

## Answers to Questions not reached in Plenary 15 March 2001

[R] signifies that the Member has declared an interest.

[W] signifies that the question was tabled in Welsh.

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### Questions to the Deputy First Minister and Minister for Economic Development

#### Support for Manufacturing Businesses

**Q6 Glyn Davies:** What support is the Minister offering to mid Wales manufacturing businesses to prevent the exodus of jobs? (OAQ10317)

**The Deputy First Minister and Minister for Economic Development (Michael German):** This administration's aim is to ensure that the whole of Wales benefits from Assembly policies that provide support to areas of social and economic need, leading to the creation of quality jobs.

The Welsh Development Agency has been allocated additional funds to invest in strategic site preparation to ensure that we can offer potential investors a wide-ranging portfolio of advance premises, especially in rural areas. The WDA and the other economic agencies have a wide range of other measures that are available to businesses in mid Wales. The agencies work together as part of the mid Wales partnership.

The Mid Wales Training and Enterprise Council is providing a considerable amount of support and assistance to overcome skills issues in mid Wales. One initiative is Shareaspect, the shared apprenticeship scheme, set up by the partners of the Mid Wales Manufacturing Group, which allows small manufacturing companies to access and support modern apprentices who might not be able to sustain a full apprenticeship. Many are then employed by these companies which, as well as benefiting the individual, also benefits the company.

#### Effect of Local Business Rate Tax on Investment

**Q7 Alun Cairns:** What estimate has the Minister made of the potential effect of a local business rate tax on investment in Wales? (OAQ10311)

**Michael German:** No such assessment has been carried out. Our proposals for giving councils limited powers to set a supplementary local rate have been the subject of extensive consultation with business and others, and the responses are being carefully considered. The introduction of a local rate will require primary legislation and we will want to secure legislation that is sensitive to the needs of business in Wales.

#### Objective 1 Economic Criteria

**Q8 Peter Rogers:** By what economic criteria are applications for Objective 1 funding assessed? (OAQ10287)

**Michael German:** The need to halt economic decline and promote a sustainable economy underpins the strategy within the Objective 1 single programming document for west Wales and the Valleys. The programme has some specific criteria to assess applications against the level of economic benefit they will bring to the region. The criteria include job creation, value for money, leverage of extra investment—

especially from the private sector—the strategic nature of the applications and how the project has synergy with other schemes. Projects are also assessed against how they bring a positive environmental impact to the region or how the project activities will minimise a negative impact.

### **Foot and Mouth Crisis**

**Q9 Nick Bourne:** What is being done to compensate tourism businesses in Wales for loss of earnings during the foot and mouth outbreak? (OAQ10319)

**Michael German:** There are no plans to compensate tourism businesses, but I am working with the Wales Tourist Board to ensure that potential visitors to Wales are receiving the right advice. The WTB also stands ready to mount a concerted marketing campaign to promote tourism in Wales as soon as the time is right.

### **Promoting Entrepreneurship and Enterprise**

**Q10 Alison Halford:** Will the Minister make a statement on what has been done to promote greater entrepreneurship and enterprise in north Wales? (OAQ10321)

**Michael German:** We have commissioned and, subsequently, endorsed the entrepreneurship strategy's implementation plan, which is intended to provide a cohesive framework for promoting entrepreneurship and enterprise throughout all the regions of Wales. An implementation panel is currently being reconstituted, from the entrepreneurship action plan's steering group, to pursue, with the support of significant European Commission structural funds, a range of practical programmes and activities already identified in the implementation plan. One of the panel's early actions will be to earmark those with the most potential, in terms of relevance and impact, and to ensure that these are taken forward without delay. Meanwhile, some important measures are already in place to assist here. One key initiative is the New Business Starts programme, currently managed by the training and enterprise councils, which aims to help good quality new ventures start up, grow and survive in the longer term. This applies across Wales. A number of initiatives are underway in north Wales, including the Contract Shop, managed by a partnership of business support organisations, which aims to build relationships between local buyers and suppliers and encourage inter-trading. This already has a growing membership of 2,500 and is impacting favourably on the growth of small enterprises and the local economy.

### **Objective 1 Projects in Denbighshire**

**Q11 Ann Jones:** Will the Minister make a statement about the progress in taking forward Objective 1 projects in Denbighshire over recent months? (OAQ10303)

**Michael German:** Fifteen European regional development fund projects, two European agricultural guidance and guarantee fund projects and five European social fund projects were submitted by the Denbighshire local partnership in the September bidding round. Four European regional development fund projects were withdrawn. Eleven are currently being taken forward. Of these, seven have been approved with a grant value of over £3 million. In addition to the local project approvals, there are a number of projects that have been approved for the whole of north-west Wales which will also benefit the Denbighshire area.

### **Applying for Objective 1 Funding**

**Q12 Peter Rogers:** Will the Minister review the way in which information on how to apply for Objective 1 funding is publicised? (OAQ10286)

**Michael German:** The Welsh European Funding Office has been undertaking a programme of dissemination that includes workshops, seminars and conferences—targeting local and regional partnerships—direct mailing guidance to known contacts, generally promoting the WEFO website as a

source of information and guidance, placing articles in the media and speaking at other organisations' conferences, particularly to the private sector. Following the Programme Monitoring Committee meeting on 19 March, we expect to be able to publish final information on the application process. A simple guide to Objective 1 will then be produced and distributed.

### **Energy Conservation Contracts**

**Q13 Rhodri Glyn Thomas:** What guidelines exist to ensure that Welsh expertise is reflected in the awarding of energy conservation contracts? (OAQ10345) *Withdrawn.*

### **Encouraging Investment in Manufacturing**

**Q14 Janet Davies:** Will the Minister report on any discussions he has held with the Secretary of State for Wales about additional funding for infrastructure in order to encourage investment in manufacturing? (OAQ10354) *Withdrawn.*

### **Broadband Capacity**

**Q15 Geraint Davies:** Will the Minister make a statement on progress towards installation of broadband capacity in the Objective 1 area? (OAQ10355) *Withdrawn.*

### **The Position of the Steel Industry**

**Q16 John Griffiths:** Will the Minister make a statement on the latest position of the steel industry in Wales? (OAQ10343)

**Michael German:** The meeting held on 14 February between Corus and the trade unions' steel co-ordinating committee agreed to hold a period of local consultation between Corus and the unions to discuss union proposals to help mitigate and minimise the effect of proposed job losses announced by Corus on 1 February. These local discussions are continuing and will culminate in a further meeting between Corus and the unions on 27 March. At the same time, a number of meetings have been held involving officials from the Assembly and other Government departments and agencies, the unions and Corus to discuss a range of detailed issues connected with support for people who may be affected. We will continue to work closely with all those involved for as long as necessary.

### **Objective 2 Mid and East Wales Group**

**Q17 Nick Bourne:** Will the Minister ensure that the Objective 2 mid and east Wales group includes all-party representation? (OAQ10320)

**Michael German:** The Objective 2 Programme Monitoring Committee was established respecting the principle of balanced representation from the public sector, the social partners and the voluntary sector. As with the Objective 1 and 3 programme monitoring committees, the Assembly was allocated two places on the Objective 2 committee. For the Assembly to have more than two places would force us to exclude a number of important public sector representatives. Both John Griffiths and Kirsty Williams, who were appointed to the committee, are constituency members from within the Objective 2 area, covering both the urban and rural parts of the programme area.

### **Gross Domestic Product**

**Q18 Alun Cairns:** What specific policies is the Minister proposing to close the gross domestic product per capita gap in some parts of Wales that require double the rate of growth of the UK average? (OAQ10312)

**Michael German:** Targets in the first national economic development strategy envisage a narrowing of the gross domestic product per head gap with the United Kingdom over a 10-year period. The strategy is being revised and the consultation process is underway. Policy options are included in the relevant document.

#### **Dewhurst Plant, Fishguard**

**Q19 Richard Edwards:** What discussions has the Minister had with the Secretary of State for Wales regarding the Dewhurst plant in Fishguard? (OAQ10293) *Withdrawn.*

#### **The National Action Plan for Employment**

**Q20 Pauline Jarman:** When will the Assembly have the opportunity to discuss the national action plan for employment? (OAQ10353) *Withdrawn.*

#### **Boosting Employment in South Wales Central**

**Q21 Jonathan Morgan:** What policies is the administration pursuing to boost employment in South Wales Central? (OAQ10323)

**Michael German:** The national economic development strategy is currently out for consultation. The results of this consultation, and the work undertaken beforehand, will provide a challenging blueprint for the whole of the Welsh economy, not just that of South Wales Central. Underpinning all of this will be the continuing work of Team Wales: the Assembly, the Welsh Development Agency, the training and enterprise councils—known as ELWa from 1 April 2001—and other agencies. We are working to attract the highest possible quality jobs, to develop a highly skilled pool of labour and also to encourage an entrepreneurship culture throughout Wales.

#### **Guidelines for Employment Policies**

**Q22 Elin Jones:** When did the Minister last receive an update on European Commission guidelines for employment policies? (OAQ10348) *Withdrawn.*

#### **Enhancing Economic Activity**

**Q23 Jonathan Morgan:** What policies is the administration pursuing to enhance economic activity in South Wales Central? (OAQ10322)

**Michael German:** I refer you to my answer to your oral question for today (OAQ10323).

#### **The Fuel Poverty Programme**

**Q24 Helen Mary Jones:** Will the Minister report on the extent to which Welsh expertise and infrastructure has been harnessed in the delivery of the fuel poverty programme? (OAQ10347) *Withdrawn.*

#### **Broadband Capacity in Rural Wales**

**Q25 Phil Williams:** Will the Minister make a statement on progress towards installation of broadband capacity in rural Wales? (OAQ10344) *Withdrawn.*

#### **Welsh Manufacturing Output and Exports**

**Q26 Brian Gibbons:** Will the Minister provide information on Welsh manufacturing output and exports over the last five years? (OAQ10289)

**Michael German:** Information on manufacturing output is presented in the statistical first release, 'Welsh Index of Production and Construction third quarter 2000'. A copy of this release can be found in the Assembly Members' Library and on the intranet at [http://assembly/aegis/Subject%20Index/Data%20Wales/headlinestatisticswales/Economy/2001/hdw200101112.a\\_e.htm](http://assembly/aegis/Subject%20Index/Data%20Wales/headlinestatisticswales/Economy/2001/hdw200101112.a_e.htm). Information on exports from Wales is only available back to 1999 and the published data is not currently broken down by industrial sector. However, subject to quality assessment, we will be purchasing this detailed data from Her Majesty's Customs and Excise by the end of March 2001. Analysis of the data will then be placed on the Assembly's intranet.

### **Objective 1 Initiatives in Ebbw Vale**

**Q27 William Graham:** Will the Minister outline the range and number of Objective 1 initiatives currently being progressed or under consideration in the Ebbw Vale area? (OAQ10341)

**Michael German:** Thirty-four project applications—28 European regional development fund projects and six European social fund projects—covering the Blaenau Gwent local partnership area were submitted to the Welsh European Funding Office for consideration in the September 2000 bidding round. Five projects were subsequently withdrawn.

To date, total ERDF grant of £1.337 million has been approved under Priority 1 for two projects specifically benefiting Ebbw Vale. These provide for infrastructure works at Waun-y-Pound and the construction of industrial units at Plateau A, Victoria. The majority of project applications—sixteen in total—were submitted under Priority 3, which is community economic regeneration. Of these, six have the potential to benefit Ebbw Vale and these are currently undergoing detailed appraisal. The majority of communities in the electoral divisions of Ebbw Vale South and Ebbw Vale North have been identified by the local partnership as eligible to receive support under the spatial targeting arrangements. However, it is currently reviewing its support for all projects submitted under Priority 3 given the indicative allocations now attached to this particular priority.

### **Blaenau Ffestiniog**

**Q28 David Davies:** What role does Blaenau Ffestiniog play in the tourist trade of north-west Wales? (OAQ1030)

**Michael German:** Blaenau Ffestiniog plays an important part in the tourism industry of Wales as a whole, not only north-west Wales. It is located in one of the most beautiful parts of Wales and has a unique place in the country's industrial heritage. It is also in the heart of a Welsh-speaking area, an aspect of the local culture that is promoted by the Wales Tourist Board. Visitor attractions in the area include the Llechwedd Slate Caverns and the Ffestiniog Railway.

### **Implementing Objective 1 Schemes (Rhondda Cynon Taff)**

**Q29 Owen John Thomas:** What discussions has the Minister had with the officials of Rhondda Cynon Taff County Borough Council with regard to the implementation of Objective 1 schemes? (OAQ10300) [W] *Withdrawn*.

### **Implementing Objective 1 Schemes (North Wales)**

**Q30 Ann Jones:** Will the Minister make a statement about the progress in taking forward Objective 1 projects in north Wales over recent months? (OAQ10304)

**Michael German:** Forty-three European regional development fund projects, nine European agricultural guidance and guarantee fund projects and 24 European social fund projects were submitted in the September 2000 bidding round from the north Wales local partnerships of Gwynedd, Ynys Môn, Conwy

and Denbighshire. Ten ERDF projects were withdrawn and 33 ERDF projects are currently being taken forward. Of these, 13 have been approved, with a grant value of over £9 million.

In addition to the above, a number of projects for the whole of north-west Wales, with a grant value of over £20 million, have been approved. These include enhancement of the employment zone and Business Connect services, as well as training for the workforce and the unemployed.

## **Questions on Finance to the Minister for Finance, Local Government and Communities**

### **Funding Community Regeneration Projects**

**Q8 Jocelyn Davies:** Will the Minister make a statement on sources of finance to co-fund community regeneration projects? (OAQ10336)

**The Minister for Finance, Local Government and Communities (Edwina Hart):** The Communities First programme will be the major source of finance from the National Assembly to tackle community regeneration in Wales.

An important aspect of this programme is that the partnerships set up by the communities involved will seek other sources of finance to help co-fund their projects. An obvious source is the European structural funds, which Communities First funding could match.

We have commissioned research in this area, which culminated in 'Community Regeneration: Review of Best Practice'. Included in this review is information on sources of finance for community regeneration projects in Wales. The annual report on social inclusion also includes details of sources of finance within the Assembly that could co-fund such projects with the Communities First programme.

### **Discussions on Monetary Policy Adjustments**

**Q9 Helen Mary Jones:** Will the Minister report on any discussions she has had with the relevant UK authorities, through the Secretary of State for Wales, on monetary policy adjustments that affect Wales? (OAQ10331)

**Edwina Hart:** The Monetary Policy Committee of the Bank of England has operational responsibility for setting short-term interest rates to achieve the UK Government's inflation target. The MPC has a duty to keep in touch with all regions and sectors of the UK economy through the bank's regional offices and agents. Members of the Monetary Policy Committee visit Wales on a regular basis and the agent for Wales has met Assembly officials and Assembly Members on several occasions.

### **The Structure of Local Government Finance**

**Q10 Jonathan Morgan:** Will the Minister make a statement on the structure of local government finance? (OAQ10339) *Withdrawn.*

### **Research and Development in Universities**

**Q11 Phil Williams:** Does the Minister have any plans to allocate additional and separate funding to enable expansion of research and development in Welsh universities? (OAQ10332) *Withdrawn.*

### **Assembly Budget (Value for Money)**

**Q12 Peter Black:** How does the Minister plan to achieve value for money across the Assembly's budget? (OAQ10297)

**Edwina Hart:** I am undertaking a wide-ranging programme of action to improve value for money across all our spending. Steps include: a major drive to get better value in how the public sector in Wales procures its goods and services; ensuring that the Assembly and all the major public bodies it funds have asset management plans; reviewing all our sponsored bodies; and a programme of evaluating the Assembly's policies, programmes and grant schemes. We have also introduced a new performance management framework for the NHS in Wales and the Best Value regime for local authorities.

### **Updating Housing Stock**

**Q13 Janet Ryder:** Has the Minister made any representations to the appropriate UK authorities, through the Secretary of State, with a view to having the terms of the public sector net cash requirement (formerly the public sector borrowing requirement) amended to allow local authorities to update their housing stock in Wales? (OAQ10334) *Withdrawn.*

### **Implications of Recent Budgetary Measures**

**Q14 Richard Edwards:** Will the Minister make a statement on the implications of the budgetary measures recently announced by the Chancellor of the Exchequer, Gordon Brown, for Wales? (OAQ10279) *Withdrawn.*

### **The New Assembly Chamber**

**Q15 Alun Cairns:** How much of the contingency budget does the Minister expect to use in the building of the new Assembly chamber? (OAQ10314)

**Edwina Hart:** It is too early at this stage of the construction process to estimate how much of the contingency provision within the budget might be used. The policy steering group and I will closely monitor expenditure on the Assembly building to ensure that everything possible is done to deliver the project within budget provision.

### **'Just Pay' Report**

**Q16 Karen Sinclair:** How can the Assembly assist in addressing the issues raised in the recent 'Just Pay' report by the Equal Opportunities Commission in Wales? (OAQ10283)

**Edwina Hart:** We will work with the Equal Opportunities Commission to raise awareness about equal pay. We will carry out an equal pay review again this year, covering all the Assembly's staff. I expect the bodies that we fund to take similar action. I am pleased that the report recognises what has already been achieved in the Assembly. I am committed to further progress in this area, so that we can continue to set an example for others to follow.

### **The Financial Commitments in the Partnership Agreement**

**Q17 Ann Jones:** Will the Minister make a statement on the progress being made to fulfil the partnership agreement's financial commitments? (OAQ10306) *Withdrawn.*

### **Effect of the Budget on Wales**

**Q18 Christine Gwyther:** Can the Minister make a statement on how the budget announcements made by the Chancellor of the Exchequer on 7 March will affect Wales? (OAQ10282) *Withdrawn.*

### Fiscal Policy Adjustments

**Q19 Cynog Dafis:** Will the Minister report on any discussions she has had with the relevant UK authorities, through the Secretary of State for Wales, on fiscal policy adjustments that affect Wales? (OAQ10330) *Withdrawn.*

### Equal Pay Practices

**Q20 Christine Gwyther:** In her role as equal opportunities co-ordinator can the Minister make a statement on the recent survey by NOP Business relating to equal pay practices in Wales? (OAQ10281) *Withdrawn.*

### Local Government Standard Spending Assessments

**Q21 Jonathan Morgan:** Will the Minister make a statement on local government standard spending assessments? (OAQ10338) *Withdrawn.*

### Equal Pay

**Q22 Richard Edwards:** In her role as equal opportunities co-ordinator, what discussions has the Minister had with the Equal Opportunities Commission in Wales regarding equal pay for men and women? (OAQ10280) *Withdrawn.*

### Public Footpaths

**Q23 Glyn Davies:** How many local authorities in Wales maintain 100 per cent of the public footpaths in their area open? (OAQ10324)

**Edwina Hart:** This information is not collected by the National Assembly.

### Finance for Farmers Affected by Floods

**Q24 David Davies:** What progress has been made on securing additional one-off finance for farmers affected by recent floods? (OAQ10307)

**Edwina Hart:** We have explored all the options and concluded that additional one-off finance for farmers is not available. However, we have taken action that will assist farmers, such as funding the Environment Agency's additional costs for undertaking emergency response and repairs due to flooding this winter and putting in place £25 million in aid for flood and coastal defence capital works over the next three years. These measures will benefit farmers by re-establishing flood banks to protect agricultural land.

The Minister for Rural Affairs has also taken steps to assist farmers, consistent with European legislation, including securing derogations from the European Commission for arable land affected by flooding.

### Assisting Owners of PRC Houses

**Q25 Nick Bourne:** Will the Minister allocate additional and separate funding from the Assembly's budget to assist owners of precast reinforced concrete houses to carry out essential restoration to their homes? (OAQ10315)

**Edwina Hart:** Funding for work of this nature would come from the local authority's housing capital allocation. The Assembly does not prescribe how councils use the general capital made available to them. It is for the authorities to determine local priorities for the use of those resources, including tackling problems with PRC houses.

### **Foot and Mouth Disease**

**Q26 Nick Bourne:** Will the Minister allocate additional and separate funding from the Assembly's budget to assist rural communities following the foot and mouth outbreak? (OAQ10316)

**Edwina Hart:** It is too early to make an assessment about the form or extent of any assistance that rural communities might require following the foot and mouth outbreak.

### **Maintaining Council Houses**

**Q27 Owen John Thomas:** What discussions has the Minister had with Ministers in Westminster about methods other than the private finance initiative of maintaining council houses? (OAQ10298) [W] *Withdrawn.*

### **Best Value**

**Q28 William Graham:** Will the Minister make a statement on whether the savings gained from the Best Value initiative are greater than the costs to local authorities of the implementation and evaluation of the scheme? (OAQ10326)

**Edwina Hart:** As with all such fundamental changes to how things are done, there are associated initial costs. The full benefits of Best Value in terms of net savings and improvements in quality and service will emerge over the longer term.

### **The Barnett Formula**

**Q29 Owen John Thomas:** Will the Minister make a statement on the appropriateness of the Barnett formula to the current needs of Wales? (OAQ10299) [W] *Withdrawn.*

### **Finance for Community Strategies**

**Q30 Janet Ryder:** Does the Minister have any plans to bring together the various sources of finance available for community strategies? (OAQ10337) *Withdrawn.*