

Date: 28 November 2001, 2.00pm – 5.30pm
Venue: Committee Room 1, National Assembly Building
Title: STEEL COMMUNITIES STUDY: ACTION PLAN

Purpose

1. This paper encloses a copy of the Action Plan developed in response to the recommendations made in the Steel Communities Study commissioned from Cardiff University.
2. The paper and the Action Plan are provided for information, following a request from the Committee.

Background

3. The Welsh Assembly Government and its partners commissioned a multi-disciplinary research team based at the Regeneration Institute of Cardiff University to produce a report on the implications of the plant closures and redundancies announced by Corus earlier this year. The 3 volume "Steel Communities Study: Implications for Employment, Learning and Regeneration" was received in July, and has been placed in the National Assembly Library.
4. Policy Divisions across the Assembly, together with the WDA and ELWa, have considered the Study's 33 recommendations and the responses received have been developed into an Action Plan. This has been approved by the Cabinet Working Group on Corus and the Steel Executive Group and will now be taken forward by the Welsh Assembly Government and its partners.

Consideration

5. The Action Plan is provided for information.

Compliance Aspects

6. There are no issues of regularity or propriety.

Financial Implications

7. The costs associated with implementing those recommendations accepted will be met from

within existing provision.

STEEL COMMUNITIES STUDY: RESPONSE TO RECOMMENDATIONS

Recommendations	Accepted / Rejected	Assembly Response	Timetable for Implementation	Lead Body	Comments
GENERAL					
(1.74) NAW should prepare and present policies to the UK Government promoting legislation to extend the EC Directive, which establishes a general framework for informing and consulting employees in the European Community.	Accepted, in principle, subject to the outcome of European Parliament consideration of the draft Directive.	We will consider the recommendation alongside the final EC Directive.	The European Parliament is expected to have concluded its discussions by January 2002.	NAW (EPD3)	We are currently making enquiries with the DTI on how they propose to handle the Directive. DTI will be consulting the business community and devolved administrations when the final draft is adopted.
(1.78) NAW should commission a study of the supply chain impacts, furthering the current work so that well based analyses of the supply chain impacts are understood and utilised in policy development.	Under consideration.			WDA	Such an exercise could add value to future major redundancy situations. However, it must be recognised that each industrial sector has specific supply chain characteristics.
(1.81) NAW should develop targeted policy initiatives based on labour market assessments aimed at supporting steelworkers, employees in the supply chain and others affected by steel closures.	Accepted in part.	The employment and training package being delivered by the National Council – ELWa and its partners is already based on meeting labour market needs.	Ongoing.	NAW (TSCP3) / ELWa	Much of the training being provided to redundant steelworkers and others affected, will relate to the types of job opportunities which exist, or are expected to arise, in the local labour market. However, some people will have ambitions to travel beyond the local labour market or to become self employed and these needs should also be taken into account. The Assembly's remit to the National Council requires the Council to have a key role in taking forward the work of the Wales Skills Task Force and the employment action plan that will form part of the NEDS.

<p>(1.85) The formulation and development of regeneration policies by all relevant bodies must take into account the distinctiveness of each steel community and focus policy accordingly.</p>	<p>Accepted.</p>	<p>Implementation is underway. Lessons learnt from the development of the SE Wales regeneration framework could be used to develop a model for the approach in other areas.</p>	<p>Ongoing.</p>	<p>NAW (Urban Unit)</p>	<p>The current development of the regeneration framework for SE Wales recognises the importance of this approach. Consequently, local regeneration programmes are being prepared for Blaenau Gwent and Newport set within the strategic context of the regeneration framework.</p>
<p>(1.88) NAW should maintain and develop the Local Steel Task Forces for a minimum of 5 years and for as long as they are required after that period, as standing committees with a responsibility for the development and monitoring of regeneration programmes in steel communities. These committees should work to an All Wales Task Force with a similar remit.</p>	<p>Accepted, in principle.</p>	<p>No time limit set on the existence of All Wales Task Force; presumption to maintain as long as required. Existence of local action teams (only one area has a formal Local Task Force) is a matter for local decision. Presumption must be to retain for duration of recovery strategy implementation.</p>	<p>Ongoing and continuing.</p>	<p>NAW / Local Steel Task Forces</p>	
<p>(1.95) NAW should critically and positively review the processes of policy development for the steel communities, with the explicit recognition of the principles and practice of multi-level governance and co-ordinated policy making and delivery.</p>	<p>Accepted.</p>	<p>The NAW response to the steel jobs losses has fully embraced the principles and practice of multi-level governance. The NAW moved quickly to establish the Task Force and its Executive Group with representation from all groups and organisations with a role to play in the recovery process.</p>	<p>Ongoing.</p>	<p>NAW (ISG)</p>	

<p>(1.98) NAW should initiate an integrated regeneration programme of the steel communities, resting on the twin pillars of economic development, led by the WDA, and skills development, led by ELWa.</p>	<p>Accepted.</p>	<p>The regeneration framework study is intended to provide direction and priority of actions. ELWa and the WDA have been working together and will continue to do so to develop action flowing from the study. The role of the respective local authority either individually or collectively is essential to both the development and implementation of appropriate strategies.</p>		<p>WDA / ELWa</p>	
<p>(1.101) A comprehensive and dynamic database should be compiled covering the main socio-economic indicators to provide the basis for policy formulation and development.</p>	<p>Accepted. However, this exercise needs to be undertaken on an all Wales basis and should feed into NEDS, NSPF, etc.</p>	<p>Detailed consideration of establishing such a database should follow on immediately from the publication of the SE Wales strategy.</p>	<p>Initial phase ongoing, formulating in to a national database November 2001- March 2001.</p>	<p>NAW (Urban Unit)</p>	<p>Recommendations on evaluation and monitoring will be coming out of the SE Wales regeneration framework with appropriate socio-economic benchmarks being identified.</p>
<p>(1.104) NAW should commission outside, impartial and expert bodies to review regeneration policies on an annual process.</p>	<p>Accepted.</p>	<p>The consultants can be required to build such a requirement in to the development of the detailed project programme. The WDA could lead on an impartial review process for the other steel communities.</p>	<p>Ongoing.</p>	<p>NAW / WDA</p>	<p>There is an argument for impartial evaluation of regeneration policies on an ongoing basis. Annual evaluation would appear excessive given the length of time many programmes need to mature. However, bi-annual review could be built in to the detailed project programme that will be prepared as part of the SE Wales regeneration framework. There is no reason why similar reviews cannot be built into programmes covering the other steel communities. We need to bear in mind emerging proposals for delivery vehicles. In particular, proposals for an URC in Newport will have a bearing on the process of evaluation. The DLTR have</p>

already commissioned early evaluation of the 3 pilot URC's in England and we can expect detailed guidance on evaluation to emerge.

Specific

Steel Closures and the Economy

1. NAW should examine the impact of

Steel closures on suppliers, with a view to assisting selected suppliers and contractors to diversify both inside and outside Wales.

Accepted.

Corus has provided a schedule of main suppliers and the companies identified are being met and appropriate support offered.

WDA

Initial meetings are being undertaken and follow-up actions are ongoing.

2. NAW should explore ways of assisting firms connected to the steel industry to address the challenges of future technologies in relation to Corus Plc and related steel producers.

Accepted.

The WDA is establishing an Advanced Technology Centre at Port Talbot to form the hub of such activity.

WDA

Terms have been agreed for the acquisition of the premises and the establishment of the facility is imminent.

3. NAW should consolidate its already

Accepted.

Ongoing and continuing.

NAW (ISG)

Specific projects are being discussed. The future of Corus Plc is wider than Wales. Decisions by the company are matters of commercial and economic judgement. NAW will do all it can to help in securing future.

productive relations with Corus Plc, with a view to securing the future of Corus in Wales.

Infrastructure and Planning

4. WDA should initiate a comprehensive land and property availability survey for South East Wales, linked to a comprehensive sustainability environmental audit for major sites, and linking with precise programmes of land remediation and infrastructure provision for key sites.

Accepted.

The availability of premises is an integral part of the regeneration study and is built upon the work undertaken by the South East Wales Economic Forum.

Ongoing and a continuing action.

WDA/LA's

Specific land remediation and infrastructure will be undertaken on a site by site basis.

<p>5. The Communities First initiative should be fully integrated with local health alliances, community housing and regeneration initiatives, local transport plans and educational/skilling/employment programmes, operating within the context of a refocused employment strategy linking Objective 1 areas with the rest of the Welsh, UK and international economies.</p>	<p>Accepted.</p>	<p>There is a need for Communities First to be properly integrated with other initiatives. The Partnerships to be established under the programme will need to develop appropriate links and relationships. This issue has been addressed in the recently published Communities First guidance.</p>	<p>Ongoing.</p>	<p>NAW (Communities Branch)</p>
<p>6. Given the absolute and relative income disadvantage in the areas affected by steel restructuring, and the comparatively low levels of car ownership, there is a case for a disproportionate investment in improved public transport (particularly in the Blaenau Gwent / Newport transport corridor).</p>	<p>Accepted.</p>	<p>This is already being acted upon. The TIGER - Transport Integration in the Gwent Economic Region - Consortium was formed in 1998 to develop and implement a 20 year strategy for a high quality public transport system for the greater Gwent area. The consortium has received funding support from the outset. It is for the local authorities to determine the priority they afford to different transport investments and there continues to be a need to invest in road infrastructure both to support public transport services and business use.</p>	<p>Future plans of the local authorities will be based on the regeneration frameworks commissioned by the Steel Task Force which should be available in December.</p>	<p>Local authorities</p>

Inward Investment and Enterprise Development

7. NAW should require the WDA to develop policies that can deliver real parity of treatment between inward and indigenous investment, including that by community enterprises.

Accepted.

Include guidance in WDA remit letter to be issued in Autumn 2001.

NAW (EPD1)

8. NAW should develop economic regeneration strategies for the steel communities that are focused on the specific conditions currently existing in each defined community.

Accepted.

Work commissioned. Final report is due in December.

NAW (Urban Unit)

Skills and Enterprise

9. NAW should require that training and educational initiatives aimed at promoting and developing learning programmes in steel communities are directed at labour markets and not specific groups of workers, such as steelworkers.

Accepted in part.

We need to do more to relate learning provision to the needs of individual communities and labour markets. ELWa, working with its regional committees and CCETs, will have a key role here and its draft corporate strategy proposes work to build community learning capacity, mainstreaming community learning for all groups in society, achieve greater recognition of informal learning and support cultural enhancement and development. However, with limited resources ELWa will need to determine its operational priorities.

The ELWa corporate strategy will be submitted to the National Assembly for approval in December 2001 and thereafter reviewed annually. The ISTC learning project is being supported by the Assembly for 3 years and an evaluation will commence in 2002.

ELWa

This recommendation is applicable to all areas of high unemployment and not just steel communities. Our objective should be to set in place learning programmes that are attractive and accessible to all. Packages such as that developed for Corus should be the exception rather than the rule. However, where specific packages of support are introduced in response to very large redundancies, it is not unreasonable to have some elements of learning support directed at those being made directly redundant, while bearing in mind the needs of those affected in the wider community. That "community" can of course be very wide, bearing in mind the distribution of suppliers and the willingness of some people to look far afield for work. This is essentially an operational matter for ELWa.

We will evaluate the impact of

10. The training programmes for steelworkers and ex-steelworkers from the steel communities, developed under the auspices of ELWa, should be shaped by the experience and previous work and training histories of the steelworkers.

Accepted in part.

Any assessment of a person's training requirements would take account of previous work experience and existing qualifications.

ELWa

measures in the Corus package which do involve the wider labour market (in particular, the ISTC project to support learning advocates in steel communities, which is being funded by the Assembly) so that, where appropriate, suitable measures may be considered in future situations of major redundancy. Such evaluation will need to examine the "deadweight" factor (ie the extent outcomes would have been achieved without intervention).

Any person requiring training normally undergoes an assessment leading to an Individual Training Plan to ensure their particular needs are met by the proposed course of training. This usually follows advice and guidance on the prospects of gaining work in their chosen field once training is completed. Many people will wish to pursue qualifications or up-skill in an area related to the job they previously held and the National Council - ELWa will continue to take account of those aspirations. However, the nature of the steel industry is such that some skills will not be transferable because those jobs no longer exist and entirely new skills may need to be developed. The important point here is that individuals have access to good quality advice and guidance about career choice followed by first class training facilities designed to meet individual and labour market needs.

<p>11. NAW should as a matter of urgency take steps to secure adequate financing and support for long-term training (career change) and education programmes, recognising the financial and resource needs of training providers as well as of potential students.</p>	<p>This cannot be accepted in the terms stated. There is very limited scope to enhance Assembly financial support to enable people to train for new careers. The overall objective of encouraging individuals to take a long-term view of their learning needs can be accepted and this is supported by a number of current initiatives. However, it should also be noted that as part of the current measures, ELWa has already written to over 1,000 people made redundant to offer longer term help through training and education.</p>	<p>No specific additional action proposed.</p>	<p>N/A</p>	<p>It is apparent from the report (page 159) that this recommendation is aimed at providing 12 months plus training for redundant steelworkers and workers from suppliers. This in itself is problematic but the recommendation as worded goes wider. The public sector cannot and should not take on sole responsibility for enabling all individuals to improve their skills during their working life. Employers have a major role in this. Each individual, too, must take more responsibility for their own learning (this was a finding of the Future Skills Wales study). The Assembly, and other public sector bodies, already do a good deal to help individuals identify skills needs and undertake appropriate learning. Careers Wales provides an all-age advice and guidance service. Individual learning accounts provide a financial contribution and discounted learning through Ufl also provides accessible learning opportunities. A package of measures to support learners in post-compulsory education is under consideration in the light of the Rees Report on student hardship and funding in Wales (see recommendation 15). Uniquely to Wales, the Modern Skills Diploma for Adults provides a learning route for those aged over 25 to obtain skills at level 3 and above. ELWa's draft corporate strategy and review of funding are also very relevant to this recommendation.</p>
				<p>There are only limited publicly funded opportunities for unemployed people to obtain</p>

longer-term skills training. The main provision is Work Based Learning for Adults which is of relatively short duration and aims to provide essential skills to enable the unemployed to secure work. A wide range of additional learning is available, primarily in FE and HE institutions. Some financial help is available to unemployed people wishing to access this provision (most FE provision is free to them) and it is planned to introduce a package of measures to support learners in post-compulsory education.

Housing

12. Policies designed to off-set the impact of the steel industry restructuring process should not be limited to conventional single sector approaches and policies directed towards housing should examine the likely impact upon the behaviour or targeted groups.

Accepted in principle.

This is not open to the Assembly to implement. It is a UK Government matter.

This is not open to the Assembly to implement. It is a UK Government matter.

NAW (Housing) / Local Authorities

In theory this recommendation is dealt with by the Assembly’s National Housing Strategy ‘Better Homes for People in Wales’. However, in practical terms the success of the scheme depends largely on the extent to which it is promoted and embraced by authorities at the local level. While some authorities have been happy to facilitate transfers within or out of their areas, some have been less keen on transfers (not necessarily two-way) that brought people in from elsewhere. Activity has been relatively low in comparison to England.

The UK Government is currently considering possible changes to Stamp Duty for properties situated in deprived areas.

Education

13. In light of the existing patterns of student attainment and FE and HE participation rates in Blaenau Gwent, and to a lesser extent in Torfaen, Newport and North Flintshire, the Minister for Education and Lifelong Learning and her team should develop proposals to develop area-based initiatives in support of students, schools and colleges and families in those areas, aimed at raising levels of attainment and staying on rates.

Accepted.

With regard to HE, implementation is ongoing.

NAW (HE1)

While HE providers are not specifically referred to in the recommendation, considerable progress has been made in recent years to move the access and participation agenda forward. While much has been achieved, the Higher Education Funding Council for Wales (HEFCW) recognises the need to continue to assist the sector in improving its performance in this crucial area.

The Assembly is fully committed to widening access to higher education to all those who have the ability to benefit from it. The Assembly, through HEFCW has made £1.5 million per year available for widening access initiatives.

Many of the universities and other higher education institutions in Wales have always had a strong tradition of community education. In recent years, many programmes have been directed at working with those who for various reasons (gender, race, social deprivation, domestic circumstances) have missed out on educational opportunities generally and higher education in particular. Some courses are without the formal assessment which can put people off, but where the course is credit-bearing, these can be built into a formal qualification, including for entry to mainstream higher education. Several institutions are placing emphasis on taking provision out into the community, working in local centres,

14. The Minister for Education and Lifelong Learning and her team should start to develop measures that would enable or attract more students to stay in post-compulsory education and training, which might include further adjustment to the curriculum to address the problem of student disaffection through secondary schooling and the diversification through secondary schooling and the diversification of qualifications at the top end of secondary schooling.

Accepted.

Much depends on the forthcoming Education Bill. Also, much of it is attitudinal and long term change. Welsh Bac pilot will start in schools and colleges from September 2003 with possible full roll out (if recommended) from 2007.

NAW
(SPD)

rather than the student necessarily attending the institution itself. Institutions are also developing distance-learning and exploring the potential of ICT. Collaborative approaches are also increasing through community-university developments.

Disadvantaged areas are defined on the basis of socio-economic indicators and include Blaenau-Gwent. In addition, "The Learning Country – a Paving Document" contains the commitment to a sustained programme to link Welsh HE to schools, colleges and other providers to promote the sector – not least in Communities First Areas.

Consideration will be given to specific reference to the needs of steel communities in the remit letter.

The Learning Country, the Education White Paper published at the beginning of September put forward proposals around this area including: to ease the transition at 16, to ensure that schools have the flexibility they need to offer pupils a significant degree of subject choice, strong vocational pathways complementing the academic ones; to provide the support to tailor opportunities to meet each young persons aptitudes, abilities and preferences more precisely; to permit pupils to mix academic and vocational qualifications and work based options; to promote breadth of experience post-16; to enable the establishment of clearer statutory framework for personal and social education

<p>15. The Minister for Education and Lifelong Learning and her team should develop proposals for "maintenance grants" for all students in post-compulsory education and training.</p>	<p>Under consideration.</p>	<p>The Minister for ELL announced a doubling of discretionary funding available in 2001-02 for FE and HE institutions in Wales to help alleviate problems of financial hardship among students.</p>	<p>Ongoing.</p>	<p>NAW (HE2)</p>	<p>and work related education; to develop and pilot a Welsh Bac. The UK Government announced in October a review of student support arrangements – to ensure that all students have access to sufficient financial support throughout their years in higher education. This will be closely monitored by the National Assembly.</p>
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Health

<p>16. NAW should use the process of steel closure as an opportunity for developing and testing its methodology for Health Impact Assessment.</p>	<p>Accepted.</p>		<p>Stage 1 would be relatively short – 4/6 months when commissioned.</p> <p>Stage 2 would last over a period of years (main action likely at start and finish of project and at set times in between.</p>	<p>NAW (PHSD)</p>	<p>The study has helped to highlight the relationship between local economy changes and people's health – using available evidence and drawing out additional qualitative information through interviews with some stakeholders. Further work will provide an opportunity to increase our understanding of the true effect(s) of such developments through further work to monitor more precisely how the closures affect people's health over time, how it translates into demand on health services, and associated issues. Could attempt to quantify the impacts on people's health which would be an important step forward / development.</p>
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<p>17. The Minister for Health and Social Services and her team should develop co-ordinated multi-agency strategies based on Local Health Groups and Local Health Alliances in order to respond effectively to the health determinants identified in this report.</p>	<p>Accepted.</p>	<p>Local partners are best placed to do this with encouragement from the Assembly. Local Health Alliances are already in place and work to address determinants of health as part of their brief. Existing and proposed local partnerships, including the proposed local strategic partnerships</p>	<p>Local Health Alliances are already supported by a national funding programme.</p>	<p>Local partnersLocal Health Alliances alone will not be sufficient. They will need to have the other partners in place and local targeting of resources to be effective.</p>
<p>18. Community based services should be developed by the Minister for Health and Social Services and her team and commissioned to respond appropriately to the mental and emotional health problems that have affected different population groups. Social Services</p>	<p>Accepted.</p>	<p>for health and well-being should facilitate the action suggested. The 2 Mental Health Strategies for adults and young people have already been launched. A National Service Framework is being produced and an Action Team is being established to prepare plans for implementation.</p>		<p>NAW (PMD3)</p>
<p>19. NAW should encourage social services departments of unitary authorities responsible for these steel communities to collect data on the place and type of previous employment when taking referrals as the first step in constructing an integrated database on the steel communities to allow targeting and the development of pro-active policies of support.</p>	<p>Not accepted.</p>	<p>SSIW are constructing a data framework based on the DH RAP system (Referrals Assessments and Packages of Care). This does not include this data as routine and it would be unlikely to yield useful management information, either for social services or anyone else. That is not to say that employment issues may not be a</p>	<p>N/A</p>	

very important factor in considering individual need, managing individual cases, career implications, etc. But demand for social services is not likely to arise directly in the way the recommendation as constructed seems to assume and would be unlikely "to allow targeting and the development of proactive policies of support".

20. Local steel task forces should put in place in conjunction with all relevant agencies involved with any particular steel community (including neighbouring unitary authorities where appropriate) easily accessible forms of help, either through a short term, dedicated medium, such as a help-line, or through existing services.

Accepted, in principle.

Not all areas affected by steel jobs losses have established formal task forces; most have local action teams primarily under the leadership of the local authority. Accessibility of help would therefore be a matter for local decision according to local circumstances.

Local Task Forces

21. Planners of preventative and community development initiatives, such as the forthcoming Communities First Programme, should be encouraged to foreground the shifting socio-demographic profile of local geographical areas of each steel community as defined by the Corus closures.

Accepted.

NAW has included, in the Communities First programme, 3 electoral divisions in Blaenau Gwent that have been adversely affected by the steel closures. It will keep the position under review and will consider bringing other affected areas into the programme if Communities First proves to be an effective mechanism for regenerating areas affected by steel closures.

NAW
(Communities Branch)

Furthermore, in order to establish the extent to which Communities First is effective, it is planned to undertake an evaluation study which will include an examination of changing socio-economic conditions in these areas.

Crime and Disorder

22. While there is no direct relation between mass closures and crime and disorder, attention should be given to these issues as part of an area-based regeneration strategy. As part of a comprehensive and rounded policy development, steps should be taken by the relevant public authorities to mainstream crime and disorder reduction across the full range of public services. Accepted.

A range of all-Wales Ongoing. seminars to encourage the mainstreaming of crime reduction in corporate strategies. A far-reaching best value indicator.

NAW (CRU)

Local authorities and police authorities are already obliged under Section 17 of the Crime and Disorder Act to mainstream crime reduction across all areas of activity. All partnerships are presently carrying out their new audit / strategies for the period 2002/05.

23. Proposals should be developed by the relevant public authorities to ensure that there is genuine community involvement in safety initiatives and programmes to ensure that there is local democratic accountability. Accepted.

The Crime Reduction Unit consistently seeks to promote voluntary sector involvement in local partnership working and contributes towards a joined-up approach in Communities First areas.

Ongoing.

NAW (CRU)

Legislation calls on local partnerships to consider involving a range of community groups in their work but the extent to which this happens is patchy.

<p>24. The collection and collation of crime and disorder data should be a key part of any wider development of aggregate databases at the local level, thereby ensuring that NAW proposals to develop standard data collection and analysis for Crime and Disorder Partnerships across Wales is closely coordinated across the full range of sectors influencing crime and disorder issues.</p>	<p>Accepted.</p>	<p>A number of seminars to promote improved data sharing. A research project to take forward the concept of an all-Wales data warehouse.</p>	<p>Ongoing.</p>	<p>NAW (CRU)</p>	<p>A wide ranging issue which, on being improved, will contribute considerably to improved local working.</p>
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