



**Cynulliad Cenedlaethol Cymru
The National Assembly for Wales**

**Y Pwyllgor Cymunedau a Diwylliant
The Communities and Culture Committee**

**Dydd Iau, 18 Mawrth 2010
Thursday, 18 March 2010**

Cynnwys
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Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal, cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg. Mae hon yn fersiwn ddrafft o’r cofnod. Cyhoeddir fersiwn derfynol ymhen pum diwrnod gwaith.

These proceedings are reported in the language in which they were spoken in the committee. In addition, an English translation of Welsh speeches is included. This is a draft version of the record. The final version will be published within five working days.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Mohammad Asghar	Ceidwadwyr Cymreig Welsh Conservatives
Eleanor Burnham	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Alun Cairns	Ceidwadwyr Cymreig (yn dirprwyo ar ran Mark Isherwood) Welsh Conservatives (substitute for Mark Isherwood)
Christine Chapman	Llafur (yn dirprwyo ar ran Alun Davies) Labour (substitute for Alun Davies)
Bethan Jenkins	Plaid Cymru The Party of Wales
David Lloyd	Plaid Cymru The Party of Wales
Sandy Mewies	Llafur (Cadeirydd y Pwyllgor) Labour (Committee Chair)
Joyce Watson	Llafur Labour

Eraill yn bresennol
Others in attendance

Paul Dear	Pennaeth yr Uned Cymunedau yn Gyntaf Head of Communities First Unit
Arthur Emyr	Pennaeth Marchnata Digwyddiadau Mawr Head of Marketing Major Events
Gwilym Evans	Rheolwr, Digwyddiadau Mawr a'r Gemau Olympaidd Manager, Major Events and Olympics
Alun Ffred Jones	Aelod Cynulliad, Plaid Cymru (y Gweinidog dros Dreftadaeth) Assembly Member, The Party of Wales (the Minister for Heritage)
Ieuan Wyn Jones	Aelod Cynulliad, Plaid Cymru (y Dirprwy Brif Weiniidog a'r Gweinidog dros yr Economi a Thrafnidiaeth) Assembly Member, the Party of Wales (the Deputy First Minister and Minister for the Economy and Transport)
Jo Jordan	Pennaeth yr Is-adran Diogelwch Cymunedol Head of Community Safety Division
June Milligan	Cyfarwyddwr yr Adran Cyfiawnder Cymdeithasol a Llywodraeth Leol Director, Social Justice and Local Government Department
Carl Sargeant	Aelod Cynulliad, Llafur (y Gweinidog dros Gyfiawnder Cymdeithasol a Llywodraeth Leol) Assembly Member, Labour (the Minister for Social Justice and Local Government)

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Sarah Bartlett	Dirprwy Glerc Deputy Clerk
Tom Jackson	Clerc Clerk

*Dechreuodd y cyfarfod am 9.02 a.m.
The meeting began at 9.02 a.m.*

Cyflwyniad, Ymddiheuriadau a Dirprwyon Introduction, Apologies and Substitutions

[1] **Sandy Mewies:** Good morning, everyone. I welcome you all to committee room 4 in Tŷ Hywel. I think that we need to highlight the number of the meeting room on the agenda next time; I give you all 10 out of 10 for getting here despite the fact that we are not in our usual building. I have asked the clerks to make people aware in future of the venue.

[2] I will make the official announcements first. We were expecting someone to watch from the public gallery, but he has not arrived yet. He is probably looking for a committee room 4 in the Senedd. Headsets are available, as you know, for translation and sound amplification; the translation is on channel 1, and amplification on channel 0. Could everyone ensure that they switch off their mobile phone, BlackBerry or any other electronic device, as they interfere with the sound equipment? In the event of an emergency, an alarm will sound and ushers will direct everyone to the nearest exit and assembly point. If anyone has a declaration of interest to make under Standing Order No. 3.16, please do so now.

[3] I have had apologies from Alun Davies, Lynne Neagle and Mark Isherwood. Christine Chapman is substituting for Alun Davies, and Alun Cairns for Mark Isherwood. However, I understand that Alun will be leaving at 10 a.m..

9.04 a.m.

Ymchwiliad i Wneud y Gorau o Ddigwyddiadau Chwaraeon yng Nghymru— Casglu Tystiolaeth Inquiry into Making the Most of Sporting Events in Wales—Evidence Gathering

[4] **Sandy Mewies:** This is the final meeting at which we will take oral evidence for the committee's inquiry into making the most of sporting events in Wales. It has been interesting to date, and I am sure that it will continue in that vein. We have here today the Deputy First Minister, Ieuan Wyn Jones, the Minister for Heritage, Alun Ffred Jones, as well as officials from the Welsh Assembly Government: Arthur Emyr and Gwilym Evans. I had understood that there would be other officials as well; are they joining us later?

[5] **The Deputy First Minister and Minister for the Economy and Transport (Ieuan Wyn Jones):** No, we just have Arthur and Gwilym.

[6] **Sandy Mewies:** I thank you for your written papers, which everyone will have read. Could you make a short introduction? I do not know whether both Ministers will be answering every question.

[7] **The Deputy First Minister:** No, I will be doing it for the most part.

[8] **Sandy Mewies:** If you make a short introduction, we will then move into questions from Members. I remind Members that we are running to a tight schedule, and I would like us to ask all the questions, if possible, because this is the last meeting in this inquiry. We will send you a draft transcript to be checked for accuracy.

[9] **Y Dirprwy Brif Weinidog:** Diolch yn fawr, Sandy. Diolch am y cyfle i ddaeth yma i roi tystiolaeth gyda'm cyd-Weinidog, **The Deputy First Minister:** Thank you, Sandy. Thank you for this opportunity to come here to give evidence with my fellow

Alun Ffred Jones, ac Arthur Emyr a Gwilym Evans. Yr ydym wedi darllen y dystiolaeth yr ydych wedi ei chlywed yn eithaf gofalus. Mae ein hymddangosiad yma heddiw yn amserol gan y byddwn yn lansio ein hymgyngoriad cyhoeddus ar y strategaeth digwyddiadau mawr yn yr wythnosau nesaf. Edrychwn ymlaen at gael trafod hynny gyda chi mewn mwy o fanylder yn ystod yr awr nesaf.

Minister, Alun Ffred Jones, and Arthur Emyr and Gwilym Evans. We have read the evidence that you have received quite carefully. Our appearance here today is timely because we will be launching our public consultation on the major events strategy over the next few weeks. We look forward to discussing that with you in greater detail over the next hour.

[10] Nodwn â chryn ddiddordeb rôl digwyddiadau mawr yn agenda ehangach polisi cyhoeddus. Rhaid inni fod yn gwbl realistig o ran yr hyn y gallwn ei gyflawni drwy ddigwyddiadau mawr. Ni fyddant yn ateb i'n problemau economaidd a chymdeithasol ar eu pennau eu hunain, oherwydd nid yw'r gyllideb yr ydym yn neilltuo ar eu cyfer yn enfawr. Mae'n bwysig inni eu gweld yng nghyd-destun codi proffil Cymru yn y byd, ac o ran ein gallu i gael cryn effaith ar rai sectorau, gan gynnwys dyfodol chwaraeon mewn rhai meysydd, yn ogystal â thwristiaeth a'r economi.

We note with some interest the role of major events in the broader agenda of public policy. We have to be completely realistic about what we can achieve through major events. They will not solve our economic and social problems on their own, because the budget that is available for them is not huge. It is important that we see them in the context of raising Wales's global profile and of our ability to make an impact in certain sectors, including the future of sports in some areas, as well as tourism and the economy.

[11] Gallwn hefyd ystyried y ffaith bod digwyddiadau fel hyn yn denu nifer fawr o bobl i Gymru, nifer ohonynt am y tro cyntaf. Gwyddom fod pobl yn mwynhau'r profiad o fynd i'r digwyddiadau mawr, a chredaf eich bod wedi cael tystiolaeth bod Stadiwm y Mileniwm wedi denu dros filiwn o bobl a dalodd i fynd i mewn yn ystod y flwyddyn diwethaf. Mae hwnnw'n ystadegyn pwysig iawn.

We can also consider the fact that such events attract a large number of people to Wales, many for the first time. We know that people enjoy the experience of attending major events, and I believe that you have received evidence that the Millennium Stadium attracted over 1 million paying customers last year. That is a very important statistic.

[12] Byddwch wedi clywed rhychwant eang o safbwyntiau ar sut y gall Cymru wneud ei hun yn lleoliad ar gyfer digwyddiadau mawr. Mae consensws yn y dystiolaeth bod yn rhaid i ni fel Llywodraeth fod yn fwy strategol a chydlynol yn y ffordd yr ydym yn ymateb i'r ceisiadau hyn.

You will have heard a broad range of opinions on how Wales can turn itself into a location for major events. There is a consensus in the evidence that we as a Government have to be more strategic and better co-ordinated in the way in which we respond to these bids.

[13] Yr ydym yn dechrau cael ychydig o record o fod yn llwyddiannus wrth ddenu digwyddiadau mawr i Gymru, ac yr ydych wedi clywed tystiolaeth am hynny. Yr wyf yn siŵr ein bod i gyd yn cytuno ein bod, hyd yma, wedi ymateb i nifer o'r digwyddiadau yn hytrach na mynd allan i arwain y gad o safbwynt denu'r digwyddiadau. Bydd y pwyslais gwahanol hwnnw'n bwysig—yn sicr yn ystod y blynyddoedd nesaf. Yr ydym

We are starting to develop something of a record of success in attracting major events to Wales, and you have heard evidence about that. I am sure that we would all agree that, up to now, we have responded to many of these events rather than being in the vanguard in relation to attracting them. That different emphasis will be important—certainly over the coming years. We are very aware that there is a great deal of competition for these

yn ymwybodol iawn bod cystadleuaeth fawr am y digwyddiadau hyn. Felly, rhaid sicrhau bod Cymru mewn sefyllfa lle y gall eu denu, ac nid unwaith yn unig, ond efallai yn fwy rheolaidd.

[14] Er ein bod yn ymwybodol o'r ffaith ein bod mewn sefyllfa o gynt economaidd, a bod cyllidebau yn lleihau, yr ydym eisiau gweld yr uned yn y Llywodraeth yn cael digon o gyllid fel ei bod yn gallu cystadlu â gwledydd a rhanbarthau eraill o'r un maint yn y maes cystadleuol hwn. Gan ein bod yn awr wedi dechrau ar y gwaith, a chan y bydd ymgynghoriad yn cael ei gynnal, gobeithiwn y gallwn gael consensws yng Nghymru ynglŷn â sut yn union y dylem symud ymlaen.

[15] **Sandy Mewies:** Thank you. Dai Lloyd has the first question.

[16] **David Lloyd:** Diolch, Ddirprwy Brif Weinidog, am y cyflwyniad ac am y papur sydd gerbron. Mae'r cwestiynau cyntaf yn canolbwyntio ar rôl yr uned digwyddiadau mawr, ac yn gofyn am ragor o wybodaeth sylfaenol ynglŷn â'r uned o ran faint o staff sydd ganddi, eu cyfrifoldebau ac ati.

[17] Yn arwain ymlaen o hynny, o ran datblygu'r strategaeth newydd hon gogyfer â digwyddiadau mawr, a ydych yn bwriadu datblygu'r uned digwyddiadau mawr ymhellach? Os felly, ym mha ffordd?

9.10 a.m.

[18] **Y Dirprwy Brif Weinidog:** Y pwynt cyntaf yr wyf eisiau ei wneud yw bod 11 aelod o staff yn yr uned ar hyn o bryd. Mae rhai ychwanegiadau wedi bod a gofynnaf i Arthur gyfeirio atynt. Mae'n bwysig ein bod yn sylweddoli bod yn rhaid i'r uned allu symud yn gyflym. Nid ydym yn rhagweld y bydd cymaint â hynny'n fwy o staff yn dod i'r uned, er y byddwn eisiau ystyried ei pherfformiad wedi cyfnod o amser. Yr hyn sy'n bwysig yw bod digon o staff yn yr uned a digon o gyllid gan yr uned i fod mewn sefyllfa debyg i ranbarthau a gwledydd eraill o'r un maint â ni gan gystadlu am yr un math o ddigwyddiadau. Mae maint yr uned ar hyn o bryd yn adlewyrchu'r math hwnnw o symudiad.

events. Therefore, we have to ensure that Wales is in a position to attract them, and not just once, but perhaps on a more regular basis.

Although we are aware that we are in a tight economic situation and that budgets are shrinking, we want to see the unit in the Government being given adequate funding so that it can compete with other nations and regions of the same size in this competitive sphere. Now that we have started the work and that a consultation will be held, we hope that there will be consensus in Wales as to how exactly we should progress.

David Lloyd: Thank you, Deputy First Minister, for your presentation and for the paper that you have submitted. The first questions focus on the role of the major events unit, and ask for further information on the unit with regard to how many members of staff it has, their responsibilities and so on.

Leading on from that, in relation to the development of the new strategy for major events, do you intend to develop the major events unit further? If so, in what way?

The Deputy First Minister: The first point that I would like to make is that the unit has 11 staff members at present. There have been some additions and I will ask Arthur to make reference to them. It is important that we realise that the unit has to be capable of moving quickly. We do not foresee that there will be a great increase in staffing in the unit, although we will want to reflect on its performance after a certain period of time. It is important that the unit has adequate levels of staffing and finance so that it can position itself in the same bracket as other regions and nations of a similar size and compete for the same kinds of events. The present size of the unit reflects that kind of movement.

[19] Mae'n rhy fuan i ddweud a fyddwn eisiau adolygu nifer y staff yn awr, achos bydd yn rhaid i'r uned, wedi inni fynd drwy'r ymgynghoriad, adael i'r sefyllfa ostegu. Bydd cyfle i adolygu hynny maes o law. Fodd bynnag, yr ydym wedi gwneud rhai apwyntiadau i'r uned ac efallai y byddent o ddiddordeb i'r pwyllgor.

At this point, it is too early to tell whether we will wish to review staffing levels, because the unit, once we have gone through the consultation, will need time to settle down. There will be an opportunity to review that in due course. However, we have made some appointments to the unit and they may be of interest to the committee.

[20] **Mr Emyr:** O'r 11 hynny, mae dau ar secondiad o Gyngor Chwaraeon Cymru: rheolwr y gweryslyoedd ymarfer cyn y Gemau Olympaidd a Pharalympaidd 2012, ac yn ddiweddar rhaglennydd y marc ysbrydoli, a fydd yn gweithio gyda chyrrff, sefydliadau ac unigolion ar draws Cymru i roi'r marc hwnnw i'w prosiectau yn ystod y ddwy flynedd nesaf. Yr ydym yn cydlynu'r agenda Olympaidd y tu fewn i'r Llywodraeth ac ar draws Cymru, yn arwain ar y gweryslyoedd ymarfer. Yr ydym hefyd yn gweithio fel asiantaeth fewnol sy'n darparu digwyddiadau ar gyfer Adran yr Economi a Thrafnidiaeth, Croeso Cymru a chwmni Cwpan Ryder Cymru ac yn arwain ar ddatblygu'r strategaeth digwyddiadau mawr. Dyna, yn eu crynswth, ein cyfrifoldebau.

Mr Emyr: Of that 11, two are on secondment from the Sports Council for Wales: one will manage the training camps for the Olympic and Paralympic Games in 2012, and, a recent addition, the inspire mark programmer, who will be working with organisations, institutions and individuals across Wales to award that mark to their projects over the next two years. We are co-ordinating the Olympic agenda within the Government and across Wales, leading on the training camps. We are also working as an internal agency to deliver events for the Department for the Economy and Transport, Visit Wales and the Ryder Cup Wales company and leading on the development of the major events strategy. Those are our responsibilities.

[21] **Christine Chapman:** Can you define what you mean when you refer to a major event? For example, has the major events unit reviewed the definition of a major event and, if so, did the definition of a major event change?

[22] **The Minister for Heritage (Alun Ffred Jones):** Perhaps Arthur can answer more fully, but there are criteria by which we now measure the definitions. We refer to mega events such as the Ryder Cup, but then there are major events and signature events and also small events, although we should be clear that this is a major events unit and that, when we support small events, it is done in order to develop capacity, with a view to some of the smaller organisations that have the potential to develop aiming higher in the future. I am also thinking especially of a sport such as athletics, which does not have huge capacity, but where there is huge potential. Those are the types of events that we are targeting, but perhaps Arthur would like to develop that.

[23] **Mr Emyr:** Yr ydym wedi edrych yn fanwl ar y diffiniadau. Byddwn yn nodi hynny i gyd yn y strategaeth ymgynghorol yn yr wythnosau nesaf. Mae digwyddiadau mega, ac mae Cwpan Ryder yn perthyn i'r categori hwnnw, mae digwyddiadau mawr a digwyddiadau cyweirnod i Gymru ac wedyn y digwyddiadau llai. O safbwynt yr hyn a ddywedodd y Gweinidog, nid oes bwriad inni fod yn uned digwyddiadau bach. Nid oes dim o'i le ar ddigwyddiadau bach, ond nid dyna'n pwrpas ni. Fodd bynnag, gallwn gefnogi

Mr Emyr: We have looked at the definitions in some detail, which we will set out in the strategy that will be consulted upon in the coming weeks. There are mega events, and the Ryder Cup would be included in that category, there are major events and signature events for Wales, and then there are small events. From the point of view of what the Minister said on that, there is no intention for us to be a small events unit. There is nothing wrong with small events, but that is not what we are there for. However, we can

digwyddiadau llai yn y dyfodol i ddau bwrpas, yn sylfaenol. Y cyntaf yw dangos ein bod yn gallu trefnu digwyddiadau mwy—mae llawer o gyrff rhyngwladol eisiau gweld tystiolaeth eich bod yn gallu cyflawni mewn rhyw gamp neu ddigwyddiad cyn rhoi'r digwyddiad mawr i chi. Yr ail yw datblygu digwyddiadau o fewn Cymru o lle y maent ar hyn o bryd i ddod yn ddigwyddiadau mawr yn y dyfodol.

support small events in the future for two purposes, essentially. First, to show that we can organise larger events—several international bodies want to see evidence that you can deliver in some event in their discipline before they award you with the larger event—and, secondly, to develop events in Wales from their current position so that they become major events in the future.

[24] **Christine Chapman:** To follow on from that, I understand that some witnesses who have appeared before the committee have raised concerns that not all sports are given equal treatment. Can you comment on that? Some small governing bodies have raised concerns that it is difficult to approach the unit. Can you respond to that?

[25] **Alun Ffred Jones:** I hope that, in future, that will not be anyone's experience. Perhaps there is a perception that major events have concentrated on some of the more obvious sports in the past, and that perception is quite understandable. However, I know that Arthur can give you evidence that we are also looking at other sports that are not as powerful as the more obvious ones. We are also talking about bodies other than sporting bodies. There are other events that do not involve sports. Arthur can develop this.

[26] **Mr Emyr:** I wonder whether you might be referring to the workshops that we held across Wales last year. The public consultation on our strategy is yet to happen. It is about to begin. We have between 60 and 70 sports governing bodies in Wales and probably a larger number again of arts and cultural organisations. Add third sector and voluntary organisations to that and you will realise that it is impossible to speak to everybody in the process of developing a strategy. Attendance at those workshops was by invitation, although a significant spread of Welsh governing bodies were invited. Everybody will have the opportunity to comment on the draft strategy when it is published in due course. However, some of the obvious major sports, such as rugby, football and cricket, are important. They have an important role to play, but as far as we are able, we are making a conscious effort to look at other sports that might unfairly be categorised as minority sports when, in truth, they have the potential to be something much bigger. We are in close discussions on several exciting opportunities with sports such as athletics, cycling and others.

[27] **Sandy Mewies:** Quite a bit of the evidence that we have received has been on definitions. For example, what is a major sporting event? Is it the Olympics and so on? What are the criteria? You say that you are going to produce them in the consultation document. Would it be possible for the committee to have a copy of those as soon as you feel that you can release them so that I can circulate them? There have been some very strong messages coming across, one of which concerns the definition of a major event and the support available for those below that level. There is a feeling that the layers underneath that level are very important as well. In addition, what calendar do you use? You must be planning ahead all the time, so any additional information on that would be useful.

[28] **The Deputy First Minister:** We could give you some examples. The Ryder Cup and the Ashes are examples of mega events, which Arthur Emyr mentioned. Then there are major events, such as the Super League fixtures, the Heineken Cup and so on. Then there are the signature events, which tend to be Welsh events, although some have an international flavour, such as the international eisteddfod or the national eisteddfod. Then there are the growth events, which are a bit more difficult to define because, by their nature, they are quite diverse. We have to make a judgment about whether they are one-off events, which would be difficult to support, or whether they have the potential to grow further. The consultation paper itself

will go into greater detail.

[29] Although we are a major events unit involved in the co-ordination, the prime responsibility for the development of a particular sport or field after an event falls to the governing bodies, with our support but without our taking a leading role. I think that Gwilym would like to come in on this.

[30] **Mr Evans:** Could I just—

9.20 a.m.

[31] **Sandy Mewies:** I will stop you there, or we will not get through our questions. Two Members have already indicated that they wish to ask supplementary questions. I will move on to the main questions, if Members do not mind, and then come back to the supplementary questions if there is time.

[32] **Alun Cairns:** My question follows on from this.

[33] **Sandy Mewies:** Even so, if you could keep it in your mind, I would prefer to come back to it. We will move on to the next scheduled question, which is from you, Alun.

[34] **Alun Cairns:** That was my point. My supplementary question ties in with what the Minister said. I thank both Ministers and officials for their papers, which were extremely interesting. My question follows on from the question that Christine Chapman asked and the answer that Mr Emyr gave in relation to equal access and capacity within governing bodies. I assume that equal access applies to everyone—that is probably a given. However, the resource and support depends on the potential output that we could get from an event. In other words, the resources would be different for a minor event that would attract fewer people.

[35] My formal question was on the capacity issue that the Deputy First Minister highlighted. There are some organisations, such as those representing canoeists, for example, where the governing body might not have significant capacity to hold an event in Wales, but there would be potential to attract significant numbers of visitors to Wales, perhaps north-west Wales in particular. However, such a governing body would need support because of local authority, policing, health and safety issues, and all these things that fall out of hosting an event. In the performance and excellence review, you talk about issues to do with reviewing capacity and support, so could you tell us a bit more about that? Could you update us on the review that you have conducted?

[36] **The Deputy First Minister:** I would like Alun Ffred to come in as well here. Primarily, what we are looking at is how we can assist those organisations that might be interested in attracting an event to Wales, but feel a bit nervous because they lack the internal capacity, experience, and perhaps the funding to move it forward. What we are trying to say is that it is not just a case of the unit working with those organisations; you have to bring in all the other stakeholders as well. You mentioned the police, but you would also want to involve local authorities, particularly, so there is a range of partners. Through that collaboration, we would want to assist organisations to build up capacity and think about events that they might attract, which currently might not even be on their radar, or they might feel nervous about. Once the unit is firmly established, we would like to work with some of them to identify events that they might want to host, and that is part of the legacy as well, namely assisting organisations to develop. Let us be honest, not all these events will attract worldwide attention, but some will attract considerable attention within their given sports, which we are also keen to establish.

[37] Ffred, wyt ti eisiau dod i mewn? Ffred, do you want to come in?

[38] **Alun Ffred Jones:** The performance and excellence review is aimed at ensuring that individual sports develop talents to the best of their capability. That often has resource implications in itself. However, part of the remit of the major events unit is to give advice and guidance to anyone who wishes to put on a particular show. However, the major events unit is limited to providing advice and guidance in the sense that it is not there to run an event. It has a role in developing capacity, and Arthur could probably give an example of a smaller event being developed and, in so doing, the unit being able to assist governing or organising bodies to become more professional in their approach.

[39] **Mr Emyr:** A good example of a governing body with real potential to develop in this area is Welsh Athletics. That is a progressive and ambitious governing body, but it is not a huge operation given its full-time professional staff, as the Minister has mentioned, but there is a sustainable and commercial opportunity for that sort of governing body. There has been a road-running boom in this country and internationally. We have been partnering Barnardo's, Welsh Athletics and Cardiff Council in the development of the Cardiff Half Marathon. That grew from 7,000 entries in 2008 to almost 11,500 in 2009. If we can get that number up to around 20,000, which is perfectly achievable in a capital city like Cardiff, it would become a seven-figure event. The commercial opportunities for a sport that is at the heart of that sort of event are self-evident. On the back of the Cardiff Half Marathon partnership, Welsh Athletics has been developing a major events strategy itself and for Wales, with a very interesting spread of potential events and disciplines within athletics across Wales. That is something, in principle, that we are very keen to support.

[40] **Alun Cairns:** Thank you, that is helpful. Glamorgan Cricket, in its evidence to us, described its successful bid to hold the Ashes test match, for which it was grateful for Assembly Government support, and was complimentary of the role that the Assembly Government had played in helping it achieve that. We talk about these various partners—local authorities, the police and other organisations—and in relation to that event there was talk at one time of having countdown clock at Cardiff castle and so on. Glamorgan Cricket's objective was to make sure that the cricketing event went well, and it did not see it as its remit to extend this further and to highlight the event in a more significant way within Wales or within the city and beyond. Under your performance and excellence review, and issues relating to capacity and the major events unit, do you see the major events unit playing a co-ordinating role: ensuring that the permissions are right, that the countdown clock is there and so on? I am just trying to use a practical example of something that Glamorgan Cricket thought could have made its event even better for Wales, so as to encourage more people to go to the cricket.

[41] **Alun Ffred Jones:** I certainly see the major events unit playing a prominent part in that co-ordination, alongside any other partner, including Visit Wales, which was involved in many of the peripheral events around the cricket. I am sure that we can do it better. We should be doing it better to maximise the impact of any event, especially the mega events, of which that was one, because of the worldwide exposure. Not all these events have that sort of exposure. With all of them, I hope that, as expertise and relationships develop between organisations and between the major events unit and individual organisations, we can be smarter in what we are doing. I share your vision to maximise the impact of these events.

[42] **The Deputy First Minister:** On the Ashes, the clearest evidence of the success of that event is the warm feeling that existed regarding the welcome that people had in Cardiff as a result of the event. It was not just the cricket itself, but the whole feeling of being welcomed to Wales. Most of the people who were questioned afterwards—although much of this is anecdotal—said that they had enjoyed the experience. There were some cynics who thought that Wales should not be a location for an Ashes test match between England and Australia. I think that Alun is right in saying that you always have to look to improve things, but the

feeling that people were left with was that Wales is a place that can host such an event, and that we could do it again. The fact that we are likely to be able to host another one has been the major success of the event. Building on that is excellent.

[43] **Eleanor Burnham:** O ran diffinio ‘digwyddiad mawr’, cyfeiriasoch at Eisteddfod Gerddorol Ryngwladol Llangollen eisoes. A ydych yn cynnwys digwyddiad fel Gŵyl y Faenol yn y diffiniad hwn? Os felly, pa fath o gefnogaeth y gallwch ei rhoi i’r digwyddiad, a pha wersi y gallwch eu dysgu yn hyn o beth? Yr ydym wedi cael tystiolaeth dda iawn gan gwmni Stadiwm y Mileniwm, sy’n broffesiynol a llwyddiannus dros ben yn rhyngwladol. Hoffwn wybod pa fath o gydweithio fydd yn digwydd, pa fath o wersi a gaiff eu dysgu a pha fath o gefnogaeth y gallwch ei chynnig. Dyna ran gyntaf fy nghwestiwn.

Eleanor Burnham: As for defining a ‘major event’, you previously referred to the Llangollen International Musical Eisteddfod. Do you include an event like the Faenol Festival in that definition? If so, what kind of support would you be able to give the event, and what lessons could you learn to that end? We have had very good evidence from the company that runs the Millennium Stadium, which is professional and very successful internationally. I would like to know what kind of collaboration will take place, what lessons will be learned and what support you will be able to provide. That is the first part of my question.

[44] **Alun Ffred Jones:** Mae’r uned yn datblygu ei pherthynas â nifer o gyrff, gan gynnwys Stadiwm y Mileniwm, sydd mewn sefyllfa wahanol i’r mwyafrif oherwydd mae ganddo ased mawr a phrofiad o lwyfannu gemau rhyngwladol a digwyddiadau mawr. Felly, nid oes angen llawer iawn o help arno, ond mae angen iddo gydweithredu ac mae’n awyddus i wneud hynny—ac mae angen i ni wneud hynny hefyd.

Alun Ffred Jones: The unit is developing its relationship with many organisations, including the Millennium Stadium, which is in a different situation to the majority because it has a major asset and experience at staging international matches and major events. Therefore, it does not need a great deal of assistance, but it needs to collaborate and is keen to do so—and we also need to do that.

9.30 a.m.

[45] Mae’r sefyllfa yn wahanol o ran gwyliau fel Gŵyl y Faenol, sy’n cynnal un digwyddiad yn unig y flwyddyn, oherwydd nid oes ganddi staff parhaol. Fodd bynnag, mae gan yr uned rôl ac, yn yr achos hwnnw, bu’n cydweithio’n agos ar ddatblygu’r cynlluniau busnes. Wedi’r cyfan, arian cyhoeddus yw hwn. Ni ddylai’r uned ddosbarthu arian ar ran y Llywodraeth oni bai bod modd sicrhau y daw budd o’r digwyddiadau hynny. Gall y buddion hynny fod yn eang iawn, ac nid ydym yn sôn am fudd economaidd yn unig, ond hefyd am y deilliannau eraill sy’n dod â budd i’r gymuned, i’r economi ehangach, neu i ddelwedd Cymru.

The situation is different for festivals such as the Faenol Festival, which holds only one event a year, because it does not have a permanent workforce. However, the unit has a role and, in that instance, it worked closely on developing the business plans. After all, this is public money. The unit should not be distributing money on behalf of the Government unless it can be assured that some benefit can be derived from the events. Those benefits can be extremely broad, and we are not talking about economic benefits only, but also the other outputs that are in the interests of the community, the wider economy, or the image of Wales.

[46] **Eleanor Burnham:** Mae’r busnes hwn yn golygu cymryd risg. Fe’ch clywais ar Radio Cymru yn gynharach yn yr wythnos yn sôn am y ffaith eich bod wedi cymryd risg gyda Chwpan Ryder. Sut y gallwch sicrhau

Eleanor Burnham: Taking risks is inherent in all this. I heard you on Radio Cymru earlier in the week talking about the fact that you have taken a risk on the Ryder Cup. How can you ensure that you take a risk that helps

eich bod yn cymryd risg i helpu rhai o'r gwyliau a'r digwyddiadau mawr i ehangu a datblygu'n llwyddiannus?

some of the major festivals and events to expand and to become successful?

[47] **Alun Ffred Jones:** Bydd y ddogfen ymgynghori yn gosod meini prawf eithaf cadarn er mwyn inni allu dangos gwrthrychedd wrth benderfynu cefnogi digwyddiad—neu beidio. Mae hwnnw'n rhesymol ac yn gwbl angenrheidiol wrth ddelio ag arian cyhoeddus. Arthur, wyt ti eisiau ehangu ar hynny?

Alun Ffred Jones: The consultation document will set out quite robust criteria so that we can demonstrate some objectivity in determining whether to support any event—or not. That is reasonable and completely necessary when dealing with public money. Arthur, do you want to expand on that at all?

[48] **Mr Emyr:** Dim ond drwy ddweud ein bod ni'r swyddogion yn cydnabod nad oes sicrwydd yn y byd hwn ynghylch popeth. Bydd rhai digwyddiadau yn methu. Yn anochel, os ydych yn cefnogi cyfres o ddigwyddiadau dros gyfnod, bob hyn a hyn, bydd rhywbeth yn mynd o'i le a bydd rhyw ddigwyddiad yn methu. Ein cyfrifoldeb ni yw gwneud ein gorau glas i sicrhau mai lleiafrif bychan iawn sy'n methu. Fodd bynnag, o bryd i'w gilydd, mae'n anochel y bydd digwyddiad yn methu.

Mr Emyr: Only by saying that we, as officials, recognise that there is no certainty in this world about everything. Some events will fail. Inevitably, if you support a series of events over a period of time, every now and then, something will go wrong and a certain event will be bound to fail. Therefore, it is our responsibility to do our utmost to ensure that it is only a small minority that fails. However, from time to time, it is inevitably that an event will fail.

[49] **Sandy Mewies:** Could you keep your next question short, please, Eleanor? You strayed away from the agenda then. Could you get back to major sporting events and keep it short, please?

[50] **Eleanor Burnham:** Yr ydych yn cyfeirio at raglen o weithdai ar gyfer rhanddeiliaid a gynhaliwyd wrth ddatblygu'r strategaeth ar ddigwyddiadau mawr. Fodd bynnag, dywedodd Cymdeithas Chwaraeon Cymru wrthym nad oedd yn rhan o'r ymgynghoriad. Felly, sut y bu ichi benderfynu pa randdeiliaid a fyddai'n cael gwahoddiad i gyfrannu?

Eleanor Burnham: You have referred to a programme of stakeholder engagement workshops that were held when developing the strategy on major events. However, the Welsh Sports Association told us that it was not invited to take part in that consultation. Therefore, how did you decide which stakeholders would be invited to contribute?

[51] **Y Dirprwy Brif Weinidog:** Credaf fod rhan o'r cwestiwn eisoes wedi'i hateb pan ddywedasom ein bod wedi cynnal gweithdai gyda nifer gyfyngedig o bobl ar y dechrau. Fodd bynnag, bwriad yr ymgynghoriad presennol yw rhoi'r cyfle i'r holl gyrff sydd eisiau ymateb i wneud hynny yn ystod y cyfnod ymgynghorol, sy'n para am ddau fis. Pe bai o help i'r pwyllgor, galleu eich cynnwys ar y rhestr o ymgynghoreion a'ch hysbysu pan fydd y cyfnod yn dechrau ac yn gorffen. Clywsom eisoes fod tua 120 o gyrff, rhwng y digwyddiadau chwaraeon a chelfyddydol. Byddai wedi bod yn anodd cynnwys pawb yn

The Deputy First Minister: I think that part of that question has already been answered, as we have said that, at the outset, we held workshops with only a limited number of people. However, the intention of the current consultation is to give all those bodies that want to respond the opportunity to do so during the consultation period, which lasts for two months. If it would help the committee, we could include it on the list of consultees and let you know when that period commences and ends. We have already heard that, between the sporting and cultural events, there are around 120 organisations. It would have been difficult to include everyone in the

y gweithdai. Fodd bynnag, ein dymuniad yw rhoi'r cyfle i bob corff sy'n dymuno ymateb i'r ymgynghoriad wneud hynny. workshops. However, our wish is to give every organisation that wants to respond to the consultation an opportunity to do so.

[52] **Joyce Watson:** A number of key issues have been raised, including the bidding process. You mention it in your paper and say that it is a two-stage process to assess the case for support. Do you think that the evaluation process is working effectively and efficiently? Will you be reviewing the evaluation process as a part of the review of the strategy?

[53] **The Deputy First Minister:** I will ask Gwilym to respond to that.

[54] **Mr Evans:** Members will have seen the Cabinet paper that was published in the latter part of 2008 in which we briefly outlined the assessment process that we are using. Needless to say, over the past 18 months or so, that has been refined, particularly in light of our experiences in the stakeholder engagement workshops. The criteria and the framework that appear in the strategy have taken on board comments from a range of organisations, including some from whom you will have heard evidence as part of this inquiry.

[55] In answer to your question, as the Minister has already said, it has provided us with a more robust framework that allows us to make more objective and fairer assessments of what we do and do not support. It is not the final answer; we will get that when we have gone through the public consultation. However, I certainly think that it provides us with a much stronger evidence base on which to justify our investments, and it allows us to determine with event owners and organisations their aspirations for the legacy. You have heard a lot about the legacy and the importance of being clear from the outset about the rationale for supporting an event. We hope that this framework will enable us to do that. We have certainly found it helpful so far in identifying precisely what we and event owners want to get out of events. Moving forward, it will provide us with a much better, more comprehensive and robust framework within which to work.

[56] **Mr Emyr:** May I add to that with a point on the workshops? There does need to be the robust process and framework that Gwilym alluded to, but I remember that Calvin Jones, who has given evidence to this committee, said in the workshop—

[57] **Sandy Mewies:** The next question is on Calvin's evidence.

[58] **Mr Emyr:** He said that we should be getting out and about throughout Wales, looking event organisers in the eye to determine whether they are capable of delivering these events. I am not sure how scientific a process that is exactly, but we take that advice to heart, and we are trying to do that as well.

[59] **Mr Evans:** We have heard about making sure that we strike that balance between smaller events and different sporting activities, and the framework enables us to do that through the various criteria that are targeted at either increasing participation or driving up performance and excellence. Similarly, on the arts and culture side, we link in closely with the development aspirations of the Arts Council of Wales and its revenue-funded organisations.

[60] We see it very much as a two-way process. Arthur referred to staring people in the eyes, but our experience to date is that most of the organisations that have been through that process have found it helpful, not only in delivering an event, but in building their own business planning processes. That relates to the point that Alun raised about capacity building. It gets them thinking in a completely different way, which, through no fault of their own, they have not been used to so far.

[61] **Bethan Jenkins:** Yn ei thystiolaeth, bu i Ysgol Fusnes Caerdydd ddweud bod diffyg tystiolaeth o etifeddiaeth gynaliadwy ym meysydd twristiaeth, yr economi a chymryd rhan mewn chwaraeon. A oes gennych farn wahanol i'r dystiolaeth yr ydym wedi'i derbyn gan yr ysgol fusnes?

Bethan Jenkins: In its evidence, Cardiff Business School said that there was little evidence of a sustainable legacy in the fields of the economy, tourism and participation in sports. Do you have a different opinion to the evidence that we have received from the business school?

[62] Mae gennyf ail gwestiwn am yr etifeddiaeth. Caf ar ddeall fod sectorau gwahanol ym maes chwaraeon, er enghraifft rygbi'r gynghair, yn awr yn ceisio sicrhau lle i Gymru yng Nghwpan y Byd yn 2013. Mae'r strategaeth honno yn edrych ymlaen at etifeddiaeth datblygu'r gynghair yng Nghymru. Sut y gall yr uned helpu drwy sefydlu chwaraeon nad ydynt wedi'u hybu rhyw lawer yng Nghymru, gan sicrhau etifeddiaeth i'r gymuned wedi'r digwyddiad mawr? Sut y bydd yn helpu i wneud cais yn gyntaf, ac yna yn helpu i'w sefydlu drwy wneud gwaith datblygu yn y gymuned, a fydd o fudd i'r farchnad dwristiaeth wedyn?

I have a second question on the legacy. I understand that different sectors within sports, such as rugby league, for example, are now attempting to secure a place for Wales in the World Cup in 2013. That strategy looks forward to the legacy of developing the league in Wales. How will the unit help by establishing sports that have not been promoted very much in Wales, thereby ensuring a legacy for the community following a major event? How will it provide help to make an application initially, and then how will it help to establish it by undertaking development work in the community, which will benefit the tourism market then?

9.40 a.m.

[63] **Alun Ffred Jones:** Bu ichi gyfeirio at rygbi'r gynghair, ac mae trafodaethau am hynny yn mynd rhagddynt ar hyn o bryd. Gydag unrhyw ddigwyddiad o'r fath, byddai'r uned yn edrych ar y canlyniadau a'r deilliannau ohono. Mae hynny'n wir am bob digwyddiad, boed yn y byd chwaraeon neu yn ehangach yn y maes celfyddydau. Yr ydym yn chwilio am y deilliannau yn economaidd, o ran delwedd Cymru, neu o ran datblygu'r chwaraeon yn gyffredinol. Mae hyn wedi digwydd eisoes gyda gêm brawf cyfres y Llundw yng Nghaerdydd, lle'r oedd rhaglen o waith a oedd yn ceisio ehangu apêl criced ymysg plant, a bu hynny'n llwyddiannus.

Alun Ffred Jones: You mentioned rugby league, and discussions on that are under way at the moment. With any event of that kind, the unit would look at the outputs and outcomes that flow out of it. That is true of all events, whether in the sporting field or more broadly in the world of arts. We look for the outcomes economically, in relation to the image of Wales, or in developing those sports in general. That has already happened with the Ashes series test match in Cardiff, where there was a programme of work that endeavoured to increase the appeal of cricket among children, and that was successful.

[64] Efallai nad yw'r gymhariaeth â Chwpan Ryder yn deg iawn oherwydd ei maint, ond oherwydd maint y bencampwriaeth a'r arian a oedd ar gael, mae arian sylweddol wedi'i wario ar ddatblygu'r gêm ymysg pobl ifanc, yn ogystal ag ar ddatblygu cyrsiau golff ar hyd a lled Cymru i'w huwchraddio a'u gwneud yn fwy deniadol i olffwyr. Bu hynny'n llwyddiant mawr. Mae'r ffigurau diweddaraf ar gyfer 2008 yn dangos cynnydd sylweddol eto yng ngwerth golffio fel elfen o'r diwydiant

Perhaps the comparison with the Ryder Cup is not a fair one, given its scale, but because of the scale of the championship and the money that was available, a significant amount of funding has been spent on developing golfing among young people, and on developing golf courses across Wales so that they can be improved and made more appealing to golfers. That has been a great success. The latest figures for 2008 show a considerable increase again in the value of golf as an element of the tourism industry.

twristiaeth. Profwyd fod hwnnw yn llwyddiant ond derbyniaf nad yw'r gymhariaeth yn deg iawn oherwydd maint y digwyddiad. Mae'n deg dweud bod yr uned yn chwilio am y deilliannau hynny o ba ddigwyddiad bynnag sy'n cael cymorth.

That is a proven success, but I accept that that is not a fair comparison given the scale of the event. It is fair to say that the unit is looking for those outputs from whichever event it supports.

[65] **Mr Emyr:** Mae'r ysgol fusnes yn gywir i ddweud na fu'r dystiolaeth yn y gorffennol, yn rhyngwladol, felly, y cyfan y gallai fod. Mae'r ysgol wedi cyfrannu at damaid pwysig o waith a arweinir gan UK Sport, sydd newydd lansio set o offer asesu newydd ar gyfer digwyddiadau. O hyn allan, ac fel rhan o weithredu'r strategaeth, byddwn yn cyfeirio ein digwyddiadau ni at y pecyn cymorth newydd hwnnw a ddatblygwyd. Hyderwn y bydd hwnnw yn ein galluogi i gymharu effaith y gwahanol ddigwyddiadau yn fwy effeithiol a chyson.

Mr Emyr: The business school is right in saying that the evidence in the past, internationally, now, has not been everything that it could be. The business school has contributed to an important piece of work led by UK Sport, which has recently launched a new toolkit for assessing events. From now on, and as part of implementing the strategy, we will refer our events to the new toolkit that has been developed. We are confident that that will enable us to compare the impact of various events more effectively and consistently.

[66] I ategu'r pwynt a wnaed gan y Gweinidog dros Dreftadaeth, mae Cymru wedi newid yn sgîl digwyddiadau, ac mae prawf y Llundw yn enghraifft dda iawn o hynny. Efallai na fyddai neb wedi rhagweld, ddegawd yn ôl, y byddai Cymru yn croesawu prawf y Llundw. Gellid dadlau ei fod hefyd wedi newid y ffocws ar griced yng Nghymru, o'i gymharu â'r ganrif a mwy y bu criced yn cael ei chwarae yng Nghymru. Erbyn hyn, gellir cynnal digwyddiad mwyaf y gamp yma yng Nghymru, ac mae hynny'n gatalydd ac yn ffocws diddorol iawn ar gyfer rhaglenni datblygu criced ar draws Cymru. Mae'r cyfle yn amlwg. Rhaid uno gwahanol adrannau polisi a dylai'r Llywodraeth a chyrff allanol sicrhau ein bod yn gwneud yn fawr o'r cyfle.

To add to the point that the Minister for Heritage made, Wales has changed as a result of events, and the Ashes test match is a very good example of that. Perhaps no-one would have predicted a decade ago that Wales would be welcoming the Ashes test. It could be argued that it has also changed the focus on cricket in Wales, compared with the century or more in which cricket has been played in Wales. Now, the sport's biggest event can be held here in Wales, which is a very interesting catalyst and a focus for cricket development programmes the length and breadth of Wales. The opportunities are clear. We need to align the various policy areas, and Government and external bodies should make the most of these opportunities.

[67] **Mohammad Asghar:** My question is about the legacy of funding. After the Olympic Games and the football World Cup, the Ryder Cup comes in at No. 3 in the world. We know that the first Olympic gold medal won by a Welshman was for the long jump in 1964. What is his legacy? There was also Colin Jackson, a world-class hurdler, but he had no legacy. With Calzaghe, or with football, what is the legacy? Anyway, my point is that the Ryder Cup alone has given the American economy a boost worth £55 billion. Have you made any strategies in relation to that? We have heard how the Ryder Cup legacy fund aims to sustain increased participation after the event. What systems and funding are you putting in place to ensure that there is a post-event programme to ensure that the participation associated with other events is maintained? After the Ryder Cup, what will happen to the legacy funding?

[68] **The Deputy First Minister:** As Alun Ffred has mentioned, the major success of the Ryder Cup is that we are already seeing some of the benefits. Wales has already improved its capacity for golf tourism. I have seen that at a local level. There has been increased participation and more visitors coming to play golf in Wales. I always felt that, whenever you visited Ireland, you would find literature about golfing holidays in Ireland, and we knew that

there was equal potential in Wales. Although we are not absolutely there, there has been a substantial increase in the profile of golf and in holding events in Wales. So, we are confident that the Ryder Cup has already brought benefits to Wales. I have visited a number of golf courses where the number of young people taking part has increased substantially. There is a lot of interest around it. We are fairly confident that golf, post Ryder Cup, because of the enormous coverage that it will get, will be successful.

[69] So, with regard to the legacy for golf, we are fairly sure that it will provide a substantial boost. I think that Alun Ffred is right in saying that that event is probably unique in its global reach and impact. The reality is that if you cannot do it with the Ryder Cup and golf, you could not possibly do it with anything else. So, there is a real opportunity there.

[70] The other point that I would make is that there will be a legacy in relation to golf, but there also must be a wider legacy perhaps around the tourism market and Wales as a tourist destination. People will see Wales highlighted and showcased and we will have a global reach that we have not had before. That was clearly one of the benefits that we saw from the Ryder Cup held in Ireland and, as you indicated, in the United States. If you have a mega event such as the Ryder Cup, there will inevitably be wider requirements to deliver it that go beyond the sport itself, such as the transport logistics of hosting such an event. So, there will be a substantial legacy in improvements to the transport infrastructure. Newport station is an example of that, as are the improvements to the M4. An enormous amount of effort has been put into transporting people to that event, which has highlighted to us wider infrastructure constraints that we need to address.

[71] So, with regard to the Ryder Cup, there is the golfing legacy, the tourism legacy, the raising of Wales's profile on the international stage, and transport and infrastructure improvements that will be a good investment for the future.

[72] **Alun Ffred Jones:** May I correct myself, Chair? I think that I got the years wrong. The economic impact of golf tourism for Wales in 2009 was £35 million, which represents an increase of 18 per cent on 2008.

[73] **Mohammad Asghar:** I will just mention the names. If you want to create a legacy, you should bring in the people who contribute to that sport. I have not seen Ian Woosnam anywhere yet. He won the American golf tournament—the US Masters—and people such as him should be here giving us evidence as to what can be achieved in golf.

[74] **Sandy Mewies:** That is a matter for the committee and the Chair, rather than the Minister.

[75] **Mohammad Asghar:** It is not for the Ministers to work out, Chair.

[76] **Sandy Mewies:** I agree with you. It is a matter for the committee and the Chair. Perhaps we can discuss that later.

[77] **The Deputy First Minister:** I can say that Ian Woosnam is involved in the work that we are doing with the Ryder Cup. That was an opportunity that was too good to miss.

[78] **Sandy Mewies:** I am sure. There is time for some very quick questions. Alun, can you please ask question 8 quickly?

[79] **Alun Cairns:** In what ways do you consider that Wales's capacity to hold major events is limited and where do you see the priority in developing these limited areas? I will couple that with a question on capital facilities. We do not have a multipurpose facility; we have a fantastic stadium in the Millennium Stadium, but, when it comes to attracting other

major events, we do not have a multipurpose hall, with sports units and function units. Do you see that as a major barrier to attracting events?

9.50 a.m.

[80] What is your policy in relation to revenue support for organisations? Glamorgan County Cricket Club stated in its evidence to our last meeting that the England and Wales Cricket Board simply makes a financial calculation to decide who should win test match status. Whoever bids the most gets it. So, sometimes, a small amount of revenue support can bring much larger benefits. As Roger Lewis from the Welsh Rugby Union said, £40,000 is roughly the tipping point with regard to whether it is worth opening the Millennium Stadium. The case was put that, for a relatively small amount of money, it could be opened for more events, which would benefit Cardiff as a whole, while the cost to the public purse would be relatively small. So, the multiplier effect would be great but the investment would be small. So, can you couple that with the issue of where we are limited?

[81] **Alun Ffred Jones:** Infrastructure is certainly a limitation in Wales. I think that you are probably right in your analysis about a multipurpose hall. With regard to revenue, we have to be careful. I do not think that it is the intention of the major events unit to finance in an ongoing fashion any organisation; it would be wrong to do that, and we have to be very careful with public money. We must also be careful as there is a bidding war going on across the world and, when you could be spending an awful lot of money, you have to be very careful about what you get for that money. I say that while acknowledging that that is the name of the game. That is why the Government backed the Ryder Cup. It is a huge financial undertaking, but the Government thought at the time that the benefits would outweigh the cost. Time will tell.

[82] **Alun Cairns:** Does the Assembly Government have a policy on when it will use public money to support an event and when it will not? That would at least allow governing bodies to judge whether it was worth pursuing an event.

[83] **The Deputy First Minister:** Yes, that is the case.

[84] **Mr Emyr:** What the industry said to us in the workshops that we mentioned is that it does not want the major events unit to become a recurring grant-giving body. It would prefer us to be positioned as a strategic sponsor, so our role is time limited. That in itself frames our involvement in and engagement with events.

[85] **Christine Chapman:** I want to ask about spreading the impact of major events across Wales. In its paper for the committee, the Welsh Sports Association stated that, where feasible, events should be geographically spread given that the economic impact on any area could be considerable. How do you intend to address the focus of major facilities in south Wales? The Welsh Sports Association highlighted an opportunity for north Wales to gain a temporary 50m pool as a result of the Olympic games. Would you support that?

[86] **Alun Ffred Jones:** I am unaware of that plan for a temporary 50m pool. However, it is the unit's aim to bear the geographical spread in mind. I think that is important. Given the natural pull of Cardiff and its environs because of its facilities and size, it is important that we seek opportunities wherever we can elsewhere in Wales.

[87] **Mr Emyr:** It will not be a surprise to you that, when it is published for consultation, the strategy will contain a reference to Wales's outstanding natural environment and the opportunities there for developing major events.

[88] **Mr Evans:** A specific action that we are proposing as part of the draft strategy is to

set up a ring-fenced budget to develop growth funds outside Cardiff and the main urban areas. Arthur and I have spent quite a bit of time in north-west Wales recently exploring opportunities there. That work will be ongoing over the coming months.

[89] **Sandy Mewies:** You are not forgetting north-east Wales, I am sure.

[90] **Mr Evans:** No, we are not forgetting north-east Wales.

[91] **The Deputy First Minister:** There was a lot of talk, as I am sure that you will remember, Sandy, about developing rugby in north Wales. The development between the WRU and Conwy council, for example, in that area shows that if you can get a good collaboration between a sport governing body and a local authority you can develop facilities. We hope that that would lead to a team that could compete at a certain level in rugby in north Wales and then, perhaps, at some stage in the future, to thinking about a region, in which case the stadium in Wrexham would come into play. So, we want to see the lead in those areas where the governing body is strong enough to take that lead. We all welcome those sorts of events to develop rugby in the north and we know that, in time, if they are successful, that will lead to more facilities in which to play rugby and a higher standard. So, there are some interesting and encouraging developments that we should applaud.

[92] **Sandy Mewies:** I think that you are right. It is timely that you mentioned the natural resources of Wales. That point has been made in relation to water activities and so on several times during this inquiry.

[93] **Eleanor Burnham:** Roger Lewis, of the Welsh Rugby Union Group, told us—as I am sure you know—that he was hopeful of closing a deal with the London Organising Committee of the Olympic Games, which could involve hosting 12 to 15 Olympic international soccer events in the Millennium Stadium. Can you explain how the Government has been supporting those negotiations? If those events go ahead in Wales, how will their longer term impact and legacy be maximised?

[94] **Alun Ffred Jones:** There have been ongoing discussions between the officials in the major events unit and the WRU and LOCOG. I am not sure whether we are in a position to say anything other than that. However, the unit has been actively involved.

[95] **Mr Emyr:** The group's chief executive used the word 'traction' in his evidence, and we would agree with that description of how those discussions have been progressing. There has been considerable traction.

[96] **Sandy Mewies:** Bethan, would you mind asking the last question, question 11? We have had a lot of messages in this inquiry, and I want to ensure that we give you the opportunity to address as many as possible.

[97] **Bethan Jenkins:** In your written evidence, you referred to the events budget of the major events unit and the Department for Economy and Transport. Could you outline your plans for these budgets for the forthcoming few years? I think that Gwilym Evans has touched on the budget situation already.

[98] **The Deputy First Minister:** Obviously, budgets are quite a delicate matter at the moment, as you can imagine, and various discussions are going on. We do not know yet what the budget for the Assembly will be in the next comprehensive spending review round, which will be for 2011 to 2014. However, the intention is that the major events unit will have a budget commensurate with the importance that the Government attaches to it and in line with the budget that similar bodies have in Scotland and in some of the regions of England, which have been successful. So, it will be of that order. I do not think that we are in a position to

give a figure now, because that is a part of the negotiations internally. You will already have seen from the evidence the kind of budget that is currently allocated, which, I admit, includes funding for the Ryder Cup, which is time-limited. However, we want the major events unit to have a budget that will enable it to compete with other similar bodies in attracting events to Wales.

[99] **Bethan Jenkins:** I have one final question on that. You established a company for the Ryder Cup. Would you like to do that more often in the future? So, the budget of the major events unit might be smaller but you would create more companies that would be outside Government control.

[100] **The Deputy First Minister:** There has been a lot of discussion about how the unit should be structured. Some people have expressed the view that it should be an arm's-length body outside Government, while others think that there are major benefits to being a part of the Government, because then the unit can strategically place itself within Government and can tap into resources that might not otherwise be available. I was not a part of the discussion that led to the creation of the company that set up the Ryder Cup. Would anyone else like to comment on that?

[101] **Mr Emyr:** There were certainly VAT advantages to that. Gwilym, do you want to expand on that?

[102] **Mr Evans:** That was one of the primary reasons. Another reason was that, at that time, back in 2002, no major events unit existed. Ministers were keen to explore all options for delivering the Ryder Cup, which they had just successfully bid for. Arthur has just mentioned the VAT issue.

10.00 a.m.

[103] Another issue, as you have probably gathered through your discussions with Rob Holt and John Jermaine, is that the Ryder Cup operates in an almost purely commercial market. It is allowed to generate its own income from sponsorship, which it would be difficult to do within Government. We do not have the mechanisms to enable us to do that. Similarly, you will be aware that although Ryder Cup Wales 2010 Ltd is not delivering the event itself, it is delivering a whole host of golfing events around Wales—I think that there are around 60 so far. The Assembly Government is not in the business of delivering golf events, so it was those three reasons that prompted Ministers at the time to agree that having an arm's-length company was the correct way forward.

[104] **Alun Ffred Jones:** It is worth emphasising again that, with the Ryder Cup and the Ashes, there was a partner out there who was leading and putting a great deal of money into the event—Glamorgan Cricket is a private company in a sense, therefore, it is vital that those partners are leading the way. Although, the major events unit hopefully will be proactive in seeking opportunities to attract major events, we always need partners out there who are taking the lead. We cannot pretend that the major events unit will, somehow or other, organise events throughout Wales. That would be the wrong approach entirely.

[105] **Mohammad Asghar:** Could I ask a brief question?

[106] **Sandy Mewies:** It will have to be a very quick question and a quick reply; I have another Minister waiting.

[107] **Mohammad Asghar:** I am pleased about all these efforts that you are making on major events, but how much influence does the Welsh Assembly Government have on these private companies in relation to these major events?

[108] **The Deputy First Minister:** I am not sure whether ‘influence’ is the right word; we prefer to think of it in the context of a partnership and working with them. There is a great deal of that going on. I know that there was a lot of discussion with Glamorgan Cricket about the Ashes and with golfing organisations on the Ryder Cup. We have strong relationships with the Welsh Rugby Union and the Football Association of Wales. That is the key; we would not be able to deliver these events without that strong relationship.

[109] **Sandy Mewies:** Thank you very much. There have been very useful contributions this morning. Some positive messages have come out in this inquiry, which has proved very interesting. Draft transcripts will be sent to you and, who knows, perhaps the report that this committee produces will be part of your consultation strategy.

10.04 a.m.

Craffu ar Waith Gweinidogion Ministerial Scrutiny Session

[110] **Sandy Mewies:** We will move swiftly on to the next item on our agenda. I welcome Carl Sargeant, the Minister for Social Justice and Local Government, Jo Jordan, head of the community safety division, Paul Dear, head of the Communities First unit and June Milligan, who is the director of the Department of Social Justice and Local Government. Members will see that these portfolios represent the issues that we expect to cover today.

[111] Questions have not been allocated, but I have suggested that we try to keep the running order as orderly as we can and move forward in that way. With that in mind, I will ask the Minister to introduce his report.

[112] **The Minister for Social Justice and Local Government (Carl Sargeant):** Thank you, Chair, for the invitation to attend committee this morning. As you are aware, I am relatively new to the post of Minister for Social Justice and Local Government. It is a very broad portfolio. There are many challenges that will face us in future. We can give you a flavour of what is in the portfolio, but we are happy to take general questions. The finance for the two issues—the local government agenda and the social justice agenda—will be a challenge for us all in future. It is something that we need to work through together to find ways of delivering services better and differently in future. I am happy to take questions, Chair, on any of the specific subjects in the portfolio.

[113] **Sandy Mewies:** Thank you very much. If Members do not mind, I will ask the first question, which is on financial inclusion, in which I have a particular interest. We are beginning a new inquiry into financial inclusion very soon. What progress has been made so far in implementing the financial inclusion strategy and the accompanying action plan?

[114] **Carl Sargeant:** It is interesting. The financial inclusion strategy is a key part of the portfolio. The strategy focuses on five specific themes: access to mainstream financial services, the provision of affordable credit and savings, improvement of access to financial and debt advice, income maximisation, and, finally, the improvement of financial capability. We are establishing the financial inclusion strategy with links to the credit unions, which is a very important part of the strategy. It builds on the foundations laid by the inquiry into overindebtedness that was undertaken a number of years ago.

[115] We are doing some interesting work on the key areas that I am keen to progress, such as free-to-use ATMs. As you will be aware, there has been some progress on that and we are setting a target to deliver more free ATMs in communities. It is a huge issue in that people who are really struggling with debt and limited funds are having to use local ATMs and there

is a cost for the withdrawal—when they take out £10, for instance, it costs them £12.50. After a couple of transactions, that is a significant amount of money. I am pushing that agenda of how we can support the roll-out of free-to-use ATMs. The principle of ATM control is with the banks, but I think that we can go a long way by pushing that agenda forward.

[116] Another subject that I know that you are very keen on, Sandy, is financial literacy in schools. I know that you did a project with the north Wales financial consortium—I cannot remember the chap's name now.

[117] **Sandy Mewies:** It was Les and he is coming in to speak to us.

[118] **Carl Sargeant:** Great. I know that you have done an awful lot of work around that and on participation by young people. Having that knowledge of financial literacy is very important to us all and that is part of the strategy as well.

[119] There is another interesting programme that is being rolled out. One of the problems with financial management and literacy is the jargon that is used by people who are in that financial zone. There is a programme called Money Made Clear, run by the Financial Services Authority. It is impartial and jargon-free so that people can understand the documentation, and free advice is being rolled out to people right across Wales. That is a really good programme and you might like to have some evidence from the FSA.

[120] **Sandy Mewies:** We have invited the FSA to come in. Joyce?

[121] **Joyce Watson:** I do not want to ask question number 3, I want to move on; I want to ask question number 7.

[122] **Sandy Mewies:** Are there any questions on this issue particularly?

[123] **Eleanor Burnham:** This is brilliant. I agree with you, Minister. In our local post office in Rossett, I am astounded by how much it costs to withdraw money. Forgive me if I am wrong, but I think that the charge is more than what you—

[124] **Carl Sargeant:** I think that it is variable.

[125] **Eleanor Burnham:** Yes. I am absolutely delighted by what you said and I hope that we will have financial literacy because I agree with Sandy, our Chair, on that. When I used to deal with kids who were excluded across north-east Wales, this is one of the issues that we used to discuss. This is important when you look at loan shark activity and the fact that people do not know the difference between a 2 per cent annual percentage rate and 2,000 per cent.

10.10 a.m.

[126] I would like an assurance from you, Minister, that you are doing your best to push this issue with Westminster, so that the activities of loan sharks are eventually outlawed—which I thought had already happened—because people do not understand about the APR. I think that that is very important. I hope that you will be able to do some work on that.

[127] **Carl Sargeant:** There are two issues. The ATM issue is that the rates vary. It is down to the individual company, but I am committed to pushing the agenda to have free-to-use ATMs right across Wales. Currently, an additional 144 have been installed, I think, and an additional five are going through the planning process. So, it is really important, and at the very least, people should be aware that a charge is involved when using these machines, because sometimes they will put their card in the machine and take some money out, and will not realise until it is too late, after they have pressed the button. So, it is a matter of

understanding which machines are free to use and which machines are not. I think that it is the Link system that has developed this free-to-use ATM system .

[128] To deal with money-lending, APR, and the way these operations work, we have put some money into the legal money-lending unit. We are clear about outlawing these loan sharks. It is something that the Assembly Government, in co-ordination with the UK Government, is progressing, Eleanor.

[129] **Christine Chapman:** I want to move on to the issue of post offices, because I think that all Assembly Members will have been involved with people working in the post offices. Minister, can you say something about how the diversification fund is working? We are in a time of change as far as post offices are concerned, so what is the Welsh Assembly Government doing to strengthen the role, to give some clarity on what post offices can offer to communities? We feel that post offices should be at the heart of our communities, so can you say something about what work has been done in your department?

[130] **Carl Sargeant:** The roll-out of the post office diversification fund has been very successful. I am just looking through my papers to see whether I can find some figures for you. We have approved 140 grants under the post office development fund, with a total value of £2.7 million, which is a significant amount of money, to change the operation of post offices and make them viable for our communities. I fully support your recognition that the post office is the hub of many a community. I have had some great opportunities to visit some of the projects in action. In Sandy's constituency, one has opened in Caerwys—is it at the local butcher?

[131] **Sandy Mewies:** It is a butcher's shop/delicatessen.

[132] **Carl Sargeant:** It has allocated some space, and we have supported that scheme. That opens tomorrow. Yet again, it is about different ways of operating, and it is a great sign of where we in the Assembly Government and those in local government want to be as regards doing business differently. So, the diversification fund has been a great opportunity in delivering that.

[133] We are also currently looking at a further 27 bids of under £5,000, which does not sound like a lot of money to change the operation of a unit, but it will be significant in ensuring that the post office facilities in these local communities are there for a lot longer. It gives the communities an assurance as to the operation of the post office, as it makes them much more viable.

[134] We have spent quite a lot of money on this. It is one of our 'One Wales' commitments, and it is something that we are keen to pursue. Perhaps my officials want to make some further comments on this.

[135] **Ms Milligan:** If it would be helpful, I have some of the results from the evaluation of the post office development fund that was expanded into the diversification fund. The development fund only operated in 125 communities, involving the most isolated post offices. That has been evaluated, and what we are looking for in the programme's success is the network coverage, so, it is not actually about individual communities, although the impact on them can be great. It is about the expansion of the network. We found that none of the 99 post offices that were funded through that first phase have closed, other than in the planned overall closure schemes. That development fund created 18 new part-time jobs from 99 financial awards.

[136] Year 1 has already created 112 jobs from 140 awards. What is quite interesting from the development fund evaluation is that 96 per cent of those post offices that were funded

improved access or facilities during the time period, compared with 34 per cent of non-funded post offices. So, there is a significant difference there. Ten per cent of them introduced debt advice, and 20 per cent introduced internet or IT access, none of which happened in non-funded post offices. So, it is quite a strong story of the evaluation of the development fund, which led to the move to the diversification fund.

[137] **Carl Sargeant:** One of the positive messages from postmasters and postmistresses about the diversification fund is that the changes have set a much lower level of access. The other fund was set at around £50,000, and it was too much for businesses to take on board—they could not spend up to that amount of money, which sounds bizarre but it was quite a task. So, we brought down the threshold, which allows much more access. I was in Oscar's region in Llanishen two weeks ago visiting a post office, which is also used as an internet hub and café, so it has footfall not only for the post office, but for internet usage. It is a great community asset; it has changed the dimension of that post office and given it viability for the future.

[138] One of Christine's points was about the UK Government and where we go. It is pleasing to see that the post office card account has been issued back to Post Office Ltd, which was a key part of securing its development and future. So, it is about working together in that regard.

[139] **Sandy Mewies:** Would it be possible to have a note on the evaluation figures that you gave? We do not always see the evaluation and it would be quite useful to see it.

[140] **Ms Milligan:** We would be happy to provide that, Chair.

[141] **Sandy Mewies:** I know that there have been discussions in the past, but are there ongoing discussions with the UK Government, Royal Mail and the Post Office regarding the future of the post office network in Wales?

[142] **Carl Sargeant:** I have been in touch with the Minister in Westminster. I wrote to Lord Young, the Minister for post office services, to give the Assembly's response to the consultation on the post office's banking services. So, we are in consultation all the time, but I am aware that Brian Gibbons, the previous Minister, and Leighton Andrews met representatives of Royal Mail and the Post Office group in previous times. So, we are in constant discussions with Westminster. We are pushing an open door, really, because Westminster recognises that the post office is an important part of the community, as does the Assembly Government, and I have made that very clear in the letters that I have sent to Westminster.

[143] **Eleanor Burnham:** As for some of the very vocal communities that were pushing what was not an open door in their attempt to save post offices, is there any possibility of resurrecting some of the post offices concerned if the community could get together to keep them open? I went to a meeting in Llandudno, where the post office at the bottom of the hill was to close—I will not go into detail about where it was—and the one at the top of the hill was to be kept open, which means access problems for people who have any mobility problems or who are older. I am sure that the people there would love to reopen their post office. We have a general election coming up, so that might put it off, but how does Royal Mail now feel towards aggrieved communities? We had a Royal Mail representative at most of the meetings that I attended, which were very vocal and very sad.

[144] **Carl Sargeant:** The closure of any local service provision is always emotive. I was speaking to a postmistress who said that if everyone who signed the petition opposing the closure of the post office had come in and bought a stamp every week, she would still be open. So, it is about the viability of some areas. However, I accept that post offices are missed

in some areas. There are more online transactions now, but that is not for everyone, and therefore the post office is valued. The Post Office will make its mind up as to whether there is need for a service and whether it would be viable. Once that is established, if there is a need to apply to the diversification fund to enhance the facility, I would look at that. However, the need basis would not come from me.

10.20 a.m.

[145] **Eleanor Burnham:** Briefly, that was the whole point. It was not shutting post offices in places where the service was not viable; it was doing it because it was its programme. That was the issue, and I am sure that, as the Minister for social justice, you will be keen to take that on board.

[146] **Carl Sargeant:** I am aware of the process that took place, but I refer you back to some of the issues that were raised with me. A post office in my constituency told me that it had a petition signed by hundreds of people but if every one of them had spent a pound in the shop each week, the post office would not be in the position that it was in. There are swings and roundabouts to this, but I accept that, on the basis of need in some communities, closure would be a choice, but that is probably beyond my control.

[147] **Sandy Mewies:** There was also an issue in that some postmasters and postmistresses wanted to go, which was not a publicised fact.

[148] **Eleanor Burnham:** That is why I did not go to a particular post office in an area where my mother used to live, because the guy had made no effort. I had been there over the years to—

[149] **Sandy Mewies:** Okay. Bethan has question 6.

[150] **Bethan Jenkins:** I want to turn to income maximisation and benefit take-up campaigns, which vary across Wales. You have given evidence about the work of Neath Port Talbot council with its welfare rights unit. I know that it is only a small unit, but I have seen it work successfully. Is the Government working to use that as a model for other parts of Wales? Are you looking to marry that more closely to the financial inclusion agenda? If people are aware of how to access the money they can claim, that might help to educate them as to where they can move forward. Can you give us an update on that?

[151] **Carl Sargeant:** It is an important strand of the financial inclusion strategy for Wales. It is one of the five key themes that I mentioned in relation to income maximisation. In 2006-07, £1.5 million was made available to local authorities to fund council tax benefit take-up programmes. This was intended to increase take-up among those who are probably the most vulnerable and who were missing out on in the first place. So, we have started that work. I recently saw a submission to take the work further, so it is something that we are pursuing. Other than the council element, we have rolled out Citizens Advice's Better Health, Better Advice project, which involved contacting 52,000 people in Wales. Again, this targeted the people most in need of benefit take-up. All local authorities take part in that Citizens Advice project.

[152] If I have a concern about our programmes, it is that we tend to have lots of duplication and lots of people doing the same thing. I do not think that that is a good place to start. I have asked local authorities to check what benefits advice is available in their areas; for example, it does not have to be what is available in Gwynedd as a whole, but what is accessible to people across the region, by phone or otherwise. It is about what benefit advice is available, because it is important that we reduce the duplication in order to give people a better service. We can concentrate our efforts better there. So, I am looking for a progress

report on how local authorities deliver this advice. I know that the Assembly Government, as am I, is keen to ensure that people who are entitled to benefits know about them and are able to access them. Also, there should be a better way of distributing them; it should not be based on applications. There should be other methods, through which benefits come automatically.

[153] **Bethan Jenkins:** I have a brief question on this point. I know that Citizens Advice has been given the role of disseminating the work for disabled children and financial inclusion in that regard, but I know that many smaller charities have contacted me because they are not aware of the work that Citizens Advice is doing and are not included in the work that it is trying to roll out across Wales. Is that something that you intend to look at? I did contact the previous Minister about this particular issue.

[154] **Carl Sargeant:** The issue is one of a one-stop shop and hoping that it fits all requirements. That is the ideal scenario. It works well in most areas, but there will always be some hiccups along the way in disseminating the information. Citizens Advice is a well-known organisation across Wales. There will always be some organisations that are not delivering the services that, perhaps, it thinks they should be delivering. It is a matter of balance as to who can deliver the service better. That is why I mentioned the duplication of benefit advice—everyone wants to do it, but some people are much better at doing it than others. It is a matter of the delivery mechanism. I think that there are some issues, so I will certainly look at that with Citizens Advice, and perhaps I could drop you a note on that through the Chair.

[155] **Sandy Mewies:** It would be useful if you could.

[156] I know that you are aware of my interest, along with the Royal National Institute of Blind People, in specialist advice for people who are partially sighted or blind. The RNIB quite rightly says that, for some reason, most local authorities do not recognise blindness as a serious disability, which is a bit odd. I agree with you that there is an overlap and there has to be a focus on who can best deliver, but will the work that you are doing encompass the groups that Bethan talked about and bodies such as the RNIB, to ensure that that sort of specialist advice is available and delivered in an accessible way? You heard the RNIB saying that one of the problems is that if you go into a local authority office, you will find that there are booklets and so forth that are of absolutely no good to you if you cannot read them. Perhaps you could take that on board.

[157] **Joyce Watson:** Income maximisation is the key to getting some people out of poverty. I am really pleased to see that we have provided £1 million a year until next year to help people maximise their benefits. If people maximise their benefit, they will then support small post offices because they will have extra money in their pockets. That is a fact of life. On benefit take-up, we all receive a bill that tells us that we have to pay, quite rightly, our council tax. Surely it is not beyond the wit of local government to include a note that states that, in some cases you might be entitled to benefit because of x and you might fall into this or that category. When we are talking about duplication of effort, surely that is not beyond the wit of local government.

[158] We also have newsletters—propaganda material from local government, with nice big smiley photographs in them. If they reduced one of the photos and put a prominent message about entitlements, perhaps that would be a good use of taxpayers' money. As Minister for local government, will you look at local government playing what is a significant and clear part in informing people, in some of the ways that I have described?

[159] **Carl Sargeant:** Yes. You raise a very important point, Joyce. It is about the message and people getting to understand that benefit advice is available.

[160] The RNIB was a great example, Sandy. I cannot remember the exact figures, but I think that for every £10 spent on benefit advice, it brought £100 back in the form of benefits for the needy. The money allocated to each local authority, Joyce, is given to them on the basis that we need to understand how they are delivering. We have just had the first numbers back. I do not have them available to share with you today, but there are examples of good practice in how local authorities have used this money in various ways.

10.30 a.m.

[161] One of the areas highlighted has been leafleting. Some authorities have been including leaflets with council tax bills, which is probably good practice. There are 22 different methods of delivery of this service, which is not surprising. I have asked my officials to look at where this is best delivered, so that we can try to get some formality around this. Perhaps a line could be included at the bottom of the council tax bill—I do not know the complexities of how those bills are designed, but I do not think that that would be beyond anyone's wit, as you say. Certainly, some authorities have taken that up, and some have not.

[162] The point on the RNIB is important. People do not realise the specialist knowledge that is required to give benefit advice. That came home to me when I met someone who told me that she was having trouble with her sight and that she had not gone out for two years. Every time she went to the bank, she could not withdraw money because she could not see the numbers on the machine to type in her personal identification number and shops would not allow her to purchase goods because she could not pay using the card machine, because she could not see the numbers. So, that lady became a recluse, which really brings this issue home. Another example is a lady who ate only cereal because that was the only food she could identify for two years.

[163] It is an appalling state of affairs, and that is why benefit advice should be tailored appropriately and why we should avoid duplication. It is nice for everyone to give benefit advice, but we need to narrow the scope so that specialist advice can be given to people who need it and we should provide the generic stuff through a dedicated line. We need to consider that because the costs of duplication are enormous. We need to narrow the scope so that we give a good service to the people who need it.

[164] **Sandy Mewies:** We need to move on. Joyce, I believe that you want to ask a question on credit unions.

[165] **Joyce Watson:** Credit unions have been very much at the forefront of thinking and delivery in local government. In what ways is the Welsh Government continuing to encourage the development of credit unions in Wales, and what plans does it have to continue that support?

[166] **Carl Sargeant:** It is a Welsh Assembly Government commitment to support credit unions across Wales. It is part of the financial inclusion strategy, and it is about giving people somewhere safe to save. They have an ethos around saving and borrowing at reasonable rates—we touched on loan sharks earlier—and they can be run by the community. So we are keen to encourage them. Projects in Wales received £4.5 million of European funding under Objective 1 and 2 programmes; we are providing match funding in Wales, so that we can retain the wealth of the community through credit unions in Wales.

[167] We are supporting credit unions through what I think is called the credit union strategy—no, it is called the credit union action plan. We have many strategies. That is being established at the moment; I have seen a draft and I am keen to pursue it. Credit unions are quite difficult to establish in some areas. There are vast areas in Wales where we just have lots of land and sheep, and sheep do not save. This is about trying to get people to use credit

unions. One of my main objectives is to get credit unions into schools so that we can get young people involved. So, one of our programmes is trying to push that, and I have asked officials to lead on that. If we can get young people to understand financial literacy and inclusion and safe saving, that can change communities. They can learn the ethos of managing money and avoid getting into debt. There are many people with millstones tied around their necks because of debt. We should not be in that position.

[168] **Sandy Mewies:** I will take two very short supplementary questions; Christine is first.

[169] **Christine Chapman:** I cannot remember the exact figures, but in 2000 I think that there were something like 10,000 members, and now there are 50,000. There has been a big increase in membership in Wales, which is great. My question is about trying to mainstream the ethos of the credit unions. They are an ideal way for young people, in particular, to start saving. When I was younger we had chapel and church banks through which young people would save, and it is time to replicate those, because young people are not saving as much now. Credit unions are a really good initiative, and we are moving in the right direction.

[170] **Carl Sargeant:** Again, part of my agenda is changing the ethos. One of the projects that we funded in schools was CU@theCU, which is text language, I believe. That is something—

[171] **David Lloyd:** That was text language, was it?

[172] **Carl Sargeant:** Yes—texting literacy, I believe it is called. We are keen to promote credit unions. June has some more details on the strategy, if that would be helpful.

[173] **Sandy Mewies:** If you could send that to us as a paper I would be grateful. We need to move on, because we have a load of issues that we need to get through.

[174] **Eleanor Burnham:** You know, Minister, that there has been concern about Communities First programmes, and you kindly gave us a statement in Plenary this week about one particular programme in the Wrexham area that has not gone quite according to plan. I think that now is the time to put the money into the local authorities; they are transparent, and we can keep track of the spend more easily. Also, they know what is going on in the area—unfortunately, in the Communities First programme that I referred to, no-one has been able to assess whether the money has been spent effectively, and the council does not really know what the partnership was up to. What do you hope will come out of all this? Also, how is your outcomes fund likely to make a difference to the work of the Communities First programme?

[175] **Carl Sargeant:** We cannot take a view on a single partnership and say that it applies to all partnerships across the board. I do not accept that. What is important is that Communities First projects across Wales—as many Members will have seen, including me—have made a real difference to communities. Please do not think that I am making a party-political point, but I grew up in the late 1970s and early 1980s and I remember the heart being ripped out of my community when the steelworks closed. I make no bones about that—the fact is that 13,000 people were made redundant in a single day. That was replicated across Wales in the steel and the coal industry. We cannot get away from those facts. The Assembly has since been created, and we are picking up the pieces of these communities and these lives through the Communities First project. Someone has to make a stand and do something, and we have done that with Communities First projects, so I do not accept that we are not making a difference in these communities—we are.

[176] There is a lot of variation in the governance and financial capabilities of these units. The project as a whole has to carry some risk—that is life. We are going into the most

deprived communities in Wales, and asking community members who have been lifted up from probably the lowest point of their lives to look after significant amounts of money. We have to put in place a regime and a governance plan that is tight; we must allow people sufficient flexibility to work, but also comply with the Nolan principles on public finance and services. On the audit position, all the documents that have been produced have been done in agreement with the Wales Audit Office. It is not that the Assembly Government has just designed this from scratch and suddenly announced that this is the way forward. This has been done in agreement. I think that there are clear loopholes in the current set-up; it is a fact of life that if there is a rule, people will find a way around it if they want to. The issues for me are how we tighten up that audit procedure to test partnerships and how we provide support and governance advice for these partnerships so that they can take forward a programme that is very much needed. However, I do not accept that all partnerships are the same. I have asked them to provide me with evidence on the first part of the test by the end of the month, just to ensure that we can proceed with this programme, which has turned some communities around. There are long-standing problems that will take a long time to fix, but Communities First is a way to take that forward.

10.40 a.m.

[177] **Sandy Mewies:** I am going to bring in Joyce and then Oscar on this, but the clerk has told me twice to say—and I always do what the clerk says—that our financial inclusion inquiry does not start until 22 March. The point of my saying that is that I do not want to give Ministers wriggle room to say, ‘We’ve done that already’—in case you are invited in before us for that next time.

[178] **Carl Sargeant:** Okay. [*Laughter.*]

[179] **Sandy Mewies:** So that is on the record. The financial inclusion inquiry starts on 22 March.

[180] **Carl Sargeant:** Perhaps you should not ask me the question, Chair. If you ask me an inclusion question I will just say, ‘No. Ask me back’. [*Laughter.*]

[181] **Joyce Watson:** We have all seen the news, and we have all listened to your statement, Minister. I would like to congratulate you on being upfront and serious on this issue, because it is a serious issue. Everyone in the wider community has been somewhat surprised that, allegedly, public money has been used in a way that was not intended. You are new to the post, and I congratulate you on taking a firm but fair approach to this. I just wanted to say that first of all. We all know that Communities First is in its second phase, which is to assess what the first phase has delivered. So, in what ways do you think the outcomes fund is likely to make a difference? The whole idea of the outcomes fund is to make a difference in the second phase.

[182] **Carl Sargeant:** It is early days for the outcomes fund. I thank you for your comments. It is important that my response is transparent and robust. What happened in Plas Madoc is not acceptable there or anywhere else, and I will take that line all the way through, but let us get this into proportion.

[183] **Joyce Watson:** Exactly.

[184] **Carl Sargeant:** What happened with a small number of people, and a small amount of money in the context of the whole programme, was very clearly out of order, but let us not throw the whole programme out, because it is making a difference to communities.

[185] On the outcomes fund, it is a bit early to say how the programme will develop. Its

intention is to bring the partnerships and service providers closer together. There are a few examples of the outcomes fund. I think that Bethan talked about the welfare rights project in Neath Port Talbot. Perhaps Paul would like to make a few comments on the outcomes fund. That might be helpful.

[186] **Mr Dear:** As you say, Minister, it is relatively early days for the outcomes fund, which has been in operation this year. The fundamental difference it is making is in changing the relationship between the community partnerships and the service providers. That has been at the heart of the criticisms of the programme in recent reports on, to use the jargon, the programme-bending agenda. Many partnerships have struggled to get themselves into the position where they are credible and able to engage with service providers.

[187] However, the need to have a firm basis for establishing a genuine working relationship has required, to quote Professor David Adamson writing in the *Western Mail* earlier this week, a carrot-and-stick approach. There is a need for an incentive for service providers to work with these communities. The outcomes fund provides that. There is serious money there, and it is available only to the Communities First partnerships in that only they can bid for the fund. However, they must have credible partners in order to deliver. Not least, that establishes an extra level of assurance about the quality and value of the work being done. It is not only what community organisations themselves want, but what they have agreed with local authorities, health providers, the police or whoever as needed in those communities. That means that we are delivering additional benefits on the key issues that mean that the communities were deprived in the first instance. They are not side issues; these projects are not tinkering at the edges—they are mainstream projects.

[188] Frankly, it adds a layer of complexity to the process because we have additional requirements in affirming match funding and those sorts of things. It cannot be done overnight. I know that communities have been working hard with their local authorities and other service providers to bring the bids forward. There are examples in Neath Port Talbot, Newport, Cardiff and, increasingly, across the whole country of substantial projects that are not wholly reliant on Assembly Government money and that are genuinely developing those relationships with the service providers.

[189] **Mohammad Asghar:** Minister, I congratulate you on accepting that there are loopholes. You said that very clearly, and I acknowledge that courage. Communities First partnerships are located in the most deprived areas in Wales, and my region probably includes more than 10 per cent of those. I am glad that you have been to certain areas to see them for yourself. My concern is about the report that the auditor general produced last year. It mentioned that the programme is very ambitious, but that its objectives remain unclear. I would like clarity on two areas: the first is education, training and skills in those areas; the second is community safety, which is paramount. In certain areas, people live in fear and in poverty. I will touch on the poverty issue later, but I would be grateful if you could talk about those serious issues.

[190] **Carl Sargeant:** I am aware of the auditor general's report. I know that the Public Accounts Committee made reference to it recently, and I will be making a Government response to it shortly. I am pretty clear about the delivery that I expect of Communities First and, as I said earlier, it is not about my expectations; it is about those of the people who deliver it on the ground. There is an opportunity in this respect. The Plas Madoc partnership has put us in an unfortunate position, and we are addressing the whole issue of where we are with Communities First. I have written to every partnership across Wales asking for reassurance about their position and their financial and governance checks. When I receive those responses shortly, I will have a strong expectation that, where public money is being delivered into the partnership, the delivery of the service should be the key.

[191] We have to enable the people who run the partnerships—the boards and the voluntary workers—to make those difficult transitional community changes. These are very complex situations. As you said, these are some of the most deprived wards in the whole of Wales. Turning those places around is a bit like turning a tanker around: it takes a long while. There may be an expectation that if we throw money at it things will change, but that will not happen, I can assure you. The fact is that this is a long-term project, and I am committed to that.

[192] On the education and skills side, all the partnerships hold different challenges. I have seen some great examples of projects. I was in Trefethin in Torfaen the other week, and there were some really interesting projects there in relation to educating the young people and trying to break the link with unemployment. It was about giving people the right to live and to want to do something different from what they are used to. That is a huge challenge, and delivering that on the ground will require great skill. Those are life-changing issues. How do we measure the money put in against the output? You have a great financial background, Oscar, but I am struggling a little with that, because how do you measure turning someone's life around financially? That is really difficult.

[193] There are huge challenges, and I accept that there will be critics of the programme. I have personal experience from my partnership, where a lady—and she will not mind my saying this—came to me and said, 'Communities First saved my life'. I think that that is rather meaningful.

[194] On the element of community safety, I do not know whether Jo wants to—

[195] **Sandy Mewies:** I want to move on.

[196] **Carl Sargeant:** Sorry. I could talk for ages.

[197] **Sandy Mewies:** Well, we have a huge list of questions. Christine, you wanted to move on to the next question.

10.50 a.m.

[198] **Christine Chapman:** This year has been designated the European Year for Combating Poverty and Social Exclusion. Tackling poverty is a major part of the Assembly Government's agenda. I know that you are not just responsible for addressing child poverty, Minister, but I have concerns that it is still not seen as a mainstream issue. As this is such a huge part of the agenda for us, could you first say something about what your department is doing for the European Year for Combating Poverty and Social Exclusion? In addition, what is your department doing to galvanise the wider public, as well as local authorities, to understand the need to address this issue? If we could address this issue properly, we would not have as many problems in the future. This is about building solidarity.

[199] **Carl Sargeant:** We seem to separate different kinds of poverty into silos, do we not: child poverty, family poverty and so forth? Poverty is poverty, and it is an all-encompassing issue. However, there are areas on which we have to concentrate. The child poverty agenda lies specifically with my colleague, Huw Lewis, Deputy Minister for Children, and he is doing some remarkable work carrying through the agenda and making changes. He sees it as an all-encompassing project around the child, as a part of the family project.

[200] The Assembly Government supports the European Year for Combating Poverty and Social Exclusion 2010 and will continue to do so. In Wales, we see great potential this year for raising awareness, as you said, Christine, of issues faced by individuals and families. This is wider than any individual and has huge knock-on effects. It is about how we raise

awareness across the piece. Given some of the work that is going on, we have to learn from the best practices of other European countries. We have to look at what they are doing and how they are doing it. I am keen for my department, along with Huw Lewis, to bring something together in that respect.

[201] As for children in Wales, we have helped to secure funding from the Department for Work and Pensions to go towards an awareness-raising event in November. We are looking at providing funds for a joint event to be held by Save the Children and the Welsh Local Government Association. We want to bring a package together so that children and families are made aware of poverty issues. Meanwhile, the Bevan Foundation made a successful bid and was awarded £25,000 to develop a communication programme on poverty and social exclusion. So, we are moving in that direction.

[202] In Wales, there are some legacy issues relating to where we are. We cannot ignore this, but there is no quick fix and so we have to work on it by building these inclusive programmes. I want to see community cohesion generated, whereby people look after each other. We need that ability to care for each other. It is in us all, even a big softie like me. We need to work together. There is a lot to do in 2010, Christine, but it is not a quick fix, and this will give us an opportunity to raise awareness to move on.

[203] **Sandy Mewies:** We have five minutes left, and people know that I keep strict time. There are important areas that we have not covered. Do any Members wish to raise questions on new areas?

[204] **Joyce Watson:** The domestic abuse and end violence against women strategy that you are about to launch is very welcome. Like other people here—and Christine has been heavily involved in this area—I welcome, finally, a recognition of abuse that is wider than, but includes, domestic abuse. That is important because, otherwise, people remain vulnerable without being recognised as such, which is always dangerous for those people. So, what are the key priorities of the new integrated strategy to end violence against women, or EVAW, as I call it?

[205] **Sandy Mewies:** Minister, I ask you to keep your answer brief, please, because there are two further supplementary questions.

[206] **Carl Sargeant:** Thank you, Joyce. When I first took up this post in January, I said that one of my priorities was to tackle domestic abuse and violence against women. We must strive to stop it. We may be releasing the strategy some time next week—and that is hot off the press—so I do not want to pre-empt its contents here in committee. However, I will give you just a flavour. Some of the issues that we have strengthened and covered include a much stronger focus on BME issues, such as tackling forced marriage, honour-based violence, female genital mutilation, and trafficking. All that is in the programme. So, I hope that you will welcome that next week. I know that you have done a lot of work to address trafficking, which we have taken into consideration in formulating the strategy. If I may, I place on record my thanks to Joyce and Christine, among other Members, for their work to create a strategy that I hope is fit for purpose and that will move us forward.

[207] **Eleanor Burnham:** You may be able to give me a written answer to the question that I want to ask, which relates to the new criminal justice system. I read yesterday that the offender management service—and, forgive me, as I cannot remember the exact title—

[208] **Sandy Mewies:** It is NOMS, the national offender management service.

[209] **Eleanor Burnham:** Thank you. The question is about how that relates to the new all-Wales set-up in probation. I know that you do not have time now, but, with your indulgence,

could I have your view of the relationship and of how we can have a greater input to this, although it is not devolved? This is particularly important in light of the work that we have done on youth offending. The Chair knows that we have produced a comprehensive report and that many of us are concerned about these criminal justice issues.

[210] **Sandy Mewies:** Along with the new all-Wales probation service.

[211] **Eleanor Burnham:** That is what I just said.

[212] **Carl Sargeant:** That is quite an in-depth question, Chair.

[213] **Sandy Mewies:** If you could write to us, we would be more than happy with that.

[214] **Carl Sargeant:** I am more than happy to write you with the detail.

[215] **Bethan Jenkins:** I look forward to seeing the domestic abuse strategy. However, I come at this from a different angle, in a sense. Of course we recognise that many women suffer domestic abuse and many incidents go unreported, but my main concern, which I have not seen covered in previous strategies, is that many men are also wrongly accused, which can affect them for the rest of their lives. Although we have the Dyn project, there are questions about its capacity and whether the same investment has been made. There is also a question regarding the support mechanisms that are in place for men who may have a record. For them, accessing their children and services can be more problematic, as they have to go through the courts, social workers, and Children and Family Court Advisory and Support Service officers. I know that Gwenda Thomas is looking at this via the family justice board, but will you be looking at this agenda again? Issues will come to light that have not been seen in the past if this is not addressed seriously.

[216] **Carl Sargeant:** In the domestic abuse strategy, to try to tackle violence against women, we have tried to encompass many things. There is a lot of detail and it has a broad spectrum, which you will be able to see when it is published next week. I want to finish on an important note. Violence against women or men is unacceptable. That is the main thrust of the document. The numbers alone indicate that violence against women is increasing. We face a huge challenge, but this is an important issue that must be tackled. I will ensure that we push that agenda forward.

[217] I can see that you are looking at the clock, Chair, and hinting at me to shut up, but I want to make one final point, if I may. If there is anything that we have not covered this morning that would be useful for your inquiry, please write to me, and I am sure that we can drop you a note back.

[218] **Sandy Mewies:** Thank you. The range of questions that we have had shows what a broad portfolio it is. I am sure that we will invite you back, Minister, to discuss financial inclusion. However, we also have several others on the boil—

11.00 a.m.

[219] **Eleanor Burnham:** The justice?

[220] **Sandy Mewies:** We are not to say that now or I will have to say that on such-and-such a date, we will be starting this. Thank you very much for speaking to us today and for that offer. If there were any issues that Members felt they wanted to air, I am sure that they will let me know and we will write to you.

11.00 a.m.

Papur i'w Nodi
Paper to Note

[221] **Sandy Mewies:** I thank you all for attending. We have two papers to note. The committee's next scheduled formal meeting is on 22 April, when we will discuss the emerging themes and the issues of the inquiry into making the most of major sporting events. We will begin taking oral evidence on the inquiry into financial inclusion and consider the forward work programme for the summer term.

[222] **Eleanor Burnham:** Is that on a Thursday?

[223] **Sandy Mewies:** It is on a Thursday afternoon. I thought it would be. We alternate, do we not? Further details of next term's meetings will be sent to Members' offices as soon as possible. I know that it is important for everyone, but for those who have to travel long distances, it is particularly important.

[224] **Eleanor Burnham:** May I make a plea for us to start at 12.30 p.m. or at the very latest 1 p.m.?

[225] **Sandy Mewies:** I will be looking with great interest at the timings, Eleanor. I thank Members for all your work throughout the term. I also thank our clerking staff, Members' research service and our broadcasting and translation staff for their help. It is a joint effort and I thank you for being so helpful to me as a new Chair on this committee.

Daeth y cyfarfod i ben am 11.01 a.m.
The meeting ended at 11.01 a.m.