

# HEFCW's Child Poverty Strategy

2012-13 to 2015-16

March 2012



Noddir gan  
**Lywodraeth Cymru**  
Sponsored by  
**Welsh Government**

**HEFCW's Child Poverty Strategy 2012-13 to 2015-16<sup>1</sup>****The Higher Education Funding Council for Wales**

1. The Higher Education Funding Council for Wales (HEFCW) is a Welsh Government Sponsored Body responsible for funding higher education (HE) in Wales<sup>2</sup>. As such, we receive funding from, and are accountable to, the Welsh Government. We are an intermediary body between the Welsh Government and the higher education sector in Wales. We provide advice to the Welsh Government on the funding needs and wider concerns of the HE sector and we promote Welsh interests in the wider UK HE area.
2. We distribute funds for education, research and related activities at eleven higher education institutions. We also fund higher education courses at further education colleges. Our vision is to develop and sustain internationally excellent higher education in Wales, for the benefit of individuals, society and the economy, in Wales and more widely. Our Corporate Strategy 2010-11 to 2012-13 sets out our strategic actions to deliver the Welsh Government's Strategy for Higher Education *For our Future: The Twenty First Century Higher Education Strategy and Plan for Wales*, published in November 2009<sup>3</sup>.
3. Through our funding system, HEFCW supports the HE sector in Wales in a number of priority areas set by the Welsh Government, including promoting learning and teaching development, particularly the quality of the learning experience, encouraging activities in higher education that support business and the community; and widening access to higher education.
4. We will manage our contribution to the eradication of child poverty through our widening access policy area, including the Reaching Wider Programme. Our widening access policies are designed to ensure equity, opportunity and success in higher education for learners. Our priority is to ensure that learners, across all age ranges and backgrounds, fulfil their potential as students, lifelong learners, citizens and employees, regardless of perceived or actual social and/or economic barriers.
5. Our Reaching Wider Programme was established in 2002, as a widening access mechanism to raise educational aspirations and widen access to learning. The Reaching Wider Programme provides a higher education-led regional, collaborative approach to widening access to higher education. The three Reaching Wider Partnerships, in North and Mid, South East and South West Wales, include members from further education institutions, schools, local authorities and other education providers.
6. HEFCW is committed to working with the Welsh Government, Welsh higher education institutions and other stakeholders to contribute to the Welsh

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<sup>1</sup> The Child Poverty Strategy relates to the period from 1 April 2012 to 31 March 2016. We will review the Strategy by March 2014 as required by Children and Families (Wales) Measure 2010.

<sup>2</sup> For further information about HEFCW see: [www.hefcw.ac.uk](http://www.hefcw.ac.uk)

<sup>3</sup> The Welsh Government Strategy for Higher Education: [For our Future](#)

Government's anti-poverty agendas, including contributing to the eradication of child poverty.

## Introduction

7. HEFCW's Child Poverty Strategy sets out our intentions to contribute to delivering the Welsh Government's commitment to the eradication of child poverty, as set out in its *Child Poverty Strategy for Wales*<sup>4</sup>. Our Strategy fulfils a statutory duty on us as a 'Welsh Authority' to publish a Child Poverty Strategy<sup>5</sup>.
8. This Strategy sits beneath our Corporate Strategy 2010-11 to 2012-13 and covers the period of this and our next Corporate Strategy.<sup>6</sup> It should be read in conjunction with *HEFCW's Strategic Approach and Plan for Widening Access to Higher Education*<sup>7</sup> (known as our *WA Approach*), which provides a complete picture of our widening access strategic intentions.
9. The purpose of this Strategy is to promote a clear understanding of our commitment to the eradication of child poverty to the higher education (HE) sector, our partners and for learners. Our intention in establishing the Strategy is to be: challenging in our aspirations; clear on our agenda for action; realistic in managing expectations; and transparent in providing a mechanism for measuring progress and demonstrating success.
10. This Strategy has been informed by HEFCW's Student Experience, Teaching and Quality Committee and discussions with a range of individuals and organisations. It has been subject to statutory consultation and engagement with the Welsh Government and Local Authorities. In addition we have engaged with a range of stakeholders and undertaken a full equalities impact assessment. A summary of the consultation outcomes are published as part of our Child Poverty Strategy circular.
11. We recognise the links between issues of equality of opportunity and access to employment, with higher percentages of people with some protected characteristics being in low paid employment or workless<sup>8</sup>.

## Background

### Definitions of Poverty and the Eradication of Poverty

12. Definitions of poverty are usually based on household income data. The main measure is 60% of median UK household income, after adjustment has been

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<sup>4</sup> [Welsh Government Child Poverty Strategy](#)

<sup>5</sup> Section 5 of The Children and Families (Wales) Measure 2010 outlines the specific duties on Welsh Authorities, including HEFCW.

<sup>6</sup> [HEFCW Corporate Strategy 2010-11 – 2012-13](#)

<sup>7</sup> [HEFCW's Strategic Approach and Plan for Widening Access to Higher Education](#)

<sup>8</sup> [An Anatomy of Economic Inequality in Wales](#) (May 2011), Welsh Institute of Social and Economic Research, Data and Methods.

made for household size. The latest available figures, for 2009/10, set the cash figures at 60% median income per week at:

- £256 for a lone parent with two dependent children under 14 years;
- £346 for a couple with two dependent children under 14 years<sup>9</sup>.

13. 'Eradication' of child poverty is defined by the Welsh Government as no more than 5% of children living in low-income households<sup>10</sup>.

### Welsh Government's Child Poverty Strategy

14. In November 2009 the National Assembly for Wales passed the Children and Families (Wales) Measure 2010 making statutory provision to take forward the Welsh Government's commitment to eradicating child poverty in Wales by 2020. It also requires Welsh Ministers to produce a Child Poverty Strategy.
15. The Welsh Government consulted on its Child Poverty Strategy and Draft Plan in August 2010 and HEFCW's response to the consultation is available from us. The Strategy set out the Welsh Government's intention to establish a statutory framework to harness action on child poverty across Welsh Authorities<sup>11</sup>.
16. The Measure places a duty on Welsh Authorities to produce a child poverty strategy and to demonstrate how they intend to improve the life chances of children and young people<sup>12</sup>. Welsh Authorities, such as HEFCW, must identify one or more aims of the Measure, most relevant to their business, and set out their priorities, objectives, actions and functions to be exercised in contributing to the eradication of child poverty in Wales.
17. The 13 broad aims of the Measure, listed in **Appendix A**, recognise that the causes and effects of child poverty are complex, multi-faceted and inter-related.
18. The Welsh Government's Child Poverty Strategy for Wales identifies the following three strategic objectives which will deliver the 13 broad aims of the Measure to:
- i. reduce the number of families living in workless households;

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<sup>9</sup> These figures are net of income and council tax and after housing costs (largely rent or mortgage interest) have been paid. Statistics are also published on a 'before housing costs' basis and this latter definition is used by the Welsh Government in defining the 'eradication' of child poverty in Wales.

<sup>10</sup> This definition of low income household is on a 'before housing cost' basis.

<sup>11</sup> Welsh authorities are defined in section 6 of the Children and Families (Wales) Measure 2010 as: 'The Welsh Ministers; A Local Authority; A Local Health Board; A Welsh Fire and Rescue Authority; A National Park Authority in Wales; The Countryside Council for Wales; The Higher Education Funding Council for Wales; The Public Health Wales National Health Service Trust; The National Museum of Wales; The Arts Council of Wales; The National Library of Wales; The Sports Council for Wales.

<sup>12</sup> Welsh Ministers and Local Authorities have their own specific duties and guidance. Welsh Authorities which are members of Children and Young People's Partnerships are exempt from producing these strategies.

- ii. improve the skill level of parents and young people in low income families so that they can secure well paid employment;
  - iii. reduce the inequalities that exist in the health, education and economic outcomes for children living in poverty, by improving the outcomes of the poorest.
19. Welsh Authorities are required to demonstrate how their strategic priorities contribute to supporting the above objectives to provide a 'clear line of sight' between national and local action.
20. The Welsh Government will use the following indicators to measure progress against its three strategic objectives:
- iv. Number of children living in workless households;
  - v. Percentage of working-age adults with no qualifications;
  - vi. Percentage of pupils eligible for free school meals who achieve the Level 2 threshold including English/Welsh and Maths at Key Stage 4;
  - vii. Looked After Children per 10,000 population under 18 years of age;
  - viii. Percentage of live births weighing less than 2,500 grams;
  - ix. Number of children living in workless/low income families reaching health, social and cognitive development milestones when entering formal education.

#### HEFCW's Strategy Context

21. Our Corporate Strategy 2010-11 to 2012-13 represents our action plan to deliver the Welsh Government's expectations for higher education, as set out in: *For our Future: The Twenty First Century Higher Education Strategy and Plan for Wales*, published in November 2009.
22. *For our Future* identifies the Welsh Government's twin priorities for HEFCW and the HE sector as enhancing social justice and supporting a buoyant economy. Both priorities also underpin our contribution to eradicating child poverty.
23. Our Corporate Strategy identifies our intention to:
- 'Develop a higher education system in Wales where all who are able may benefit from higher education, where the student learning experience is of high quality and where graduates are equipped for the world of work and their roles as citizens.'*
24. The five key Corporate Strategy themes of: widening access; the student experience; skills; knowledge transfer; and research, identify the areas of our strategic focus. These are not discrete policy areas and they will contribute, as appropriate, to supporting our contribution to the eradication of child poverty.

#### **HEFCW's Contribution to the Welsh Government's Strategic Objectives and the Children and Families Measure's Broad Aims**

25. Given our Corporate Strategy focus on social justice and supporting a buoyant economy, HEFCW is well-placed to work with the higher education sector to contribute to the second and third strategic aims of the Child Poverty Strategy for Wales outlined above. In contributing to these objectives we will prioritise the following broad aim, of the Children and Families Measure (see **Appendix A**):
- i. to help young persons participate effectively in education and training.*
26. In addition, we expect that we will also make some contribution:
- ii. to reduce inequalities in educational attainment between children; and*
  - iii. to provide parents of children with the skills necessary for paid employment.*
27. Our commitment to helping young people to participate effectively in education and training aligns with our response to Welsh Government *For our Future* expectations that:
- i. inconsistencies in access and opportunity are addressed;
  - ii. participation is maximised through different and more flexible ways to experience higher education, including through part-time study; and we will:
  - iii. refocus our approach to widening access to higher education.

### **Needs Assessment**

28. To establish our strategic priorities we have undertaken a needs assessment which utilises data available to HEFCW. Details of our needs assessment can be found in **Appendix B**.

### **Strategy Objectives and Priorities**

29. Our objectives and priorities, set out below, aim to support the eradication of child poverty. They sit largely within the widening access Corporate Strategy theme through which we aim to:
- ensure equity, opportunity and success in higher education.*
30. The following priorities underpin our aim of contributing to the eradication of child poverty. Specifically, we will:
- i. target learners of all ages across Wales;
  - ii. prioritise recruitment from Communities First areas in Wales;
  - iii. develop higher level learning and skills in the Universities Heads of the Valleys Institute area (UHOVI);
  - iv. support looked after children and care leavers to and through higher education;

- v. encourage participation in higher level skills and the priority sectors;
- vi. deploy widening access resources to meet our strategic objectives.

## Delivering our Priorities

31. To deliver our priorities, we aim:
  - i. To target learners of all ages across Wales.
32. We recognise that children living in poverty are often from families where educational aspiration and achievement is low: parents or carers have few educational qualifications and their expectations for their children are often the same. Research indicates that adults with low or no qualifications are less likely to progress through adult learning than people with ‘middling’ qualifications.<sup>13</sup> Therefore, our widening access policy targets potential learners of all ages to support higher education institutions (HEIs) to engage with communities, parents, carers, and young people who have the potential to benefit from higher education and to positively influence family members and neighbourhoods. We recognise that all-age engagement contributes to the development of learning communities and families that learn together.
  - ii. To prioritise recruitment from Communities First areas in Wales
33. A unique feature of widening access policy in Wales is the prioritisation of recruitment to, and success in, higher education by people of all ages from Communities First areas. HEFCW, as a Welsh Government Sponsored Body, is expected to engage with the relevant Communities First area strategies and plans and we will continue our long-term commitment to contribute effectively to this agenda.
34. We recognise that the second phase of the Communities First Programme will support the Welsh Government’s anti-poverty agenda and thus our widening access policy commitments are clearly aligned with both the Welsh Government’s Communities First Strategy and the Child Poverty Strategy. While higher education will contribute towards all three Communities First strategic outcomes, as set out in the Communities First consultation, its most significant contribution will be to the ‘Learning Communities’ objectives.<sup>14</sup>
35. The Wales Audit Office report, *Communities First* (2009) identifies two complementary strands as fundamental to the effective regeneration of these communities: local partnership working; and programme ‘bending’, or alignment, to direct resources from appropriate public programmes and organisations towards Communities First areas<sup>15</sup>. We recognise the potential for our widening access objectives to continue to contribute to tackling deprivation and improving the prospects of people in these designated communities.

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<sup>13</sup> Joseph Rowntree Foundation, *Findings, informing change*, July 2011: [www.jrf.org.uk](http://www.jrf.org.uk)

<sup>14</sup> [Welsh Government Communities First consultation](#). The three Communities First themes from April 2012 will be: Prosperous Communities, Learning Communities and Healthier Communities.

<sup>15</sup> *Communities First*, Wales Audit Office (July 2009). See: [www.wao.gov.uk](http://www.wao.gov.uk)

36. Communities First areas are the key target group for our Reaching Wider Programme and a priority group for universities widening access provision.
- iii. To develop higher level learning and skills in the Universities Heads of the Valleys Institute area
37. We recognise that not all poverty or economic upskilling needs are based within Communities First areas. A region of particular social and economic deprivation in Wales is the five unitary authority areas in the Heads of the Valleys<sup>16</sup>. Within the area: only **64%** of the working age population is in employment, compared with 71% across Wales as a whole; residents are less likely to be in skilled or professional jobs (only **50%** compared with 62% for Wales as a whole); and the average earnings for residents in Merthyr Tydfil and Blaenau Gwent are **20%** below those in the rest of South East Wales.
38. The Welsh authority with the highest rate of severe child poverty is Blaenau Gwent, where the estimate is 20%. Blaenau Gwent has the 24<sup>th</sup> highest rate of severe child poverty amongst local authorities in Great Britain. Severe child poverty is also high in Torfaen (18%), Caerphilly (18%), Rhondda Cynon Taff (17%) and Merthyr (16%). In Blaenau Gwent, Torfaen and Caerphilly nearly one in six children live in severe poverty.
39. Therefore, we will work with the Welsh Government, the University of Glamorgan and University of Wales Newport and Reaching Wider (First Campus) partners to address the learning and skills needs in the Heads of the Valleys area by providing opportunities to access higher learning and skills. With increased local access to learning and a greater choice of courses more local people can access pre-degree, undergraduate and postgraduate-level study locally, meet local business needs for skilled staff and improve their economic and social circumstances. We will monitor the Universities Heads of the Valleys Institute (UHOVI) programme developments to ensure it contributes effectively to individuals' personal development and community regeneration and takes account of equality and diversity issues.
- iv. To support looked after children and care leavers to and through higher education
40. As outlined above, we recognise the role that family, intergenerational and community learning can play in creating learning cultures in homes and neighbourhoods, contributing to reducing child poverty in Wales and providing parents with skills to access higher level learning and employment. We acknowledge the sector's commitment to raising the educational aspirations and supporting the life chances of children without family support: those young people in care and care leavers. All Welsh HEIs have achieved the Buttle UK Quality Mark. The Quality Mark for Care Leavers, launched in 2006 by the then Frank Buttle Trust is a statement of commitment which higher

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<sup>16</sup> UHOVI unitary authorities are: Rhondda Cynon Taff, Merthyr Tydfil, Caerphilly, Blaenau Gwent and Torfaen.

education institutions sign up to, thereby agreeing to meet certain criteria related to supporting care leavers. We will work with Buttle UK and HE institutions to encourage the further development of support for children in care and care leavers and to disseminate effective practice<sup>17</sup>. We will encourage the sector to take a multi-agency approach to developing further such innovative approaches which improve the learning choices and chances of families, communities and care leavers.

v. To encourage participation in higher level skills and the priority sectors

41. The Joseph Rowntree Foundation research indicates that:

*‘Qualifications clearly increase the likelihood of being employed. Some 90% of those with an above level 3 qualification were employed compared with 75% for mid-levels and 60% for those with the lowest levels of education. These proportions have not changed much over the last ten years.’ and*

*‘Across the working-age population as a whole, (aged 16 to 64) those with the lowest qualifications were hit hard by the recession and saw a drop of almost 10% in their employment rate over the three years from 2007.’<sup>18</sup>*

42. We recognise that parents with care commitments often require different ways of accessing higher level learning and skills to enter or return to the workplace. New pathways to learning include clearly defined progression routes from post-16 learning and the workplace. We will work with regional higher education partnerships to improve progression routes from further to higher education, on a regional basis, to highlight local opportunities for continued learning. We will encourage the development of flexible learning opportunities, including part-time, technology-enhanced and blended learning provision, workbased learning, the use of accreditation of prior learning and increased information, advice and guidance to identify and respond to learners’ needs. We will increase Foundation Degree provision which will provide greater diversity and flexibility in design, duration and delivery to match learner needs, employer demands and improve employment opportunities.

43. In relation to subjects of a broader importance in Wales, we will work with the National HE STEM Programme in Wales to develop learning opportunities in science, engineering, technology and maths (STEM) subjects<sup>19</sup>. We will also promote modern foreign language learning, in response to the Welsh Government’s Making Languages Count Strategy and we will work with the Sector Skills Councils to ensure that vocational qualifications are fit for purpose. These different ways of accessing learning will enable more people

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<sup>17</sup> The Frank Buttle Trust became [Buttle UK](#) on 1 March 2011.

<sup>18</sup> Joseph Rowntree Foundation [Monitoring poverty and social exclusion in Wales 2011](#),(p5).  
[www.jrf.org.uk](http://www.jrf.org.uk)

<sup>19</sup> <http://www.hestem.ac.uk/partners/wales>

to access higher education and higher-level employment opportunities while maintaining their family commitments and/or existing employment. In addition, we will support fair access to the professions, higher level skills and the priority sectors, in order to promote social mobility and establish pathways out of poverty.

vi. To deploy widening access resources to meet our strategic objectives

44. During the Corporate Strategy period we have reviewed our widening access objectives and resources to ensure alignment with Welsh Government expectations. We published *HEFCW's Strategic Approach and Plan for Widening Access to Higher Education* (known as our 'Approach') in February 2011, following stakeholder engagement. Our *Approach* references this Child Poverty Strategy and will support its delivery.

### Measures of Success

45. The following Corporate Strategy measures will provide the key indicators of the impact of our Child Poverty Strategy:

Communities First areas

46. The Communities First measure monitors improved access and progression for people of all ages in locations where such opportunities are low, including the Heads of the Valleys, and it is a proxy measure for social class and multiple-deprivation. This measure seeks:

**A 10% rise in the proportion of all Welsh domiciled students studying higher education courses at higher education institutions and further education institutions in Wales who are domiciled in the Welsh Communities First areas from 15.6% in 2008/09 to 17.2% in 2012/13.**

Universities Heads of the Valleys Institute

47. The UHOVI measure takes account of the extent to which more people in Wales, including in the Heads of the Valleys, experience higher education and are equipped with higher level skills. This measure seeks:

**The absolute participation rate within Welsh higher education providers of students in the five Universities of the Heads of the Valleys Institute unitary authorities will rise by 8% to the current national average by 2012/13 (from 2.5% to 2.7%).**

Part-time Study

48. The part-time measure is designed to assess the increase in the number of graduates equipped for the world of work and for their role as citizens. This measure seeks:

**The total number of part-time students studying higher education courses in higher education institutions and further education institutions in Wales will rise from 54,714 in 2008/09 to 59,000 in 2012/13.**

49. In addition we will monitor sector performance against a range of poverty-related indicators associated with young people and adults using a 'basket of measures' approach. These indicators will measure sector progress and trends against the baseline academic year 1 August 2008 to 31 July 2009. The basket of measures will include:
- i. socio-economic class indicators of participation in higher education;
  - ii. students by gender and by subject studied;
  - iii. students from low participation neighbourhoods;
  - iv. students in receipt of the Assembly Learning Grant (ALG);
  - v. students in receipt of the Disabled Students Allowance;
  - vi. students with protected characteristics for which data is available;
  - vii. students by higher education strategy regions;
  - viii. part-time students, including those in receipt of a fee waiver;
  - ix. recruitment from ethnic groups which are under-represented in Welsh higher education, including black Afro-Caribbeans and young white working class males;
  - x. applicants and acceptances of care leavers<sup>20</sup>;
  - xi. retention and success in higher education learning by students with our measures of success and basket of measures groups;
50. Our Corporate Strategy measures relate to the period from 1 April 2010 to 31 March 2013. During this period, our Corporate Strategy will be reviewed and further developed to reflect Welsh Government strategic priorities from 2013. The basket of measures indicators cover the entire Strategy period.
51. HEFCW will publish annually sector progress against its Corporate Strategy measures and statistical information can be found on our website<sup>21</sup>.
52. In addition, we will also monitor Welsh Higher Education institutions' retention of the Buttle UK Quality Mark for Care Leavers in Higher Education and the development of their plans underpinning this provision.

### **Equality and Diversity**

53. In developing this Strategy we have undertaken an internal, initial equality impact screening. We published the draft HEFCW Child Poverty Strategy as part of our statutory consultation process, and we engaged with universities, stakeholders and other providers in the consideration of the impact of this policy on groups with protected characteristics.

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<sup>20</sup> We recognise that there are unavoidable limitations with this dataset.

<sup>21</sup> HEFCW statistical information is available at: [www/hefcw.ac.uk/publications](http://www.hefcw.ac.uk/publications)

54. We are publishing, as an annex to our Child Poverty Strategy circular, a summary of the Strategy consultation responses, including responses relating to engaging stakeholders in the equality impact assessment.

### **The Strategy Period**

55. The Welsh Government requires that the Strategy is published by 31 March 2012.

### **Reviewing the Strategy**

56. The Strategy covers the period from 2012-13 to 2015-16.
57. The Welsh Government requires that the Strategy be reviewed by 31 March 2014. Our review process will include involving the HEFCW Student Experience Teaching and Quality Committee in an annual review of progress towards achieving our objectives, taking account of new and emerging Welsh Government policies and priorities for higher education<sup>22</sup>. This Committee includes representation from Welsh Government, the Higher Education sector and the National Union of Students. We will also report our progress annually on child poverty-related issues with equality and diversity implications through our Strategic Equality Plan.
58. We will publish the Strategy on our website and make it available at our offices in compliance with the Welsh Government's Child Poverty Strategy regulations.

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<sup>22</sup> The Student Experience Teaching and Quality Committee will review the Child Poverty Strategy each academic year from 2012/13.

## Appendix A

### The Thirteen Broad Aims of the Welsh Government's Children and Families Measure 2010

The following thirteen broad aims of the Measure provide the framework for the Welsh Government's Child Poverty Strategy and Delivery Plan for Wales:

- i. To increase income for households including one or more children with a view to ensuring that, so far as reasonably practicable, there are no households in the relevant income group<sup>23</sup>;
- ii. Ensuring that, so far as reasonably practicable, children living in households in the relevant income group are not materially deprived<sup>24</sup>;
- iii. To promote and facilitate paid employment for parents of children;
- iv. To provide parents of children with the skills necessary for paid employment;
- v. To reduce inequalities in educational attainment between children;
- vi. To support parenting of children;
- vii. To reduce inequalities in health between children and between parents of children (so far as necessary to ensure the well-being of their children);
- viii. To ensure that all children grow up in decent housing;
- ix. To ensure that all children grow up in safe and cohesive communities;
- x. To reduce inequalities in participation in cultural, sporting and leisure activities between children and between parents of children (so far as necessary to ensure the well-being of their children);
- xi. To help young persons participate effectively in education and training;
- xii. To help young persons take advantage of opportunities for employment; and
- xiii. To help young persons participate effectively and responsibly in the life of their communities.

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<sup>23</sup> For the purposes of this broad aim, the 'relevant income group' in relation to a household, is every household including one or more children where household income is less than 60% of the median income in the UK.

<sup>24</sup> For the purposes of the broad aim, the 'relevant income group' in relation to a household, is every household including one or more children where household income is less than 70% of the median income in the UK.

## Appendix B HEFCW Child Poverty Strategy Needs Analysis

### Introduction

1. In setting out our needs analysis we recognise that many poverty-related issues and implications are inter-related and there is some unavoidable duplication in this analysis.
2. The latest figures show that 33% of children and young people in Wales live in households with income poverty.<sup>25</sup> This is defined as living in a household at 60% or less of UK median income. Of the four regions of the UK, Wales has the highest levels of severe child poverty: 14% across all of Wales with pockets as high as 20% in the South Wales valleys.<sup>26</sup> Severe poverty is defined as households living at 50% or less of UK median income.
3. The outcomes for children and young people growing up in a context of poverty and deprivation include a greater likelihood of leaving school without qualifications than their more affluent peers and to be more likely to be drawn into anti social behaviour and crime<sup>27</sup>. For example, only 21 per cent of the poorest fifth of children taking GCSEs (measured by parental socio-economic position (SEP)) managed to gain five good GCSEs (grades A\*-C, including English and Maths), compared with 75 per cent of the top quintile<sup>28</sup>.

### Education

4. The Welsh Government anti-poverty strategies recognise that, as well as supporting immediate household need, public authorities in Wales must contribute to tackling the long term educational outcomes for children from low income households, including cycles of intergenerational poverty.<sup>29</sup>
5. We recognise that raising standards of education and skills development at each stage of an individual's education is essential for Wales to achieve social justice and sustainable and equitable economic growth and prosperity.
6. Participation in higher education has been shown to have positive social and economic benefits including improved employment opportunities and earning potential, besides other health and general wellbeing benefits. Young people from higher socio-economic backgrounds show a much higher likelihood of continuing their education than those from lower socio-economic strata where mothers with lower levels of educational attainment are less likely to construct an emotionally and cognitively supportive environment for their children.

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<sup>25</sup> *Households Below Average Income. An analysis of the income distribution 1994/95 – 2009/10*

<sup>26</sup> *Severe Child Poverty in Wales Briefing; Save the Children, February 2011*

<sup>27</sup> Carol Propper, John Rigg, 2007: *Socio-Economic Status and Child Behaviour: Evidence from a contemporary UK cohort*, London School of Economics

<sup>28</sup> Alissa Goodman and Paul Gregg, 2010; *Poorer children's educational attainment: how important are attitudes and behaviour?*; Joseph Rowntree Foundation

<sup>29</sup> *Tackling Child Poverty: Guidance and Regulations for Welsh Authorities*, 2010, Welsh Government

7. Research indicates that educational disadvantage starts from an early age. The gap between the advantaged and disadvantaged tends to widen as children age and progress through the education system. Negative effects on reading skills increase with age, as does awareness of performance, humiliation, anxiety and other negative emotions associated with poor reading which persist into adulthood. Aspirations are low in relation to progression to higher-level learning, achieving higher paying jobs and entering the professions.<sup>30 31</sup>
8. The educational environment experienced by children from an early age has long lasting consequences. Mothers' activities affect the cognitive development of their children which endures well into the fifth and sixth decade of life.<sup>32 33</sup> *The Independent Review on Poverty and Life Chances*, commissioned by the Prime Minister and chaired by Frank Field, highlights the importance of early years learning and we recognise that the Welsh Government has put in place various early years initiatives to improve later pupil performance, particularly those from disadvantaged backgrounds.
9. HEFCW recognises the impact on learning in later life that early interventions can have. Universities' all-age widening access and Reaching Wider provision supports children's transition from primary to secondary school and parents' participation in family learning activities. Most universities provide crèche facilities, including after school care for parent students and they work with a range of providers.

#### Citizenship and cultural engagement

10. Socio-cultural outcomes for children and adults living in poverty are also significant, with children and their families less likely to visit libraries and places of educational interest, such as museums. This limiting perspective further impinges on opportunities for personal fulfilment and social mobility.
11. The Jones Review of higher education stated:  
*[a key purpose of HE is to] ...'develop cultural and civic values such as tolerance and social cohesion, in order to have a wider and positive influence on social and political development, and cultural and creative expression...'*  
 and

*... The development of our HE system and an increased emphasis on the importance of international links provide a major opportunity for Wales to increase its presence on the world scene and to attract highly skilled people, as well as private investment, to Wales, for the benefit of our society<sup>34</sup>.*

<sup>30</sup> Robert Cassen and Geeta Kingdon. 2007. *Tackling low educational achievement*, Joseph Rowntree Foundation

<sup>31</sup> *Effective Provision of Pre-school Education (EPPE) (2008-13)*: Department for Education; <http://eppe.ioe.ac.uk/eppe16+/eppe16+intro.htm>

<sup>32</sup> Kaplan, G et al. 2001. Childhood socioeconomic position and cognitive function in adulthood. *International Journal of Epidemiology* 30, pp. 256-263.

<sup>33</sup> Waldfogel, J and Washbrook, E, 2010. *Low income and cognitive development in the UK*. London: The Sutton Trust.

<sup>34</sup> [Review of Higher Education in Wales](#), 2009, Welsh Government p.20.

12. HEFCW encourages higher education institutions to champion cultural awareness and identity, in a global context. We support opportunities to learn Welsh and to study through the medium of Welsh, and we will work with HEIs to promote appreciation of international cultures and languages. We acknowledge that in these ways we will be contributing to democratic and civic values.

### Employment and income

13. We are aware of the impact of the current economic climate on the economic outcomes of children and young people from low income backgrounds. Unemployment in Wales has increased to 9.1% bringing the total to 134,000 unemployed in Wales<sup>35</sup>. Wales faces the second highest regional unemployment rate behind the North East of England.
14. More than half of the households in Wales who find themselves in the 60% or less of median UK income bracket are experiencing 'in work poverty', i.e. one or more adults in the household is working<sup>36</sup>.
15. In this economic environment, the growth of the small- and medium-size enterprise sector in Wales will continue to play a significant part in driving growth through employment and self employment.
16. In this context HEFCW supports the sector to deliver advice, up-skilling and re-training opportunities for both employment and self employment for young people and adults. Aspects of such support for learners include:
  - ensuring they are appropriately qualified and skilled for the emerging job market; and
  - supporting personal confidence in their ability and preparedness to secure employment during economic downturn.
17. We will review our Child Poverty Strategy to ensure we continue to provide a coordinated contribution to the eradication of child poverty.

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<sup>35</sup> Figures relate to end of January 2012.

<sup>36</sup> For the UK as a whole the Department of Work and Pensions (2011) figures from Households Below Average Income 2009/10 show that, after housing costs, 58% of children live in 'in-work' poverty i.e. in a household with income < 60% median and having at least one adult in the household working.