

# Committee for the Scrutiny of the First Minister

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Meeting Venue:

**Committee Room 1 – Senedd**

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Meeting date:

**Thursday, 26 June 2014**

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Meeting time:

**14.00**

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Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



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## Agenda

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Pre-meeting (13:45 – 14:00)

### 1 Introductions, Apologies and Substitutions

### 2 Ministerial Scrutiny Session – The Welsh Government's 2010 Climate Change Strategy for Wales. (14:00 – 15:45) (Pages 1 – 14)

CSFM(4)-01-14 Paper 1 – Written evidence

- Carwyn Jones AM, First Minister
- Rhodri Asby – Deputy Director, Climate Change & Natural Resource Policy
- Lucy Corfield – Head of Climate Action and Resilience

Scrutiny Themes:

1. Climate Change Strategy for Wales – progress to date
2. Is the Welsh Government doing enough to tackle climate change?
3. The residential sector
4. Behaviour change and education
5. Business/ renewable energy

### **3 Papers to Note (15:45 – 15:50) (Pages 15 – 68)**

CSFM(4)01–14 (ptn1) Relationship with third and private sector – Government response

CSFM(4)01–14 (ptn1–annexe) Wales Social Partners Unit Evaluation

Correspondence – Chair to First Minister (March 2014)

### **4 Motion under Standing Order 17.42 to resolve to exclude the public from the meeting for the following business:**

Item 5

### **5 Discussion of Evidence from the Preceding Session (15:50 – 16:00)**

# Agenda Item 2

## WRITTEN EVIDENCE TO THE COMMITTEE FOR THE SCRUTINY OF THE FIRST MINISTER: The Welsh Government's Climate Change Strategy

### **The Climate Change Context**

The recent reports from the Intergovernmental Panel on Climate Change (IPCC) have highlighted the overwhelming scientific consensus for human induced climate change and the impact that it is already having. In doing so, they have underlined and strengthened the business case for action, highlighting the escalating costs – economic, social and environmental – that we face if we do not take action.

As the past winter again illustrated, severe weather already has a marked impact on Wales' economy and communities. Climate change is therefore not simply a global issue or an issue that impacts future generations; it has very real implications here and now in Wales for us all and in particular our most vulnerable. Action on climate change is therefore essential not only to avoid future dangerous levels of climate change but also to adapt to the climate change we are already locked into. Equally, it is fundamental to our future prosperity and presents significant opportunities.

As a government, we fully accept the findings of the IPCC reports and believe that the focus of the debate should be on how best we can drive forward delivery. Moreover, we are equally focused on the significant green growth opportunities associated with the global decarbonisation and the transition to low carbon.

### **Welsh Government's Climate Change Strategy**

Our action as a Government sits within the wider UN, EU and UK framework. The Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC) put in place a binding obligation for industrialised countries to reduce greenhouse gas emissions through the setting of targets. Consequentially, the EU committed to reducing overall greenhouse gas emissions by 20 per cent below 1990 levels by 2020 and by 80% by 2050. It is also poised to further strengthen the commitment by agreeing an additional interim target of 40% by 2030 and thereby setting a clear pathway to decarbonisation.

In the UK, further legislative commitments are set out within the Climate Change Act 2008, which includes the commitment for the net UK carbon account for the year 2050 to be at least 80% lower than the 1990 baseline. Within this framework, our overarching commitments to Climate Change action are set out in the Programme for Government. This sets out our headline commitments to a low carbon economy, implementing the climate change strategy to reduce greenhouse gases and drive effective adaptation to climate change. Set against our overarching commitment are two headline emissions targets guiding our action – a 3% annual reduction in emissions in devolved areas and a 40% reduction in overall emissions by 2020. As well as these headline commitments, there are also other key actions on climate change woven throughout the Programme for Government that relate to our delivery of key policies as well as our commitment to leadership and playing our part at a global level. The Climate Change Strategy sits within this framework and focuses on both reducing emissions and driving a comprehensive package of practical measures to respond to the consequences of climate change. As well as Welsh Government actions, the Strategy also highlights the wider contribution of others towards our targets – action by businesses, local government, the wider public sector, the third sector, communities and individuals all being critical to successful delivery.

As a Government, we recognise that climate change requires the collective action of all portfolios and our annual reporting process therefore updates on the actions taken across departments to tackle the causes and consequences of climate change. The Department for Natural Resources and Food oversee this process of reporting (under the Climate Change Act 2008) and also lead on climate change policy on behalf of the Welsh Government. Supporting the delivery of the Climate Change Strategy is an indicator framework to measure our progress, which is included in the technical annex to the Annual Report. In addition, the Climate Change Commission for Wales has assessed the progress the Welsh Government is making and the UK Committee on Climate Change has also twice reported on progress in Wales. This reporting framework complements the related processes for both the Programme for Government and on Sustainable Development.

### **Progress to date**

Our reports have highlighted significant progress in delivering against the objectives of our Climate Change Strategy. Given the breadth of the work undertaken the examples are too numerous to list but include:

- Progress in driving down emissions from waste and increasing recycling;
- The success of the Welsh Government's strategic energy scheme, *arbed* along with our boiler scrappage scheme and the home energy efficiency programme;
- The development of the Sustainable Travel Centre initiative in delivering better integrated transport networks whilst promoting health and well-being;
- The ongoing support and advice to businesses on energy efficiency and low carbon opportunities for SMEs, and its work to lead action across the public sector to reduce emissions;
- The publication of guidance for public bodies in Wales on adapting to climate change and a national strategy on flood management; and
- Our work to integrate mitigation and adaptation to climate change into the effective management of our natural resources.

In addition, our last report drew out the latest information from the UK Climate Change Risk Assessment in relation to each sector and highlighted the action being taken on adaptation that is vital to Wales' long term resilience and prosperity.

In terms of progress against our headline targets, our report in 2013 was the first time that we were able to report against the 3% target in devolved areas and it showed that in 2011 emissions were 29.26MtCO<sub>2</sub>e, which equates to a decrease from the baseline of 10.1%. For the wider 40% target by 2020, the report highlighted significant progress in that emissions have decreased 20.6% against the baseline. However, although this is positive progress, as we recognised in the report the current trend would not meet our aim of a 40% reduction by 2020.

The break down of progress by key sector against our 3% target highlights that most sectors have shown reductions in their emissions. In particular, there has also been good progress in the Waste Sector (8.8%), Business Sector (13.3%), Residential Sector (16.5%) and Transport Sector (6.8% reduction). The good progress that has been seen in the Public Sector in achieving a reduction of 18.7% was also very positive. Emissions in the Agriculture and Land-use Sector have however slightly increased by 1.2% in 2011, although the historical legacy of aging forestry in Wales was a contributing factor. Overall, 77% of emission reduction indicators show an improving or stable trend.

We have therefore made some positive progress in terms of emission reduction, but the economic downturn and a return to milder winter temperatures are of course significant factors. We therefore recognise that in order to continue to deliver against the 3% target and to be on track to meet the 40% target, significant further action is required. This evaluation was echoed by the independent commentary provided by the Climate Change Commission for Wales, who welcomed the reduction in carbon emissions against the baseline, the focus on the links between poverty and climate change and our recognition of the need to refocus efforts to address the shortfall against the 40% target.

### **Next Steps**

As announced by the Minister for Natural Resources and Food at the time of the publication of the Annual Report in December, we are refreshing our climate change policy. This exercise is currently ongoing and an announcement is scheduled to be made by the Minister in July. The climate change refresh is however only one aspect of our delivery going forward and this is complemented by the emphasis we are placing as a Cabinet on Green Growth and the Minister for Natural Resources and Food will also be publishing a green growth prospectus – *Investing in the Future*. The prospectus will set out how the sustainable use of our natural resources can create a new economic model for Wales that will deliver wealth creation and economic growth both today and in to the future.

By virtue of paragraph(s) ix of Standing Order 17.42

Document is Restricted

# Agenda Item 3

## Written Response by the Welsh Government to the report of the Committee for the Scrutiny of the First Minister entitled The Welsh Government's relationship with the Third Sector and the Private Sector

22 April 2014

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This paper sets out the Welsh Government's response to the report of the Committee for the Scrutiny of the First Minister on the Welsh Government's relationship with the Third Sector and the Private Sector, as requested in the Committee's letter of 7 March 2014. This paper also sets out the additional information in relation to Major Infrastructure Projects in North Wales, also requested in the Committee's letter of 7 March 2014.

**Detailed responses to the recommendations in relation to the Welsh Government's relationship with the Third Sector and the Private Sector are set out below:**

### **Recommendation 1**

We would like you to explain further the Government's vision for a strategic partnership with the Third Sector and in particular, how the competing strands of valuing voluntary work while ensuring the voluntary sector remains independent and not just another branch of Government, will be addressed.

**Response:** Accept

The Welsh Government recognises that Third Sector organisations are independent, non-governmental bodies established voluntarily by people who choose to organise themselves. The Welsh Government respects the sector's independence.

The new Third Sector Scheme and annexed Code of Practice for Funding the Third Sector were developed in partnership with the Third Sector Partnership Council following wider consultation, which took place between May and August last year.

The Sector's independence is addressed in Chapter 2 of the Third Sector Scheme 2014. For your convenience I attach the relevant text below.

#### *The Nature of the Relationship*

*2.4. The Welsh Government is committed to recognising and promoting the Third Sector. The Welsh Government values the Third Sector for the contribution which the Sector makes to the long term economic, social and environmental wellbeing of Wales, its people and communities.*

*2.5. The relationship between the Welsh Government and the Third Sector rests upon integrity, trust and mutual respect. The Welsh Government is committed to maturing this crucial relationship that has developed over a long period, for the benefit of people and communities in Wales.*



*2.6. The Welsh Government recognises the need to work in partnership with the Third Sector as well as with other public services and bodies including local authorities and local health boards. Effective partnerships must be based on an appreciation of each party's distinctive contribution.*

*2.7. The Welsh Government expects the Third Sector to recognise the primacy of Welsh Ministers in formulating policy and legislation. In turn, the Welsh Government recognises the wide scope and diversity of voluntary activity across the whole spectrum of society and the contribution voluntary and community organisations and individual volunteers make to the economic, social, environmental, cultural and linguistic life of Wales.*

*2.8. The Welsh Government also recognises that Third Sector organisations are independent bodies which determine their own priorities and manage their own affairs, and that the Third Sector has an obligation to represent the interests of its constituents. It is also acknowledged that Third Sector organisations operate within the principles upon which they are founded. They are accountable to their members and the individuals and communities with whom they work, and to regulatory bodies such as the Charity Commission.*

*2.9. On the basis of this mutual understanding of each others' roles, it is recognised that the Third Sector is a key partner in formulating and delivering many aspects of public policy, and as such it should develop strong partnerships with both national and local government.*

The Third Sector Scheme further commits the Welsh Government to developing a mutually agreed Framework for Engagement to support the mechanisms for ensuring clear channels of communication between the Welsh Government and the Third Sector. Officials are in the process of developing this Framework in partnership with representatives from the Third Sector Partnership Council (TSPC).

As part of that process, the Framework will be shared across government and the Third Sector. Each Third Sector Network and Minister will be invited to prepare a list of priorities where joint working would be beneficial.

The Welsh Government supports the Third Sector Infrastructure in Wales to develop and support individuals and groups to carry out voluntary activity, as well as providing direct and indirect funding to a wide range of individual, national and local Third Sector organisations operating in Wales. As the Minister for Communities and Tackling Poverty stated on 12 November last year, in our support for volunteering across Wales the emphasis will be on support for small, grassroots organisations that make a significant contribution to community resilience and the delivery of local services.

We recognise that over-reliance on public sector funding does not foster either the independence of the Third Sector or effective partnership working between the sectors. Accordingly, we continue to place considerable emphasis on the need for organisations to access other sources of funding. Support for fundraising and developing skills in this area are key aspects of the work of the Third Sector infrastructure bodies. These bodies are important vehicles for supporting the

development of local organisations and volunteers, while also enabling the Third Sector to work in partnership with the public sector at all levels.

I can assure the Committee that there is no intention to restrict The Third Sector from acting independently. The Welsh Government continues to regard the Third Sector as a key partner and values the Third Sector for the contribution which the Sector makes to the long term economic, social and environmental wellbeing of Wales, its people and communities.

**Financial Implications:** None

### **Recommendation 2**

We would like you to agree to lay before the Assembly an annual statement of the number, role, reporting arrangements and membership of all of the Welsh Government's private sector led Advisory Boards and Task and Finish Groups. We would also like the report to outline how each of the boards or groups has directly influenced the activities of Welsh Government departments in the preceding year and to set out any planned changes in approach for the following year.

**Response:** Accept

We will agree to lay before the Assembly an annual statement of the number, role, reporting arrangements and membership of all of the Welsh Government's private sector led Advisory Boards and Task and Finish Groups. This will include a statement on the influence of their work and any planned changes in approach for the coming year.

**Financial Implications:** None

### **Recommendation 3**

We would like you to provide us with a statement setting out how, within the current RIA process, the Welsh Government assesses the cumulative effect of policy changes and new Welsh legislation on the private sector.

**Response:** Reject

The Regulatory Impact Assessment (RIA) process does not include as a standard requirement an assessment of the cumulative impact of policy changes and new Welsh legislation on the private sector as a whole. To require this in every case would be disproportionate. However, RIAs have considered the cumulative impact of policy where a particular sector has been impacted by a number of new policy or legislative changes. This approach is in line with current guidance from HM Treasury. The consultation process affords stakeholders the opportunity to bring to the Welsh Government's attention instances where they believe effects may impact cumulatively on a particular sector and the Welsh Government will continue to make an assessment of such impacts on a case-by-case basis."

**Financial Implications:** None

You also asked for a copy of the evaluation of the Wales Social Partners Unit. A copy of the report is attached for your information.

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**Detailed responses in relation to the additional information requested for recommendations on Major Infrastructure Projects in North Wales are set out below:**

**Recommendation 1:**

As I set out in my correspondence of 8 October, the Programme for Government (PfG) describes the outcomes this Government strives to achieve. In order to make progress towards these outcomes, Government policy is developed across and within each Ministerial portfolio in the context of the PfG and with consideration for strategic national policies. Underpinning the development of all our policies and programmes is our commitment to sustainable development as our central organising principle.

In my response, I explained how this process works and provided a diagram illustrating the relationship between policy, programmes and projects. By way of example, this included national strategic policies such as the Wales Spatial Plan and the Wales Infrastructure Investment Plan (WIIP). In terms of the latter, this also extends to the Pipeline which is an integral part of the WIIP. The Pipeline includes key local and national public infrastructure investment data. Increasing visibility and clarity of planned infrastructure investment across Wales, providing the knowledge to enable better strategically informed investment decisions and maximize potential collaborative opportunities.

In terms of the National Transport Plan, the Minister for Economy, Science and Transport is currently reviewing the National Transport Plan to include regional priorities and establish a transport framework that integrates local, regional and national transport planning.

**Recommendation 2:**

The Welsh Government is committed through *Energy Wales: A Low Carbon Transition* to ensuring that communities affected by energy developments see real benefits from those developments, and we are proactively working with the industry and partners to ensure that the wealth generated by energy development in Wales benefits communities and lays foundations for Wales' long term economic prosperity.

To date, our primary focus has been on onshore wind developments and Anglesey Energy Island. We have worked closely with the onshore wind industry to undertake an assessment of the opportunities to achieve economic and community benefit from commercial wind developments in Wales. We have identified that the most transformational benefits to be derived from developments are economic benefits to Welsh businesses and supply chains, resulting in the creation of jobs and investment.

The Anglesey Energy Island Programme continues to identify and realise opportunities for Welsh businesses to secure opportunities from each of the energy developments in the Island area. Support ranges from long term skills developments,

to ensure local people have the skills businesses will need, through to Meet the Buyer events at all stages of the supply chain.

Working in partnership, the wind industry have agreed a 'Declaration' that commits gives a them to work with our communities to ensure they receive long-term positive benefits. The Declaration aims to ensure a consistent, transparent, collaborative and strategic approach in their engagement with communities and a range of stakeholders. To date over a dozen developers and Renewable UK Cymru have signed up to demonstrate their commitment. The Declaration is a commitment from the developers to ensure a consistent and best practice approach to the way that they engage with communities and to ensure that economic and community benefits are maximised. As part of the Declaration, the industry has agreed to work together in areas where there is more than one wind farm so that the community can obtain the greatest benefits. A key part of the Declaration is the commitment from developers to support communities to make sure they have access to the best possible advice and services when the community benefits scheme is being set up and administered.

We continue to work with the industry to ensure a greater focus on delivering benefits on a regional scale and securing extra funding where possible.

We have now launched our Register of Economic and Community Benefits from Onshore Wind which provides a user friendly mechanism to report – transparently – the level and nature of benefits associated with onshore wind developments in Wales. The Register offers the industry a unique opportunity to demonstrate how they are benefitting Welsh communities and the Welsh Economy and will become a valuable source of information and guidance for communities across Wales who are developing their own community benefit packages.

#### **Recommendation 6:**

From earlier studies, two alternatives have been identified to address the capacity issues on this part of the network. These alternatives require a WelTAG Stage 2 assessment to determine which route is appropriate. Following a decision on the preferred route, the next steps would be to develop the design and publish proposals.

Given the work required to develop the scheme, the earliest likely start date for construction on the ground would be in 2019.

#### **Recommendation 7:**

Details of our road improvement schemes for North Wales can be accessed on the Welsh Government website through the following link:

<http://wales.gov.uk/topics/transport/roads/schemes/?lang=en>

The Minister for Economy, Science and Transport has established a new task force to provide advice on the key issues for transport in north Wales including cross border links. The Task Force will provide advice throughout its duration with a final report due in December 2014. The Task Force is chaired by the Minister for Local Government and Government Business.

# WALES SOCIAL PARTNERS UNIT EVALUATION

## Service Review: Facilitating Social Partners' Engagement with the Welsh Government

Final report

Presented to: The Wales Social Partners Unit

September 2013

Arad Research





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## Executive summary

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### Introduction

1. This report presents the findings of an evaluation of the Wales Social Partners Unit, focusing on its performance in relation to the contract to facilitate Social Partners' engagement with the Welsh Government. At the request of the Welsh Government a service review was also carried out as part of this project.
2. The Wales Social Partners Unit was created in September 2001 to provide services that improve the engagement of the business representative bodies in Wales and the Wales TUC (the Social Partners) with the Welsh Government and the National Assembly for Wales.
3. The WSPU is wholly funded by the Welsh Government under a contract secured through competitive tender. Its members are the CBI, FSB, Chamber Wales, EEF Cymru, FPB and the Wales TUC. Its main aims are to:
  - Facilitate the interface between the Social Partners and the Welsh Government;
  - Provide an impartial and comprehensive research and evaluation service to the Social Partners;
  - Operate effectively with a wide range of partner organisations
  - Assist in the development and maintenance of the Social Partner network.
4. The WSPU provides these services after winning a competitive Welsh Government for a three year contract that ends on 18 January 2014.
5. The programme of research for the evaluation included **desk research** to explore original aims and objectives of the WSPU services; an **electronic survey** of the WSPU members and service users which focused on beneficiaries views' on the quality and relevance of the WSPU services; and **fieldwork** consisting of qualitative interviews with users of WSPU services, WSPU staff and board members, and Welsh government officials.

### Awareness and use of the WSPU services

6. Information and research services provided by the WSPU are used extensively by the core group of Social Partners. The services are well developed, valued and tailored to user needs. Awareness of the services – and how they are funded – is very high amongst Social Partners who contributed to the evaluation.
7. Social Partners noted that the information and research services help guide and inform day-to-day activities within their respective organisations and keep them *'in the loop'* regarding ongoing events and policy debates.



*“The detailed and filtered reports from Plenary and other releases from Welsh Government are invaluable to my organisation. The work of the WSPU is essential in providing support to a number of committees providing cohesive responses to the Welsh Government. It would make it extremely difficult to provide, consistent and organised, industry responses and input to the Welsh Government without the benefit of the WSPU.”* (Social Partner survey respondent)

8. Social Partners also disseminate the information received more widely. As a consequence, information services provided by the WSPU extend beyond the core group of service users and further contribute to direct greater Social Partner engagement and the development of additional networks.
9. Awareness and use of the WSPU's service across Welsh Government departments is considerably less well developed. There is some confusion regarding the specific roles of the WSPU and its name amongst some officials. THE WSPU outlined that it was now taking a more proactive approach to engagement with the Welsh Government as a result of the recent Business Scheme review.
10. There is consensus that ensuring greater use by Welsh Government officials of WSPU's knowledge and networks to support Social Partner engagement should be a priority moving forward. Some officials had recently met, or made contact with, the WSPU and saw it as the beginning of *‘a more constructive approach to working with the WSPU and Social Partners more generally’*.

### **Effectiveness and value of the WSPU services**

11. There are high levels of satisfaction regarding the value of the services currently provided by the WSPU among Social Partners who contributed to the evaluation. Almost all Social Partners agree that the WSPU provides an impartial and comprehensive research service and the Unit is seen as a trusted and authoritative source of information and valued for its independence.

*“The high quality of the service given by WSPU is representative of the wide experience which exists within the Unit. The staff at WSPU have always been keen to ensure that the information they provide is relevant and accessible which means that I am able to distribute it to my members in certainty of its quality.”* (Social Partner survey respondent)

12. The services currently provided by the WSPU have contributed to providing additional capacity for Social Partners, particularly the smaller organisations, to operate and engage more effectively. Social Partners outlined that the services enable them to keep up to date with policy developments, while saving time and resources for their organisations and members.





13. Social Partners consider that the WSPU has contributed to better engagement between Social Partners and the National Assembly and Welsh Government by acting as an interface between them. Contributors to the evaluation outlined that the WSPU has brought diverse organisations together, establishing common ground, and contributing to developing a united voice for the Social Partners on some policy issues.

*“This information and the support and advice given by WSPU has not only increased our own interaction with Government and the Assembly but crucially, has facilitated our engagement with other social partners in Wales. WSPU have been excellent at keeping us abreast of the priorities and issues affecting the social partners and assisting our understanding of Government priorities and processes.” (Social Partner survey respondent)*

14. Effective management structures have been put in place by the WSPU and the Board of Directors ensures accountability and transparency. The Board consists of representatives from Social Partner organisations who therefore have ownership of the organisation and are responsible for overseeing the management of the Unit's work
15. The evaluation found a range of opinion among Welsh Government officials on the value and effectiveness of the services currently delivered by the WSPU. Overall, there was a recognition of the value of services but also a view that more work needs to be done to ensure that the benefits are enjoyed by Welsh Government departments as well as by Social Partners.

### **The WSPU's performance against contractual requirements**

16. Evidence collected during this evaluation indicates that the WSPU has successfully met the aims and objectives of its contract with the Welsh Government. The WSPU's monitoring and information services are of high quality and of relevance to the needs of Social Partners.
17. The services currently provided by the WSPU have contributed to the maintenance and development of the network of Social Partners allowing all voices and sectors to be heard – both within the network, and in terms of engagement with the Welsh Government
18. In view of the lack of directly comparable services, it is difficult to carry out a value for money assessment of the services provided by the WSPU. However the model currently delivered is seen by service users as being cost effective and delivering added value to Social Partners.
19. The Welsh focus of the services provided by the WSPU; their impartiality and independence; and the level of trust developed across the network as a result of their



provision were considered to have provided additional capacity and engagement opportunities for the Social Partners.

*“WSPU gives us a much more Welsh focus and an understanding of the Welsh mind-set which is crucial when identifying relevant information and advice.” (Social Partner)*

20. For Welsh Government officials, however, more work was needed to ensure that the Welsh Government also sees the benefit of services. While services has been delivered according to the contractual terms on a request basis, officials considered a more proactive role from the WSPU or another organisation delivering these services in future would be beneficial.

*“There is still progress to be made to deliver more value for the Welsh Government [from these services]. At the heart of this is the role of WSPU and its potential value to Welsh Government officials and departments. This needs to be communicated far better and there should be better working protocols and the WSPU to take a more proactive approach – observing, analysing and facilitating rather than simple monitoring.” (Welsh Government official)*

21. The high value placed on the services by the Social Partners and the potential for rebalancing the services to improve engagement with the Welsh Government suggest that there is a rationale for their continuation. A refreshed Business Scheme, plus a contract focused on proactive engagement with the Welsh Government and continued high quality services to the Social Partners, will be key to maintaining the value and effectiveness of this engagement.

## **Future Services**

22. An overwhelming majority of Social Partners who responded to the evaluation consider that there is a continued need for dedicated services to support Social Partner engagement in Wales.
23. The majority of Social Partners also considered that discontinuing the services currently delivered by the WSPU would have a negative impact on their levels of engagement with the National Assembly and Welsh Government.
24. Welsh Government officials also supported the need for services to promote Social Partner engagement. Some officials take the view that the services delivered under the contract by the Welsh Government could place a greater emphasis on building capacity among Social Partners to engage with the Welsh Government.
25. Both Social Partners and Welsh Government officials considered that there was scope for either additional services to be provided or for a rebalancing of the services



delivered by the WSPU or any future service provider during the next contractual period.

26. Additional potential services and roles could include maintaining and enhancing the core elements of the information service; playing a lead role in supporting more focused meetings of the Council for Economic Renewal; more targeted and strategically-focused research support services; and more proactive and targeted approaches to engagement.
27. There was an acknowledgement that the Welsh Government has a key role to play in this process and in making clear its own expectations and requirements as part of the next contractual agreement from 2014 onwards.

*“WSPU plays an important role in supporting social partner engagement with Welsh Government but the quality of this work is dictated to an extent by the commitment of Welsh Government departments. Some areas of government are better than others at engaging so it follows that the WSPU service would be enhanced greatly by a more joined-up and consistent system of engagement from the Welsh Government.”*  
(Social Partner survey respondent)

## Recommendations

**Recommendation 1:** An overwhelming majority of Social Partners who responded to the evaluation consider that there is a continued need for dedicated services to support social partner engagement in Wales. Evidence suggests high levels of satisfaction and that the WSPU has met its contractual requirements, indicating that the services delivered are well developed, effective and highly valued by Social Partners. These services should therefore continue to be funded by the Welsh Government and delivered in support of the Business Scheme.

**Recommendation 2:** Evidence suggests that there is a case for the Welsh Government to review the overall profile and delivery of services provided in order to both ensure Social Partners and its own departments and officials benefit further from these services. This will ensure that they balance the need to support the capacity of Social Partners to engage effectively with the Welsh Government while ensuring added value for Welsh Government officials.

**Recommendation 3:** Future service contracts should therefore place greater emphasis on a more proactive and targeted approach to engagement from service providers. This should include regular meetings between the Welsh Government and any future service provider and agreed monitoring processes to reflect progress. The Welsh Government has a key role to play in this by making clear its own expectations and requirements as part of the next contractual agreement from 2014 onwards.

**Recommendation 4:** In reviewing the services, there is a particular need to take account of the perceived value of the core information services (notably the weekly summaries of Assembly business) and the resources required to deliver these services which provide a crucial initial point of information for many Social Partners, particularly smaller organisations.



**Recommendation 5:** Early engagement is seen as paramount for both Social Partners and Welsh Government officials who contributed to the review. Future service providers could therefore place a greater emphasis on building capacity among Social Partners towards early engagement with the Welsh Government. This could potentially entail a shift in emphasis to more tailored and strategic work with Social Partners, including by providing more targeted support to Social Partners in planning and preparation for CER meetings

**Recommendation 6:** Evidence underlines a specific need to raise awareness of the WSPU and the services it provides across Welsh Government departments. While actions are already underway to formalise links between departments and Social Partners, the WSPU or any future service provider should consider what additional proactive steps it can take to raise its profile. This could include developing guidance or good practice case studies in Social Partner engagement. The Welsh Government should also play a key role in this process, supporting any future service provider to engage effectively across Welsh Government departments and ensuring senior level support for such engagement.

**Recommendation 7:** As the WSPU staff continue to establish contacts with Welsh Government officials across departments, discussions should focus on the type of services and practical support any future service provider can offer Welsh Government officials. This will contribute to ensuring that the service provider is used as an effective engagement mechanism, as recommended in the *Review of the Business Scheme*.

**Recommendation 8:** Evidence suggests that Social Partners value the WSPU's impartiality and the fact that the services focus specifically on Welsh policy and programmes. Any similar future services to support Social Partner engagement should therefore remain independent of the Welsh Government and focus on the needs of the Social Partners in Wales.

**Recommendation 9:** Following on from the recommendation in the *Review of the Business Scheme*, any future service provider should use its expertise and networks to play a lead role in supporting more focused meetings of the Council for Economic Renewal. The Welsh Government should facilitate this by working with any future service provider to clarify roles and functions in facilitating more focused discussions through the CER.

**Recommendation 10:** While the WSPU may be a recognisable brand for the organisations it has served for over a decade, its identity and profile still need to be raised among a number of key Welsh Government partners. Looking ahead, future service providers may wish to consider whether a rebranding of the services is necessary to achieve this.

**Recommendation 11:** Any significant changes proposed to the services provided by any future service provider should be accompanied by a detailed assessment of current resources. This assessment should ensure that there is enough capacity and suitable skills within a staff team to be able to deliver services to the highest quality.



# 1 Introduction to the evaluation and service review

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The Wales Social Partners Unit (WSPU) commissioned Arad to undertake an evaluation of its performance in relation to the contract to facilitate Social Partners' engagement with the Welsh Government. At the request of the Welsh Government a service review was also carried out as part of this project. This report presents the findings of the research, carried out between April and July 2013.

## 1.1 Background to the WSPU

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The Wales Social Partners Unit was created in September 2001 to provide services that improve the engagement of the business representative bodies in Wales and the Wales TUC (the social partners) with the Welsh Government and the National Assembly for Wales. The WSPU is wholly funded by the Welsh Government under a contract secured through competitive tender. Its members are the CBI, FSB, Chamber Wales, EEF Cymru, FPB and the Wales TUC. Its main aims are to:

- Facilitate the interface between the Social Partners and the Welsh Government;
- Provide an impartial and comprehensive research and evaluation service to the Social Partners;
- Operate effectively with a wide range of partner organisations
- Assist in the development and maintenance of the Social Partner network.

The WSPU provides these services after winning a competitive Welsh Government tender for a three year contract that ends on 18 January 2014.

## 1.2 Aims of the evaluation

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The specification for the evaluation noted that the review should examine:

- the extent to which WSPU has met the aims and objectives of the contract;
- the cost effectiveness of WSPU's services;
- the experiences of customer organisations, including the Welsh Government, in their dealings with WSPU.

In addition to an evaluation of the performance of the existing contract the review considered the following questions:

- Is the service provided under the contract valued by the social partners and the Welsh Government?



- Is the service providing additional benefits and lasting/meaningful improvements to engagement and facilitation?
- Is there a rationale for the Welsh Government supporting social partner engagement and facilitation through the continued commissioning of such a service?
- Are there clear accountability and governance structures in place for delivery of the contract?
- Does the service provided under the contract offer value for money and are the benefits realised as a result of the service being in place greater than might be obtained by providing funding in an alternative way to support social partner engagement and facilitation?
- What lessons have been learnt to date regarding provision of the service, for example in relation to models of delivery and capacity of partners to deliver, and is there a need to amend the service?
- Are there evidence-based recommendations that can be made for future improvements to the service?

### 1.3 Overview of research methods used

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During an initial meeting between the Arad research team and WSPU staff a number of themes and topics were identified. These would serve both to organise and present evidence, and provide additional context to the review. These themes were:

- Awareness and use of the WSPU services
- Effectiveness and value of the WSPU services
- Future services

The programme of research included the following tasks:

- i. **Desk research** to explore original aims of and objectives of the WSPU services as well as possible changes to services in the light of the Business Scheme Review;
- ii. **Fieldwork:** Survey of the WSPU members and service users
  - An electronic survey of WSPU services beneficiaries. Topics covered in the survey linked to the three themes outlined above and included a focus on beneficiaries views' on the quality and relevance of the WSPU services and their impact on their organisations and engagement with the Welsh Government. The survey was sent to 115 individuals who receive



information from the WSPU. 42 responses were received, with 39 of those responses sufficiently complete to form part of the analysis. This represents a good response rate (34 per cent) and is at a similar level to the number of responses received during previous evaluations of the WSPU (2007 and 2010).

- iii. **Fieldwork:** Interviews with key stakeholders
- Qualitative interviews with users of WSPU services; WSPU staff and board members; and Welsh Government officials. 16 interviews (including nine with Welsh Government officials) were carried out in total either face-to-face or by telephone. A semi-structured interview guide was developed to help steer these interviews, again based on the three main themes of the evaluation,

## 1.4 Acknowledgements

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We would like to place on record our thanks to all those who contributed their time and effort to this evaluation. All contributions – both written submissions and contributions during interviews – were greatly appreciated and provided the team with valuable evidence upon which to base this report and its findings.



## 2 Awareness and use of the WSPU services

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The WSPU provides a range of key services designed to facilitate and build capacity for engagement between the Social Partners and the Welsh Government. This section of the report focuses on the awareness and use of the WSPU services by WSPU members and Social Partners and Welsh Government officials.

### 2.1 Awareness of the WSPU services

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#### 2.1.1 Awareness among WSPU members and Social Partners

Survey responses indicate a very good level of awareness of the services currently provided by the WSPU among those who are on the organisation's distribution list (see Annexe 1, figure 1 for results). Given that the WSPU has been providing broadly similar services to members and Social Partners since 2001 it is perhaps unsurprising that levels of awareness are so high.

In summary:

- 31 out of 38 respondents (82 per cent) indicated they were aware of the WSPU's aims and objective of assisting with the development and maintenance of the Social Partner network;
- Almost all respondents (37 out of 38 or 97 per cent) noted that they were aware of the WSPU's role to *'facilitate the interface' between the Social Partners and the Welsh Government*.

Some survey respondents commented further that they were *'fully aware of the role played in arranging ongoing consultation and engagement [with the Welsh Government]*'. Another noted that, since meeting up with the WSPU staff, they were now well aware of the organisation's aims and objectives and the support they provide *'to fellow trade federations'*. This underlines the importance of direct contact between the WSPU and Social Partners in communicating the unit's functions and the extent of its links with the network of Social Partners.

Furthermore, respondents demonstrated a good awareness of how the services delivered by the WSPU were funded: 32 out of 37 respondents (86 per cent) were aware that WSPU delivers services under contract to the Welsh Government. A number of questionnaire respondents commented that the WSPU had explained how the services were funded when they had initially established contact with them. In follow up interviews several Social Partner representatives acknowledged the role that the Welsh Government is playing by investing in wider engagement with the business community through the WSPU.





## 2.1.2 Awareness among Welsh Government officials

Arad conducted interviews with senior civil servants from a range of Welsh Government departments<sup>1</sup>. These interviews revealed very mixed levels of awareness of the WSPU and the services it provides amongst these officials. Some of the officials interviewed had good knowledge of the type of support and services provided by the WSPU and were able to provide recent examples of contact with the team as well as plans to work with them in future.

In addition, where there had been contact between officials and the WSPU, there was a sense that there was scope to build on these links; and to build 'Social Partner engagement' more effectively into policy and programme design and delivery. There was awareness among some officials that this work has begun, driven largely by the review of the Business Scheme, to identify departmental leads for Social Partner engagement.

WSPU representatives also outlined that they were now taking a more proactive approach to engagement with the Welsh Government as a result of the Business Scheme review. With the support of the Welsh Government they outlined that they have recently contacted around 20 officials. Some officials had recently met, or made contact with, the WSPU as a consequence and saw it as the beginning of 'a more constructive approach to working with the WSPU and Social Partners more generally'.

*"I was asked to attend a meeting with other representatives from departments to be the Welsh Government's link with the WSPU. So far, I have only attended one meeting but I am now fully aware of what the WSPU does and the services it provides to social partners." (Welsh Government official)*

Other officials, however, acknowledged they had limited awareness of the WSPU's role and the services it is contracted to deliver. Those officials who noted that they were not aware of the WSPU, explained that they had not had contact with staff at the Unit. In most cases these officials noted that they had direct links with business representatives and trades unions and were unsure as to the added value that the WSPU could potentially provide.

*"If you want me to use [the services provided by the WSPU] I need to know what they're for and how they can benefit us in delivering programmes and business". (Welsh Government official)*

The name Wales Social Partners Unit also created some confusion among several officials. One noted that his understanding was that the Unit's members included both the private sector and trade unions, and that to him, the term *Social Partners* did not convey this well. Another official, who had little knowledge of the WSPU, assumed that it provided services to support 'social enterprises'.

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<sup>1</sup> The departments represented included Economy, Science and Transport; People, Places and Corporate Services; Sustainable Futures; Local Government and Communities; WEFO; Health and Social Services; and Education and Skills.



Notwithstanding recent activity to strengthen direct links between the WSPU and Welsh Government departments, this current lack of awareness illustrates a need to ensure there is clear awareness among officials of the functions and potential benefits of the services delivered by the WSPU to them. In later sections of this report, we consider some potential further actions that could be taken to improve links between the WSPU, or any organisation delivering similar services in future, and the Welsh Government.

## 2.2 Use of the WSPU services

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### 2.2.1 Use of the WSPU services by WSPU members and Social Partners

WSPU members and Social Partners were asked to indicate how often they use the WSPU services through the survey (see Annexe 1, figure 2 for results). In summary:

- Email summaries were the most frequently used services, with 35 out of 38 respondents (92 per cent) using the *Weekly Summaries of forthcoming National Assembly Business*;
- 28 out of 37 respondents (76 per cent) used the *email service relating to Welsh Government, National Assembly for Wales, Wales Office and WEFO activities* while 25 out of 36 respondents (69 per cent) used *e-mailed Targeted National Assembly for Wales (NAW) Committee excerpts* frequently;
- 16 out of 34 respondents (47 per cent) of respondents frequently asked for client specific information and advice while a further 8 (23 per cent) used this service occasionally;
- The website and Twitter feeds were the least used 'services'. 4 out of 34 respondents (12 per cent) frequently used the website, with a further 15 (44 per cent) occasionally using the website. 5 out of 33 respondents (15 per cent) frequently used the Twitter feeds, with a further 12 (36 per cent) occasionally and 12 (36 per cent) never using the Twitter feeds.

This data is consistent with the findings of the previous evaluation of the WSPU. In 2010, the email-based summaries of forthcoming Assembly business were also identified as the service used most frequently by Social Partners<sup>2</sup>. This suggests that service users continue to see the value of the information provided. Social Partners noted that the summaries and the information contained helps guide and inform day-to-day activities within their respective organisations and keep them *'in the loop'* regarding ongoing events and policy debates.

*"The detailed and filtered reports form Plenary and other releases from Welsh Government are invaluable to my organisation. The work of the WSPU is essential in providing support to a number of committees providing cohesive responses to the WG. It would make it extremely difficult to provide, consistent and organised, industry*

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<sup>2</sup> In 2010, 89 per cent of respondents indicated that they use the weekly summaries of forthcoming Assembly business 'frequently'. (Evaluation of the Wales Social Partner Unit, Arad Research)



*responses and input to the WG without the benefit of the WSPU.” (Social Partner survey respondent)*

The WSPU reported that it has adapted the information services it provides, taking into account feedback from users, to ensure these services remain relevant to user needs. The data suggests that users also continue to appreciate the opportunity to request specific or bespoke information. 24 out of 34 who answered noted that they have asked for client specific information, indicating the readiness of WSPU staff to be responsive to the individual needs of organisations.

Use of the WSPU’s Twitter feed and website services is fairly low among those who responded to the questionnaire. Qualitative evidence outlines that this may largely be due to the regularity of the email services, and the quality and relevance of the information provided therein. Nevertheless there is some lack of awareness regarding these elements of the WSPU services and strategies to promote them, and the additional information and resources they provide, could therefore be enhanced.

*“I have not made use of the Twitter stream to date because the e-mail service is so comprehensive and reliable.” (Social Partner survey respondent)*

This raises questions about the added value of the Twitter feed to those organisations included on the WSPU’s main distribution lists. However, the dissemination of information via Twitter ensures that the WSPU’s services reach out to a far wider network of individuals and institutions, spanning higher education, social enterprises, media organisations, private and public sector organisations. This evaluation has not sought to collect the views of the WSPU’s Twitter followers who are not included on the main distribution lists.

Section 3 of this report explores further evidence on the effectiveness and value of these services and shows the clear links between the levels of usage of various services and the value that the WSPU members and Social Partners assign to them.

## **2.2.2 Use of services by category of Social Partner**

WSPU recognise the different interests of the organisations they serve by grouping them according to three categories:

- Category A includes WSPU’s core clients;
- Category B lists organisations that come within the wider social partner group (as defined by WSPU), but who are not core clients;
- Category C includes organisations and clients who have requested information from WSPU but who are not included in the narrow definition of social partners.

39 survey responses received were divided as follows between these categories:

Category A	17
Category B	14
Category C	8



Analysis of responses by category shows that, overall, Category A and B organisations are proportionally more frequent users of weekly summaries of Forthcoming National Assembly Business:

- 15 out of 17 Category A respondents noted they use the weekly summaries frequently, with the remaining 2 respondents from this Category using them occasionally. 14 of the 15 frequent users evaluated the service as 'very beneficial'.
- 13 out of 14 Category B respondents noted they use the weekly summaries frequently. Of this Category 13 out of 14 reported the summaries as 'very beneficial'.
- 6 out of 8 Category C respondents indicated frequent use of weekly summaries, 5 of these indicated they were 'very beneficial'.

Responses reporting the frequency of use of client specific information and advice indicated that a higher proportion of Category A respondents use this service more frequently than Category B and C respondents. More specifically 10 out of 17 Category A respondents indicated frequent use of client specific information and advice, compared with 4 out of 14 Category B respondents and 2 out of 8 respondents from Category C.

### 2.2.3 Wider communication and use of WSPU services

Previous evaluations of the WSPU have found that the information disseminated by the Unit's staff reaches beyond the immediate target audience. Data collected from current service users also indicates that users of WSPU services forward materials they receive to colleagues within their own organisation as well as individuals in other organisations. This demonstrates that the use of WSPU service is not confined to the individuals or organisations on the WSPU's own distribution list.

Survey respondents outlined a number of reasons for passing on this information. These included aiming to generate greater awareness of the work of the Welsh Government amongst colleagues and partners; using it increase communication and networking processes and promoting direct interaction from their membership.

*"While information is circulated to all staff members by WSPU as a matter of course, I sometimes forward to other individuals within the organisation with commentary. This enables us to further debate around specific subjects without having to trawl for information on the Welsh Government's website. I also occasionally forward the material to third parties that are carrying out work for us. This enables us to have a steady stream of communication that can be relied upon."*

Table 1: Do you forward any of the material you receive from WSPU to the following:

	Yes, frequently	Yes, occasionally	No
Other individuals within your organisation?	17	15	4
Individuals in other organisations?	4	20	12

Source: Survey of WSPU service users



It is interesting to note the use of services provided by the WSPU to stimulate internal discussion among Social Partners about specific policies or issues. In addition to saving time for member organisations (through the provision of summary information), Social Partners also reported that services provided by the WSPU also serve to generate ideas and topics for ongoing debate. As such, the Unit's work contributes to raising levels of engagement of Social Partners.

#### **2.2.4 Use of the WSPU services by Welsh Government officials**

The majority of officials interviewed stated that they had not used services provided by the WSPU to date. There was a general feeling among officials that the WSPU has focused mainly on its role as a conduit of information from the Welsh Government out to Social Partners and in enabling Social Partners to speak with a more coordinated voice on certain matters. Representatives from the WSPU noted that under the terms of their contract they have only been required to provide these services 'upon request'.

WSPU representatives did acknowledge, however, that the review of the Business Scheme is placing more emphasis on Welsh Government officials using their services. As reported in section 2.1.2 this process is linked to efforts to raise awareness within the Welsh Government of the roles of the WSPU. Some officials expressed a view that there are now opportunities for the WSPU to engage more effectively with various Welsh Government departments and that there are indications that this is beginning to happen.

For example since becoming aware of the service, one department has been able to send important information to the WSPU to disseminate to its members. Now that they are aware of the WSPU they intend to use it as part of future consultation activity, including the process of consulting on a Skills Strategy for Older People. Another official noted that he is keen to explore opportunities to improve links with Social Partners as part of their efforts to improve early engagement with business and with communities.

*"When new bills or policies are being developed, we would clearly benefit from a better understanding of the view from the private sector as proposals are being worked through". (Welsh Government official)*

Discussions with officials revealed that they would appreciate further opportunities to tap into the WSPU's knowledge and networks. Several interviewees noted that greater and more effective use of the WSPU's services and expertise by the Welsh Government is important in order for the WSPU to demonstrate its full value and maximize its impact. This view is shared by the WSPU's Board and WSPU representatives outlined that a more proactive approach to engage with the Welsh Government was now being undertaken.

#### **2.2.5 Summary conclusions from this section**

- Services provided by the WSPU continue to be used extensively by the core group of Social Partners;



- The services are well developed and valued and tailored to user needs. Awareness of the services – and how they are funded – is very high amongst Social Partners;
- Social Partners also disseminate the information received more widely; as a consequence, information services provided by the WSPU extend beyond the core group of service users and further contribute to Social Partner engagement;
- Awareness and use of WSPU's service across Welsh Government departments is considerably less well developed; an increased focus is currently being placed on this.
- There is consensus that ensuring greater use by Welsh Government officials of WSPU's knowledge and networks to support Social Partner engagement should be a priority moving forward.



## 3 Effectiveness and value of the WSPU services

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This section of the report focuses on the effectiveness and value of the WSPU services, and the respective views of WSPU members, Social Partners and Welsh Government officials. The section examines views regarding the quality, effectiveness and accessibility provided by the WSPU; their relevance in terms of meeting the needs of Social Partner organisations; the potential efficiencies gained in time and resources for organisations and enabling them to better serve their members; and the contribution of the WSPU services to better engagement between the Social Partners and the Welsh Government

### 3.1 Views of WSPU members and Social Partners

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Overall, survey responses indicate a high level of satisfaction with the WSPU services among Social Partners (see Annexe 1, figure 3 for results). In summary:

- Email summaries of forthcoming National Assembly Business are most beneficial to respondents. 33 out of 38 survey respondents (87 per cent) indicated summaries are 'very beneficial' with 5 out of 38 (13 per cent) indicating they are 'beneficial at times'.
- Email services relating to Welsh Government, National Assembly for Wales, Wales Office and WEFO activities were considered 'very beneficial' by 25 out of 37 survey respondents (68 per cent), with a further 8 (22 per cent) considering them to be 'beneficial at times.'
- 23 out of 36 respondents (64 per cent) considered the e-mailed Targeted National Assembly for Wales (NAW) Committee excerpts to be 'very beneficial' while a further 8 (22 per cent) indicated that they were 'beneficial at times'
- 20 out of 35 respondents (57 per cent) indicated that client specific services were 'very beneficial, while a further 4 (11 per cent) indicated that they were 'beneficial at times'. 11 out of the 35 respondents (31 per cent) had not used these services.
- Twitter feeds and the website were reported as the least beneficial services, relative to other services. 5 out of 34 respondents (15 per cent) reported the Twitter feeds as 'very beneficial', 13 (38 per cent) 'beneficial at times' and 13 (38 per cent) had not used the service.
- The website was considered to be very beneficial by 7 out of 35 respondents (20 per cent), beneficial at times by 14 respondents (30 per cent) and 12 of the respondents (34 per cent) had not used the service.
- 32 out of 38 respondents (84 per cent) indicated the services currently provided by the WSPU complement other forms of engagement between social partners and Welsh Government.



- All Social Partners who responded to the questionnaire consider that WSPU services are easy to access.

These high levels of satisfaction were also reflected in survey responses to a range of further questions relating to the effectiveness and value of the services provided by the WSPU. Respondents provided additional qualitative evidence and specific examples of the services provided by the WSPU that they valued. These are presented below and linked to the main aims and objectives of the services currently delivered by the WSPU under its contract with the Welsh Government.

### **3.1.1 Providing an impartial and comprehensive research and evaluation service to the Social Partners**

A clear majority of survey respondents (25 out of 38, or 66 per cent) 'strongly agreed' that services currently provided by the WSPU have enabled their organisation to be better informed of Welsh Government policy development processes while a further 12 (32 per cent) 'agreed' (see Annexe 1, figure 4). The WSPU can be therefore seen to be delivering on one of its key overall aims and objectives relating to the provision of comprehensive research services to its members and Social Partners.

Survey respondents outlined that the services provided by the WSPU are a 'good source' of information for key issues of interest and that they were kept 'up to date' with current issues. The high levels of satisfaction also related to the quality of information services received, and 36 out of 38 of survey respondents (95 per cent) either strongly agreed or agreed that the services are of a consistently high quality (see Annexe 1, figure 5).

*"The high quality of the service given by WSPU is representative of the wide experience which exists within the Unit. The staff at WSPU have always been keen to ensure that the information they provide is relevant and accessible which means that I am able to distribute it to my members in certainty of its quality."*  
(Social Partner survey respondent)

Some organisations reported planning much of their work programme around the content of WSPU email services, particularly the 'forthcoming business' services. They outlined that this has enabled them to keep up to date with policy developments, while saving time and resources for their organisations and members.

Other organisations noted the importance of the tailored research services provided by the WSPU which also brought benefits to their members. Specific examples of this outlined by Social Partners included briefing papers on education in Wales; information about the progress of the Social Care and Wellbeing Bill and a summary of statistics relating to the Economic Growth Fund.

*"The most valuable service is when we make specific requests of WSPU and they provide us with targeted and specific information - this is most helpful."*(Social Partner survey respondent)





23 out of 38 survey respondents (61 per cent) of survey respondents 'strongly agreed' that the WSPU is a trusted and authoritative source of information (see Annexe 1, figure 5). Further discussions with Social Partners indicated that the WSPU's reputation as a trusted and reliable source of information appears to be firmly established among Social Partners. Social Partner representatives outlined their confidence when using the data provided by the WSPU; they also noted that they value the impartiality, independence and reliability of the services currently provided by the Unit.

*"The support and advice offered by WSPU on Welsh Government developments as well as social partner engagement is well-trusted and consistently independent." (Social Partner survey respondent)*

Social Partners interviewed considered that the independence of the WSPU from the Welsh Government ensures that the information it provides *"is delivered in a transparent and accessible manner."* They noted that the services currently provided by the WSPU have a degree of impartiality and several indicated that it is important to have an *"independent honest broker"* in this role.

*"There is a need for the WSPU to provide an independent service from Welsh Government, as this ensures impartiality, and therefore provides a more trusted source of advice to both Welsh Government and WSPU member organisations." (Social Partner survey respondent)*

Further comments from Social Partners reveal that trust has been built up over time as a result of the quality and reliability of the services delivered by the WSPU. This trust is an example of the added value delivered over the contract periods where services have been provided by the WSPU. While somewhat intangible, several interviewees considered that this has led to the development of greater consensus on certain issues amongst the Social Partner network, an issue that is considered further in the following section.

### **3.1.2 Facilitating the interface between the Social Partners and the Welsh Government and assisting in the development and maintenance of the Social Partner network**

Activities to support this objective should be seen in the context of the Business Scheme and the statutory requirement for Welsh Ministers *'to take account of the interests of business in the exercise of their functions'*<sup>3</sup>. Developing the capacity of Social Partners to engage with the Welsh Government including in the light of the review of the Business Scheme is therefore a key function for the WSPU to deliver under the contract provided by the Welsh Government.

20 out of 38 respondents (53 per cent) 'strongly agreed' that the services have contributed to better engagement between Social Partners and the Welsh Government while a further 12 (32 per cent) 'agreed' with this statement (see Annexe 1, figure 4). Survey respondents and interviewees considered that the WSPU's role as an interface has allowed Social Partners to

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<sup>3</sup>Government of Wales Act 2006 (section 75) London: The Stationery Office



build consensus on certain issues. This process is helping them to establish common ground, creating a forum for them to express their views and allowing Social Partners to develop a collective response to Welsh Government policies.

*“The WSPU facilitates a more balanced response to the Welsh Government from a range of Social Partners. They enable Social Partners to develop a single response on some issues.” (Social Partner survey respondent)*

Data collected during this evaluation echoes evidence from the 2010 study, which reported that the engagement services provided by the WSPU had served to ‘galvanise’ social partners, enabling a more collective and coherent approach to engagement with the Welsh Government. A number of interviewees during the 2013 evaluation noted that Social Partner engagement still needs to be facilitated and given direction, a function performed effectively by the WSPU in the view of the majority of those who contributed to the survey.

*“This information and the support and advice given by WSPU has not only increased our own interaction with Government and the Assembly but crucially, has facilitated our engagement with other social partners in Wales. WSPU have been excellent at keeping us abreast of the priorities and issues affecting the social partners and assisting our understanding of Government priorities and processes.” (Social Partner survey respondent)*

A number of Social Partners (primarily from smaller organisations) considered that, without an organisation delivering the services provided by the WSPU, there may be a tendency to only listen to the ‘big players’ (both business representative organisations such as the CBI and Institute of Directors and trade unions via the Wales TUC).

Representatives from these smaller organisations considered that these ‘big players’ often have already well-established links with the Welsh Government and are seen to have an advantage in terms of lobbying. For them, the platform provided by the WSPU gives them more equal access and a voice in a growing Social Partner network.

*“The WSPU levels the playing field and enables smaller organisations to get more deeply involved.” (Social Partner survey respondent)*

*“As we are such a small organisation we’re often not in a position to set the agenda but the WSPU allows us to punch above our weight.” (Social Partner interviewee)*

The existence of an organisation such as the WSPU was also considered by Social Partners to be a key element in ensuring Social Partners are able to engage more directly with policy makers. Survey respondents and interviewees outlined that WSPU acts as a ‘gateway’ to key contacts within the Welsh Government and also links Social Partners to other partners of interest. WSPU’s awareness of the current policy context was mentioned during interviews as being a key strength and an asset for members.

Organisations provided specific examples of the greater potential to engage more directly with policy making delivered through the WSPU. One organisation outlined that their membership had direct interaction with the Welsh Government regarding the Sustainable Development Bill. Another organisation became involved in the Review of EU funding and submitted evidence as a result of an intervention from WSPU.



The WSPU also facilitated one organisation's meeting with the Children's Commissioner for Wales to discuss a Bill about marketing to children and supported another's campaign for the reinstatement of the Procurement Supplier Board.

*"We feel much closer to policy makers and the Welsh Government as a result of the WSPU's services."(Social Partner interviewee)*

### **3.1.3 Operating effectively with a wide range of partner organisations**

Social Partners reported that the services currently provided by the WSPU enabled their organisations to operate more effectively and better serve their members. 22 out of 38 respondents (57 per cent) 'strongly agreed' that the services added time and resource capacity to their organisation while a further 13 (34 per cent) 'agreed' (see Annexe 1 figure 4). The value of these services to Social Partners, based on the evidence presented, is that they provide access to key reports and information promptly and regularly.

This was considered especially important by smaller organisations without dedicated information gathering resources. 22 out of 38 respondents (58 per cent) 'strongly agreed' that the WSPU staff respond quickly and efficiently to requests for information (see annexe 1 figure 5). Once again, this is seen as a key aspect of the services provided by the WSPU, adding time and capacity for the Social Partners, something that is also reflected in all survey respondents outlining that these services are easy to access.

*"WSPU provides strong lines of communication that free up time and capacity for more productive activities. Sourcing Welsh Government information would take up a considerable amount of my working time if this service was not available."(Social Partner survey respondent)*

*"Monitoring all of the relevant output to business from the Welsh Government is an impossible task for individual business organisations, but crucial to planning work streams. With WSPU information and advice it is possible for business organisations to keep an eye on the whole, whilst choosing the right consultations to direct limited resources into."(Social Partner survey respondent)*

Services provided by the WSPU also promote links between a wide variety of organisations across sectors in Wales and this network has developed over the years. Specific examples given by Social Partner representatives included one organisation which is now linked more closely with Business Representatives as well as third sector organisations such as NEA Cymru – a fuel poverty charity as a result of the WSPU's facilitation.

Another organisation noted that the WSPU have acted as a cross-departmental link to the Welsh Government for them because their sector cuts across economy, housing, energy and social affairs. This gives them 'a broader, more rounded understanding' of Welsh Government affairs.

*"WSPU is very systematic in this respect, very logical – when you receive information from them you know it's coming for a reason and will be of interest to your organisation and your partners / members."(Social Partner survey respondent)*



The WSPU is also contracted to assist the secretariat of Commerce Cymru (formerly Business Wales) and support its operation. Representatives from the WSPU outlined that the organisation provides the full secretariat function for Commerce Cymru, arranging the meetings, taking minutes, arranging for speakers, and working in close consultation with the Chair. The WSPU noted that it also co-ordinates Commerce Cymru input to meetings of the Committee for Economic Renewal Working Group, working with Welsh Government representatives in agreeing agendas and that social partners produce papers when required.

### **3.1.4 Management and accountability**

The way in which the WSPU's contractual requirements are delivered and managed was also considered as part of this evaluation. Social Partners who responded to the survey outlined high levels of satisfaction with delivery arrangements with 87 per cent 'strongly agreeing' or 'agreeing' that the services currently provided by the WSPU are the most effective way of supporting social partner engagement in Wales (see Annexe 1, figure 6).

Interviews with the WSPU staff outlined that they plan their work based on the needs of the Social Partners and their contractual role in implementing the Welsh Government's Business Scheme. The WSPU noted that its team had developed expertise over successive contract periods; the team's knowledge and skills were endorsed by Social Partner survey respondents and interviewees and by several Welsh Government officials.

WSPU staff outlined that they believed there to be effective internal planning processes to guide their work and underlined the importance of the role of WSPU's Board of Directors in ensuring accountability and monitoring quality control. WSPU's Board of Directors consists of representatives from Social Partner organisations, several of whom have been board members for up to 10 years. Social Partners therefore have ownership of the organisation and they are responsible for overseeing the management of the Unit's work.

Both Board Members and the WSPU staff noted the good communication and feedback structures in place to support regular Board Meetings and monitoring systems. The WSPU staff also reported that progress meetings with the contract team at the Welsh Government had increased in frequency over the last contract period, thereby enhancing accountability to the client.

## **3.2 Views of Welsh Government officials**

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Welsh Government officials were asked for their views on the effectiveness and value of WSPU's services. Officials who were aware of the services delivered by the WSPU considered them to be important and recognised the potential benefits to both Social Partners and Welsh Government policy leads.

Those with less knowledge and awareness also felt that, in principle, there was a case for supporting engagement with Social Partners. They recognised that compiling, distilling and disseminating information to organisations in a systematic way can deliver efficiencies and



can help ensure coordinated engagement between the Welsh Government and Social Partners.

Officials also saw the value of the services the WSPU currently provide in terms of bringing Social Partners together and encouraging them, where opportunities allow, to speak with a coherent voice. As one official commented, *“otherwise social partners might face uncoordinated and ill-targeted engagement.”* It was also acknowledged by one official that the WSPU provides a more level playing field for smaller representative bodies. While they outlined that the *“door was always open”* to these organisations they accepted that their lack of resources meant that the WSPU was currently a better channel of engagement for them.

Several officials did note, however, that they already have well-established links with Social Partners and that they often liaise directly with them. These interviewees were therefore keen to emphasise that the services the WSPU provides has *enhanced* rather than replaced the relationships they have with representative bodies such as the CBI, Wales TUC, FSB Cymru and the IoD. For example one official noted, as part of his work leading on entrepreneurship and business support, that he already has direct links with business representatives.

*“I already work with business organisations, why do I need an intermediary between me and intermediary bodies? I’m not clear how it (the WSPU) would add value to my job.” (Welsh Government official)*

As outlined in Section 2.2 of this report, the research found relatively low levels of awareness levels regarding current services provided by the WSPU amongst Welsh Government officials. However, one official noted that the summaries of Assembly business are also useful *“internally for officials across departments”*. Given the range of activity taking place across the institution, one individual noted that the summaries:

*“help me understand what is going on across different Welsh Government departments and enables me to make links to my areas of work. As the Welsh Government covers such a wide range of policy areas, having a resource that helps raise awareness across departments is very useful.” (Welsh Government official)*

The individual conceded, however, that they were arguably not the intended target audience for WSPU’s summaries. This does, nevertheless, illustrate the potential for the information and research services currently supplied by the WSPU to be retargeted where appropriate, and where resources permit, to meet the needs of the Welsh Government.

Welsh Government officials who felt in a position to comment on the value and effectiveness of services endorsed the view of Social Partners that the WSPU provides a good information service to organisations. Some however questioned to what extent the capacity of Social Partners to engage with the Welsh Government had been raised.

Officials acknowledged that, as the balance of services delivered by WSPU currently stands, Social Partners are more likely than Welsh Government departments to see the benefits of WSPU’s activity. Indeed, several officials questioned whether the model of delivery is working as well as it could in terms of providing benefits for individual Welsh Government departments and across the administration as a whole.



### 3.2.1 Summary conclusions from this section

- There are high levels of satisfaction among Social Partners who contributed to this evaluation regarding the value of the services currently provided by the WSPU;
- Almost all Social Partners agree that the WSPU provides an impartial and comprehensive research service; the Unit is seen as a trusted and authoritative source of information;
- The services currently provided by the WSPU have contributed to providing additional capacity for Social Partners, particularly the smaller organisations, to operate and engage more effectively;
- Social Partners consider that the WSPU has contributed to better engagement between Social Partners and the National Assembly and Welsh Government by acting as an interface between them;
- The WSPU has also served as a vehicle to bring diverse organisations together, establishing common ground, and contributing to developing a united voice for the Social Partners on some issues;
- Social Partners consider the impartiality and independence of the WSPU to be crucial;
- Effective management structures have been put in place by the WSPU and the Board of Directors ensures accountability and transparency;
- The evaluation found a range of opinion among Welsh Government officials on the value and effectiveness of the services delivered as part of the contract let by the Welsh Government: broadly speaking, there was a recognition of the value of services but that more work needs to be done to ensure that the benefits are enjoyed by Welsh Government departments as well as by Social Partners.



## 4 The WSPU's performance against contractual requirements

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This section of the report examines the extent to which the WSPU has met the aims and objectives of the contract as well as assessing the cost effectiveness of their services and whether the service is valued by both Social Partners and the Welsh Government.

### 4.1 The extent to which the WSPU has met the aims and objectives of the contract

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From the evidence collected from Social Partners and Welsh Government officials the WSPU can be seen to have successfully met the aims and objectives of its contract with the Welsh Government. The WSPU has provided a monitoring and information service over the past three years which is considered by Social Partners to be of high quality and of real relevance to their needs, and which has contributed to adding to their capacity to engage with the Welsh Government.

The WSPU has met its contractual requirements in terms of the quality and range of its information and monitoring services. These services have been delivered on a regular basis, and cover a wide range of policy issues. The WSPU has provided briefings and news as well as summarising consultation documents through email, its website and Twitter. Evidence shows that these services have given partners the capacity to 'determine quickly and easily whether or not they wish to respond', and promoted engagement with a wide range of Welsh Government policies and initiatives.

The WSPU's provision of tailored research upon request has allowed for further clarification and advice for the Social Partners, allowing them to successfully engage with policy development and Welsh Government consultations. The WSPU's provision of these services in easy to access formats has allowed the further dissemination of information, leading to wider engagement. The services provided by the WSPU have therefore contributed to the maintenance and development of the network of Social Partners allowing all voices and sectors to be heard – both within the network and in terms of engagement with the Welsh Government

The services currently provided by the WSPU have also contributed to delivering additional capacity for Social Partners, particularly the smaller organisations, to operate and engage more effectively. Social Partners consider that the WSPU has contributed to better engagement between Social Partners and the Welsh Government by acting as an interface between them. The WSPU has also served as a vehicle to bring diverse organisations together, establishing common ground, and contributing to developing a united voice for the Social Partners on some issues.

Part of this process of establishing common ground has been through the WSPU's effective delivery of its expected additional roles, namely supporting the operation of Business Wales; acting a secretariat for Commerce Cymru; assisting the secretariat of the Council for Economic Renewal (formerly Business Partnership Council); and acting as a liaison point for



WEFO. These roles illustrate additional activities that support and complement the primary services currently delivered by the WSPU. The links to the Council for Economic Renewal offer particular potential to build on existing services and enhance Social Partner-Welsh Government engagement. This is further explored in the 'future services' section of this report.

The WSPU has also succeeded in maintaining a position of objectivity and independence. Almost all Social Partners agree that the WSPU provides an impartial and comprehensive research service and the Unit is seen as a trusted and authoritative source of information. Welsh Government officials also recognised the value of this impartiality. Evidence suggests that this independence has allowed the WSPU to operate effectively with a wide range of partner organisations, thereby assisting in the development and maintenance of the Social Partner network.

## **4.2 The cost effectiveness of the WSPU's services**

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Evidence suggests that the WSPU delivers the requirements of its contract with the Welsh Assembly Government to a high quality. In terms of the cost effectiveness of the services the evaluation has found that effective management structures have been put in place by the WSPU and that its Board of Directors ensures accountability and transparency.

The nature of the services provided by the WSPU are more factual and targeted providing information and continuity, and have a specifically Welsh focus. They thus complement rather than duplicate activities undertaken by similar organisations or the Welsh Government. There is evidence to suggest that the continuity of personnel at the Unit has brought about added value as a result of well-established working relationships, contributing further to the cost effectiveness of the current model.

Without sufficient benchmarking data or comparable services across other UK countries it is not possible to provide a firm conclusion as the value for money provided by the current services delivered by the WSPU. However it is clear that the services are valued by the Social Partners who responded to the evaluation and that the WSPU has successfully delivered on the aims and objectives of the contract on budget. This therefore can be seen to be a cost effective approach and one that has provided additional value as evidenced by the conclusions above and the experiences of customer organisations outlined below.

## **4.3 The experiences of customer organisations in their dealings with the WSPU**

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There are high levels of satisfaction among Social Partners who contributed to this evaluation regarding the value of the services currently provided by the WSPU. The majority of Social Partners also considered that the current delivery model for services was the most effective way of ensuring ongoing engagement. The Welsh focus of the services provided by the WSPU; their impartiality and independence; and the level of trust developed across the network as a result of their provision were considered to have provided additional capacity and engagement opportunities for the Social Partners.





The majority of Social Partners consider therefore that the WSPU has contributed to better engagement between Social Partners and the Welsh Government by acting as an interface between them. For Welsh Government officials, however, more focus was needed in regards of this facilitating role to ensure that the Welsh Government also sees the benefit of services. While these has been delivered according to the contractual terms on a request basis, a more proactive role from the WSPU or another organisation delivering these services in future would be beneficial.

The high value placed on the services by the Social Partners and the potential for rebalancing the services to improve engagement with the Welsh Government suggest that there is a rationale for continuing the services. A refreshed Business Scheme plus a contract focused on proactive engagement with the Welsh Government as well as continued high quality services to the Social Partners will be key to maintaining the value and effectiveness of this engagement.

As one contributor to the evaluation pointed out, the value of the WSPU, or any other organisation delivering similar services in the future, will only be met if there is a strong and sustained commitment to engagement from both the Welsh Government and the Social Partners. The foundations have been laid by recent contracts and services delivered by the WSPU and evidence suggests there is a further opportunity and will from both sides to build on this progress. The next section of the report considers future priorities to support this process.

#### **4.3.1 Summary conclusions from this section**

- Evidence collected during this evaluation indicates that the WSPU has successfully met the aims and objectives of its contract with the Welsh Government. The WSPU's monitoring and information service is of high quality and of relevance to the needs of Social Partners. It has supported Social Partners in their efforts to engage with the Welsh Government.
- In view of the lack of directly comparable services, it is difficult to carry out a value for money assessment of the services provided by the WSPU. However the model currently delivered is seen by service users as being cost effective, delivering added value to Social Partners.
- The WSPU has contributed to better engagement between Social Partners and the Welsh Government.
- Based on the evidence presented as part of the evaluation, there is a strong argument for the continuation of the services provided by the WSPU (see future services, below).



## 5 Future services

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This section summarises Social Partner and Welsh Government officials' views on the priorities in terms of supporting Social Partner engagement over the short and medium term future. This section also presents an initial discussion of other potential methods of delivering the services currently delivered by the WSPU and the implications of re-prioritising or discontinuing certain activities and services.

### 5.1 Views of WSPU members and Social Partners

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There is very strong support amongst Social Partners for the continuation of dedicated services of the type currently funded by the Welsh Government and delivered by the WSPU to support engagement. The majority of survey respondents also considered that the current type of services are the most effective way of continuing to support engagement between Social Partners and the Welsh Government.

In summary, survey data (Annexe 1, figures 6 and 7) reveals that:

- 36 out of 38 respondents (95 per cent) 'strongly agree' or 'agree' that there is a continued need for dedicated services to support social partner engagement in Wales; 2 respondents neither agree nor disagree.
- 33 out of 38 respondents (87 per cent) 'strongly agree' or 'agree' that the services currently provided by the WSPU are the most effective way of supporting social partner engagement in Wales; 5 respondents (13 per cent) neither agree nor disagree.
- 17 out of 37 respondents (46 per cent) consider that the services provided to support social partner engagement in Wales could not be provided more effectively in another way. A further 17 (46 per cent) neither agree nor disagree with this statement, while 3 respondents agree.
- Of the services currently provided by the WSPU, discontinuing the weekly monitoring and information service would have most negative impact on Social Partners.

Survey respondents and interviewees commented that discontinuing the services currently provided by the WSPU would be likely to reduce Social Partners' current levels of engagement with the Welsh Government. Many respondents felt that discontinuing the services would also remove the added time and resource capacity individuals and organisations gain through the services the WSPU currently provides.

*"The loss of these services would mean I would need to spend a considerable amount of time looking for this information myself which would have a severely detrimental impact on the amount of time I have available for other areas of my work. Individuals in other organisations would do the same leading to a massive duplication of effort and reduced capability across organisations."* (Social Partner interviewee)



It was also considered that the discontinuation of services could result in a more disjointed relationship between Social Partners, their affiliated organisations and the Welsh Government. Several interviewees considered that the levels of trust that have been built up between Social Partners themselves, and the Welsh Government, could potentially disappear. For them, this has been an additional example of the value developed through the engagement process.

*“Without this information and these services, I have no doubt that our interaction with Government and the Assembly would substantially reduce and this would impact on the Government’s own consultation and face-to-face interaction with organisations.”  
(Social Partner survey respondent)*

In terms of potential future options for delivering these services several Social Partner survey respondents outlined the Welsh Government could deliver elements of the service in-house. However, these individuals considered that this process was unlikely to make the service any better or more efficient than it already is.

Some interviewees additionally noted that Social Partners could pay for the WSPU services (or similar) however they questioned how many organisations would be prepared to do so. It was also questioned whether all Social Partners would access information through the same provider if the WSPU or a similar intermediary organisation did not exist.

*“As the Welsh Government is under a legal obligation to deliver this engagement I think that the WSPU is one of the few solid, practical embodiments of that obligation.”  
(Social Partner interviewee)*

*“WSPU plays an important role in supporting social partner engagement with Welsh Government but the quality of this work is dictated to an extent by the commitment of Welsh Government departments. Some areas of government are better than others at engaging so it follows that the WSPU service would be enhanced greatly by a more joined-up and consistent system of engagement from the Welsh Government.”  
(Social Partner survey respondent)*

Interviewees working for UK or international organisations noted that, as far as they were aware there is no equivalent service in Northern Ireland, Scotland or England. Several organisations noted that they have contracts with Dodd’s Monitoring, Graylings and We Work with You to source information services. They explained that these have more of a UK focus and that the services currently provided by the WSPU were focused almost entirely on the Welsh policy context and therefore much more relevant to their needs.

*“WSPU gives us a much more Welsh focus and an understanding of the Welsh mindset which is crucial when identifying relevant information and advice.” (Social Partner)*



## 5.2 Views of Welsh Government officials

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The Welsh Government officials interviewed by the evaluation team emphasised that continued and improved engagement with Social Partners is crucial. It was recognised that while Social Partner engagement had not been a clear priority for all departments in the early years of devolution, there is now a need for all senior officials to ensure that there are systems in place to ensure the voices and views of business and trades unions are heard. One official summarised by saying:

*“The Welsh Government as a whole needs to understand the opportunities and barriers to success and to take informed decisions regarding policy development that takes account of the needs of business.” (Welsh Government official)*

It was suggested that there is scope in future for the more proactive departments (in terms of their links with Social Partners) to assist departments in helping to liaise with external organisations. There is also a potential role for the WSPU (or an organisation contracted to deliver similar services in the future) to help identify and disseminate effective practice in Social Partner engagement.

Relatively little comment was made by Welsh Government officials on alternative models of delivering the services currently provided by the WSPU. This was due, in part, to a limited knowledge on the part of many of current contractual and working arrangements. The option of taking some services in-house was mentioned by one official, with departmental Stakeholder Engagement Teams offering a possible substitute model.

Alternatively, it was suggested that services could be contracted out separately, split between information services and more targeted capacity building and engagement activities. On balance, civil servants tended to express a similar view as Social Partners by noting that the WSPU's independence from Welsh Government probably gave it “*credibility and trustworthiness*” with one noting that a partnership which represented a variety of Social Partner organisations was “*valuable and an important network in its own right*”.

Discussions with a number of officials did touch on ways in which future services to promote Social Partner engagement could be more strategically focused; some Welsh Government officials felt strongly that the focus should be now be placed on providing additional capacity to organisations to engage with departments as part of the process of developing policy and designing programmes.

*“There is still progress to be made to deliver more value for the Welsh Government [from these services]. At the heart of this is the role of WSPU and its potential value to Welsh Government officials and departments. This needs to be communicated far better and there should be better working protocols and the WSPU to take a more proactive approach – observing, analysing and facilitating rather than simple monitoring.” (Welsh Government official)*



### 5.3 Potential changes to services

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Both Social Partners and Welsh Government are therefore in agreement regarding the importance of continued services to promote engagement. There was also general agreement amongst those interviewed and surveyed that the independence and impartiality of these services is a paramount. As outlined in the previous section there were few concrete suggestions regarding potential changes to services provided by either the Social Partners or Welsh Government officials. Nevertheless it is possible to outline several potential future options to sustain and enhance the services currently provided by the WSPU.

- **Maintaining and enhancing the core elements of the information service.** For Social Partners this is the most valued element of the current services. It was suggested by both Welsh Government officials and Social Partners that a first stage in the process of building capacity is ensuring that organisations have access to information about developments in key policy areas. Both parties also considered that a renewed focus on early engagement regarding policy development could form part of these services. The timing and focus for disseminating this information is therefore crucial, ensuring that Social Partners are able to make a meaningful contribution at a sufficiently early stage and allowing the Welsh Government to be fully aware of Social Partner views. Social Partners reported to being very satisfied by the quality and timeliness of the services currently provided by the WSPU; however for future contracts there is also potential to ensure that these services promote a more proactive, two way process of engagement between the Social Partners and the Welsh Government.
- The Review of the Business Scheme recommended that *“the Council for Economic Renewal meetings should be focused on issues requiring decision-making and action. Representation at the Council for Economic Renewal and Working Group should be reviewed... and more provision made for sub-group meetings covering specific topics for discussion or information.”* It would seem sensible for the WSPU, or any other organisation delivering the services, to build on its existing functions and to **play a lead role in supporting more focused meetings of the CER.** This could involve preparing and disseminating research papers / briefings linked to issues under discussion at full meetings or sub-group meetings. This would provide an opportunity to draw on the expertise of WSPU staff. In so doing, WSPU or any future service provider could take a more active role in supporting Social Partners to prepare for CER meetings, working with members to ensure the most appropriate and informed representatives attend. This process would also link to the calls from several Social Partners and Welsh Government officials who considered there to be room for improvement in terms of using the Council for Economic Renewal as a vehicle for Welsh Government-Social Partner engagement.



- This also mirrors the calls from some Social Partners for **more targeted and strategically-focused research support services**. There are resource (time) implications for staff associated with this. While 25 out of 36 survey respondents (69 per cent) were satisfied with the current level of service provided by WSPU some respondents indicated there were additional areas of information and support that WSPU could provide. These included: collating and circulating business organisation events; a directory of civil servants; delivery of in-depth industry research on various topics; training for staff about the work/powers of the National Assembly and Welsh Government; and arranging joint meetings with individual ministers. Further discussion would be required to determine the anticipated level of resource required to deliver this service, what impact it would have on the current suite of information services delivered, and what would be the potential benefits of these additional services for the overall engagement process.
- The Welsh Government views that the services are required to be tailored more towards the needs and services of the Welsh Government. One suggestion to develop this was the formulation of **guidance / case studies for Welsh Government on how to engage effectively with Social Partners**, including an outline of the role and potential contribution that the WSPU or another future funded organisation can make in different scenarios and situations. This is likely to be a 'task and finish' exercise to establish some principles and practical actions that officials can take in seeking to enhance engagement. It was also suggested that a shift in emphasis may be required in order to ensure that the benefits of the services currently provided by the WSPU are distributed more equally between the Social Partners and the Welsh Government in terms of promoting engagement. This could involve future contracts requiring a **more proactive and targeted approach to engagement** from service providers with built in monitoring processes to reflect progress. There was an acknowledgement that the Welsh Government has a key role to play in this process and in making clear its own expectations and requirements as part of the next contractual agreement from 2014 onwards. One of the issues to be resolved as a matter of priority is achieving a shared vision of 'capacity building' in the context of Social Partner engagement. How should the skills and competence of Social Partners be supported and what specific activities or services are required to facilitate this?

### 5.3.1 Summary conclusions from this section

- An overwhelming majority of Social Partners who responded to the evaluation consider that there is a continued need for dedicated services to support social partner engagement in Wales; they report that discontinuing the services delivered by the WSPU would have a negative impact on their levels of engagement with the



National Assembly and Welsh Government.

- The majority of Social Partners also considered that the current delivery model for services was the most effective way of ensuring ongoing engagement. The Welsh focus of the services, their impartiality and independence, and the level of trust developed across the network as a result of their provision were considered to have demonstrated additional value for the Social Partners.
- Welsh Government officials also supported the need for services to promote Social Partner engagement. Some officials take the view that the services delivered under the contract by the Welsh Government could place a greater emphasis on building capacity among Social Partners to engage with the Welsh Government. This could potentially entail a shift in emphasis to more tailored and strategic work with Social Partners, including by providing more targeted support to Social Partners in planning and preparation for CER meetings.
- Both Social Partners and Welsh Government officials considered that there was scope for either additional services to be provided or for a rebalancing of these services. The proposals for future services or activities enclosed in this section could therefore be used as a basis for further discussion in the context of the wider evidence base presented in this report.



## 6 Recommendations

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**Recommendation 1:** An overwhelming majority of Social Partners who responded to the evaluation consider that there is a continued need for dedicated services to support social partner engagement in Wales. Evidence suggests high levels of satisfaction and that the WSPU has met its contractual requirements, indicating that the services delivered are well developed, effective and highly valued by Social Partners. These services should therefore continue to be funded by the Welsh Government and delivered in support of the Business Scheme.

**Recommendation 2:** Evidence suggests that there is a case for the Welsh Government to review the overall profile and delivery of services provided in order to both ensure Social Partners and its own departments and officials benefit further from these services. This will ensure that they balance the need to support the capacity of Social Partners to engage effectively with the Welsh Government while ensuring added value for Welsh Government officials.

**Recommendation 3:** Future service contracts should therefore place greater emphasis on a more proactive and targeted approach to engagement from service providers. This should include regular meetings between the Welsh Government and any future service provider and agreed monitoring processes to reflect progress. The Welsh Government has a key role to play in this by making clear its own expectations and requirements as part of the next contractual agreement from 2014 onwards.

**Recommendation 4:** In reviewing the services, there is a particular need to take account of the perceived value of the core information services (notably the weekly summaries of Assembly business) and the resources required to deliver these services which provide a crucial initial point of information for many Social Partners, particularly smaller organisations.

**Recommendation 5:** Early engagement is seen as paramount for both Social Partners and Welsh Government officials who contributed to the review. Future service providers could therefore place a greater emphasis on building capacity among Social Partners towards early engagement with the Welsh Government. This could potentially entail a shift in emphasis to more tailored and strategic work with Social Partners, including by providing more targeted support to Social Partners in planning and preparation for CER meetings

**Recommendation 6:** Evidence underlines a specific need to raise awareness of the WSPU and the services it provides across Welsh Government departments. While actions are already underway to formalise links between departments and Social Partners, the WSPU or any future service provider should consider what additional proactive steps it can take to raise its profile. This could include developing guidance or good practice case studies in Social Partner engagement. The Welsh Government should also play a key role in this process, supporting any future service provider to engage effectively across Welsh Government departments and ensuring senior level support for such engagement.

**Recommendation 7:** As the WSPU staff continue to establish contacts with Welsh Government officials across departments, discussions should focus on the type of services and practical support any future service provider can offer Welsh Government officials. This





will contribute to ensuring that the service provider is used as an effective engagement mechanism, as recommended in the Review of the Business Scheme.

**Recommendation 8:** Evidence suggests that Social Partners value the WSPU's impartiality and the fact that the services focus specifically on Welsh policy and programmes. Any similar future services to support Social Partner engagement should therefore remain independent of the Welsh Government and focus on the needs of the Social Partners in Wales.

**Recommendation 9:** Following on from the recommendation in the *Review of the Business Scheme*, any future service provider should use its expertise and networks to play a lead role in supporting more focused meetings of the Council for Economic Renewal. The Welsh Government should facilitate this by working with any future service provider to clarify roles and functions in facilitating more focused discussions through the CER.

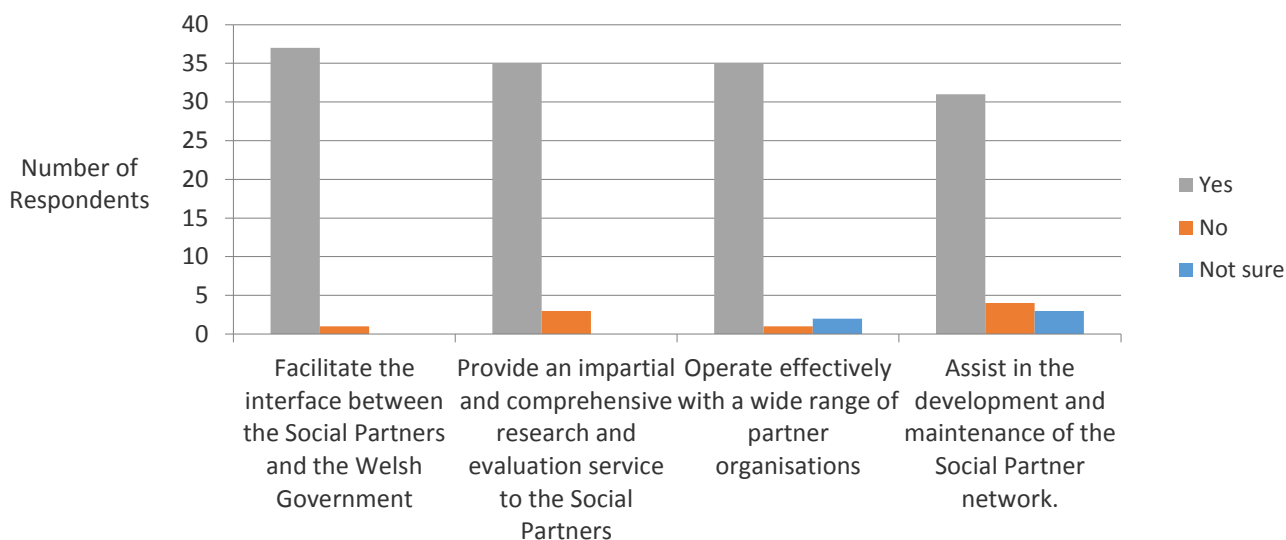
**Recommendation 10:** While the WSPU may be a recognisable brand for the organisations it has served for over a decade, its identity and profile still need to be raised among a number of key Welsh Government partners. Looking ahead, future service providers may wish to consider whether a rebranding of the services is necessary to achieve this.

**Recommendation 11:** Any significant changes proposed to the services provided by any future service provider should be accompanied by a detailed assessment of current resources. This assessment should ensure that there is enough capacity and suitable skills within a staff team to be able to deliver services to the highest quality.

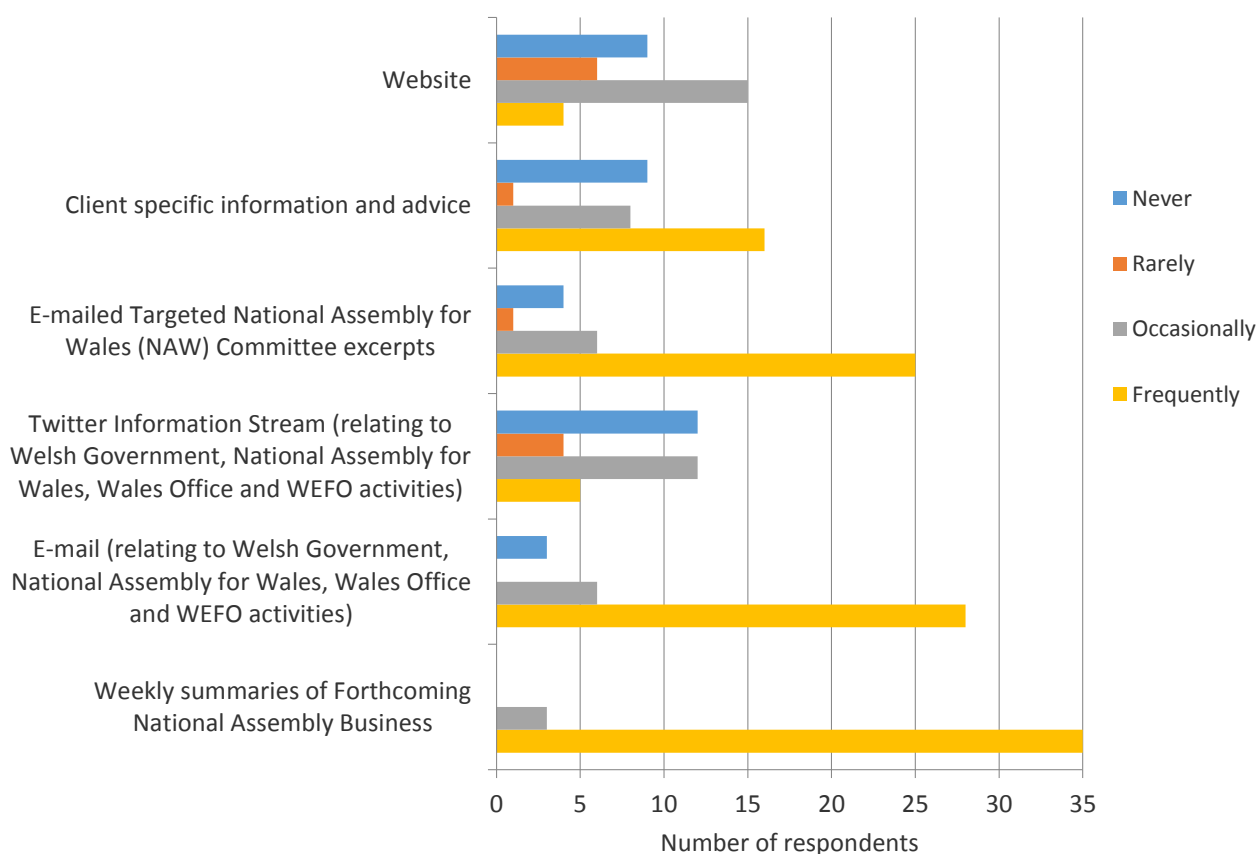


## Annexe 1: Figures

**Figure 1: Are you aware that the WSPU has the following aims and objectives?**

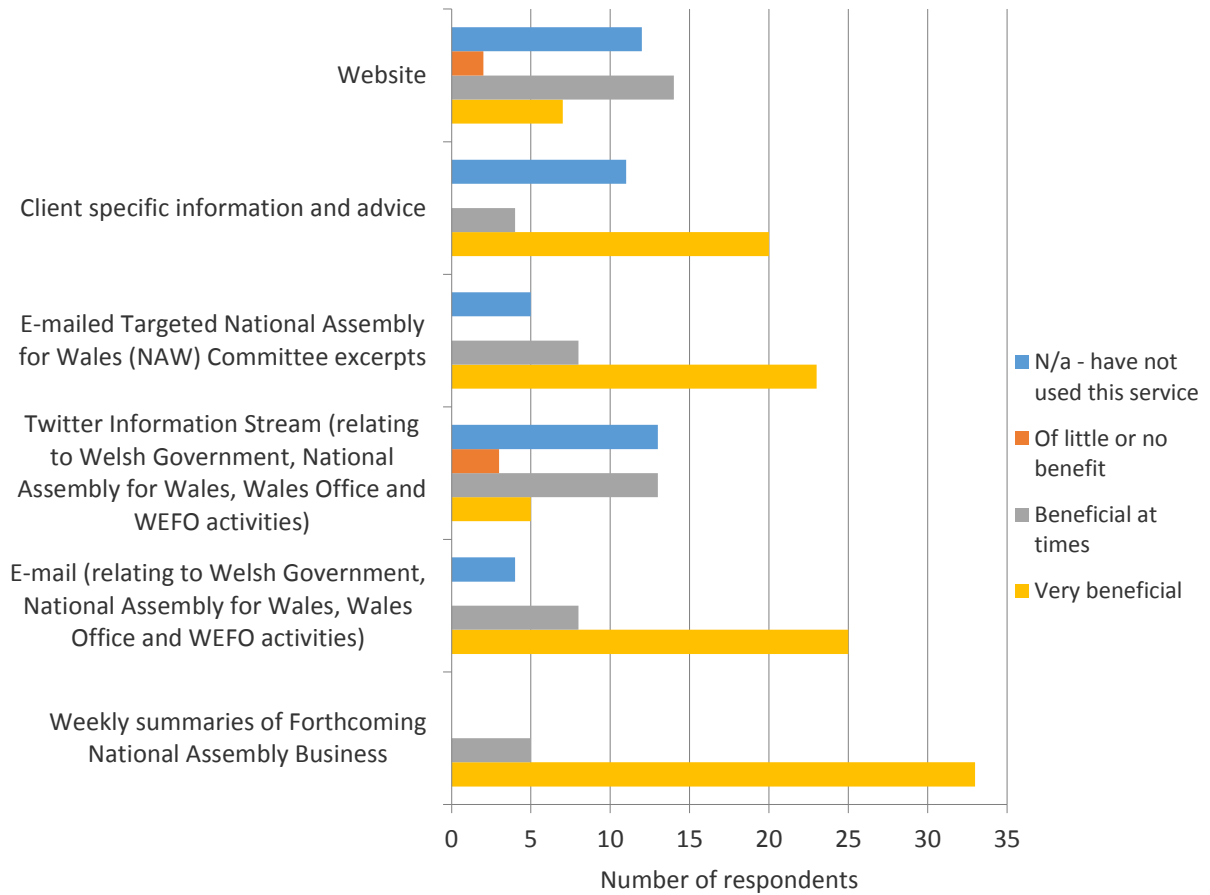


**Figure 2: Which of the following WSPU services and products do you use?**



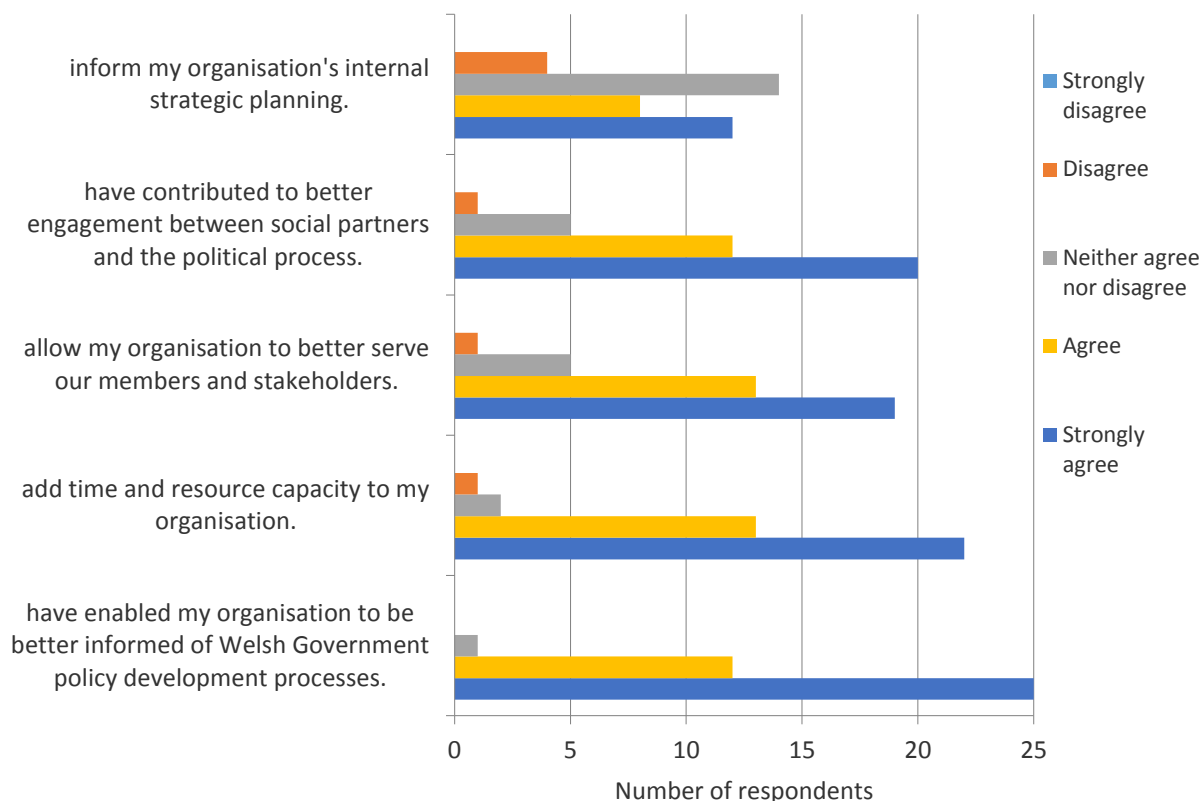


**Figure 3: How beneficial do you consider the following to be?**

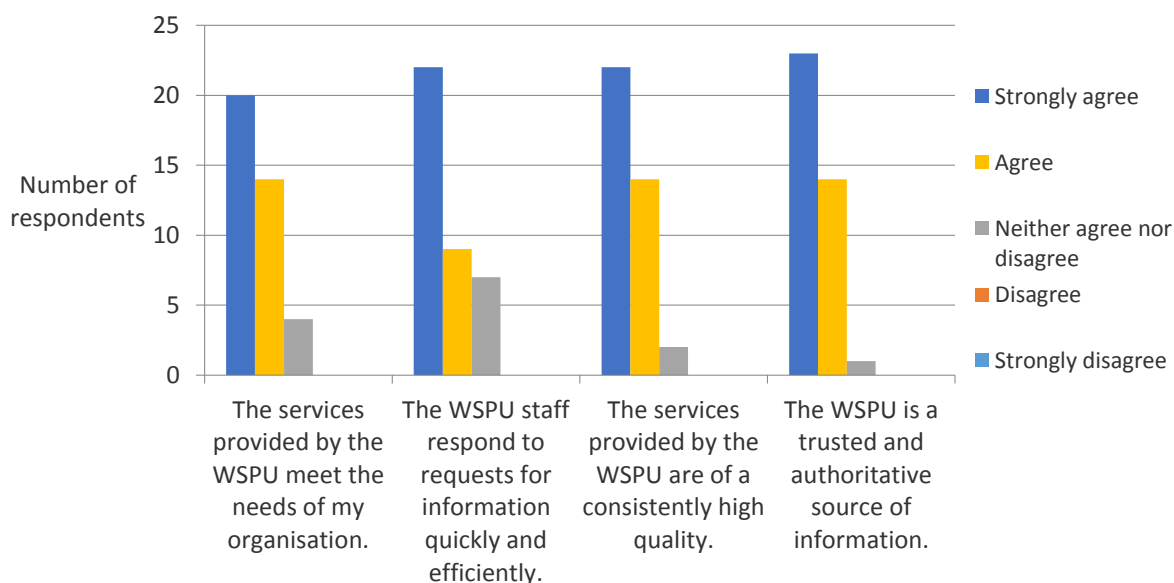




**Figure 4: To what extent do you agree or disagree with these statements: The services provided by the WSPU.....**

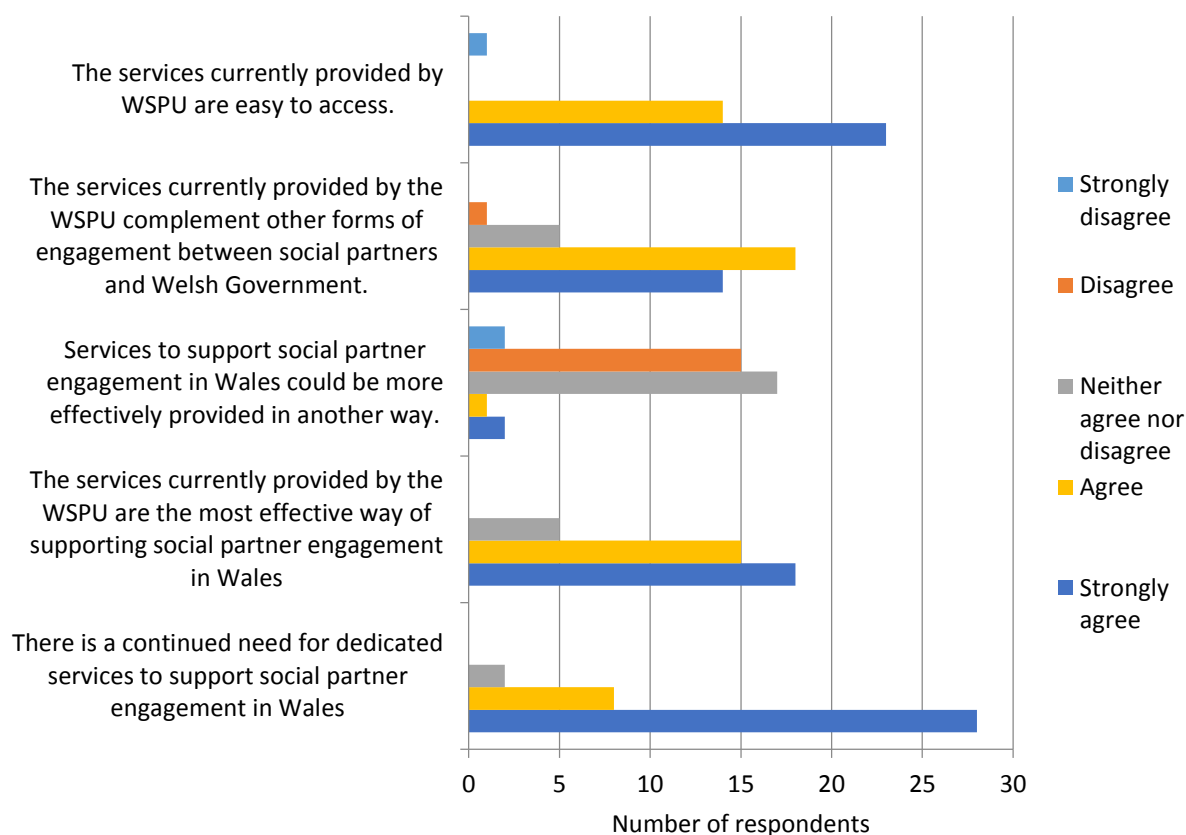


**Figure 5: To what extent do you agree or disagree with the following statements:**

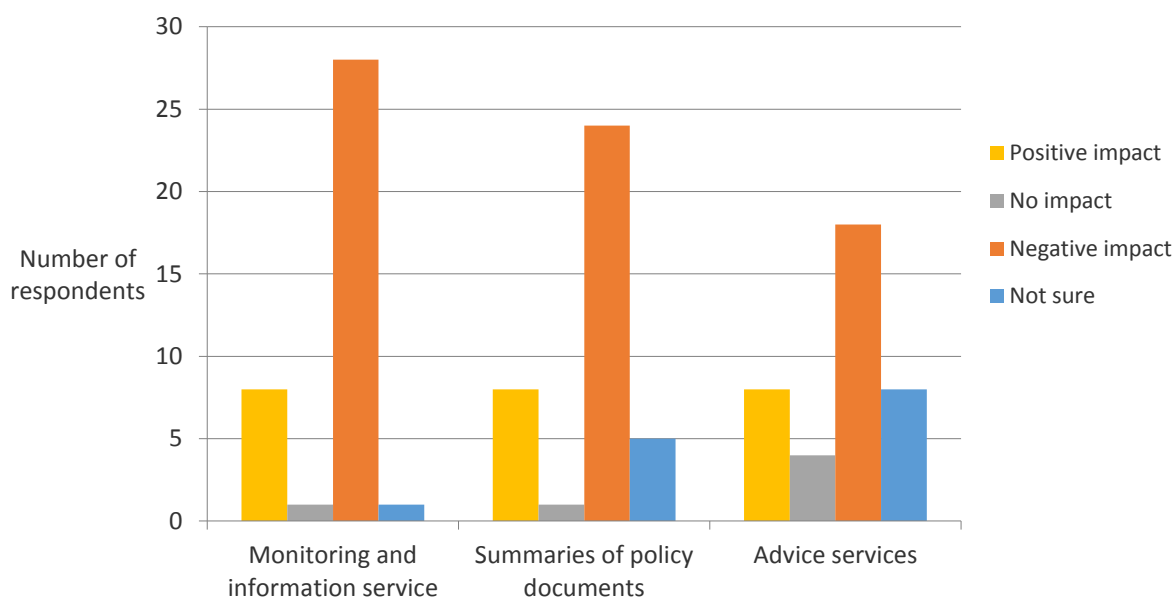




**Figure 6: To what extent do you agree or disagree with the following statements:**



**Figure 7: What impact would discontinuing the following services currently provided by WSPU have on your organisation?**





**Y Pwyllgor Craffu ar Waith y Prif Weinidog  
Committee for the Scrutiny of the First Minister**

Carwyn Jones AM  
First Minister  
Welsh Government

7 March 2014

Dear First Minister

**The Welsh Government's relationship with the Third Sector and the Private Sector**

Thank you for your letter of 18 December providing additional information on issues raised by Members of the Committee for the Scrutiny of the First Minister at the meeting held on 20 November.

The focus of our scrutiny session was on the Government's relationship with the Third Sector and the Private Sector. The Committee would like to thank you and your officials for appearing before the Committee and for responding to our questions, particularly those that were submitted via social media by members of the public. I hope you agree that this form of engagement is worthwhile and should continue.

Bae Caerdydd  
Cardiff Bay  
CF99 1NA

## The Third Sector

The Committee fully supports the involvement of the voluntary sector in helping to develop and implement Government commitments and public services more generally. This is particularly important when Government resources are themselves under considerable pressure.

Your paper to the Committee before our meeting outlined a change in strategic direction with a greater focus on outcomes and particularly outcomes that are Welsh Government priorities.

*“21. The main shift in strategic direction is to make it clear that while the Welsh Government values the Third Sector for the contribution it can make to the long term economic, social and environmental wellbeing of Wales, its people and communities, the focus needs to move to the outcomes that the sector can help to achieve. A strong Third Sector should contribute to long term wellbeing in its own right but it should also be able to show how it contributes to the outcomes which the Welsh Government has identified as priorities.”*

The Committee was made aware of a number of Government initiatives that aimed at bringing about that change in strategic focus and which may have a considerable impact on the voluntary sector in particular. These include:

- Changes to the funding arrangements for ‘infrastructure’ organisations such as the Wales Council for Voluntary Action (WCVA), County Voluntary Councils (CVCs) and volunteer centres;
- New regional third sector infrastructure arrangements so that and larger charities will engage directly with the Welsh Government rather than through umbrella bodies;

- Detailed guidance on local compacts to be developed in 2014 (although legislation to make these compacts statutory will not be progressed);
- The revised code of practice for the funding of the third sector includes a more developed set of principles including around monitoring and making complaints;
- Substantial changes to the Third Sector Partnership Council;
- A review of how the Welsh Government supports volunteering.

The Committee is not opposed in principle to any of these changes individually. However, Committee Members were concerned about the possible collective effect of these changes on the voluntary sector in particular.

Although many voluntary organisations employ professional staff the voluntary sector primarily relies on a large number of motivated people working as unpaid volunteers. Many factors motivate volunteers but we suspect that the desire to help implement Welsh Government priorities is rarely the main motivation.

It is, therefore, important that the voluntary sector be encouraged to operate in a nurturing and supportive environment that recognises genuine partnership and shared aims, rather than as simply another delivery agency of Government. The independence of the voluntary sector is also very important and care needs to be taken to ensure that it is not compromised by the desire to use the sector to help implement Government priorities.

The majority of volunteers work at a very local level. Indeed, local issues are often high among the motivating factors for volunteers. The move towards 'regional' funding and engagement mechanisms runs the risk of separating local volunteers from the structures that are meant to help reflect their views



and priorities. There is a danger of disconnecting the priorities of volunteers on the ground and those agreed in regional and national structures.

On this basis, we are not convinced that the Government's vision for the strategic partnership with the voluntary sector is as clear as it should be.

#### **Recommendation 1:**

**We would like you to explain further the Government's vision for a strategic partnership with the Third Sector and in particular, how the competing strands of valuing voluntary work while ensuring the voluntary sector remains independent and not just another branch of Government, will be addressed.**

#### **The Private Sector**

The Committee was pleased to hear your support for the continuation of the Council for Economic Renewal and its current membership. It is clear to us that while the Council is viewed as useful, regular direct access to Welsh Ministers is highly valued by the private sector in Wales. **We hope that will continue.**

We also discussed with you the role of the various Advisory Boards and Task and Finish Groups that have been established by various Ministers. You outlined the role and scale of these at the meeting and particularly the difference between those groups advising Ministers and those that have specific tasks to carry out. The Committee accepts that the responsibility for implementing policy lies with Ministers and that scrutiny should be aimed at Ministers.

You agreed at the meeting to provide us with a note on the reporting timetable for some of these task and finish groups and your letter of 18

December reiterates that point. Given the number of the Groups that you outlined (and others that Members referred to) the Committee thinks it would be a useful starting point if **you could provide us with a statement setting out for each of the groups when they are currently expected to report to Ministers.**

The number of these groups does, however, raise questions about how the Welsh Government as a whole maintains a strategic overview of their work. It also makes it difficult for the Assembly to know how best to scrutinise the policies that these groups are advising on when there is no overview available of their work. For this reason the Committee believes it would be helpful if an annual statement could be provided to the Assembly setting out the key facts about the number of groups that have been set up, an outline of their purpose and when they are expected to report.

#### **Recommendation 2:**

**We would like you to agree to lay before the Assembly an annual statement of the number, role, reporting arrangements and membership of all of the Welsh Government's private sector led Advisory Boards and Task and Finish Groups. We would also like the report to outline how each of the boards or groups has directly influenced the activities of Welsh Government departments in the preceding year and to set out any planned changes in approach for the following year.**

We discussed with you the role of Regulatory Impact Assessments (RIA) in ensuring that the effect of policy changes and legislation on the private sector is properly assessed. We also discussed whether RIAs pay sufficient regard to the cumulative effect of policy changes and legislation. We accept that RIAs are carried out according to rules set out by HM Treasury and that there would have to be good reasons for Wales to act alone in taking a different approach on RIAs. However, we remain concerned that there does

not seem to be any clear mechanism for assessing cumulative effects of policy and legislation on the private sector.

### **Recommendation 3:**

**We would like you to provide us with a statement setting out how, within the current RIA process, the Welsh Government assesses the cumulative effect of policy changes and new Welsh legislation on the private sector.**

Finally, we are grateful for the information in your letter of 18 December about evaluation of the Wales Social Partners Unit, which you say will be independently evaluated during the third year of its contract. **It would be helpful if you could indicate when that is likely to be and what the main criteria for the evaluation will be. We would also like to be provided with a copy of the evaluation once it has been completed.**

We look forward to receiving your response to the points we have raised. Both our letter and your reply will be published on our website.

### **Major Infrastructure Projects in North Wales**

We have also considered your letter of 8 October responding to the Committee's recommendations following our meeting in Wrexham earlier in the year at which we discussed major infrastructure projects in North Wales.

The Committee has considered your response and would be grateful for your further comments in relation to the following points:

### **Recommendation 1**

My letter of 20 August asked for an explanation of how the various plans and programmes fit together, particularly the role of the Wales Spatial Plan

which was last updated five years ago before the Programme for Government and the introduction of initiatives such as Sector Plans/Enterprise Zones. I also mentioned the 'Delivery Pipeline' that you referred to in your evidence.

One example of this is the National Transport Plan. This was reprioritised in 2011 and is based on the Wales Transport Strategy prepared by the previous coalition government, which gave greater priority to north-south transport links than the current Welsh Government.

The 'Delivery Pipeline' is not explained or included in the diagram in Annex 1 to your letter.

## **Recommendation 2**

Your response appears to miss the point made in the Committee's letter. The discussion at the meeting and referred to in the letter was about the private sector involving local communities in decisions and providing financial and other benefits to these communities, particularly for those affected by energy infrastructure projects. The Committee was asking about what you referred to as 'broader thinking' on this issue and the Welsh Government's role in this. The response mostly concentrates on the Welsh Government's own procurement arrangements rather than this wider perspective - there is no reference at all to the energy sector or the recently adopted Community Benefits Declaration.

## **Recommendation 6**

Your response isn't clear about the timetable for when any improvements are likely to be implemented.

## **Recommendation 7**

The Committee requested a note on the Welsh Government's plans to improve other road and rail improvements in north Wales – in particular the Committee was interested in links between the Aberystwyth area and north Wales. While the statements you mention refer to north Wales, the Committee requested an update on plans specifically in north Wales and it would be helpful if you could provide a more detailed and focused response.

I would be grateful for your response on the points above in due course.

Yours sincerely

A handwritten signature in black ink that reads "David Melding". The signature is written in a cursive style with a long, sweeping tail that extends to the right.

**David Melding AM**  
**Chair, Committee for the Scrutiny of the First Minister**