

# Communities, Equality and Local Government Committee

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Meeting Venue:  
**Committee Room 2 – Senedd**

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Meeting date:  
**24 October 2013**

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Meeting time:  
**09:00**

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Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



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## Agenda

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**Private pre-meeting (09:00–09:15)**

### **1 Introductions, apologies and substitutions**

### **2 Scrutiny of Welsh Government 2014–2015 draft budget – Evidence session from the Minister for Communities and Tackling Poverty (09:15–10:45) (Pages 1 - 12)**

Jeff Cuthbert AM, Minister for Communities and Tackling Poverty  
Owain Lloyd, Head of Operations Team  
Amelia John, Deputy Director, Fairer Futures  
Eleanor Marks, Deputy Director Communities Division

**Break – (10:45–11:00)**

### **3 Scrutiny of Welsh Government 2014–2015 draft budget – Evidence session from the Minister for Culture and Sport (11:00–12:00) (Pages 13 - 22)**

John Griffiths AM, Minister for Culture and Sport  
Huw Brodie, Director, Culture and Sport  
Huw Davies, Head of Finance, Culture and Sport

**4 Scrutiny of Welsh Government 2014–2015 draft budget –  
Evidence session from the Minister for Finance (12:00–12:45)** (Pages  
23 - 31)

Jane Hutt AM, Minister for Finance  
Jo Salway, Deputy Director, Strategic Budgeting  
Jeff Andrews, Specialist Policy Adviser

**5 Papers to note** (Pages 32 - 33)

## Communities, Equality and Local Government Committee

### CELG(4)-28-13 Paper 1

**Date:** 24 October 2013

**Title:** Evidence paper –Communities Draft Budget Allocations for 2014-15.

#### 1. Introduction

This paper provides comments and information to the Committee regarding the Communities future programme budget proposals outlined within the Draft Budget which was laid on 8 October 2013.

#### 2. Background

Compared to the indicative plans published at Final Budget 2013-14, as restated following the reshuffle in March 2013, the total DEL allocation for the Communities and Tackling Poverty (CTP) MEG has increased by £0.4m in 2014-15 to £212.7m

There is a net decrease in Resource DEL of £3.6m in 2014-15 to £192.2m. The indicative plan for 2015-16 Resource DEL, which is published for the first time is £191.5m.

There is a net increase to the capital budget of £4m in 2014-15 to £20.5m, following an allocation to support the priorities in the Wales Infrastructure Investment Plan to fund flying Start settings. The indicative plan for 2015-16 Capital DEL, which is published for the first time is £14.5m.

The following summary financial tables show the overall effect on the CTP Departmental Expenditure Limit (DEL) baseline budget.

#### Summary Financial Tables:

<b>CTP MEG</b>	<b>2013-14 Supp. Budget</b>	<b>2014-15 Indicative Plans Restated Final Budget</b>	<b>2014-15 Changes</b>	<b>2014-15 New Plans Draft Budget</b>	<b>2015-16 New Plans Draft Budget</b>
	£000	£000	£000	£000	£000
Resource DEL	187,556	195,871	-3,625	192,246	191,534
Capital DEL	24,450	16,450	4,000	20,450	14,450
DEL Baseline	212,006	212,321	375	212,696	205,984

Within the CTP MEG, the specific elements for Communities are summarised in the table below.

<b>Supporting Communities and People</b>	<b>2013-14 Supp. Budget</b>	<b>2014-15 Indicative Plans Restated Final Budget</b>	<b>2014-15 Changes</b>	<b>2014-15 New Plans Draft Budget</b>	<b>2015-16 New Plans Draft Budget</b>
	£000	£000	£000	£000	£000
Resource DEL	67,097	65,712	-1,700	64,012	61,500
Capital DEL	10,950	10,950	0	10,950	10,950
DEL Baseline	78,047	76,662	-1,700	74,962	72,450

### **3. Budget Overview**

The overarching aim of the Communities and Tackling Poverty Department is to unite the work of the Welsh Government and its partners in tackling poverty and achieving a fairer future for communities, families and individuals, within the context of sustainable development.

The Department has a number of specific priorities which reflect and support the delivery of the Programme for Government, many of which have a direct impact on Communities:

- tackling poverty and promoting community resilience including Communities First;
- mitigating the impact of welfare reform;
- increasing financial and digital inclusion, including Discretionary Assistance Fund and Credit Unions;
- supporting families and children, in particular through Flying Start and Families First;
- supporting the development of the Third Sector and enhancing its strategic relationship with Government;
- promoting equality and inclusion;
- The development of the Future Generations Bill, the purpose of which is to help future-proof communities across Wales.

### **4. Programme for Government**

#### Tackling Poverty Action Plan

The **Tackling Poverty Action Plan** 'Building Resilient Communities' sets out how Ministers will target resources across departments to prevent poverty and alleviate its impact on people's lives, while also helping people into work which is

crucial to helping people out of poverty. We are focussing our efforts on where we can make the biggest difference and this includes:

- creating 5,000 training and employment opportunities for households where there is no-one in work;
- improving the educational attainment of children from low income families; and
- reducing the number of young people who are not earning or learning.

This Action Plan is a clear commitment, right across the Welsh Government, that we will use our resources to help those currently most in need and prevent future generations experiencing poverty. The Plan does not have a separate budget line as it will be taken forward across Government, with resources and programmes refocused to ensure the ambitious targets are met.

We have committed to report annually on the progress of the targets and milestones within the plan and a Implementation Board chaired by the Deputy Minister has been established to monitor progress.

### Communities First

The **Communities First** (CF) Programme has been substantially remodelled in the past two years to become a Community Focused Tackling Poverty Programme with a consistent remit to support the most disadvantaged people in the most deprived areas of Wales.

52 CF Clusters have been established, which between them include all of the 10% most deprived geographic areas according to the Welsh Index of Multiple Deprivation 2011. Over £75m has been awarded from the Communities First programme to these Clusters for the period to March 2015.

Consistent with the themes of growth and jobs; educational attainment; and supporting children, families and deprived communities, the CF programme is structured around three outcomes: prosperous communities; learning communities; and healthy communities. Each cluster has produced a delivery plan which sets out the actions that will be taken in support of these outcomes, together with the ways in which the success of those actions will be measured.

The CF budget is supporting a range of key "programme bending" actions. Programme bending provides additional resources, including funding and staff to deliver key priorities from across Welsh Government departments and partner agencies. These jointly funded programmes include: work with schools through the Pupil Deprivation Grant to improve the educational attainment of children in CF areas; Health Services to deliver Over-50s Health Checks; Jobcentre Plus to make employment advice more accessible; and Jobs Growth Wales to create new job opportunities for young people. In total, just under £4m will be available to support these actions in 2014-15.

### Financial Inclusion

We will continue to support Citizen's Advice Cymru to administer the consolidated benefit take-up scheme - **Better Advice, Better Lives** (BABL), with protected funding of £2.2m in 2014-15. This is particularly important given the Welfare Reform changes as BABL encourages Benefit take-up for families with disabled children, for those living whose health is likely to be affected by poverty, and for Council Tax and Housing Benefits. In the first year of the scheme a total of 20,919 people have been supported with 55,289 issues and this generated nearly £17m in additional confirmed benefits.

### Welfare Reform

As part of the UK Government's ongoing programme of welfare reform, the discretionary Social Fund was abolished on 31 March 2013. Funding was transferred to the Welsh Government to administer a replacement scheme from 2nd April 2013 - the **Discretionary Assistance Fund**. Northgate Public Services is providing the scheme (under contract to Welsh Government) working in partnership with Family Fund and Wrexham County Borough Council. The grant fund is £10.2m per annum and offers payments, or in kind support to vulnerable people to enable or maintain independent living, and to provide urgent assistance to people where there is an identified need to safeguard health and well being. Provision has been made for evaluation of its impact in **supporting children, families and deprived communities** and in helping, through its connections to other support services, to **prevent** crisis situations recurring.

We are also extending our support programme for disabled former Remploy workers in Wales through the **Employer Support Grant (ESG)**. During 2012 the UK Government announced that a number of Remploy factories were to close under 'Phase 1' of their plans. In response, the Welsh Government launched the ESG to help eligible displaced Remploy workers find new work. In May 2013, we announced that eligible Remploy workers affected by 'Phase 2' will also receive the same level of Welsh Government support. The latest figures (as of 30 August 2013) show the scheme has helped 117 former Remploy workers find new jobs. The scheme has now been extended so applications can be made up until March 2014. The support package will be funded with up to £2.4 million of Welsh Government funding.

### Credit Unions

Our vision for **Credit Unions** is working towards a sustainable Credit Union movement that can support financially excluded people and **prevent** problems arising from indebtedness or lack of budgeting. Credit Unions are key contributors in terms of tackling poverty and financial exclusion where it persists in our communities. As at the end of June 2013, there are 34 Credit Union offices, whilst there are a total of 256 collection points throughout Wales. Consideration will be given to what funding is made available from April 2014 onwards to support Credit Unions to achieve 6% market penetration by 2020.

### The Third Sector

Following consultation on the relationship between Welsh Government and the Third Sector in Wales in 2013, we will continue to invest in Third Sector infrastructure organisations to ensure that voluntary organisations across Wales are supported, strengthened and enabled to contribute strongly in particular to tackling poverty and helping the most disadvantaged people and **deprived communities**.

Subject to future announcements on the outcome of the consultation, we anticipate that there will be an increased focus on local support for volunteering and community organisations and a rebalancing of the roles of the key infrastructure organisations at local authority, regional and national levels to help achieve this. The Third Sector infrastructure budget of £7.3m in 2014-15 will include provision for innovation aimed at making the sector more sustainable and improving joint working with the public sector at all levels.

### Equalities

In recognition of the importance we place on equality we have protected funding at the current levels for Equality and Inclusion grant funding for the third sector. A total of up to £1.6m is committed to grant funding in 2014-15. The overall purpose of the grant is to provide targeted funding to third sector organisations to assist them in promoting equality, tackling discrimination and encouraging cohesive and inclusive communities in Wales. The grant was redeveloped following consultation in 2012-13 which has ensured that it is reflective of the current economic and social environment in Wales and that it is aligned with Programme for Government equality and inclusion priorities.

### Gypsies and Travellers

Gypsies and Travellers are amongst the poorest and most disadvantaged in our society. A key Programme for Government objective is to improve local authority owned Gypsy and Traveller sites across Wales. We offer capital funding to local authorities in Wales to refurbish existing local authority sites and towards building new sites. **Children and families** will be better off as a result of this programme because it will result in better standards of living for Gypsies and Travellers who either live in substandard accommodation on existing sites or who live on unauthorised or tolerated encampments due to the lack of site provision.

The change from 75% to 100% funding in 2011 has led to a significant improvement in the uptake of the funding. This includes an agreement to fund the first new Gypsy and Traveller site in Wales since 1997. The budget for 2014-15 has been protected at £1.5m and will make a demonstrable contribution to the delivery of the Programme for Government, in particular the commitment to advance equality of opportunity and tackle discrimination and the commitment to creating more inclusive and cohesive communities.

Improving existing living arrangements and creating new sites will have a number of benefits for Gypsy and Traveller **children and families**. Children will benefit as a result of better attendance and attainment within the education system as

education professionals are able to build stable and trusting relationships with families. Improving sites or site provision can also lead to the reduced likelihood of children having to live or play in unsafe environments. Better health will result from, for example, uptake of **preventative** healthcare, including vaccinations of children as health visitors are able to access families that they could not previously. Greater integration of Gypsies and Travellers is also likely as individuals will be able to access local facilities, building more stable relationships within their communities, thus meeting our commitment towards creating inclusive and sustainable communities.

## **5. Legislation**

In the Programme for Government, the Welsh Government committed to legislate to embed sustainable development as the central organising principle of devolved public service organisations in Wales, and to establish an independent sustainable development body.

The Future Generations (Wales) Bill is being developed to future-proof our communities so that they and the people who live in them are protected from pressures that threaten their viability and survival. What we want to see is that when meeting pressing short term needs, such as mitigating the impact of economic and fiscal pressures and supporting growth and jobs, that organisations make every effort to safeguard the long term interests of the people of Wales, addressing intergenerational challenges such as health inequalities, raising skills and mitigating the impact of climate change.

We are committed to bringing forward a Bill in this Assembly term and in developing the proposals for the Bill we have engaged and consulted with a wide range of stakeholders. A Written Statement was issued on 14 October, updating Assembly Members on the Future Generations Bill.

The recently concluded consultation 'Continuity and Change – Refreshing the Relationship between the Welsh Government and the Third Sector' considered whether there is a need for legislation in this area. Analysis of the responses is underway and we will consider whether a Third Sector Compacts Bill is required.

The broad scope and reach of the Communities and Tackling Poverty portfolio means that the majority of Acts and Bills within the Legislative Programme will impact upon it. The Communities and Tackling Poverty Department engages with Bill Teams across the Welsh Government to discuss and consider those impacts. Particular items of interest include the:

- The Social Services and Well-being Bill
- The Environment Bill
- The Planning Reform Bill
- The Housing Bill
- The Mobile Homes Bill

Specifically, the Housing (Wales) Bill proposes to introduce a statutory duty upon local authorities to provide Gypsy and Traveller sites where there is unmet need. The legislation will seek to address the severe shortfall in authorised Gypsy and Traveller pitches. The duty will utilise the Gypsy and Traveller Sites Capital Grant and should not place an additional financial burden on local authorities. To achieve this aim more quickly, we are also exploring whether additional capital can be secured to coincide with implementation of the Housing Bill.

In addition to the Legislative Programme, the UK Government announced their legislative programme in the Queens Speech earlier this year. The Communities and Tackling Poverty Department has a particular interest in the content of the Immigration Bill. While predominantly non-devolved, this legislation may impact on devolved matters or matters which are the responsibility of Welsh Ministers. Where Legislative Consent Motions are required these will be introduced promptly. Discussions regarding funding implications are on-going with the UK Government as part of the wider discussions on the content of the legislation.

## **6. Capital**

The Community Facilities Capital budget line presently funds three distinct schemes with current commitments. Those are the Community Facilities and Activities Programme (CFAP), Post Office Diversification Fund (PODF) and Community Asset Transfer (CAT) Fund. I am currently considering the option of a new scheme taking account of the responses to the CFAP consultation. My aim is for a new scheme to commence during the 2014-15 financial year.

The other capital line is the Gypsy and Traveller Sites Capital Grant which is referred to in other parts of this paper and will be maintained at the current level of up to £1.5m from 2014-15 onwards.

## **7. Equality Impact Assessment**

### Employer Support Grant (Remploy)

We launched the Employer Support Grant (ESG) to help eligible displaced Remploy workers find new work. This is in direct support of the Welsh Government's Objectives 2 and 5, within the SEP.

The ESG aims to help workers facing redundancy due to the UK Government closing Remploy factories in Wales. The funding is available to organisations who can offer suitable employment to disabled former Remploy workers for a minimum period of four years. The support is also available to disabled former Remploy workers who have become self-employed or are planning to set up their own business. In May 2013, we announced that eligible Remploy workers affected by 'Phase 2' will also receive the same level of Welsh Government support.

This will protect and extend the positive impacts on those disabled people in Wales, assisting them to remain active members of the Welsh Labour force, and to enjoy the benefits that are received by other people on employment, including playing an active member in their local communities. In supporting these job opportunities for disabled people in Wales over a four year period, we help to ensure an inclusive and productive workforce that is sustainable. There are links that those who are disabled are often in poverty, mainly for reasons such as lack of income that prevention from securing employment provides. Hence, this funding provides positive socio economic impacts.

### Infrastructure Funding for the Third Sector

As a result of the "Continuity & Change: Refreshing the Relationship between the Welsh Government and the Third Sector in Wales" consultation which closed on 8 August 2013, there are likely to be changes to improve the engagement between both sides and a rebalancing of the support given to infrastructure funding. At the levels proposed, the reduction of the budget in 2014-15 and 2015-16 it is likely to have no, or very minimal, impact on those with protected characteristics. Consideration of the equality impacts has taken place throughout the process and this will contribute to a full EIA of any changes once the consultation responses are analysed and options for change established.

### Advice Services

The Programme for Government set out our commitment to support third sector advice providers to assist people who have debt problems and help people manage their finances. Objective one of the Strategic Equality Plan specifically focuses on strengthening advice and information services. The actions to progress this objective are substantially being taken forward as part of the Advice Services Review. The Welsh Government published its Review of Advice Services in May 2013 and work is being taken forward by the Independent Advice Providers Forum on the sectors response to the review. In terms of funding, we previously consolidated existing Welsh Government benefit take-up schemes (Better Advice, Better Health, Benefit take-up for Children with Disabilities and Council Tax and Housing Benefit take-up) to improve advice services available in Wales.

We will continue to support the work Citizens Advice Cymru are undertaking across Wales in supporting the most vulnerable and disadvantaged, including the consolidated benefit take-up scheme - Better Advice, Better Lives (BABL) which they administer, with funding of £2.2m protected in 2014-15.

### Communities First

Community involvement, equalities and inclusion remain absolute priorities for all elements of the Communities First programme. Every Cluster has developed a Community Involvement Plan to show how local people in general, and marginalised groups and individuals in particular, will be supported by and contribute to the local programme. These plans are already being implemented and they will be further strengthened and refined as the work progresses.

The Equalities Impact Assessment which was undertaken in 2012 will be revisited throughout the life of the Communities First programme and careful consideration will need to be given to how reductions are managed and met. However, this remodelled Community Focused Tackling Poverty Programme with a consistent remit to support the most disadvantaged people in the most deprived areas of Wales will continue, as will the awarding of £75m up to March 2015 to the 52 Communities First Clusters. We will also continue to support a range of key "programme bending" actions in partnership with other Welsh Government departments and partner agencies.

### Digital Inclusion

Our work on digital inclusion is rooted in social justice and equality, and is strongly linked to the Tackling Poverty and economic priorities of the Welsh Government. Evidence suggests that digitally excluded people are more likely to be older, disabled, live in deprived areas and have low incomes, which includes social housing tenants and the unemployed. We focus our work on these groups so that they can improve their quality of life and life chances by enjoying the benefits the internet and other digital technologies can offer.

Through the Digital Inclusion Delivery Plan and the work of our digital inclusion programme Communities 2.0, we will continue to work closely with key organisations that represent and work with the most digitally excluded people. These include Age Cymru, Disability Wales, RNIB, Shelter, Care and Repair, Communities First clusters, Housing Associations and Local Authorities. The Programme also works with other equality groups including Chwarae Teg and BME groups. We will continue to provide £1m in 2014-15 as match funding for the European funded Communities 2.0 digital inclusion Programme.

### Equalities

Our commitment to the principles of equality and fairness is reflected in the decision to protect the funding for the Equality and Inclusion Grant at the current level of up to £1.6m 2014-17. This provides grant funding to third sector groups and organisations to assist them in promoting equality, tackling discrimination and encouraging cohesive and inclusive communities across Wales. The work of third sector organisations is important in contributing to the Welsh Government's delivery of its Strategic Equality Plan equality objectives.

Maintaining this funding level will allow for positive impacts for all of the protected groups across Wales. However, as this fund is application based, the impact on particular groups will be dependent on those organisations that apply and are successful in obtaining funding. Based on previous trends in the distribution of funding awarded, all of the protected characteristics (with the exception of marriage and civil partnership and gender reassignment) were represented by the organisations which benefited from a funding award in 2012-13. In particular, groups representing gender, race and ethnicity, religion and belief, sexual orientation, disability and age received funding through the current grant schemes. Organisations representing groups with protected characteristics who

do not have funded organisations can apply for capacity building grants as part of the new scheme. The funding has a significant positive impact on equality because of its direct benefit to people who often face exclusion, disadvantage and discrimination.

This grant funding also contributes to the Welsh Government's commitment to tackling poverty in Wales. Evidence shows that particular protected groups are more likely to be in living in poverty, e.g. disabled people and lone parents, who are predominantly women. In relation to women, in 2012-13, 20% of the equality element of the Equality and Inclusion grant was awarded to groups who worked to promote women's equality.

The grant funding will support delivery of our SEP, which dovetails with the Tackling Poverty Action Plan, e.g. in addressing pay and employment differences, reducing the number of young people not in education, employment or training and facilitating disabled people to live independently.

In order to ensure that value for public money is maintained and that the grant scheme reflects both the current and future economic, social and environmental context in Wales, the grant scheme was redeveloped in 2012-13 with the full engagement of the third and statutory sectors. The grant been protected at its current spending level for the next three years, allowing longer term planning to take effect, and has been restructured in a manner that means it has a more sustainable impact as a result of its alignment with the SEP (which, in turn, is based on evidence and engagement). 14% of the total grant allocation awarded in 2012-13 was to groups representing age, including children and young people. This helps to support and promote the rights of children and supports future generations in Wales.

### Gypsies and Travellers

Our commitment to the principles of equality and fairness is also reflected in the decision to protect the funding for the Gypsy and Traveller Sites Capital Grant at the current level of up to £1.5m from 2014-15 onwards. This provides grant funding to local authorities to assist them in improving existing local authority owned Gypsy and Traveller sites and the development of new sites across Wales. The work to improve the living conditions on local authority owned sites in Wales is important in contributing to the delivery of 'Travelling to a Better Future' – Gypsy and Traveller Framework for Action and Delivery Plan.

Maintaining the site funding level will allow for a range of positive impacts across Wales. Research by the Equality and Human Rights Commission indicated that Gypsies and Travellers face particular issues of exclusion and inequality. Gypsies and Travellers with permanent site accommodation will have better access to services such as education and health.

The evidence of the need for improvement of sites includes Professor Niner's review in 2006 on Gypsy and Traveller sites across Wales. This highlighted the urgent refurbishment work required to bring local authority owned sites up to a minimum standard. The Welsh Government introduced the Gypsy and Traveller

Sites Capital Grant shortly after to address this problem. More recently, we have received feedback from some local authorities and Gypsy and Traveller residents living on local authority owned sites of the need for repairs and improvement. Whilst funding in recent years has improved living conditions for Gypsies and Travellers, further work is needed across Wales to improve site standards.

This grant funding also contributes to our tackling poverty commitment as evidence indicates that significant numbers of Gypsies and Travellers live in poverty. For example, there is proportionately a higher number of Gypsy and Traveller young people who are claiming free school meals.

In order to ensure that value for public money is maintained and that the grant scheme reflects both the current and future economic, social and environmental context in Wales, the process for applying for grant funding was redeveloped in 2012-13 with the full engagement of internal and external stakeholders. Recent examples of improvements in this area include: the refurbishment of access roads to sites; ensuring no loose electricity cables; and, speed calming measures, all of which have improved the health and safety for Gypsies and Travellers living on existing local authority owned sites.

Article 27 of UNCRC states the 'right of every child to a standard of living adequate for the child's physical, mental, spiritual, moral and social development'. This grant funding, as well as the proposed new duty, should ensure children will live on sites with minimum standards and not on unauthorised sites which may be unsafe. It is anticipated that children and young people will be better able to access education, healthcare, community facilities and be more integrated into local communities if existing sites are improved and new sites are provided as a result of a duty.

**Jeff Cuthbert AM**  
**Minister for Communities and Tackling Poverty**

COMMUNITIES AND TACKLING POVERTY MAIN EXPENDITURE GROUP (MEG)								
REVENUE BUDGET - Departmental Expenditure Limit								
SPA	Actions	BEL Title	2013-14 Supplementary budget	2014-15 Indicative Plans Restated Final Budget	2014-15 Changes	2014-15 New Plans Draft Budget	2015-16 New Plans Draft Budget	
Supporting Communities and People	Third Sector	Third Sector	8,000	8,000	-700	7,300	7,000	
		<b>ACTION TOTAL</b>	<b>8,000</b>	<b>8,000</b>	<b>-700</b>	<b>7,300</b>	<b>7,000</b>	
	Tackling Poverty	Financial Inclusion	Financial Inclusion	16,177	16,177	-200	15,977	14,977
		Digital Inclusion	Digital Inclusion	1,000	1,000		1,000	1,000
		Welfare Reform	Welfare Reform	1,500	145		145	0
		Communities First	Communities First	40,280	40,250	-800	39,450	38,383
		Child Poverty Policy	Child Poverty Policy	140	140		140	140
	<b>ACTION TOTAL</b>	<b>59,097</b>	<b>57,712</b>	<b>-1,000</b>	<b>56,712</b>	<b>54,500</b>		
Sustainable Development and Equality	Sustainable Development and Equality	Community Cohesion	500	200		200	200	
		Sustainable Development Fund	776	776		776	776	
		Equality and Inclusion Fund	1,645	1,645		1,645	1,645	
		<b>ACTION TOTAL</b>	<b>2,921</b>	<b>2,621</b>		<b>2,621</b>	<b>2,621</b>	
	<b>Total Resource</b>		<b>70,018</b>	<b>68,333</b>	<b>-1,700</b>	<b>66,633</b>	<b>64,121</b>	

CAPITAL BUDGET - Departmental Expenditure Limit							
SPA	Actions	BEL Title	2013-14 Supplementary budget	2014-15 Indicative Plans Restated Final Budget	2014-15 Changes	2014-15 New Plans Draft Budget	2015-16 New Plans Draft Budget
Communities and Tackling Poverty	Communities and Tackling Poverty	Community Facilities	10,950	10,950		10,950	10,950
		Gypsy Travellers	1,500	1,500		1,500	1,500
		<b>ACTION Total</b>	<b>10,950</b>	<b>10,950</b>	<b>0</b>	<b>10,950</b>	<b>10,950</b>
	<b>Total Capital</b>		<b>12,450</b>	<b>12,450</b>	<b>0</b>	<b>12,450</b>	<b>12,450</b>
	<b>Total DEL</b>		<b>82,468</b>	<b>80,783</b>	<b>-1,700</b>	<b>79,083</b>	<b>76,571</b>

Resource tables = The baseline used for Resource DEL in 2014-15 is as at Final Budget 2013-14, restated to reflect Ministerial portfolio changes as announced by the First Minister in March and adjusted to reflect recurrent baseline adjustments included in the First Supplementary Budget 2013-14. These baseline adjustments are set out in Annex D of the Draft Budget narrative.

Capital tables = The baseline used for Capital DEL in 2014-15 is as at Final Budget 2013-14, restated to reflect Ministerial portfolio changes as announced by the First Minister in March.

**Communities, Equality and Local Government Committee****Date: 24 October 2013****Title: Evidence paper on the Draft Budget:  
Minister for Culture & Sport****Introduction**

1. This paper provides background financial information to the Committee regarding my spending plans as the Minister for Culture & Sport, as outlined within the Draft Budget.
2. Annex A gives a breakdown of the total Draft Budget figures for Culture & Sport, by Action, and by Budget Expenditure Line (BEL) within each Action. These figures include the budgets for Landscape and Outdoor Recreation, which fall within the remit of the Environment & Sustainability Committee. In total, the figures show revenue near cash budgets reducing against the previous indicative plans - by 3.6% in 2014-15, and by a further 1.4%, giving a total reduction of 4.8%, in 2015-16. Further details regarding movements in revenue budgets, and capital budgets, are set out below.
3. The Committee has requested information on specific budgetary matters as set out in the Annex to the letter inviting the Minister to attend the Committee session. Responses are incorporated within this Evidence paper.

**Background and Summary**

4. The draft budget figures for the Culture & Sport MEG which fall within the remit of the Communities, Equality and Local Government Committee may be summarised as follows. This summary does not include the figures for the Spending Programme Area (SPA) for Landscape and Outdoor Recreation:

Spending Programme Area	Supplementary Budget 2013-14 £'000	Draft Budget 2014-15 £'000	Indicative Plans 2015-16 £'000
<b>Revenue:</b>			
Arts	34,758	33,408	33,158
Museums, archives and libraries	37,578	37,045	36,695
Sports and physical activity	24,853	23,739	23,474
Media and Publishing	3,926	3,726	3,626
The historic environment	11,641	11,481	11,436
<b>TOTAL REVENUE</b>	<b>112,756</b>	<b>109,399</b>	<b>108,389</b>
<b>Revenue % reduction</b>		<b>3.0%</b>	<b>3.9%</b>
<b>Capital:</b>			
Arts	355	355	355
Museums, archives and libraries	5,223	7,343	4,243
Sports and physical activity	345	345	5,345
Media and Publishing	25	25	25
The historic environment	5,331	5,031	5,031
<b>TOTAL CAPITAL</b>	<b>11,279</b>	<b>13,099</b>	<b>14,999</b>
<b>TOTAL DEL BUDGET</b>	<b>124,035</b>	<b>122,498</b>	<b>123,388</b>
<b>Annually Expenditure provisions)</b>	<b>2,740</b>	<b>2,740</b>	<b>3,013</b>
<b>Managed (Pension)</b>			
<b>TOTAL BUDGETS WITHIN THE REMIT OF THIS COMMITTEE</b>	<b>126,775</b>	<b>125,238</b>	<b>126,401</b>

5. The table shows that the revenue budgets for the budget lines coming within the remit of this Committee have reduced by 3.0% in 2014-15, and 3.9% in 2015-16 – compared to the Supplementary Budget figures for 2013-14. However, this masks the fact that the 2013-14 figures include £685k for the National Botanic Garden of Wales. For 2014-15 and 2015-16, the budget for the National Botanic Garden has been moved to the Landscape and Outdoor Recreation SPA, as it aligns better with the programmes under that SPA, which funds the National Parks and the budgets for access to the countryside and the coast. If we adjust for this - in order to ensure that we are comparing like with like - the true percentage reductions for the revenue budgets shown above are **2.4% for 2014-15 and 3.3% for 2015-16.**

## Budget Priorities

6. The Culture and Sport portfolio is at the heart of the Welsh Government's aim to enrich the lives of individuals and communities through our culture, special landscapes, heritage and sport by enabling more people to enjoy them. The portfolio also makes a contribution towards jobs and growth, improving the health and educational outcomes of children, young people and families living in poverty and creating sustainable places for people.
7. Culture and Sport policies have sustainable development at their core, balancing the pressing short term needs and long term interests of the people of Wales. For example, improving participation in sport and physical activity is an integral and important part of our whole Government approach to raising levels of physical activity in Wales and improving the health and well-being of the nation.
8. In shaping my Budget proposals, alignment with the following priorities has been at the forefront:
  - broadening appreciation of and participation in culture and heritage in support of the Tackling Poverty Action Plan, and particularly among young people;
  - strengthening the contribution that the portfolio makes to the economy; and
  - increasing rates of physical activity to help improve health.

### Budget changes - Revenue

9. Compared to indicative plans for 2014-15 and 2015-16 published in the Final Budget 2013-14, the main budget changes, showing the reductions to the budgets of the bodies funded from the Culture & Sport portfolio, are as follows:

<b>Organisation</b>	<b>Supplementary Budget 2013-14 £'000</b>	<b>Draft Budget 2014-15 £'000</b>	<b>Indicative Plans 2015-16 £'000</b>
<b>Revenue (Near Cash):</b>			
Arts Council of Wales	33,671	32,621	32,371
- Percentage reduction compared to 2013-14		3.1%	3.9%
National Museum Wales	22,436	22,236	22,136
- Percentage reduction compared to 2013-14		0.9%	1.3%
National Library of Wales	10,121	9,921	9,721
- Percentage reduction compared to 2013-14		2.0%	4.0%

Sport Wales	23,743	22,883	22,618
- Percentage reduction compared to 2013-14		3.6%	4.7%
Welsh Books Council	3,926	3,726	3,626
- Percentage reduction compared to 2013-14		5.1%	7.6%
Cadw (excluding Cadw staff) / The Royal Commission for Ancient and Historic Monuments in Wales	3,707	3,647	3,602
- Percentage reduction compared to 2013-14		1.6%	2.8%

### Budget changes – Capital

10. The following additional allocations have been made to capital budgets:

Spending Programme Area	Draft Budget 2014-15 £'000	Indicative Plans 2015-16 £'000
National Library of Wales	3,300	200
Sport and physical activity	-	5,000
<b>Total</b>	<b>3,300</b>	<b>5,000</b>

11. The additional allocation to the National Library totalling £3.5m across the two years will allow essential repairs to be undertaken in response to the fire damage and enable progress in developing archive services.

12. In line with the priority to increase rates of physical activity to improve health, funding of £5m is being allocated in 2015-16 for a Capital Loan Scheme for Sport and Leisure Facilities. The new pilot scheme will facilitate a strategic and integrated invest-to-save approach to Capital investment. It is aimed at improving the management and efficiency of sport and leisure assets and facilities, increasing participation in sport and physical activity and contributing to health outcomes.

### Annually Managed Expenditure

13. Annually Managed Expenditure budgets comprise provision for any pension charges which may be necessary in respect of the pension schemes of Amgueddfa Cymru – National Museum Wales and the National Library of Wales. The total for 2013-14 is £2.740m. This is a non cash budget.

## RESPONSES TO THE SPECIFIC INFORMATION REQUESTED BY THE COMMITTEE

14. Responses to the specific information requested by the Committee are as follows:

### **Last year's budget report**

15. A copy of the individual Budget Expenditure Lines (BELs) for the portfolio - this is already covered at paragraph 2 above, and copy attached at Annex A.

### **Programme for Government commitments**

16. All Programme for Government commitments are deliverable from within the available budget. It is a question of prioritising the work from within the overall budgets. Clearly there will be pressures on budgets – particularly those of WGSBs who are responsible for delivering some of the commitments. However, discussions which I have had to date, and which my officials have had, have stressed the priority of delivering PfG commitments. This will be set out clearly in the Remit Letters which I will be issuing to the WGSBs.

17. Delivery of the commitments in my portfolio and their associated outcomes is monitored as we progress through the year. This includes the meetings I have with the Chairs and Chief Executives of the sponsored bodies, and the discussions at the Quarterly Monitoring meetings at official level. Achievement is then reported in the Programme for Government Annual Report. Evaluations are undertaken periodically and as appropriate in order to ensure that the desired outcomes are being achieved and that the investments are delivering value for money.

### **Key policies**

How the reconfiguration of the department within a single Ministerial portfolio has had an impact on your budget allocation this year

18. The parts of the Culture & Sport portfolio which come within the remit of this Committee were previously part of the Housing, Regeneration and Heritage portfolio. There has been some reduction in the revenue budget for 2014-15 – 3.6% across the whole of the MEG, but 2.4% across the areas falling within the remit of this Committee – see paragraph 5 above. Difficult decisions have had to be made as a consequence of the overall budget position.

19. There have been additional capital allocations as set out above.

What dialogue have you had with organisations and stakeholders charged with delivering policies within your portfolio prior to deciding on budget allocations

20. I meet with the organisations which I fund on a regular basis to discuss the progress they are making in delivering their work and the main issues

which they face, including their finances. In addition, my officials have held detailed discussions with them about what the impact would be of budget reductions based on different scenarios. I considered this information in detail in arriving at the Draft Budget allocations.

Details of any additional post-Olympic lottery funding for sport and arts this year

21. The following table summarises the total lottery funding figures for sport and arts in Wales in recent years, together with projected figures going forward:

	<b>Sport £'000</b>	<b>Arts £'000</b>
2010-11	9,680	10,841
2011-12	11,646	13,192
2012-13	16,533	18,450
2013-14	16,875	18,750
2014-15	16,911	18,790
2015-16	16,974	18,860
2016-17	17,037	18,930
2017-18	17,100	19,000

22. The figures demonstrate that now that the Olympics and the preparations for them are over, the lottery funding figures have increased significantly. After 2011-12, there was a step increase of some 40%, and then further increases broadly in line with inflation.

How has the need to implement the Historic Environment Strategy and the work on the future structure of Cadw and the RCAHMW impacted on the allocations for the historic environment

23. The revenue budget allocation for the historic environment has been reduced by £60k in 2014-15, and by a further £45k in 2015-16. These reductions have been very limited for the following reasons:

- The budget funds Cadw staff costs of £7,425k. This element of the budget has been protected in view of the front line delivery nature of the work;
- The work which is being undertaken on the Historic Environment Strategy and the future structure of Cadw and RCAHMW; and
- The contribution Cadw makes to tourism, and the initiatives it has for increasing access for children from disadvantaged backgrounds.

How has the continuing need to tackle barriers to arts participation and access to promote arts in schools impacted on budget allocations for the arts

24. As I have stated above, difficult decisions have had to be made on budget allocations. The budget reduction for the Arts Council of Wales for 2014-15 has been limited to 3.1% to reflect the work which they will be

undertaking in implementing Dai Smith's Review of arts in education and the role of the arts in tackling poverty.

#### What impact has the restructuring of Amgueddfa Cymru – National Museum Wales and the fire at the National Library had on budget allocations

25. I have provided additional funding to the National Museum Wales (NMW) in 2012-13 and in the current year, 2013-14, to help them with their restructuring. In addition, the budget for NMW has been afforded a significant degree of protection for 2014-15, with the reduction limited to 0.9% - in view of the significant contribution they make to the economy in terms of attracting tourists to Wales, and the work they are doing to help tackle child poverty.
26. I am providing additional funding of £625k to the National Library of Wales in the current year to fund urgent remedial work required following the fire, over and above their normal allocation for capital maintenance. I am also allocating an additional £3.5m to them across the next two years (£3.3m in 2014-15 and £0.3m in 2015-16), which will allow further essential repairs to be undertaken in response to the fire damage, and enable progress in developing archive services. In addition, I am providing the Library with an additional £375k of funding for capital maintenance next year, to help them undertake essential ongoing maintenance.

#### How is funding being provided to implement the Libraries Inspire Strategy and the Museums Strategy for Wales

27. I am protecting the funding allocated to supporting the delivery of the library and museums strategies in 2014-15. The strategies deliver Programme for Government priorities including tackling poverty, promoting literacy and health and well-being. Public libraries will also have a key role in providing free assisted access to the increasing number of public services delivered primarily online such as Universal Jobmatch and Universal Credit. Our network of local museums, along with Amgueddfa Cymru – National Museum Wales, make a valuable contribution to promoting cultural tourism in Wales.

#### Priorities for the media in Wales and how these are reflected in budget allocations

28. Welsh Government funding for the publishing industry is channelled through the Welsh Books Council. This includes funding for a daily on-line news service in the Welsh language as well as Welsh-medium news and current affairs publications including *Golwg*, *Y Cymro* and *Barn*.
29. Budget provision for the Welsh Books Council is being reduced by £200k in 2014-15 and a further £100k in 2015-16. The funding to the Books Council also supports English-language magazines which cover several areas including current affairs/culture. It is intended that the budget provision for the media element of the Welsh Books Council's budget will largely be protected. In addition, some of the Programme for Government

commitments in relation to the media involve staff resource (funded from the Central Services and Administration MEG) as opposed to programme monies from the Culture & Sport MEG.

How has the continuing need to improve participation in sport and active recreation in Wales been reflected in budget allocations

30. Again, difficult decisions have had to be made on budget allocations. The revenue budget allocation for Sport Wales for 2014-15 has been reduced by 3.6%. I will be discussing with Sport Wales how we can prioritise the programmes they deliver, to achieve our objective of increasing participation, and to achieve the benefits that brings in terms of wellbeing and improved health. The budget for Free Swimming of £3.546m has been protected.
31. For 2015-16, in line with the priority to increase rates of physical activity to improve health, funding of £5m is being allocated for a Capital Loan Scheme for Sport and Leisure Facilities. The new pilot scheme will facilitate a strategic and integrated invest-to-save approach to Capital investment. It is aimed at improving the management and efficiency of sport and leisure assets and facilities, increasing participation in sport and physical activity and contributing to health outcomes.

**Provision for legislation**

Information on the extent to which any Welsh legislation which has been passed, is currently being passed, or is planned in the legislative programme, is likely to have any direct or indirect impact on the aspects of your portfolio in the 2014-15 financial year

32. There is one Bill in the legislative programme within the Culture & Sport portfolio which comes within the remit of this Committee, namely the Heritage Bill – to deliver Programme for Government commitments to develop a legal framework that will improve the management and protection of the historic environment of Wales. If passed, the Bill will be the first heritage legislation specifically for Wales. A White Paper consultation was launched in July and closed on 11 October.
33. An initial assessment of the financial implications of the Bill has been made. The majority of the proposals are discretionary or do not have financial implications outside those that can be met through current departmental budgets, including staffing. As the proposals for the Bill are finalised, further assessment of the financial implications will be undertaken. There will be no direct or indirect impact on the budget in the 2014-15 financial year.

Information on the impact on the budget of any UK legislation in the portfolio area

34. There are no known significant impacts on the budget of any UK legislation in the portfolio area.

CULTURE AND SPORT MEG EXPENDITURE - DRAFT BUDGET BEL TABLE 2014-15 AND 2015-16 in £'000s

REVENUE BUDGET - Departmental Expenditure Limit												
SPA	CYLL IDER	Actions	BEL	BEL Number	2013-14 Supplementary Budget New Plans June 2013	2014-15 Baseline	Changes	Draft Budget 2014-15	2015-16 Baseline	Changes	Draft Budget 2015-16	COMMENTS
Support and sustain a strong arts sector via the Arts Council and others	Cefnoga	Support and sustain a strong arts sector via the Arts Council and others	Arts Council of Wales - Running Costs	5800	2,181	2,181	-50	2,131	2,181	-50	2,131	
			Arts Council of Wales - Current Expenditure (inc WMC)	5800	31,490	31,490	-1,000	30,490	31,490	-1,250	30,240	
			Arts Council of Wales - Depreciation	5800	119	119		119	119		119	
			Support for the Arts	5812	968	1,853	-1,185	668	1,853	-1,185	668	
Cyfanswm		<b>Total Support and sustain a strong arts sector via the Arts Council and others</b>		<b>34,758</b>	<b>35,643</b>	<b>-2,235</b>	<b>33,408</b>	<b>35,643</b>	<b>-2,485</b>	<b>33,158</b>		
Museums, Archives and Libraries	Mabwysiadu Dafnwr	Foster Usage and Lifelong Learning through Museum Services	Amgueddfa Cymru - National Museum of Wales - Running Costs	5540	24,120	24,120	-200	23,920	24,120	-300	23,820	
			Amgueddfa Cymru - National Museum of Wales - Current Receipts	5540	-1,684	-1,684		-1,684	-1,684		-1,684	
			Amgueddfa Cymru - National Museum of Wales - Depreciation	5540	1,120	1,120		1,120	1,120		1,120	
			<b>Foster Usage and Lifelong Learning through Museum Services</b>		<b>23,556</b>	<b>23,556</b>	<b>-200</b>	<b>23,356</b>	<b>23,556</b>	<b>-300</b>	<b>23,256</b>	
	Mabwysiadu Defnyddio	Foster Usage and Lifelong Learning through Library Services	National Library of Wales - Running Costs/ Current Expenditure	5660	10,541	10,541	-200	10,341	10,541	-400	10,141	
			National Library of Wales - Current Receipts	5660	-420	-420		-420	-420		-420	
			National Library of Wales - Depreciation	5660	1,250	1,250		1,250	1,250		1,250	
			<b>Foster Usage and Lifelong Learning through Library Services</b>		<b>11,371</b>	<b>11,371</b>	<b>-200</b>	<b>11,171</b>	<b>11,371</b>	<b>-400</b>	<b>10,971</b>	
	Arweiniad	Strategic Leadership for museum, archive & library services	CyMAL - Current Expenditure	6170	339	206		206	206		206	
			CyMAL - Grants	6170	1,712	1,712		1,712	1,712	-50	1,662	
			CyMAL - Peoples' Collection	6170	600	600		600	600		600	
			<b>Strategic Leadership for museum, archive &amp; library services</b>		<b>2,651</b>	<b>2,518</b>	<b>0</b>	<b>2,518</b>	<b>2,518</b>	<b>-50</b>	<b>2,468</b>	
	Cyfanswm		<b>Total Museums, Archives and Libraries</b>		<b>37,578</b>	<b>37,445</b>	<b>-400</b>	<b>37,045</b>	<b>37,445</b>	<b>-750</b>	<b>36,695</b>	
Delivery of effective sports & physical activity programmes	Cyfansw Gweithredu	Delivery of effective sports & physical activity programmes	Sports Council for Wales - Running Costs	5900	1,327	1,327		1,327	1,327		1,327	
			Sports Council for Wales - Depreciation	5900	779	779		779	779		779	
			Sport & Active Wales Fund - Current Expenditure	6010	22,574	22,574	-860	21,714	22,574	-1,125	21,449	
			Sport & Active Wales Fund - Free Swimming	6010	3,500	3,546		3,546	3,546		3,546	
			Sport & Active Wales Fund - Current Receipts	6010	-3,658	-3,658		-3,658	-3,658		-3,658	
			Support for Sport & Physical Activity	6012	331	331	-300	31	331	-300	31	
Cyfanswm		<b>Total Delivery of effective sports &amp; physical activity programmes</b>		<b>24,853</b>	<b>24,899</b>	<b>-1,160</b>	<b>23,739</b>	<b>24,899</b>	<b>-1,425</b>	<b>23,474</b>		
Media and Publishing	Y Cyfrwng	Media and Publishing	Welsh Books Council - Running Costs	6150	1,153	1,153		1,153	1,153		1,153	
			Welsh Books Council - Current Grants	6150	2,773	2,773	-200	2,573	2,773	-300	2,473	
Cyfanswm		<b>Total Media and Publishing</b>		<b>3,926</b>	<b>3,926</b>	<b>-200</b>	<b>3,726</b>	<b>3,926</b>	<b>-300</b>	<b>3,626</b>		
Conserve, protect, sustain and promote access to the historic environment	Cadw, gwarchod	Conserve, protect, sustain and promote access to	Cadw - Running Costs/Current Expenditure	2700	12,494	12,394	-50	12,344	12,394	-90	12,304	
			Cadw - Grants	2700	2,016	2,016		2,016	2,016		2,016	
			Cadw - Current Receipts	2700	-5,250	-5,250		-5,250	-5,250		-5,250	
			Cadw - Depreciation	2700	275	275		275	275		275	
			RCAHM - Running Costs/Current Expenditure	6200	1,889	1,889	-10	1,879	1,889	-15	1,874	
			RCAHM - Grants	6200	167	167		167	167		167	
			RCAHM - Current Receipts	6200	-84	-84		-84	-84		-84	
			RCAHM - Depreciation	6200	134	134		134	134		134	
Cyfanswm		<b>Total Conserve, protect, sustain and promote access to the historic environment</b>		<b>11,641</b>	<b>11,541</b>	<b>-60</b>	<b>11,481</b>	<b>11,541</b>	<b>-105</b>	<b>11,436</b>		
Landscape and Outdoor Recreation		Promote and support protected landscapes, wider access to green space and the National Botanic Garden	National Parks and National Botanic Garden	2490	12,102	11,417	-340	11,077	11,417	-800	10,617	
			Access	2494	290	290		290	290		290	
			Sustainable Development Grant	2823	350	350		350	350		350	
		<b>Promote and support protected landscapes, wider access to green space and the National Botanic Garden</b>		<b>12,742</b>	<b>12,057</b>	<b>-340</b>	<b>11,717</b>	<b>12,057</b>	<b>-800</b>	<b>11,257</b>		
Cyfanswm				<b>125,498</b>	<b>125,511</b>	<b>-4,395</b>	<b>121,116</b>	<b>125,511</b>	<b>-5,865</b>	<b>119,646</b>		
		<b>Less Depreciation</b>		<b>-3,677</b>	<b>-3,677</b>	<b>0</b>	<b>-3,677</b>	<b>-3,677</b>	<b>0</b>	<b>-3,677</b>		
		<b>Near Cash</b>		<b>121,821</b>	<b>121,834</b>	<b>-4,395</b>	<b>117,439</b>	<b>121,834</b>	<b>-5,865</b>	<b>115,969</b>		

CYLLIDEB CYFA CAPITAL BUDGET - Departmental Expenditure Limit												
SPA	weithred	Actions	BEL	BEL Number	2013-14 Supplementary Budget New Plans	2014-15 Baseline	Changes	Draft Budget 2014-15	2015-16 Baseline	Changes	Draft Budget 2015-16	COMMENTS
Support and sustain a strong arts sector via the Arts Council and others	Cefnoga	Support and sustain a strong arts sector via the Arts Council and others	Arts Council of Wales - Capital Investment (inc WMC)	5800	355	355		355	355		355	
			Support for the Arts - Capital Investment (inc NBGW)	5812	0	95	-95	0	95	-95	0	
<b>Cyfans Total Support and sustain a strong arts sector via the Arts Council and others</b>					<b>355</b>	<b>450</b>	<b>-95</b>	<b>355</b>	<b>450</b>	<b>-95</b>	<b>355</b>	
Museums, Archives and Libraries	Mabwysiadu	Foster Usage and Lifelong Learning through Museum	Amgueddfa Cymru - NMW - Capital Maintenance Grant	5540	600	600	500	1,100	600	125	725	
			Amgueddfa Cymru - NMW - Specimen Purchase Grant	5540	538	538		538	538		538	
			Amgueddfa Cymru - NMW - St. Fagans	5540	2,480	1,000	-875	125	1,000	-125	875	
			<b>Total Foster Usage and Lifelong Learning through Museum Services</b>		<b>3,618</b>	<b>2,138</b>	<b>-375</b>	<b>1,763</b>	<b>2,138</b>	<b>0</b>	<b>2,138</b>	
	Mabwysiadu	Foster Usage and Lifelong Learning through Library	National Library of Wales - Capital Maintenance Grant	5660	250	550	375	925	550		550	
			National Library of Wales - Specimen Purchase Grant	5660	305	305		305	305		305	
			National Library of Wales - Electronic Legal Deposit	5660	0	0		0	0		0	
			National Library of Wales - Replace Library Roof	5660	0	0		0	0		0	
			National Library of Wales - Conservation and Digital Centre	5660	0	0	3,300	3,300	0	200	200	
	<b>Total Foster Usage and Lifelong Learning through Library Services</b>		<b>555</b>	<b>855</b>	<b>3,675</b>	<b>4,530</b>	<b>855</b>	<b>200</b>	<b>1,055</b>			
Arweinyddiaeth	Strategic Leadership for museum, archive & library	CyMAL - Peoples' Collection	6170	50	50		50	50		50		
		CyMAL - Capital	6170	1,000	1,000		1,000	1,000		1,000		
<b>Total Strategic Leadership for museum, archive &amp; library services</b>			<b>1,050</b>	<b>1,050</b>	<b>0</b>	<b>1,050</b>	<b>1,050</b>	<b>0</b>	<b>1,050</b>			
<b>Cyfans Total Museums, Archives and Libraries</b>					<b>5,223</b>	<b>4,043</b>	<b>3,300</b>	<b>7,343</b>	<b>4,043</b>	<b>200</b>	<b>4,243</b>	
Delivery of effective sports & physical activity programmes	Gweithred	Delivery of effective sports & physical activity programmes	Sport and Active Wales Fund - Capital Expenditure	6010	403	403		403	403		403	
			Sport and Active Wales Fund - Capital Receipts	6010	-58	-58		-58	-58		-58	
			Sport and Facilities Capital Loan Scheme	6013	0	0	0	0	0	5,000	5,000	
<b>Cyfans Total Delivery of effective sports &amp; physical activity programmes</b>					<b>345</b>	<b>345</b>	<b>0</b>	<b>345</b>	<b>345</b>	<b>5,000</b>	<b>5,345</b>	
Media and Publishing	Cyfrwyno	Media and Publishing	Welsh Books Council - Capital		25	25		25	25		25	
<b>Cyfans Total Media and Publishing</b>					<b>25</b>	<b>25</b>	<b>0</b>	<b>25</b>	<b>25</b>	<b>0</b>	<b>25</b>	
Conserve, protect, sustain and promote access to the historic environment	Cadw, awarch	Conserve, protect, sustain and promote access to	Cadw - Capital Expenditure	2700	5,316	5,016		5,016	5,016		5,016	
			RCAHM - Capital Expenditure	6200	47	47		47	47		47	
			RCAHM - Capital Receipts	6200	-32	-32		-32	-32		-32	
<b>Cyfans Total Conserve, protect, sustain and promote access to the historic environment</b>					<b>5,331</b>	<b>5,031</b>	<b>0</b>	<b>5,031</b>	<b>5,031</b>	<b>0</b>	<b>5,031</b>	
Landscape and Outdoor Recreation		Promote and support protected landscapes, wider access to green space and the National Botanic Garden	National Parks and National Botanic Garden	2490	445	350	95	445	350	95	445	
			Access	2494	2,500	2,500		2,500	2,500		2,500	
			Sustainable Development Grant	2823	0	0		0	0		0	
<b>Promote and support protected landscapes, wider access to green space and the National Botanic Garden</b>					<b>2,945</b>	<b>2,850</b>	<b>95</b>	<b>2,945</b>	<b>2,850</b>	<b>95</b>	<b>2,945</b>	
<b>Cyfans Total Capital - Culture and Sport</b>					<b>14,224</b>	<b>12,744</b>	<b>3,300</b>	<b>16,044</b>	<b>12,744</b>	<b>5,200</b>	<b>17,944</b>	

CYLLIDEB REVENUE BUDGET - Annually Managed Expenditure												
SPA	weithred	Actions	BEL	BEL Number	2013-14 Supplementary Budget New Plans	2014-15 Baseline	Changes	Draft Budget 2014-15	2015-16 Baseline	Changes	Draft Budget 2015-16	COMMENTS
Museums, Archives and Libraries	Pensiyn	Museums	Museums Pensions	5641	2,174	2,174		2,174	2,391		2,391	
		Libraries	Libraries Pensions	5781	566	566		566	622		622	
<b>Cyfans Total Museums, Archives and Libraries</b>					<b>2,740</b>	<b>2,740</b>	<b>0</b>	<b>2,740</b>	<b>3,013</b>	<b>0</b>	<b>3,013</b>	
<b>Cyfans Total AME - Culture and Sport</b>					<b>2,740</b>	<b>2,740</b>	<b>0</b>	<b>2,740</b>	<b>3,013</b>	<b>0</b>	<b>3,013</b>	

CYLLIDEB REVENUE BUDGET - Departmental Expenditure Limit												
SPA	weithred	Actions	BEL	BEL Number	2013-14 Supplementary Budget New Plans	2014-15 Baseline	Changes	Draft Budget 2014-15	2015-16 Baseline	Changes	Draft Budget 2015-16	COMMENTS
<b>Culture and Sport - Summary</b>					<b>0</b>			<b>0</b>			<b>0</b>	
	DEL Refeni	Revenue DEL			125,498	125,511	-4,395	121,116	125,511	-5,865	119,646	
	DEL Cyfalaf	Capital DEL			14,224	12,744	3,300	16,044	12,744	5,200	17,944	
<b>Cyfans Total DEL</b>					<b>139,722</b>	<b>138,255</b>	<b>-1,095</b>	<b>137,160</b>	<b>138,255</b>	<b>-665</b>	<b>137,590</b>	
<b>Gwari Annually Managed Expenditure</b>					<b>2,740</b>	<b>2,740</b>	<b>0</b>	<b>2,740</b>	<b>3,013</b>	<b>0</b>	<b>3,013</b>	
<b>Cyfans Total - Culture and Sport</b>					<b>142,462</b>	<b>140,995</b>	<b>-1,095</b>	<b>139,900</b>	<b>141,268</b>	<b>-665</b>	<b>140,603</b>	

## Communities, Equality and Local Government Committee

### CELG(4)-28-13 Paper 3

Date: 24 October 2013

## Evidence paper to the Communities, Equality and Local Government Committee by the Minister for Finance.

### Purpose

To provide further information to the Communities, Equality and Local Government Committee to support scrutiny of the Draft Budget 2014-15.

### Background

#### Strategic Context

**Programme for Government** - The Programme for Government sets out the commitment of this Government to develop a fairer society in which every person is able to make the most of their abilities and contribute to the community in which they live. The Welsh Government actively works to incorporate equality of opportunity and good relations into its spending plans and budget processes through conducting an Equality Impact Assessment of its budget. Working effectively across both ministerial portfolios and the wider public sector to deliver the outcomes we want to see for Wales are crucial in the current economic climate.

**Strategic Equality Plan** - The Welsh Government published its Strategic Equality Plan in April 2012, following extensive public engagement. The plan and the eight outcome focused Equality Objectives within it, identify areas of deep inequality and sets out how we propose to tackle these to achieve better outcomes for the people of Wales. We have focused our spending plans not only the impact on people with protected characteristics in Wales, but also how they can contribute to meeting our equality objectives. This has been reflected throughout the EIA and in Annex 1 of the EIA, which considered the potential impact of our spending plans on those with protected characteristics.

#### Legal Context

- The Equality Act 2010 places a General Equality Duty on Welsh public authorities to have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation, as well as to advance equality of opportunity and to foster good relations between people who share a protected characteristic and those who do not. The Specific Duties, as set out in the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 are designed to assist authorities comply with their General Duty, and includes the requirement to assess potential impacts on equality in our decision making. The Equality Impact Assessment (EIA) of the Budget allows the Welsh Government to demonstrate that it has had 'due regard' of the aims of the General Equality Duty.

- Further underpinning the Welsh Government's commitment to equality is the duty under Section 77 of the Government of Wales Act 2006, to have arrangements to ensure that its functions are exercised with due regard to the principle that there should be equality of opportunity for all people.

### **Equality Impact Assessments and the Budget**

- The Welsh Government was the first UK Government to assess the impact of its spending proposals and, over the Spending Review period, has continued to look at how it can improve its approach to equality impact assessments.
- At the outset of the Spending Review in 2010, the Welsh Government published a comprehensive equality impact assessment of its spending plans alongside the Final Budget 2011-12. Much of this work has continued to be relevant over the Spending Review period. In view of this, the Welsh Government has not repeated the detailed assessment year on year but has sought to supplement this work by assessing the impact in those areas where changes have been made to our spending plans.
- For the Draft Budget 2013-14, the Welsh Government took further steps to improve the equality considerations of its spending plans by:
  - considering the impact on different socio-economic groups, in addition to the impact on people with protected characteristics;
  - ensuring that equality impacts were considered within the decision-making process for additional capital allocations;
  - undertaking a reflective piece of work to understand the distributional impacts of previous budgetary decisions; and
  - establishing the Budget Advisory Group for Equalities.

### **Draft Budget 2014-15**

- The Equality Impact Assessment of the Draft Budget 2014-15 was published on 8 October as a standalone document. This is the Welsh Government's fourth Equality Impact Assessment of its Draft Budget and we have built on the steps taking in the Draft Budget 2013-14.
- The Draft Budget 2014-15 has been shaped around the three budget themes of Growth and Jobs; Educational Attainment; and Supporting Children, Families and Deprived Communities. This thematic approach is a direct response to the recommendation in the EHRC Appreciative Inquiry report that the Welsh Government should focus its assessments on the strategic decisions taken.
- We have also worked to embed equality considerations at an early stage in order to ensure that our spending decisions are informed and influenced by equality considerations from the outset. The EIA of the budget sets out in further detail how we have embedded equality considerations into the development of our budget proposals but key examples include our decision to:

- continue to support our **universal benefits**, which is an investment in the social fabric of society and are key interventions in terms of supporting vulnerable people. Whilst this form of spending is not focused on assisting specific groups within society, it is aimed at assisting all who are facing financial hardship and pressures in Wales, which we recognise is increasing within the current economic climate.
  - protect funding for our **Five for a Fairer Future Commitments**, including **Jobs Growth Wales**, which is helping reduce the number of young people not in education, employment or training and **Community Support Officers**, where we are maintaining our commitment to put 500 community support officers on the beat and keep them there.
  - provide additional funding of £4.9m to support the implementation of the **homelessness element of the Housing Bill**. This will help to ensure that people across Wales have access to decent, affordable homes and that people at risk of becoming homeless receive the help and support they need, having beneficial impacts for those in lower-socio economic groups which will include a proportionally higher number of particular protected characteristics
- This approach means that equality considerations are built into the development of our spending plans rather than considered at the end of the process.

## **Response to specific questions asked by the Communities, Equalities and Local Government Committee**

### **Communities, Equalities and Local Government Committee Review**

- In October 2012, the Communities, Equality and Local Government Committee undertook an inquiry into the equality considerations within the Welsh Government's Budget. The Committee recognised the improvements that had previously been made to the Welsh Government's Equality Impact Assessment of the Budget, and identified some further recommendations. The findings and recommendations of the Committee have informed and improved the development of our Draft Budget 2014-15 EIA.
- Consideration has been given to these recommendations, the outcome of which is set out in Annex A.

### **Programme for Government Commitments**

#### Welfare Reform

- In tackling the challenge of managing a budget that is reducing in real terms, we must also take account of the challenge of decisions taken in non-devolved areas. Of most significance is the UK Government's Welfare Reform agenda, where the UK Government is intending to make reductions of approximately £21bn in 2014-15.

- The Equality Impact Assessment of the 2012-13 Budget provided an assessment of the proposed changes to the tax and benefit system by the UK Government. The analysis noted that as the tax and benefit system is non-devolved the Welsh Government is constrained by the decisions made by the UK Government.
- The Welsh Government's Ministerial Task and Finish Group for Welfare Reform commissioned a three-stage programme of research to assess the impact of the UK Government's welfare reforms in Wales. All three stages of this research have been published, with the final (third) stage being published in July 2013. This research formed part of the evidence considered by Ministers when considering the EIAs of their spending plans.
- Due to a higher dependency on benefits, Wales will be harder hit than the UK as a whole by these welfare reforms. Evidence shows that the changes to welfare benefits will negatively impact on many disabled people in Wales. Given the high proportion of disabled benefit claimants in Wales, the impact of welfare reform is likely to be felt disproportionately. The impact of welfare reform in Wales for disabled people remains outside of the Welsh Government's control, and we are limited in our ability to reduce any substantial impacts.
- Nevertheless, consideration of the equality impacts of these reforms has been given for citizens in Wales. The Welsh Government launched its Framework for Action on Independent Living last month with a focus on working collaboratively to deliver high quality services for disabled people, enabling them to exercise choice and control in their daily lives.

#### Budget Advisory Group for Equalities

- In the Draft Budget 2013-14 EIA, the Welsh Government committed to establish a Welsh Government Budget Advisory Group on Equality (BAGE). This has now been established and is made up of a number of representatives from voluntary sector equality organisations, the Welsh Government and an academic adviser appointed by Welsh Ministers. The BAGE is led by both the Minister for Finance and the Minister for Communities and Tackling Poverty, demonstrating a shared commitment to equality.
- The role of this group is to provide advice and to share expertise and best practice on equality issues which in turn will support the continual improvement of the EIA undertaken of the Welsh Government Budget. A key focus of the group's discussions and work to date has been to provide an understanding of the Welsh Government Budget process itself, the current economic environment, and the limitations these put on our equality considerations. This has generated a strong focus on the importance of building a solid and robust evidence base, and to ensure engagement with people with protected characteristics across Wales, so that the nature of the underlying equality issues can be identified and understood. The approach of the group is broad and its considerations go wider than the Equality Act 2010; it also aims to ensure alignment of decisions and equality considerations with the Welsh Government's Tackling Poverty Action Plan.

- The BAGE has now met three times, and whilst still at an early stage, it has already generated some progressive ideas and suggestions regarding the assessment process and provides a forum for engagement of the equality considerations of the Budget at a strategic level.
- The group has also recognised its role in both scrutinising the current impact assessment undertaken, and in informing strategic long term improvements to the equality considerations of our spending decisions over future years. The Welsh Government will continue to strive to improve the EIA of the Draft Budget year on year with the support of the BAGE.

### Equality and Human Rights Commission - Appreciative Inquiry

- Last year the Welsh Government made a commitment to work with the Equality and Human Rights Commission in Wales (EHRC) to conduct an Appreciative Inquiry of the Welsh Government's approach to the Equality Impact Assessment of the Draft Budget (EIA).
- The Appreciative Inquiry Report was published in November 2012. It highlighted the Welsh Government's commitment to improving the EIA of its Budget and made positive comments in relation to the progress already made. The findings of the Appreciative Inquiry included a series of recommendations to improve the EIA process further.
- The way in which we have responded to these recommendations is provided at Annex 3 of the Draft Budget EIA. Several of the recommendations were of an operational nature, and these have been taken forward and will feed into the ongoing improvement of the EIA of the Draft Budget over future years.

### **Preventative Spend**

- We know that there are interventions we can make now which will avoid pressures on other public services in the future. In a time of reducing budgets, this is more important than ever. That is why a commitment to preventative spend underpins the Draft Budget 2014-15. This also reflects the Welsh Government's commitment to embed the principle of Sustainable Development into our policy and decision making.
- Promoting social justice and equality of opportunity are key elements in achieving a better quality of life for our own and future generations. Examples of how we have considered preventative spend include our decision to:
  - protect and increase funding for the **NHS** - we are allocating additional funding of £420m over the next two years for the NHS in Wales. Health spending is vital to the longer term health and wellbeing of the people of Wales. In line with the principles of sustainable development and preventative spending, we recognise that it is better to keep people fit and healthy than to use resources to repair avoidable problems.

- increase funding for the **Domestic Abuse Services Grant** to £4m in 2014-15, which supports projects to make the victims of domestic abuse and their children safer, and feel safer; for example by funding an all-Wales Helpline and providing resources to improve the safety of their homes. Through it we are committed both to supporting victims of and reducing rates of domestic abuse and violence against women and break the cycle of abuse within families.
  
- continue to invest in **Youth Justice Services** with a focus on early intervention and prevention. The Youth Justice budget increased by 8% in 2013-2014 to bring the budget to £5.2m, and was allocated to the Youth Crime Prevention Fund and two initiatives with the Youth Justice Board Cymru to pilot resettlement projects in North and South Wales and a case management project. For 2014-15, the budget will be maintained at this level. This fund concentrates on alternatives to custody and ways to prevent children entering the youth justice system in the first place. The aim is to reduce the number of first time entrants into the youth justice custody system through an innovative restorative justice approach as an alternative to police charging, and provides opportunities for those directly affected by an offence to communicate and agree how to deal with the offence and its consequences.
  
- We have supplemented this year's EIA of the Draft Budget with an overview of the potential cumulative impacts that our spending plans may have for each of the protected characteristics in Wales to support a focus on preventing problems arising. Evidence around some particular characteristics is very limited which makes it difficult to assess accurately the potential impact of our spending decisions on these protected groups. Our on-going assessment of each of our policies and strategies and our engagement with these protected groups will help to improve the evidence base, strengthening our future assessments and informing our future spending decisions.
  
- To reduce inequalities between groups of people the Welsh Government's Strategic Equality Plan sets out eight outcome focused Equality Objectives. These equality objectives are supported by actions from across all Ministerial portfolios and have been developed following extensive engagement. In assessing the impact of our spending plans we have taken account of how they will assist in meeting our Equality Objectives, both helping to tackle current inequalities and to prevent future inequalities. This is a 4 year plan, progress on which is monitored and reported against annually.

## **Committee Recommendations relating to the Welsh Government's budget Equality Impact Assessment**

### Publishing

*It is recommended that the Welsh Government publishes the EIA of the draft budget alongside the draft budget to underline the importance of the document as a tool for financial scrutiny.*

- The Draft Budget 2014-15 EIA was published on 8 October alongside the Budget.

### Systematic Approach to EIAs

*It is recommended that the Welsh Government takes a more systematic approach to assessing equality impacts, rather than providing a narrative about how equality impacts were assessed, providing: a reason for change; a clear identification of an impact; evidence of engagement with the groups who may be affected; plans to alleviate negative impacts; plans to monitor the actual impact of the change; and, the data sources and expertise used to assess potential impacts.*

- The Welsh Government accepts that the equality assessments undertaken when considering the Draft Budget should be systematic in their approach. For the Draft Budget 2014-15, spending plans have been presented under the three key budget themes of growth and jobs; educational attainment; and, supporting children, people, and deprived communities to provide a clear account of how the Welsh Government is working across portfolios to deliver the outcomes it wants to see for Wales.
- This approach has been mirrored in the Equality Impact Assessment and the potential impacts that have been identified, have been supported with available evidence and engagement with protected groups. Where negative impacts have been identified, action that could mitigate these impacts has been included. Plans for on-going engagement with protected groups are outlined. This will enable us to evaluate the actual impact following the Draft Budget. The Budget Advisory Group for Equality (BAGE) will assist with this monitoring process, as reflected in a recent amendment to the group's terms of reference.
- A narrative about how equality impact assessments were undertaken will continue to be provided to ensure the process is transparent.

### Report on Cumulative Impacts

*It is recommended that the Welsh Government provides an assessment of the cumulative impact of multiple changes across departments, so assessments are not segregated*

- The Welsh Government accepts that cumulative impacts on people with protected characteristics must be recognised and given consideration, in order to assess the full breadth of potential impact that the Draft Budget holds. The EIA of the Draft Budget 2014-15, has a separate annex that considers each protected characteristic and the potential impact that the collective financial decisions of the Welsh Government may have.

### Focus on Gender Issues

*It is recommended that the EIA of the Draft Budget should include more of a focus on gender.*

- The Welsh Government has sought to promote gender equality through its budgetary decisions. A key theme of the Welsh Government Budget in 2014-15 is the need to protect and enhance growth and jobs. As part of this, the Welsh Government has a commitment to widening the opportunities and accessibility of employment to women in Wales. We are also very conscious that a major barrier to women accessing employment and training is the lack of affordable, high quality and accessible childcare. We have recently launched 'Building a Brighter Future: The Early Years and Childcare Plan' and sought to strengthen/prioritise childcare through Flying Start expansion which will create additional free childcare places for 2-3 year olds in our most disadvantaged communities. A further example is our 21<sup>st</sup> Century Schools investment programme which promotes co-location of community services, including childcare.
- It is also clear that women will be disproportionately hit by the UK Government's decisions on Welfare Reform, and may be disproportionately negatively affected by the tightening financial environment and reducing public services. There is evidence that some of the welfare reforms will disproportionately impact on women. There are a number of proposed Welsh Government Budget decisions which may negatively impact on women.
- The Welsh Government currently provides funding to gender specific organisations in Wales, including annual funding of £30,000 for an all Wales Women's Network (WEN Wales). The network is working to increase its membership of women's organisations and women all across Wales so that it can bring issues facing women to the attention of the Welsh Government. WENWales have worked with many women across Wales to understand the issues and barriers many women face on a daily basis. This includes the barriers facing them in returning to work and work with other expert groups on understanding the barriers to public life.

### Proactive EIA rather than Reactive

*It is recommended that we give an indication of how equality has been considered throughout the financial process, with the EIA acting as a demonstration of this, rather than being a reactive document that assesses the potential impacts after the decisions have already been made.*

- EIAs are undertaken at the start of the decision-making process, ensuring the financial decisions made are fully informed by relevant equality considerations. As such, the financial decisions made and described within the Draft Budget EIA, detail the potential impacts that have informed them.

#### Include a copy of the EIA Template

*It is recommended that the WG should include a copy of the EIA template used to identify equality impacts, and copies of (or links to) the actual EIAs (which are referenced in the EIA document).*

- The Welsh Government provides a suggested template for the completion of an EIA, and this template is available on the Welsh Government internet page at:

<http://wales.gov.uk/topics/equality/inclusivepolicy/impactassessments/?lang=en>

- Departments are encouraged to use this template to ensure a consistent and systematic approach. However there is flexibility if a department has an alternative and effective manner of demonstrating equality impacts in relation to a particular decision.

#### Summary of Changes

*It is recommended that the Welsh Government includes a summary of changes that have been made as a result of the EIA process.*

- In developing our spending plans, equality considerations have featured from an early stage, ensuring that the impact of the decisions taken in the Draft Budget 2014-15 have been informed and influenced by equality from the outset. As a consequence, no changes have been made on the basis of equality considerations.

#### Clearer alignment with the Strategic Equality Plan (SEP) and Programme for Government (PFG)

*It is recommended that the Welsh Government provides a clearer alignment between the Strategic Equality Plan and Programme for Government equality commitments (and their respective annual report indicators) and the budget actions that reflect them.*

- The Welsh Government accepts that the EIA of the Draft Budget needs to be clearly aligned with both the Strategic Equality Plan and the Programme for Government. Throughout the EIA of the Draft Budget 2014-15, clear links have been made to illustrate where our spending plans support the objectives of the Strategic Equality Plan and the commitments of the Programme for Government.

# Agenda Item 5



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Christine Chapman AC / AM  
Cadeirydd / Chair

10 October 2013

Dear Christine,

Thank you for your letter and for the opportunity to provide feedback as part of the inquiry into participation levels in sport.

I am pleased to say that following discussions on the 26<sup>th</sup> of September, we have investigated and identified the term 'golden vote' and can now clarify its meaning. It is apparent that this is an historical term and was removed from FAW practices and procedures many years ago.

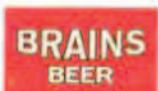
The 'golden vote' was the 'Special Share' held by the FAW in The Football League of Wales Limited. The rights that were attached to the Special Share were set out in Article 6 of the company's Articles of Association, the relevant extract of which I highlight in Appendix 1 below. The Special Share allowed the FAW a veto on any matter listed in Appendix 1. The right was one of veto, rather than the right to compel the other shareholders to vote in favour of any particular measure. The veto applied only to the business of The Football League of Wales Limited and to no other entity.

It should be noted that the League of Wales now trades and operates through the FAW rather than through The Football League of Wales Limited. Indeed, the accounts for The Football League of Wales Limited for 2011 and 2012 are those of a 'dormant' company. On this basis, whilst The Football League of Wales Limited remains inactive, there is no forum in which the FAW would need to utilise the Special Share and exercise its veto. Furthermore, discussions with colleagues suggest that the 'golden vote' has not been in place for over eight years. I should also note that the 'golden vote' is not included in the Rules of the Welsh Premier League.

I hope this helps to clarify the matter. Please do not hesitate to contact me should you have any further queries.

Kind Regards,

Jonathan Ford  
Chief Executive  
The Football Association of Wales



## Appendix 1

- (B) *Notwithstanding any provision in the Articles to the contrary, each of the following matters shall be deemed to be a variation of the rights attaching to the Special Share and shall be deemed to be a variation of the rights attaching to the Special Shareholder and without such consent shall not be done or caused to be done:*
- (a) *The amendment, or removal, or the alteration of the effect of (which, for the avoidance of doubt, shall be taken to include the ratification of any breach of) all or any of the following:*
- (i) *The objects of the Company set out in clause 3 of the Company's Memorandum of Association;*
  - (ii) *In Article 2 the definition of 'Special Share' or 'Special Shareholder';*
  - (iii) *Article 4 (issue of Ordinary Share);*
  - (iv) *This Article 6 (rights of Special Share);*
  - (v) *Article 34 (number of directors);*
  - (vi) *Article 75 (adherence to FAW rules); and*
  - (vii) *Article 76 and 99 (winding up).*
- (b) *Any change to the name of the Company;*
- (c) *The variation of any voting rights attaching to any shares in the Company;*
- (d) *The passing of a special resolution to wind up the Company;*
- (e) *The making and adoption of or any amendment to, removal of or waiver of any of the provisions to the rules which relate to:*
- (i) *The name of the League of Wales;*
  - (ii) *Number of clubs/promotion/relegation;*
  - (iii) *Criteria for membership of the League of Wales;*
  - (iv) *Obligation to enter the Welsh Cup;*
  - (v) *Ownership of more than one club; and*
  - (vi) *Rules common to the League of Wales and the contributory leagues.*