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BRIEFING PAPER – WALES

# From poverty to flourishing – Bringing psychology into action on poverty

## Introduction

Poverty is a systemic crisis in Wales and across the UK. Nearly a quarter of the population of Wales are living in poverty. Of these, 50,000 are working-age adults, 29% are children, and 19% are of pension age.<sup>1</sup>

23% of Wales' population are living in poverty<sup>2</sup>.

These statistics present the stark reality of poverty in Wales over the last year, however the coronavirus crisis will undoubtedly exacerbate this situation. The full effects will not be known for some time, but they are likely to be lasting. Despite government action to try to protect the most vulnerable, inevitably there have been thousands of job losses and many more people are struggling to make ends meet.

Already, we are seeing rises in the number of people turning to the state and third sector for help. For example, there were 118,600 claimants for Universal Credit in Wales in the middle of May 2020.<sup>3</sup> The Trussell Trust food bank network has published figures showing a 89% increase in need for food bank support in April 2020 compared to last April.<sup>4</sup>

It is imperative that governments across the UK take swift action and that policy interventions are quickly developed, to address the challenge of poverty in the longer term.

This is an issue that many different campaign groups have been leading on for some time. The BPS is seeking to complement this critical work by providing insight into the psychological impact of poverty and the ways in which psychological research can help to effectively reduce it. Effective solutions exist, so the interventions we recommend are unlikely to be unique. By helping to deepen policy-makers' understanding of the psychological underpinnings of why they work, we hope to strengthen the case for implementing these interventions.

This briefing sets out our intended approach to our campaign and the way in which psychology can help inform a more effective approach to developing policy that will tackle poverty. Our discipline's research base on poverty is expanding and we will

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incorporate the latest evidence into our recommendations to government and to refine our approach in light of the pandemic.

Governments across the UK need to tackle poverty and begin a process to understand the evidence and develop a full strategy to achieve this. In light of the current circumstances, this has never been more important.

Whilst the BPS welcomes the Welsh government's existing cross government support towards economic prosperity, we believe that the government should work to develop a specific anti poverty strategy that aims to move people from being in poverty to flourishing.

## PSYCHOLOGY AND POVERTY

Poverty and social inequality are persistent, systemic, multifaceted problems with wide-ranging consequences for individuals, families and communities. Once started, the cycle of poverty is hard to break, and this can be hugely damaging to people's lives, their prosperity, their dignity, and their physical and mental health.

Psychological evidence enables us to identify and understand some of the barriers that policy approaches to addressing poverty can create, which can be detrimental to efforts to improve people's life chances. Using psychological approaches when designing and delivering policy is vital.

*'Psychological research has shown that the experience of poverty significantly influences the way we think, feel and act. Understanding the psychological (and neurophysiological) effects of poverty is a crucial step in ensuring the effectiveness of poverty-reduction initiatives.'*

Joseph Rowntree Foundation

There has been a prevailing perception in our society that people who experience poverty are to blame for their situation and an attitude from many that they just need to 'pull themselves up by the bootstraps'. This discourse is inaccurate and unhelpful and ignores the evidence of core psychological approaches, such as Maslow's Hierarchy of Needs<sup>5</sup> and Bronfenbrenner's Ecological systems theory<sup>6</sup>. This clearly demonstrates that until the 'basics' in someone's life are right, such as a safe place to live, access to sufficient food and water, and clothing, they are unlikely to have good mental wellbeing and be in a position to achieve their potential.

This casting of blame creates a negative psychological impact on those experiencing poverty and can impact how policymakers view those in poverty, and therefore the approaches they take to helping them. It can create confirmation bias that pushes decision making into areas that feel comfortable for those making policy decisions, enabling them to confirm rather than challenge their world view.

The Joseph Rowntree Foundation has found that:

- Those in poverty are stereotyped as 'lacking warmth and competence', which creates 'contempt, harmful behaviours towards this group and belief that poverty results from personal failings'.
- This acts as an 'impediment to policy-makers seeking to tackle poverty'.
- Those experiencing poverty have low levels of confidence in their ability to succeed which has a negative impact on physical and psychological health as well as reduced educational and professional attainment.<sup>7</sup>

There is a vital need to challenge these assumptions about those experiencing poverty and ensure a shift in the mindset of policy-makers. This could shift in the aftermath of the coronavirus, given the number of people that have turned to Universal Credit and food banks that had never previously sought this type of support before. Broader public perceptions of those living in poverty may shift, and this must be reflected in the approach from policy-makers.

Psychology has a crucial role to play in ensuring that policy on poverty is developed in the right way and the BPS will be calling for a psychologically informed approach to a new Anti-Poverty Strategy and all related policy development. This will be increasingly important as we move out of the current crisis and the country has to deal with the socio-economic ramifications of the measures introduced to save lives and protect the NHS.

## MENTAL HEALTH NEEDS

As well as helping to shape the way society and governments across the UK approach poverty, psychology also has an important role to play in supporting the psychological wellbeing of those experiencing it. Mental ill-health can be both a cause of, and a result of, experiencing poverty.<sup>8</sup>

It is crucial not only that support is provided for those struggling with mental health difficulties, but also that the right interventions are provided to help improve resilience. It should be noted, resilience is not an individual characteristic but an interaction between the child/person and their environment. Policy-makers need to consider ways of building resilient communities in which individuals can develop. This underpins much of the BPS's campaign work and we will be continuing to champion the need for psychological provision for babies, toddlers and young children, as well as support for school-age children.

## GOVERNMENT APPROACH TO POVERTY

The UK government's position on poverty has varied over the past decade. From David Cameron's abolition of poverty targets and his reforms to the welfare state, to Theresa May's desire to tackle 'burning injustices', to Boris Johnson's belief that 'the best route out of poverty is not benefits but work', every successive Prime Minister over the last ten years has had a different approach to tackling poverty.

The Society welcomes the Welsh government commitment to improving outcomes for Wales' most deprived communities and supporting opportunities for economic prosperity through a cross government approach. Its national strategy, Prosperity for All, seeks to ensure that everyone in Wales has a good quality of life and lives in a strong, safe community.

As part of its Economic Action Plan, the Welsh government aims to boost the Welsh economy, spread opportunity and tackle inequality to ensure that the benefits of sustainable economic growth are felt as widely as possible. The Welsh government's Employability Plan also provides tailored support for people, including those furthest from the jobs market in order to increase skills and help people enter employment and progress their careers.

Other programmes such as Flying Start, Communities for Work, the Pupil Deprivation Grant and Families First are also vital part in the government's ambition to narrowing the gap between Wales' most deprived and thriving areas. Welsh government policies and initiatives such as free prescriptions, free school meals, the education maintenance allowance (EMA) and a generous childcare offer, means some Welsh families are more than £2,000 a year better off.

However, at a time when 400,000 working age adults in Wales are living in poverty, there is clearly more to be done. This will be even more pressing given the impact of the coronavirus crisis.<sup>9</sup>

Reducing poverty and social inequality is a long-term goal that requires a coordinated approach and central leadership to be achieved.

While the immediate actions taken in response to the crisis to protect people's jobs and financial security are welcome, the pandemic will not last forever. However, its impact on the livelihoods and financial situation of many people will be significant in the longer term. The need for the government to take longer term action to alleviate the evident increase in poverty will be even more urgent.

The Welsh government must commit to developing a comprehensive, cross-departmental Anti-Poverty Strategy. In doing so, the government should take a systemic and psychological approach to addressing poverty that seeks to increase access to societal and community resources to create flourishing families and communities.

The BPS is working with our members to explore the evidence-base to understand which policy interventions would have the most tangible impact on lifting people out of poverty. This will feed into the development of a more detailed approach from the BPS, which will focus on the following priority groups.

## FAMILIES

Research shows that 29% of children<sup>10</sup> in Wales are currently living in poverty. In order to flourish, some families need support across the board. Children's centres have played an important role in bringing together support for families in need, but their funding is limited and the support is not evenly accessible across Wales.

The BPS welcomes the Welsh government's recent cross-government review of their programmes and services to ensure they have maximum impact on the lives of children, young people and families living in poverty. Many of the Welsh government's existing programmes are designed to support families living in poverty with day-to-day living costs (e.g. Free School Meals, Pupil Deprivation Grant Access and the Council Tax Reduction Scheme). Some services provide support for disadvantaged individuals and families, such as Flying Start and Families First. While others provide more medium to long-term support to improve health, training and employment opportunities (e.g. Childcare Offer Wales, Education Maintenance Allowance, Communities for Work Plus).

As part of the Welsh government's proposal for future programmes of delivery as outlined in its Child Poverty Progress Report 2019, we believe that psychology should be included in any approach going forward.

More broadly, issues regarding the welfare system also impact families living in poverty. In recent times, the UK government has introduced benefit reforms that have reduced overall welfare expenditure. These benefits cuts have added huge pressures to families managing increasing costs of living, and in many cases have made childcare, paying bills and buying food unaffordable. At a time when increasing numbers of people are applying for Universal Credit, a de-stigmatised and accessible welfare system is essential. As the Welsh government continues to explore the case for devolving administration of aspects of the benefits system, psychology can play an important role in this approach, particularly in relation to issues like the use of sanctions.

## CHILDREN'S DEVELOPMENT

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Children's development, and their educational performance, can be adversely affected by experience of poverty. The attainment gap between disadvantaged children and their more advantaged peers is already evident when starting school at age five. Whilst we welcome the fact that closing the gap has been a flagship Welsh government policy with £100m a year pledged in grants to boost the performance of more disadvantaged children – the BPS believes that further investment in high quality early years education and childcare is needed to give all children the best start in life.

Educational development, psychological resilience and emotional and social development are equally important aspects of school readiness and success. Much greater emphasis must be placed on supporting these aspects of development, which are important to a child flourishing and thriving at school. This is a core recommendation of the BPS' campaign for the development of an under-fives health and wellbeing strategy.

Schools also play a very important role in supporting children's development and countering the impact of poverty on their academic success. The BPS is already campaigning on ways to improve mental health and wellbeing support in schools, but there are other measures that must be developed to provide better support for vulnerable young people. For example, as part of work on an Anti-Poverty Strategy, the government could consider reviewing the application and effectiveness of the pupil premium to explore how it could better support children living in poverty. This must be psychologically informed to ensure the most effective interventions are prioritised.

## COMMUNITY RESILIENCE

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Community resilience has an important part to play in protecting local areas from the worst impacts of economic adversity and experience of poverty.

Small amounts of investment can make a big difference to communities, and so the Welsh government should work closely with local authorities to understand the value of these types of programmes, and the most psychologically informed approach to providing support, particularly to help 'level up' those areas most impacted by economic downturns in relation to coronavirus.

## NEXT STEPS

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We are in the early stages of our campaign and the details set out above are underpinning our approach to this work. However, we would welcome the opportunity to collaborate with partners on the shared goal of putting flourishing at the heart of government policymaking, to ensure meaningful action is taken to tackle poverty and better support communities, families and individuals.

We will shortly be publishing briefing notes setting out more detail about how psychology can help inform this debate with respect to the following areas:

- Tackling the foundations of poverty: How a psychological approach to policy can help get the basics right.
- Empowerment and agency.
- Community resilience.

In the meantime, we urge the government to place action on tackling poverty at the heart of their longer term approach to domestic policy. The current crisis facing the country means this has never been more important.

## ABOUT THE BPS

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The British Psychological Society is the representative body for Psychology and Psychologists in the UK. We are responsible for the promotion of excellence and ethical practice in the science, education, and practical applications of Psychology. We have over 60,000 members and subscribers across the UK, ranging from students to qualified Psychologists.

For further information, please contact [policy@bps.org.uk](mailto:policy@bps.org.uk)

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- <sup>3</sup> ONS/Job Centre Plus, 16 June 2020.
- <sup>4</sup> [The Trussell Trust, June 2020.](#)
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- <sup>9</sup> [ONS stats as reported by Wales TUC.](#)
- <sup>10</sup> Welsh Government, StatsWales, <https://statswales.gov.wales/Catalogue/Community-Safety-and-Social-Inclusion/Poverty/householdbelowaverageincome-by-year>



the british  
psychological society  
promoting excellence in psychology

St Andrews House  
48 Princess Road East  
Leicester LE1 7DR, UK

☎ 0116 254 9568 🌐 [www.bps.org.uk](http://www.bps.org.uk) ✉ [info@bps.org.uk](mailto:info@bps.org.uk)