field trial and included data from 63 community-based and after-school programmes located across four US states (two Midwest, one Northeast, and one Southeast). Results revealed positive associations between youth programme decision-making practices and youth motivation to attend programmes. They also found positive correlations between decision-making practices and youth problem-solving efficacy; expression efficacy; and empathy. Findings for problem solving and empathy were more pronounced for older participants.



9. In-work progression

Growing rates of in-work poverty demonstrate that work is often not enough to lift a household's income above the poverty line. In-work progression can help reduce in-work poverty, although increasing household-level hours of paid work and/or the generosity of in-work benefits can be more important than tackling low pay. An effective approach to increasing progression should combine policies to increase in-demand skills among lower skilled workers, address labour supply constraints and reduce progression disincentives in the tax and benefit system. Enabling forms of active labour market programmes, which go beyond moving people rapidly into work, help to increase retention and advancement. In-work conditionality for low earning Universal Credit claimants is set to increase the impetus for such policies. Some promising results from the US suggest that sector-specific workforce development is one potentially successful approach, but more robust evaluation evidence is required.

Promising actions

1. **'Enabling' forms of activation** for the unemployed, such as training, have greater potential to lead to progression than 'demanding' forms of activation (i.e. that focus on the use of activation demands on participants), such as monitoring and sanctions.
 - **Evaluation evidence** which takes a longer-term perspective shows how training programmes for the unemployed tend to outperform demanding forms of activation. However, good quality training is more costly in the short term and policy makers need to identify which courses to offer or support.
2. **Sector-specific workforce development initiatives** which use a dual-customer approach (working with employers as well as workers) show positive long-term impacts on earnings and net benefits to participants, governments and wider society.
 - The **current evidence base relies on small scale US studies**. More needs to be understood about which programmes work and why. These initiatives are also reliant on experienced employment intermediaries and their transferability to Wales needs to be given due consideration.
3. **In-work conditionality** for low earning Universal Credit claimants is set to increase UK-wide policy focus on in-work progression.

Connections with other policy areas:

- **Further education and skills:** Investing more in high-quality further education and training programmes can help increase wages among the lower skilled and provide opportunities for progression.
- **Transport disadvantage; Affordable housing supply; Neighbourhood environment; Early childhood education and care:** Where people live in relation to good quality job opportunities, and access via good transport links (including access to further education and training courses and to childcare), can be important factors enabling in-work progression.

Evidence of policy effectiveness

Intervention	Strength of evidence	Effectiveness
Active labour market programmes (particularly 'enabling' forms, such as training)	Strong (meta-level analysis of quasi-experimental)	Effective
Sector-specific workforce development	Strong (experimental)	Effective

Case study: WorkAdvance

WorkAdvance was a US sector-specific workforce development programme which ran between June 2011 and June 2013. Its aim was to help low-income individuals advance in the labour market through investing in education and employment-related skills and experience in high-demand sectors. The initiative is based on a demand-driven skills training programme and a focus on jobs that have identifiable career pathways. The demonstration was set up as a randomised control trial and delivered by four experienced employment intermediaries operating in different sectors. The evaluation found statistically significant positive effects on average earnings with no effect on employment rates. A cost-benefit analysis found positive net benefits to participants, the government and wider society.

Case study: Sector-specific employment interventions

Evidence from a US-based randomised control trial shows that sector-specific employment intervention programmes organised by the third sector ('non-profit') can have positive impacts on employment outcomes and earnings. The programme offered sector specific training and support activities (job readiness, mentoring, life skills, transport and childcare), to unemployed or low-skilled workers. Positive results were not dependent on a specific training programme or support activities. However, the findings do not only relate to in-work progression as many participants were out of work at the start of the programme.

10. Early childhood education and care

Early childhood education and care (ECEC) can have a positive effect on poverty reduction by removing families' labour supply constraints and promoting a broad range of children's outcomes. For ECEC to be effective both quality of provision and inequalities in access should be tackled. International evidence shows that this requires substantial investment in ECEC and careful regulation, while measures such as universal (rather than targeted) services, guaranteed places and generous subsidies, are found to be most effective in closing gaps.

From a poverty reduction perspective, ECEC policies are complementary to social security and employment policies. On the one hand, availability of affordable ECEC can improve work incentives, but barriers may still remain, and the design of the social security system may in fact create work disincentives (e.g. for second earners). On the other hand, because income is shown to directly affect children's outcomes, poor adequacy of cash transfers can undermine efforts to promote children's opportunities and life chances through ECEC.

Promising actions

1. As those who are better off disproportionately use and benefit from ECEC services – limiting the effect of ECEC on poverty and social exclusion – priorities should focus on:
 - Revising the current 30 hours a week offer in light of elements identified in the international evidence as more likely to increase ECEC participation among disadvantaged families, considering expansion and including **guaranteed places, support for working and non-working parents, and fees scaled on income and number of children.**
 - The **distributional impact of recent reforms** should be assessed, and possible deadweight identified.
 - Quality of provision and extended entitlement put pressure on providers, who rely on additional hours and fees from younger children to cover costs. This can exacerbate disparities in access. Further **expanding Flying Start outreach or revising its geographical focus** could be considered.

2. The Welsh Government has taken important steps to create a holistic approach to ECEC, recognising the importance of greater integration of education and care, and of a unified quality framework. Plans to raise skills and standards across the ECEC workforce are underway. These efforts can be supported by:

- **Unified qualification standards** and pathways to recognise work experience and previously acquired competences.
- **Unified treatment of the maintained and non-maintained sector.**
- **Coinciding raised standards with improved status** – in terms of pay, working conditions and professional recognition.
- **Including adapted pathways for assistants** who represent a large share of the workforce but have fewer possibilities for gaining qualifications and progression than core practitioners.
- **The collection and analysis of workforce data** (e.g. socio-economic background), including assistants, to facilitate identification of professional development barriers and to provide a basis for devising solutions.

Connections with other policy areas:

- **Transport disadvantage:** Affordability, availability and accessibility of transport contribute to barriers in accessing ECEC services.
- **In-work progression:** Access to high-quality, affordable childcare is important to reduce labour supply constraints which are a key barrier to progression.

Case study: Increasing ECEC participation in Korea

The Korean system has a mix of public and private services and a combination of centre-based day care and home-based childminding services (targeted at children aged between 3 months and 3 years old). A 'wrap around' service approach includes 'out-of-hours' childminding services, important particularly for parents with unpredictable working hours and ad-hoc demands. Priority access is given to poor families, families with adults seeking work and large families with young children. Korea has invested significantly in ECEC (1% of GDP). Out-of-pocket childcare costs are among the lowest in OECD countries.

Case study: Rural ECEC provision in Lithuania

Improving ECEC participation in rural areas is a key policy objective in Lithuania. Multi-functional centres (*daugiafunkcis centras*) have been introduced to provide access to a range of services used by families and children under a single management structure. Services range from health care to day care, pre-primary and primary education, and community facilities. These centres facilitate access to specialists working in different sectors and improve coordination between services. They also provide the opportunity for greater alignment between pre-primary and primary education. Access to multi-functional centres is further supported by dedicated public transportation and information campaigns, including about the value of ECEC. OECD assessment finds that these multi-functional centres serve an important function in increasing participation in ECEC in rural areas, but barriers still remain, and urban/rural differences remain large.

Evidence of policy effectiveness

Intervention	Strength of evidence	Effectiveness
Policies increasing participation in ECEC (improving affordability and availability)	Strong	Mixed (limiting factors are unequal labour market participation, interaction with the tax and benefit systems generating disincentives)
Policies improving quality of ECEC provision (both structural and process aspects of quality)	Strong	Effective



11. Further education and skills

This sector of the education system has much to contribute to a strategy to tackle poverty and social exclusion, and there is good evidence that post-16 vocational education and training and adult learning can improve employment outcomes and offer vital opportunities for progression for disadvantaged learners and workers. Different systems show a differential capacity to deliver these benefits. For the further education (FE) sector to foster inclusion, key elements are flexible and open educational structures (e.g. linking FE and higher education (HE), and within FE between formal and non-formal activities) and standardised routes leading to sufficiently high levels of qualifications, with recognised quality assurance mechanisms.

Promising actions

Achieving **greater parity of esteem between academic and vocational education** can support FE's role in improving the life chances of disadvantaged groups. However, systemic changes are required, including:

1. **Rebalancing resources between FE and HE and between full- and part-time study.**
 - Funding mechanisms need to support the acquisition of higher levels of qualifications (e.g. levels 4 and 5), while maintaining flexibility and options that can better support disadvantaged learners.
2. Links within FE (e.g. between formal and non-formal activities), and between HE and FE, can bridge the divide between sectors.

- **An integrated system can introduce the openness and permeability necessary for greater inclusion** of disadvantaged groups. Simple processes and adequate advice and support services can further aid learners navigating the system.

3. Qualification pathways that enable the development of **broad occupational competences** improve the transferability of skills, and can help make vocational education relevant to a range of occupational fields.
4. Inclusivity of post-16 programmes and apprenticeships can be improved by revising **entry requirements** (e.g. linked to specific grades at key stage 4), as the current system risks excluding those more likely to benefit.
5. **Quality assurance mechanisms** are essential to respond to employers' and learners' concerns about the relevance, quality and transferability of vocational qualifications, which shapes users' participation and employers' engagement.

Connections with other policy areas

- **In-work progression:** Quality technical and vocational education and training delivered through FE, work-based learning and adult learning can develop higher skill levels and improve employability. It can also increase chances to maintain sustained employment, earn more and progress.
- **Digital exclusion:** Digitalisation will lead to major changes in the demand for skills – digital inclusion can boost skill acquisition among the less disadvantaged.

Evidence of policy effectiveness

Intervention	Strength of evidence	Effectiveness
Policies related to system design (e.g. school/work-based models; Dual System)	Strong	Effective (more mixed for long-term employment advantages)
Policies boosting participation in adult learning	Good	Mixed (because of unequal participation)

Case study: Occupational fields in the dual system of vocational education and training

The dual system of vocational education and training offers training that combines training/apprenticeships in a company and education in a vocational school. The development of broad competences in a dual system opens a range of occupational fields to vocational education and training students beyond trade and craft occupations, including apprenticeships leading to white collar jobs (e.g. in banking, retail and public administration). In Switzerland, the three most popular apprenticeship occupations are business and administration, retail and building and civil engineering. This is one of the characteristics that evidence shows grounds the success of dual system in improving parity of esteem and reducing inequalities in employment outcomes.

Case study: Participation of SMEs in Norway

Institutional support can foster the participation of small and medium-sized enterprises (SMEs) in apprenticeships through planning and provision of training. Chambers of commerce can create their own training centres that complement the training that takes place in the workplace in SMEs. In Norway, cooperation mechanisms allow SMEs to operate as a network and develop local inter-firm collaborations. These can focus on one trade, a broader spectrum of related trades (e.g. industrial trades or in the service sector), or multi-trade models (in rural areas or in areas with low regional concentration of firms). While overall assessments of the outcomes of these initiatives are at an early stage, they have shown to be successful in supporting SMEs' participation.

Case study: Flexibility and modular learning in Denmark

Evidence shows that open and flexible education systems can support disadvantaged and older learners. In Denmark, the modularisation of adult learning increases flexibility, allowing high shares of adults to obtain qualifications. Learners can obtain formal qualifications combining modules from different types of adult learning provision: this includes active labour market programmes, basic education programmes, higher education, vocational education and even non-formal education programmes.

12. Neighbourhood environment

Geographical concentration of disadvantage can lead to concentrated exclusion, and place-based policies have an important role to play, affecting a range of dimensions of people's quality of life and experiences of economic, social and civic participation. The limits of these types of localised solutions in relation to poverty reduction suggest they should not be considered in isolation of complementary national and regional policy around, for instance, housing, employment, education and social security. To make sure those who are disadvantaged benefit from local regeneration policies, clear equity and social inclusion objectives need to be set, together with adequate forms of evaluation and monitoring – growth and prosperity cannot be expected to organically 'trickle down'.

Promising actions

1. **Clear objectives in relation to poverty and social exclusion reduction are needed** for benefits from neighbourhood environment interventions (resulting from job creation, local economy boosts, improved community participation and improved physical environments) to reach the most disadvantaged.
 - These objectives should avoid regeneration efforts further exacerbating social exclusion and displacement of the most disadvantaged citizens and households (for example through gentrification).

- 'Activity-based' approaches attempting to regenerate town centres by creating mixed environments are promising but currently not robustly evaluated. **Evaluation** should be planned alongside interventions, which should include realistic timeframes (e.g. distinguishing between short- and long-term outcomes) and focus not solely on processes and outputs, but on **assessing distributional outcomes and effects on poverty, and estimating 'social value'**.

2. **Community-led approaches** can mitigate the risks of gentrification by placing local community needs and experiences at the centre of development, **provided they succeed at generating effective, inclusive engagement**.

- Proactive engagement of the most disadvantaged in the community and a focus on understanding and tackling engagement barriers are needed to achieve real inclusion.

Connections with other policy areas

- **Digital exclusion:** Many strategies for urban regeneration have recently focused on leveraging potential benefits of digitalisation. This requires strategies that support digital inclusion or risks reinforcing existing inequalities.
- **Household debt; Food insecurity; Fuel poverty:** Regeneration strategies can disrupt informal support networks (families, friends, neighbours) which play a critical role in mitigating vulnerability experienced by poor households.

Evidence of policy effectiveness

Intervention	Strength of evidence	Effectiveness
Top-down, place-based approaches (e.g. planning and implementation related to housing development, business assistance, social service provision, workforce development)	Mixed (varying quality, seldom focused on effects on poverty)	Mixed (positive outcomes on a range of dimensions but also negative effects)
Bottom-up, community-led approaches	Generally weak evaluation	Effective

Case study: Bottom-up mixed environments in France

The city of Lille has adopted a number of bottom-up approaches to neighbourhood renewal, with a recent focus on 'mixed' and 'activity based' environments. It is considered an example of good practice, for instance with innovative initiatives for city centre revitalisation that, beyond long-term planning, also stimulate immediate action, through temporary use of derelict shops and buildings to encourage local entrepreneurs and community organisations to set up pop-up shops and businesses, but also skill sharing, recycling, and community meeting places. These initiatives are based on local participative planning and ideas, and create footfall and interaction between local residents and communities.

Case study: City networks and knowledge-exchange in Europe

In the last decade a number of European initiatives have created exchange and learning programmes focused on developing networks of cities and towns to transfer and disseminate good practice related to sustainable, inclusive development. Programmes such as [URBACT](#) support the sharing and implementation of approaches to urban regeneration which are focused on sustainability and participatory design and delivery. Impact evaluations of the overall programme show that the approach contributed positively in relation to physical environment, crime, community capacity building initiatives and job creation. Much less focus has been placed on assessing effects on poverty. This shows that while there is much to gain for cities and towns in participating in these collaborative initiatives, attention should be paid to evaluating their distributional impact.

Conclusion

International evidence on the effectiveness of these twelve policy areas shows that they could be important elements of a successful anti-poverty and social exclusion strategy in Wales. It is not an exhaustive selection of policies and others should be considered, such as: policies addressing poor physical and mental health and the social determinants of poor health; access to affordable social care; crime reduction, criminal justice and effective rehabilitation; reducing homelessness; and improving the quality of jobs, particularly at the lower end of the labour market. In addition, inequality and poverty are intrinsically linked and high levels of inequality make tackling poverty and social exclusion more challenging. Therefore, any strategy needs to bear this in mind. Four main take-away, cross-cutting findings are:

1. Several policy areas are fundamentally connected (e.g. household debt; fuel poverty; food insecurity; transport disadvantage; affordable housing supply) and **effective strategies will be required to address 'upstream drivers' such as low income**. This means that, for instance, beyond specific interventions in a given policy area (say, debt relief and advice services or financial literacy in relation to household debt; community provision in relation to food insecurity) broader strategies to increase and maximise disposable household income available to disadvantaged families are necessary to make progress in the individual areas.
- Interconnections and synergies between the policy instruments available in each policy area should be assessed. The kind of comprehensive, multi-sectoral thinking this requires can be found in, for instance, the Welsh Government's Child Poverty Income Maximisation Action Plan (Welsh Government, 2020). The possibility of establishing a 'Welsh Benefit System', as proposed by the Bevan Foundation, is another example that could help tackle interconnected challenges (Bevan Foundation, 2020).
 - 'One-stop', multi-agency services in the community that promote service coordination and provide diversified support are useful in face of the range of interconnected needs and vulnerabilities people can experience. Evidence shows that these are most effective when they are non-stigmatising and leverage trusted relationships in the community that help with expanding their reach.
 - Across policy areas, it is clear that a recurrent challenge is the diminished role of the UK social security system in functioning as an effective safety net against poverty. The Welsh Government does not have the powers required to change key elements of the system (e.g. related to Universal Credit design or the two-child limit), but acknowledging their shortcomings can lead to improvements in the assistance and support that can be made available through alternative policy instruments.

2. In several policy areas there are **evidence gaps and a tendency for producing weak evaluations, especially in relation to localised interventions.**

- When these interventions may serve a range of purposes beyond tackling poverty and social exclusion, it is particularly important that evaluations go beyond assessing outputs (e.g. number of referrals, caseload etc.) and effectively focus on the impact on poverty and social exclusion, including analysis of how different disadvantaged groups may be affected (e.g. people with disabilities, people from ethnic minority backgrounds, single parents, care leavers). In some areas it may be more appropriate to estimate social values rather than quantitative impact assessments (e.g. in the case of community transport and open access youth services).

3. Across a number of areas, **emerging opportunities for data sharing** can contribute to multi-agency working, promote synergies, simplify administrative processes and ensure a greater number of people access the services they need and benefits they are entitled to. At the same time, insight into the lived experiences of claimants and users is needed to understand barriers to access faced by different groups (and hence the range of options and alternatives needed to ensure inclusion).

4. For a number of policy areas (e.g. digital exclusion, youth services, neighbourhood environment), **participatory approaches are emerging as a way to enhance the success of interventions and programmes in meeting people's needs and addressing challenges on the ground.** Ensuring authentic and meaningful participation means supporting participation in producing real influence, not just passive presence or tokenism. It also means recognising that poor and disadvantaged citizens are more likely to experience barriers to participation, hence effective engagement strategies will need to take into consideration community composition and dynamics. Simply 'opening up' deliberative spaces can lead to an over-representation of already influential voices, thus failing to create genuinely inclusive participation.



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