Prifddinas Ranbarth Caerdydd | Cardiff Capital Region

Growing Up Well in Cardiff Capital Region

Children's Well-being Strategy

Fairer Starts, Stronger Futures

Foreword

Cardiff Capital Region is committed to building a region where every child can live well, get on in life and look to the future with confidence. Yet too many children continue to face poverty, closing doors to opportunity and affecting life outcomes well into adulthood.

Around 84,000 children live in our region, one in three live in relative poverty. Behind that figure are children going without essentials, families struggling to make ends meet, and opportunities being limited before lives have truly begun. Poverty affects health, education, employment and life chances, holding back not only individuals, but the future prosperity of our whole region.

At Cardiff Capital Region (CCR), creating a Stronger, Fairer and Greener region means taking action on child poverty. We have both a moral responsibility and a clear role to play. This Strategy commits us to making child poverty a core consideration across our work and using the powers we have to make a meaningful difference.

Over the next five years, we will focus on where CCR can have the greatest impact: creating good jobs and increasing incomes, improving access to opportunity, and building a more inclusive and prosperous regional economy. By applying a child poverty lens to our unique statutory powers over economic well-being, transport and strategic planning, we can help tackle the causes of poverty and expand opportunity for children and families across South East Wales.

This Strategy has been shaped by extensive engagement with partners across the region and reflects a shared commitment to action. Together, we can ensure that more people benefit from economic growth, live well and fulfil their potential, regardless of their background or where they live.

Cllr Mary Ann Brocklesby
Chair of Cardiff Capital Region

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Our Vision

Creating a stronger, fairer and greener South East Wales. A South East Wales where every child, young person and family lives in an economy that supports them to live well, get on in life and achieve their full potential, regardless of their background or where they live.

Good Work & Good Pay

Creating good inclusive jobs, and maximising household income.

- Continuing to **create good jobs**
- Strengthening **good work principles** across job creation activities to **make work more rewarding**
- Exploring new opportunities to **promote South East Wales as a Real Living Wage region**
- Working to **ease cost-of-living pressures** where CCR has influence

Access to Opportunity

Creating pathways out of poverty for children, young people and parents.

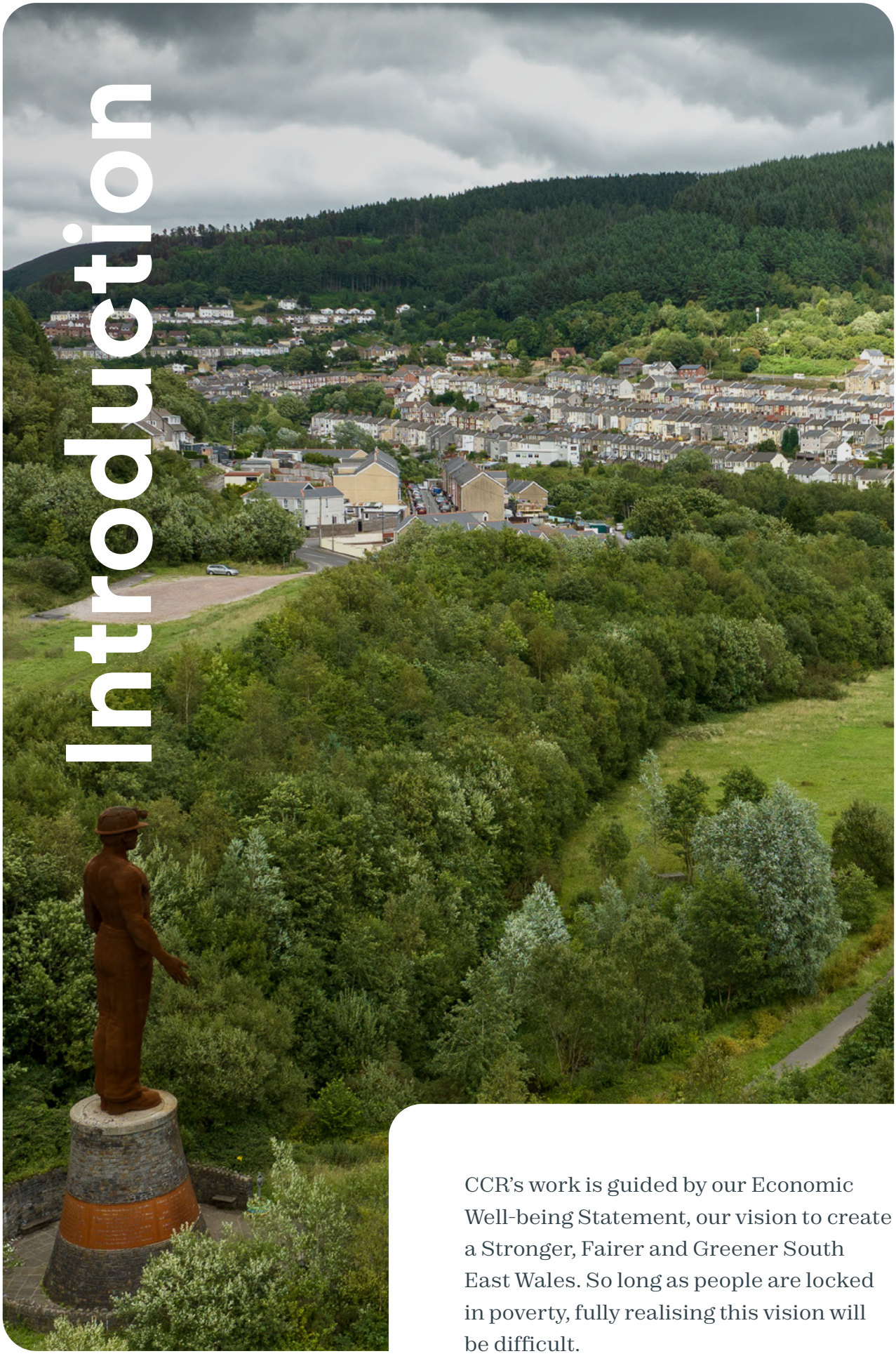
- Creating affordable and accessible **up- and re-skilling opportunities**
- Creating inclusive **pathways into work** for young people and parents, as well as progression
- Creating an **affordable, accessible and reliable public transport network**, and digital connectivity
- **Applying a child poverty lens** to spatial planning
- Building a **culture of possibility** and supporting aspiration

Shared Prosperity

Strengthening the regional economy and maximising our impact on economic well-being.

- Exploring CCR's role in the foundational economy and ways to **maximise impact on everyday businesses**
- Exploring how to **support social enterprises and businesses** operating in social impact space
- Assessing existing funds and the opportunities to **do more to support the reduction of child poverty**

Introduction



CCR's work is guided by our Economic Well-being Statement, our vision to create a Stronger, Fairer and Greener South East Wales. So long as people are locked in poverty, fully realising this vision will be difficult.

1

Poverty is a lived reality

Poverty is an everyday reality for too many of our children, families and communities. It seeps into every aspect of a child's upbringing, forcing families into difficult decisions about life's essentials. Poverty means poor nutrition; damp, cold homes; and stress and uncertainty for parents and children alike. It cuts people off from opportunity and the chance to get on in life, from being able to take part in school life to the fullest, learn and play, afford transport or access good paid employment. It is a barrier to living well that no person should ever have to face.

The long-term evidence is clear. Poverty is a ceiling on the well-being of today's children and tomorrow's adults, and prevents our people, communities and region from realising their full potential.

Since 2000, children have consistently faced the highest rates of poverty in Wales, followed by working-age adults with children. Poverty exists across the whole region, from our cities and towns to our rural communities – sometimes hidden and existing alongside prosperity; other times plainly visible, deeply entrenched and stemming from long-term community deprivation. Across South East Wales, a whole third of our children live in poverty.

At CCR, we have a clear statutory and moral duty to act, and a growing set of regional levers that can help address child poverty. Under the Children and Families (Wales) Measure 2010, CCR must prepare and publish a strategy for contributing to the "eradication" of poverty. But this Strategy is more than compliance: it is our statement of purpose and our commitment to making child poverty of mainstream importance across CCR's work programmes.

2

An economy that works for all

Our region is not short of ambition and potential. We have world-class industries, businesses and universities, and organisations across the public, private and non-profit sectors working tirelessly every day. But barriers to economic well-being remain, with too many of our people missing out on the benefits of the economy – the chance to live well, get on in life and realise their potential. Work is often characterised by low pay and insecure hours. And whilst strong progress has been made by CCR and its partners to strengthen the South East Wales economy, it falls short of the performance of peer regions across the UK, western Europe and the OECD.

The story within our region shows mixed fortunes also. By 2023, Cardiff and the Vale had reached 96% of the UK average for GVA per capita, compared with just 55% in the Gwent Valleys, the lowest-performing area in Wales. Poverty rates are especially high across the Northern Valleys, and very high concentrations of people living in poverty are found in our inner-city communities too. Even in areas where the economy is performing well, too many families are locked out of the wealth and opportunity around them. Creating an economy that works for all is critical.

3

How CCR can make a difference

Action on child poverty requires action on the economic conditions that drive hardship in the first place. This is where CCR is uniquely positioned to make a difference. With our strategic responsibilities for economic development and investment, CCR can act at a unique regional scale to improve economic conditions that touch everyday lives.

By concentrating on the economic drivers of poverty and the levers to address them that CCR alone holds, the approach targets the conditions that determine both work and pay, opportunity and wealth, helping to improve outcomes for children and the adults that raise them. It means creating opportunity and ensuring that the benefits of the economy are more widely felt and accessible.

Our unique contribution lies in applying a child poverty lens to the three statutory duties that give CCR a distinctive role: **Economic Well-being, Regional Transport Planning and Strategic Spatial Planning**.

Statutory Powers	What role can it play?
Economic Well-being	Prioritising secure, well-paid jobs, skills pathways and investments that benefit both parents and children. Influencing the quality, accessibility, and location of employment so that incomes, job security and progression opportunities improve. Creating new wealth and opportunity, and ensuring that both are felt by all people, regardless of background.
Regional Transport Planning	Improving connectivity and access to key opportunities and services. Reducing the time, cost and complexity of travel, helping parents to take up work or training, and enabling young people to access opportunities safely and reliably across the region.
Strategic Spatial Planning	Influencing where new developments – businesses, homes and infrastructure – are located, supporting the creation of more accessible, well-connected and resilient communities.

4

The economic determinants of poverty

With these powers, CCR is well placed to help prevent and mitigate many of the root causes or economic determinants of child poverty.

Low Pay & In-work Poverty
Two-third of children in poverty live in households with at least one adult in paid employment.

Economic Inactivity & Unemployment
While in-work poverty accounts for the largest share of all children in poverty, child poverty rates are higher in households with no adults in employment.

Cost-of-living Crisis
As costs climb, more families are pushed into poverty, and those already in poverty are driven deeper into hardship.

Low Access to Opportunity
Areas with high levels of child poverty correlate with low job density and a low number of active enterprises.

Low Mobility & Low Connectivity
Poverty limits people's ability to move and connect. Transport can be costly or hard to reach, and digital access is often limited or unaffordable.

Lower Skills Profiles
Educational attainment is lower for children in poverty, and adults in poverty who raise children are more likely to have fewer or low-level qualifications.

Lone-parent Households
Child poverty is more common in lone-parent households, where a single income must stretch further.

Early Years
Rates of poverty are highest during early years (aged 0-4), caused by high costs and the reduced earning capacity of adults.

Overlapping Inequalities
Ethnic minority households and disabled people experience higher-than-average levels of child poverty.

CCR is acting with the long-term interest in mind, addressing poverty today and disrupting the intergenerational cycles that keep it in place.

5

Our approach to tackling child poverty

The priorities have been designed through engagement with a broad range of organisations, from Welsh Government to our local authority partners, Public Service Boards and colleges, the voluntary sector and business representatives. The Strategy's three priorities and the activities planned around them focus on the unique contribution CCR can make, complementing not duplicating the work already being made to tackle poverty by partners.

***Priority 1:** Good Work & Good Pay*
Creating good inclusive jobs, and maximising household income.

***Priority 2:** Access to Opportunity*
Creating pathways out of poverty for children, young people and parents.

***Priority 3:** Conditions for Shared Prosperity*
Strengthening the regional economy and maximising our impact on economic well-being.

The priorities together form our roadmap for developing an economy that supports children, young people and families to live well, get on in life and achieve their full potential, regardless of their background or where they live. But CCR cannot do this alone. Designed with the input of our partners, this Strategy will be co-delivered with them. To our Local Authorities, to Welsh and UK Government, to our businesses, non-profit organisations and communities: CCR is ready to work with you to tackle child poverty.

Child Poverty in South East Wales

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In 2023-24:

32%

of children in South East Wales were living in relative poverty after housing costs, up from **29.5%** in 2014-15.

*This rate varied regionally from **24.3%** in Monmouthshire to **35.6%** in Blaenau Gwent.*

Children living in income deprivation ranges from:

23%
in Monmouthshire.

48.6%
in Blaenau Gwent.

*Some LSOAs (small areas of 1,000 - 3,000 residents) display levels as high as **100%**.*

In 2023-24:

71,523
children were living in *absolute* low income.

83,968
children were living in *relative* low income.

*This is an increase of **18.2%** and **15.0%** from 2015-16, respectively.*

In South East Wales there is a:

77.7 point-score gap
in Key Stage 4 achievement between free school meal eligible and ineligible pupils.

*This attainment gap ranges from **53.9** in Blaenau Gwent to **113.8** in the Vale of Glamorgan.*

Key metrics correlating to child poverty:

In 2025, South East Wales's economic inactivity rate was:

23% compared to **21.6%** for the UK.

*The rates in South East Wales range from **19.6%** in Monmouthshire to **29.2%** in Blaenau Gwent.*

In November 2025, the working age population of South East Wales on Universal Credit was:

22.5% compared to **19.6%** in Great Britain.

*Regionally, the rate ranges from **15.0%** in Monmouthshire to **30.3%** in Blaenau Gwent.*

In 2023, gross disposable household income per head in South East Wales was:

81% of the UK average.

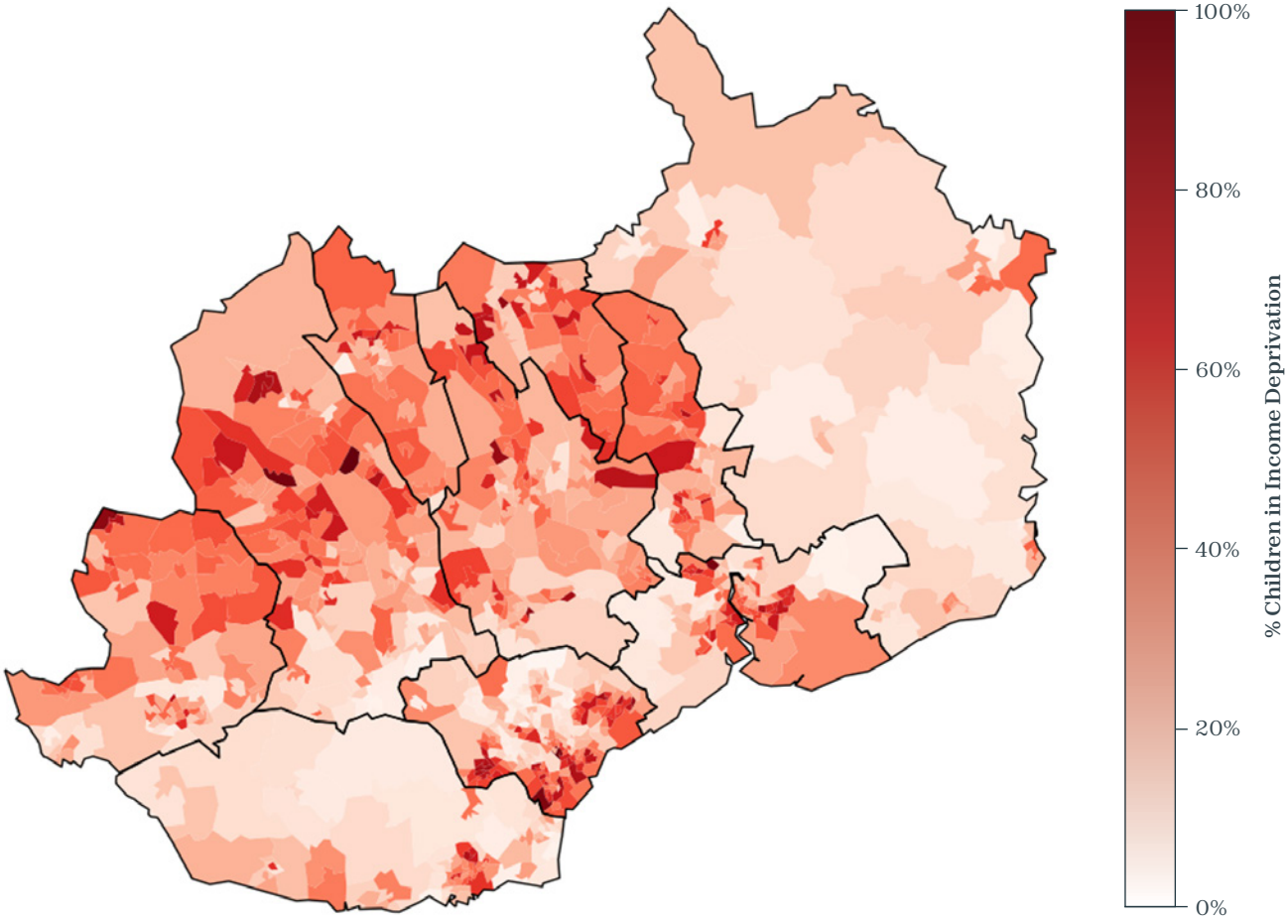
*Ranging from **66.9%** in Blaenau Gwent to **104.8%** in Monmouthshire.*

In 2024, the percentage of South East Wales working age population with no qualifications was:

8.3% compared to **6.1%** in the UK.

*Regionally, the rate ranges from **3.9%** in Monmouthshire to **13.8%** in Blaenau Gwent.*

Percentage of children in income deprivation by LSOA in South East Wales (WIMD 2025)



Thematic Area 1

Good Work, Good Pay

Creating good, inclusive jobs and maximising household income. Causes and consequences being addressed: **Low pay, insecure work, low access to opportunity.**

Activity Areas *Short (S), medium (M) and long (L) term*	**How can CCR achieve this?** *Resources and scope*	**Ownership** *Team*
1. **Continuing to create good jobs (L)**	• Core activity across CCR investments and work programmes.	Regional Growth (RG)
2. **Strengthening good work principles across job creation activities to make work more rewarding (M)**	• Application of key tools such as ESG Scorecard and Responsible Investment Policy. • Exploring opportunities to strengthen our promotion of the Real Living Wage through investments. • Exploring opportunities to favourably view investees with strong fair work practices, e.g., long-term, flexible jobs, maternity and paternity policies.	PIP
3. **Explore new opportunities to promote South East Wales as a RLW region (L)**	• Exploring ways to action recommendations and findings of the RLW feasibility study, which identifies good practice elsewhere in the UK regarding RLW promotion at the regional level. • Exploring opportunities to co-promote the RLW with key partners, organisations and sectors across South East Wales.	PIP
4. **Working to ease cost-of-living pressures where CCR has an influence (L)** – **Energy** – **Housing** – **Transport**	• Exploring areas where CCR can impact supply-side dynamics, particularly where it relates to household circumstance (e.g., Housing Viability Gap Fund; energy projects, particularly retrofit if that could be explored; RTP).	RG, PIP

Thematic Area 2

Access to Opportunity

Creating pathways out of poverty for children, young people and parents. Causes and consequences being addressed: **Low access to opportunity, access to transport, low relative skills profile, economic inactivity, intersectional barriers, intergenerational cycles.**

Activity Areas *Short (S), medium (M) and long (L) term*	**How can CCR achieve this?** *Resources and scope*	**Ownership** *Directorate*
1. **Creating affordable and accessible up-/re-skilling opportunities (L)** – **Supporting people from all backgrounds into new opportunities and key sectors** – **Access to new qualifications**	• Application of key tools such as ESG Scorecard and Responsible Investment Policy. • Conditions of contracts / investments.	RG, PIP
2. **Creating inclusive pathways into work for young people and parents, as well as for progression (L)** – **Apprenticeships** – **Exploring work experience placements** – **Exploring internships**	• Application of key tools such as ESG Scorecard and Responsible Investment Policy. • Conditions of contracts / investments.	RG, PIP
3. **Creating an affordable, accessible and reliable public transport network, and digital connectivity (L)**	• Identifying key elements of the Regional Transport Plan and applying a child poverty lens.	PIP
4. **Applying a child policy lens to spatial planning (M)**	• Applying child poverty lens to Strategic Development Plan throughout development stages and monitoring.	PIP
5. **Building a culture of possibility and supporting aspiration (L)**	• Upstream interventions at an early age to inspire culture of aspiration and possibility, including youth entrepreneurship. • Outreach and access work in industries receiving investment, e.g., Investment Zone. • Targeting underrepresented and unrecognized groups, favourably viewing investees that make specific provision for less privileged groups, e.g., automatic interviews to care leavers.	PIP

Thematic Area 3

Conditions for Shared Prosperity

Strengthening the regional economy and maximising social impact. Causes and consequences being addressed: **Low relative performance of South East Wales economy across a number of indicators.**

Possible Activity Areas *Short (S), medium (M) and long (L) term*	**How can CCR achieve this?** *Resources and scope*	**Ownership** *Directorate*
1. **Exploring role in foundational economy and ways to maximise impact on everyday businesses (M)**	• Scope feasibility of an Everyday Economy Fund. • Supporting local suppliers in CCR investments.	PIP
2. **Exploring how to support social enterprises and businesses operating in social impact space (M)**	• Scope feasibility of a Social Impact Fund. • Positively reviewing investments with wider positive social impact.	PIP
3. **Assessing existing funds and the opportunities to do more to support the reduction of child poverty (M)**	• Revisiting ESG strategy for Sites and Premises Fund. • Explore opportunities to refresh ESG strategy for Innovation Investment Capital.	PIP

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