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Agenda - Economy, Infrastructure and Skills **Committee**

For further information contact: Meeting Venue:

Committee Room 3 – Senedd **Gareth Price**

Meeting date: 15 March 2018 Committee Clerk

0300 200 6565 Meeting time: 09.15

SeneddEIS@assembly.wales

Private pre-meeting (09.15-09.30)

- Introductions, apologies, substitutions and declarations of 1 interest
- 2 Healthcare professionals - Active Travel (Wales) Act 2013 - Post-Legislative Scrutiny

(09.30 - 10.15)(Pages 1 - 17)

Dr Julie Bishop (Director of Health Improvement / Consultant in Public Health), Public Health Wales

Huw Brunt, Lead Consultant in Environmental Public Health, Public Health Wales

Dr Tom Porter, Consultant in Public Health Medicine, Cardiff and Vale local public health team / Cardiff and Vale University Health Board

Attached Documents:

Research brief

EIS(5)-07-18(p1) Public Health Wales

EIS(5)-07-18(p2) Report - Moving forwards: Healthy travel for all in Cardiff and the Vale of Glamorgan



3 Paper(s) to note

3.1 Bike Life Cardiff 2017 and Bike Life Bristol 2017

(Page 18)

Attached Documents:

EIS(5)-07-18(p3) Bike Life Cardiff 2017 and Bike Life Bristol 2017

3.2 Additional information from the Cabinet Secretary for Economy and Transport regarding the Enterprise Zone programme

(Pages 19 – 22)

Attached Documents:

EIS(5)-07-18(p4) Additional information from the Cabinet Secretary for Economy and Transport regarding the Enterprise Zone programme

3.3 Additional information from the Ebbw Vale Enterprise Zone Board Chair regarding the Aspire scheme

(Pages 23 - 26)

Attached Documents:

EIS(5)-07-18(p5) Additional information from the Ebbw Vale Enterprise Zone Board Chair regarding the Aspire scheme

3.4 Correspondence from the Minister for Housing & Regeneration regarding Town centre regeneration: Five years on

(Pages 27 - 36)

Attached Documents:

EIS(5)-07-18(p6) Correspondence from the Minister for Housing & Regeneration regarding Town centre regeneration: Five years on

3.5 Correspondence from Chair of the Public Accounts Committee to the Director General regarding the UK Government Digital Service

(Pages 37 - 44)

Attached Documents:

EIS(5)-07-18(p7) Correspondence from Chair of the Public Accounts

Committee to the Director General regarding the UK Government Digital

Service

3.6 Correspondence from the Chair of the Public Accounts Committee regarding the Welsh Government Hwb Programme

(Pages 45 - 51)

Attached Documents:

EIS(5)-07-18(p8) Correspondence from the Chair of the Public Accounts Committee regarding the Welsh Government Hwb Programme

- 4 Motion under Standing Order 17.42 to resolve to exclude the public from items 5, 6 and 7
- 5 Scoping paper Automation and the Welsh Economy

(10.15–10.20) (Pages 52 – 54)

Attached Documents:

EIS(5)-07-18(p9) Scoping paper

6 Consideration of draft letter to BT Openreach

(10.20–10.21) (Pages 55 – 56)

Attached Documents:

EIS(5)-07-18(p10) Draft letter

Consideration of draft letter to the Cabinet Secretary for Economy
 and Transport regarding the New Powers: New Possibilities inquiry
 Speed limits

Attached Documents:

EIS(5)-07-18(p11) Draft letter

Break (10.22-10.30)

8 Disability groups – Active Travel (Wales) Act 2013 – Post– Legislative Scrutiny

(10.30-11.30)

Rhian Stangroom-Teel, Policy and Public Affairs Officer (Wales), Leonard Cheshire Disability

Joshua Reeves, Can Do programme participant with Leonard Cheshire Disability

Kevin Rahman-Daultrey, Senior Officer and IT coordinator, Pedal Power Elin Edwards, External Affairs Manager (Wales), RNIB Cymru Andrea Gordon, Engagement Manager, Guide Dogs Cymru

Private de-brief (11.30-11.35)

Agenda Item 2

Document is Restricted

1 Introduction

Public Health Wales welcomes the opportunity to contribute to the Economy, Infrastructure and Skills committee post legislative scrutiny of the Active Travel Act.

The Health and its determinants in Wales report provides an overview of the health and well-being of the population of Wales, including the burden of disease. It outlines the main causes of death, disability and illness which make up the picture of health in Wales. It demonstrates the gains made but it also highlights the significant challenges faced both now and in the future.¹

Physical Inactivity and poor air quality are both significant contributors to the burden of disease in Wales. Active Travel is one of the most sustainable approaches to increasing population physical activity and will also contribute to improvements in air quality by reducing journeys in motor vehicles.

Ensuring that the Active Travel Act achieves its potential is essential to delivering on improvements in Health and Wellbeing.

2 Response to the specific areas of inquiry

Public Health Wales has duties and responsibilities in the field of Active Travel and contributes to the Active Travel Board. We do not however have specific duties under the Act and have therefore commented on the specific questions raised by the Committee relevant to our role and remit.

2.1 How far the stated objectives of the Active Travel Act are being achieved?

The Active Travel (Wales) Act 2013 was intended to make it easier for people to walk and cycle in Wales. The Act made it a legal requirement for local authorities in Wales to map and plan for suitable routes for active travel, and to build and improve their infrastructure for walking and cycling every year. It created new duties for highways authorities to consider the needs of walkers and cyclists and make better provision for them. It also required both the Welsh Government and local authorities to promote walking and cycling when delivering the duties under the Act. The intention was that by facilitating connections, and information about connections between key sites such as workplaces, hospitals, schools and shopping areas with active travel routes, the Act will encourage people to rely less on their cars when making short journeys. Public Health Wales considers

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¹ http://www.publichealthwalesobservatory.wales.nhs.uk/healthanddeterminants

Public Health Wales Active Travel Act

that these aspirations and goals are equally relevant today and that while progress has been made it has yet to achieve the scale and impact required to shift population behaviours. In essence the ultimate success of the Act will be judged by whether there are increases in the proportion of the population who participate. The data from national surveys indicates that for all key population groups there has been no change since the introduction of the Act.

The Act requires local authorities to continuously improve facilities and routes for pedestrians and cyclists and to prepare maps identifying current and potential future routes for their use. The Act also requires new road schemes (including road improvement schemes) to consider the needs of pedestrians and cyclists at the design stage.

Public Health Wales does not have any specific duties under the Act and is not in a position to comment on the effectiveness of specific guidance. However, we would anticipate that the new commitment to Health in All Policies and the introduction of Health Impact Assessment through the Public Health (Wales) Act has the potential to strengthen implementation of the Active Travel Act and increase impact through action on the factors which facilitate and enable Active Travel and it would be important that guidance relating to the two pieces of legislation is considered together.

2.2 The effectiveness of the Active Travel Action Plan

Assessing the effectiveness of a delivery plan can be challenging. As with many plans the focus is on activity rather than outputs or outcomes. It is clear that there has been activity relating to the majority of the elements of the plan.

Public Health Wales has been working to better co-ordinate work on Active Travel to School through a sub-group of the Active Travel Board. We had identified that there was a great deal of activity undertaken by Local Authorities and third sector organisations but largely working in isolation of each other.

The group undertook work to identify the various influencing factors on active travel to school and published the Doorstep to Desk Guide². This highlights the range of contributors to this one objective. This complexity requires effective mechanisms for system working and common accountability frameworks that can be used across sectors.

The group is working to introduce a simple 'Hands Up Survey' which will support schools and partners is working to improve Active Travel to School and provide school level mechanisms which will evidence change and support continuous

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² http://www.wales.nhs.uk/sitesplus/888/news/45298

Public Health Wales	Active Travel Act

improvement. Public Health Wales is also looking to strengthen the requirements and guidance within the Welsh Network of Healthy School Schemes in this area.

We are also exploring a similar mechanism and approach within the Corporate Health Standard and Small Workplace Health Award.

Local Authorities need access to routine data which will help them to monitor and drive improvement. There is a risk that the reduction in sample size in the National Survey will mean that local authority level data will not be available.

2.3 Whether sufficient funding and capacity are available to support implementation of the Act itself and wider active travel policy

There may be value in undertaking a more rigorous review of the outcomes of funding and identify opportunities for strengthening monitoring and evaluation. We are working with are partners in Sport Wales and Natural Resources Wales to introduce a common evaluation framework for Physical Activity to support better evaluation through an Expert Group. It may be possible to specifically consider evaluation of Active Travel initiatives as part of this work.

2.4 The operation of the Active Travel Board

Public Health Wales is a member of the Active Travel Board. It is clear that all members are committed to improving Active Travel opportunities. We have observed that the group is comprised largely of those organisations who are advocates of Active Lifestyles and their contribution is valuable. However, these are not the bodies who are able to directly influence the barriers and enablers to Active Travel such as planning authorities, transport and highways agencies, construction and design. There is potential to strengthen the group membership to better reflect these groups.

2.5 Whether active travel is integrated effectively in wider Welsh Government and local government policy.

As we have already noted, Active Travel is influenced by a very wide range of factors within the gift of a range of National and Local Government Departments.

While the creation of routes for walking and cycling are critical, other factors such as traffic congestion; traffic speed and residential planning development are all relevant. Ensuring that routes support active travel across cities and towns and not just to City Centre's is important, links to major employment; leisure and schools and other educational centre's are equally important. This will also mean

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Public Health Wales Active Travel Act

that recent Welsh Government guidance that requires area wide air quality improvements, not just a "hot spot" focus, will be conformed to.

In essence changing social norms around active travel and away from the use of cars for traveling short distances is a significant challenge that should not be underestimated. Effective behaviour change requires action to increase capability (measures such as cycle training schemes may play a role here); opportunity (which is addressed through the creation of cycle lanes and safe walking routes) and motivation, which is perhaps the area that has received less attention. Further work is needed to fully understand and capture insight from different population groups to identify the levers and incentives that might promote change. Measures such as the introduction of universal 20 mile and hour speed limits in urban and residential areas may assist in reducing the safety concerns that act as barriers to active travel particularly for children and young people.

Evidence to support work in this area is limited unfortunately as rigorous evaluation is often not undertaken and can be both expensive and complex. The IConnect Study³ (Impact of Constructing Non-motorised Networks and Evaluating Changes in Travel) which was led by CEDAR (Centre for Diet and Activity Research), between 2008-2013, aimed to measure and evaluate the changes in travel, physical activity and carbon emissions. The study used self-reported commuting by walking or cycling to assess the impact of new, high-quality, traffic-free cycling and walking routes in Cardiff, Kenilworth and Southampton.

This study found that an increase in active travel was associated with a commensurate increase in total physical activity and not a decrease in recreational physical activity. The new infrastructures were well-used by local adults and sustained over two years. However, the infrastructure is thought to have primarily attracted more socio-economically advantaged existing walkers and cyclists which may limit impacts on population health and health equity.

Evidence⁴ suggests that switching active travel for short motor vehicle trips could save £17bn in NHS costs over a 20-year period, with benefits being accrued within 2 years for some conditions. The largest cost savings would come through reductions in the expected number of cases of type 2 diabetes (annual cost to NHS from diabetes is £9bn). A shift in walking from 0.6 km/day to 1.6 km/day, and in cycling from 0.4 km/day to 3.4 km/day could result in changes in the costs of treating eight health conditions related to physical activity.

https://www.sciencedirect.com/science/article/pii/S0140673612607661?via%3Dihub

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³ IConnect study information available at http://jech.bmj.com/content/71/6/528.long

⁴ Jarrett, J. Effect of increasing active travel in urban England and Wales on costs to the National Health Service, 2012. Available from

Public Health Wales Active Travel Act

The SPEEDY⁵ study looked at promoting active travel to school and found that children who were more physically active and did not compensate for more activity during travel by being more inactive at other times. Distance to school is a key predictor of children's active travel, with children living closer being more likely to walk or cycle to school. However, 30% of children living within 2km from school were driven to school. The SPEEDY study found that social, environmental and school characteristics all influence whether children walk or cycle to school and the study identified the following influences

- Attitudes of their parents towards active travel
- Support from their peers
- Socioeconomic status
- Presence of a main road on route to school

Factors related to the school environment that supported active travel were

- Lollipop people (crossing guards for schools)
- Walking buses
- · Cycle racks in schools

3 Conclusions

The Active Travel Act rightly put Wales at the forefront of action to promote Active Travel and for which it received international attention. It is important however, that there is regular review to ensure that the intention and ambition of the Act is being realised in practice. Public Health Wales would be happy to support the Committee and the Active Travel Board in this ongoing work.

Consistent implementation of evidence based action can have an impact and Public Health Wales will continue to support action to implement evidence based actions in Wales with our partners and through the Active Travel Board.

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⁵ SPEEDY:Sport, Physical activity & Eating Behaviour: Environmental Determinants in Young People, 2012, funded by the National Prevention Research initiative and The Medical Research Council

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Adroddiad Blynyddol Cyfarwyddwr Iechyd Cyhoeddus Caerdydd a Bro Morgannwg 2017 / Annual Report of the Director of Public Health for Cardiff and Vale of Glamorgan 2017

Symud ymlaen: Teithio iach i bawb yng Nghaerdydd a Bro Morgannwg / Moving forwards: Healthy travel for all in Cardiff and the Vale of Glamorgan

http://www.cardiffandvaleuhb.wales.nhs.uk/sitesplus/documents/1143/DPH%20Annual%20Report%202017.pdf (Adroddiad dwyieithog – Mae'r fersiwn Gymraeg yn dilyn y fersiwn Saesneg / Bilingual report – The Welsh version follows the English version)

Agendar Hem 3.1

Cardiff

Darllenwch yr Adroddiad Bywyd Beicio Caerdydd 2017 Llawn

https://www.sustrans.org.uk/sites/default/files/file_content_type/bike-life-cardiff-welsh-2017-report.pdf

Bike Life Cardiff 2017 report

https://www.sustrans.org.uk/sites/default/files/file_content_type/bike-life-cardiff-2017-report.pdf

Bristol

Bike Life Bristol 2017 report

https://www.sustrans.org.uk/sites/default/files/file_content_type/bike-life-bristol-2017-report.pdf

Agenda Item 3.2

Ken Skates AC/AM Ysgrifennydd y Cabinet dros yr Economi a Thrafnidiaeth Cabinet Secretary for Economy and Transport



Russell George AC/AM Chair, Economy Infrastructure & Skills Committee

6 March 2018

Dear Russell

Economy, Infrastructure & Skills Committee - Action Points

At the Committee meeting of 14 February, I undertook to provide you with additional information in relation to the Enterprise Zone programme.

Action Point 1

The Cab Sec mentioned a survey that had been conducted on enterprise zones and would share the detailed responses with us

The responses to two waves of the enterprise Zones Longitudinal Survey have been published bilingually and can be found at:

<u>http://gov.wales/topics/businessandeconomy/growing-the-economy/enterprisezones/?lang=en</u> (scroll down to the bottom of the page)

Action Point 2

A question from Adam Price on Enhanced Capital Allowances, Mick is going to supply further information to the committee

I intend to request the Treasury extend deadlines for ECAs beyond 2020.

The UK Government has announced as part of the Industrial strategy that it will support an **Industrial Strategy Challenge Fund**. This has resulted in a significant increase to the budget for research and innovation available for businesses, universities and other research organisations (some £2 billion to the period 2021/22).

Bae Caerdydd • Cardiff Bay Caerdydd • Cardiff CF99 1NA Canolfan Cyswllt Cyntaf / First Point of Contact Centre: 0300 0604400

<u>Gohebiaeth.Ken.Skates@llyw.cymru</u>

<u>Correspondence.Ken.Skates@gov.wales</u>

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

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Government has worked with businesses and academics to identify the biggest core industrial challenges where:

- The UK has a world-leading research base and businesses ready to innovate
- There is a large or fast-growing and sustainable global market

Several challenges have already been announced as part of wave 1 and these include:

- The Faraday battery challenge
- Robots for a safer world
- Medicines manufacturing

Competitions have already been run in these areas and funding is starting to be allocated; further competitions are expected.

A second wave of challenges and funding is in the process of being agreed with treasury, challenges proposed are:

- Energy revolution (energy systems)
- Transforming construction
- Healthy ageing and data to early diagnosis
- Audience of the future, next generation services and transforming food production.

There is an alignment between many of the challenges and Enterprise Zones and its hoped that organisations within the zones will proactively work to submit compelling proposals once the competitions are open. All funding will be allocated following an open competition, the projects will need to demonstrate impact within the funding period, all projects will also require significant match funding from industry to demonstrate a strong pull. The scale of the funding will vary from SMEs' collaborating on a R+D project requiring £200K grant to Centres/ hubs seeking c £20M. Businesses and research organisations will be developing project ideas until any funding is confirmed these will be commercially in-confidence.

Officials are also working with BEIS counterparts to propose genuine, value-added, Welsh solutions to the challenges within the **ISCF** and the **Sector Deals**. This includes Enterprise Zone solutions whenever they are relevant.

We welcome too the publication of the **Nuclear Sector Deal** proposals. We aim to work with the Nuclear Industry Association to ensure that any Deal fully takes into account the needs of the sector in Wales and provides genuine opportunities which will be of benefit to the Welsh supply chain.

The Welsh Government continues to work closely with the North Wales Region and the North Wales Economic Ambition Board to consider how a **North Wales Growth Deal** can best support their ambitions to bring further economic growth.

Bae Caerdydd • Cardiff Bay Caerdydd • Cardiff CF99 1NA Canolfan Cyswllt Cyntaf / First Point of Contact Centre: 0300 0604400

<u>Gohebiaeth.Ken.Skates@llyw.cymru</u>

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At this stage it is too early to say what form the Welsh Government's support will take, though any support for the Ambition Board's proposals will be based upon an assessment of their contribution towards delivering the aims of our national Prosperity for All strategy and emerging Economic Action Plan.

Action Point 3

Also the breakdown of spend for each EZ minus the infrastructure spending to see how much is spent on each EZ - Duncan to send this information

The requested figures are provided in the attached document.

Yours sincerely

Ken Skates AC/AM

Ysgrifennydd y Cabinet dros yr Economi a Thrafnidiaeth Cabinet Secretary for Economy and Transport

Bae Caerdydd • Cardiff Bay Caerdydd • Cardiff CF99 1NA Canolfan Cyswllt Cyntaf / First Point of Contact Centre: 0300 0604400

<u>Gohebiaeth.Ken.Skates@llyw.cymru</u>

<u>Correspondence.Ken.Skates@gov.wales</u>

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Public Investment Breakdown

Anglesey

-£6,015,718.74 £19,778,000.00

	£	Source
	£3,920,635.06	Direct Business Support
2012 - 2017	£2,331,161.00	Transport
	£105,084.00	Infrastructure
	£40,369.00	Property
Total	£6,397,249.06	

Cardiff Airport & St Athan

	£	Source
	£3,584,281.26	Direct Business Support
2012 - 2017	£10,178,000.00	Transport *
	£28,860.50	Infrastructure
	£12,103.06	Property
Total	£13,803,244.82	

5	entral Card	iff	
<u> </u>		£	Source
J		£33,980,000.00	Transport
2 2	2012 - 2017	£14,866,983.25	Direct Business Support
2 2		£13,135,577.00	Infrastructure
)		£12,755.00	Property
ر To	otal	£61,995,315.25	

Deeside

	£	Source
	£27,330,531.28	Direct Business Support
2012 - 2017	£1,611,250.00	Transport
	£121,852.87	Infrastructure
	£32,049.00	Property
Total	£29,095,683.15	

^{*} includes Cardiff air routes loan

Ebbw Vale

	£	Source
	£88,340,000.00	Transport
2012 - 2017	£5,307,004.77	Direct Business Support
	£915,896.00	Property
	£9,738.00	Infrastructure
Total	£94,572,638.77	

Haven

	£	Source
	£6,681,296.04	Direct Business Support
2012 - 2017	£2,326,500.00	Transport
	£203,635.00	Infrastructure
	£107,033.00	Property
Total	£9,318,464.04	

Port Talbot

	£	Source
	£2,066,000.00	Transport
2012 - 2017	£1,714,505.28	Direct Business Support
	£17,162.00	Infrastructure
	£0.00	Property
Total	£3,797,667.28	

Snowdonia

	£	Source
	£1,236,872.00	Transport
2012 - 2017	£1,124,197.61	Direct Business Support
	£219.00	Infrastructure
	£0.00	Property
Total	£2,361,288.61	

All Zones

	£	Source
	£132,469,783.00	Transport
2012 - 2017	£74,129,434.75	Direct Business Support
	£14,275,076.06	Property
	£4,993,065.37	Infrastructure
Total	£225,867,359.18	

Apprentices:

- Number Engaged
- Framework undertaken
- Gender
- Ethnicity
- Disability

Aspire have met with over 55+ Advanced Manufacturing Employers across the local authority since the programme commenced in July 2015, 15 have become host employers and are all in and around the Ebbw Vale Enterprise Zone and range from large international companies 53% to 47% of which are SMES

- 1. GTEM
 - a. Plant 2
 - b. Plant 3
- 2. Continental
- 3. Penn Pharma
- 4. M&J Europe
- 5. Base Handling
- 6. JC Moulding
- 7. Cruz Engineering
- 8. Eurocaps
- 9. Sears Seating
- 10. Monier Redland
- 11. Sogefi Filtration
- 12. Brecon Designs
- 13. TCK Electrical
- 14. Dynamic Extraction
- 15. Express Contract Drying

The host companies are not only supporting Aspire Apprentices but also working with the team and the Employment Liaison Officer to develop and upskill existing employees.

To date the Aspire Shared Apprenticeship programme have 50 apprentices on programme, all employed by BGCBC and placed within their host manufacturing companies. Their learning pathways vary from :

- Electrical Engineering
- Mechanical Engineering
- Applied Science
- IT
- Enhanced Engineering Programme (EEPS)
- Business Administration & Finance
- Quality Engineering

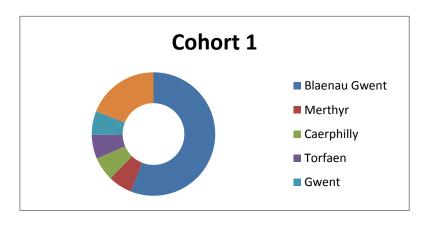
Most of the apprentices are following a Level 3 programme and will continue on to the Level 4 -Higher Apprenticeship Programme.

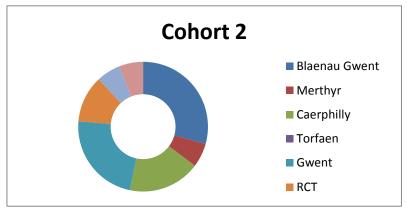
The programme has 2 female apprentices who were recruited in September 2017 and are following engineering and science pathways respective to the host company needs.

Of the 50 apprentices currently on programme, the following information applies:

- 96% are Male
- 4% Female (would have been 6%, one returned to college FT)
- 100% are of White ethnicity
- 2% have a disability.

Origin of Apprentices





Whilst there has been a decrease in the number of recruits from Blaenau Gwent, the graphs from the first 2 cohorts demonstrate that the programme is engaging with a number of young people over 8 local authorities. Much of the recruitment has been done through word of mouth this year through our cohort 1 apprentices whilst in college therefore widening the scope of origin.

The programme has exceeded expectation in terms of raising the profile and the

parity of esteem between further education and work based learning within companies and young people across Blaenau Gwent, the school engagement activity in the local authority has increased year on year and schools are requesting the team to take part in assembly's and inspiration events to highlight local opportunities.

There have been 3 recruitment phases:

- September 2015
- September 2016
- September 2017

Over this period of time there have been 61 young people recruited into full time apprenticeship positions.

There have been 11 leavers:

Cohort 1:

- 1. Completed BTEC and Full time employment with alternative employer
- 2. Dismissal
- 3. Changed career pathway from Engineering Media
- 4. Full Time employment with host employer

Cohort 2:

- 1. Progression onto full time Higher Education
- 2. Full time job with current host employer, couldn't manage academic pathway
- 3. Left EEPS programme, did not want to follow engineering pathway
- 4. Full time manual labour job with water board

Cohort 3

- 1. Employment and apprenticeship with TATA steel
- 2. Return to full time Education
- 3. Employment within a different sector.

Most of the leavers have left with positive outcomes and have progressed into higher education or jobs; this is through the support of the Aspire Mentors.

The recruitment of cohort 4 is planned to commence from early March 2018, the team will take part in many events locally and alongside our college providers for national apprenticeship week, in addition – this year is the Year of Engineering and also on March 8th 'Little Miss Inventor' day – so will be raising the profile of Engineering in schools.

There will be an aim to recruit additional 20-25 apprentices to start in September

2018 within Blaenau Gwent

Aspire Merthyr:

Of the 6 apprentices currently on programme, the following information applies:

- 5 are Male
- 1 is female
- 100% are of White ethnicity
- 0 has a disability.
- 2 are Welsh Speakers
- 1 is a Polish Speaker

.An additional 6 are due to commence within March 2018

EIS(5)-07-18(p6)
Rebecca Evans AC/AM
Y Gweinidog Tai ac Adfywio
Minister for Housing and Regeneration



Chair Economy, Skills & Infrastructure Committee National Assembly for Wales Cardiff Bay Cardiff CF99 1NA

7 March 2018

Dear Chair,

Economy, Infrastructure and Skills Committee – Town centre regeneration: Five years on

Thank you for your letter of 2 February highlighting the Committee's consideration of the key issues following the evidence sessions in early December.

I was pleased to be able to provide the Committee with evidence as part of this process and participate in the afternoon session.

My responses to the issues raised by the Committee are attached as an annex to this letter.

Yours sincerely,

Rebecca Evans AC/AM

Rebecca Evans.

Y Gweinidog Tai ac Adfywio Minister for Housing and Regeneration

> Bae Caerdydd • Cardiff Bay Caerdydd • Cardiff CF99 1NA

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400
Correspondence.Rebecca.Evans@gov.wales
Gohebiaeth.Rebecca.Evans@llyw.cymru

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

Economy, Infrastructure and Skills Committee

Town Centre Regeneration: Five Years On

February 2018

Committee's view #1

We welcome the 'Understanding Welsh Places' work being taken forward by the Institute for Welsh Affairs. We would be grateful for further information on how this data tool will enable the understanding of which initiatives can increase the prosperity and wellbeing of Welsh towns.

Having robust data is a fundamental requirement for supporting regeneration, both in understanding the needs of places in advance of implementing regeneration strategies and to monitor the impact of any interventions.

This tool, which is still at an early stage of development and is currently being scoped, will be available to anyone involved in improving their town or city - for example, local authority economic development and regeneration teams, Town Centre Partnerships, development trusts, traders' associations and Business Improvement Districts.

There is no similar platform currently available in Wales. Indeed, there is an absence of good, reliable, consistent and comparable data on our towns and cities. The UWP tool will assist places to be able to understand themselves through a systematic, replicative, efficient and affordable data collection and benchmarking exercise.

Having the tools to measure performance will greatly improve strategic decision-making, and will facilitate a move away from the making of investment decisions based on perceptions. By considering and comparing performance, strategies and action planning can become more effective. By adopting a common pan-Wales framework, comparison can be made on the success of interventions in similar places.

This will form the basis for driving forward prosperity and enhancing well-being.

We acknowledge the work the Welsh Government has done following the previous Committee's report with regard to Planning Policy Wales and the 'town centres first' approach. However, we believe more needs to be done in working with local authorities in forming their development plans to ensure that local authorities are working together, instead of in isolation, and that the community and key stakeholders are engaged.

The Welsh Government scrutinises the preparation of Local Development Plans for the Planning Inspectorate. In order to be adopted, Plans must be sound. One of the soundness tests requires a plan to be compatible with adjoining plans and strategies. Local planning authorities are encouraged to carry out Local Development Plan preparation jointly with neighbouring authorities. Statements of common ground and joint evidence bases can assist in demonstrating positive collaboration. However, not all Local Development Plans are prepared at the same time and this can affect the level of engagement between Local Authorities.

Planning Policy Wales seeks to ensure Local Planning Authorities work strategically and co-operatively to steer development to the most sustainable locations, regardless of which local authority they are in. It is essential Local Planning Authorities identify and make provision for their - and their neighbours' - roles in the wider regional and sub regional economies of Wales.

Local Planning Authorities should secure a degree of consensus over the future development of, and use of, land in its area by involving the general public, community councils, voluntary bodies, the business community and all other relevant stakeholders in the preparation of Local Development Plans. There are statutory requirements for engagement and consultation. We have also written to Local Planning Authorities reminding them of the benefits of preparing a joint LDP with neighbouring authorities. This would complement the preparation of an SDP and enable the delivery of development and investment in retail centres to be maintained through a plan-led system.

We continue to support the adoption and replacement of Local Development Plans across Wales.

We recognise the importance of town centres identifying and marketing their unique selling points. The Committee would be grateful if the Welsh Government would provide information on how its initiatives are equipping communities with the tools and support to make this happen.

We have been pleased to work with Carnegie UK Trust on their work in supporting town centre regeneration over the past year.

One of the clear findings from their research is the need for towns "to have a story that residents – and others – know, as clarity of history and purpose allows residents to articulate their town's raison d'être amongst each other, creating a shared positive narrative, and externally, developing the town's appeal to others".

Not every town can develop such a clear identity as Hay-on-Wye, for example, but places should consider themselves as broader destinations and build on their unique selling points.

A fundamental principle in our interventions, such as the Targeted Regeneration Investment programme, is to equip communities with the tools and support needed to make this happen. Our approach is about enabling the development of a flexible, bespoke and well-targeted mix of interventions which will greatly improve the long-term resilience and competiveness of the places concerned.

A recommendation from Carnegie in its Welsh Towns report was for local government to engage with local communities and stakeholders to develop a vision for their towns. We feel this is an appropriate approach that can then inform local and regional regeneration plans.

We would welcome further details on how the Welsh Government is addressing the potential changes in use for out-of-town centres and how it is working with local authorities in planning for their future sustainable use.

Planning Policy Wales sets out the national planning policy framework. This has been completely revised and issued for consultation on 12 February this year. Local Planning Authorities are expected to establish clear strategies and policies in their Local Development Plans which seek to achieve vibrant, attractive and viable retail and commercial centres, and address retail needs across the local authority. These strategies and policies also inform decisions about planning applications and changes of use.

It is recognised that recent trends in the retail sector are for fewer large scale convenience superstores, smaller in-centre supermarket formats, shorter shopping visits, and increased online shopping. Where this results in closure of out of town superstores and vacant property, Local Planning Authorities can consider re-allocating the redundant site through their Local Development Plan for alternative and more sustainable uses. Whilst re-allocation of retail sites for uses such as housing may sometimes be a preferred option, it should be recognised the original planning permission for retail development will remain extant in most instances.

Edge of centre or out-of-centre retail developments may seek, over time, to change the range of goods they sell or the nature of the sales area. Sites might come up for redevelopment or be extended, or additional floorspace might be proposed. Local Planning Authorities should anticipate such changes, which may impact on the vibrancy, viability or attractiveness of a retail and commercial centre, by applying conditions on the initial planning permission and any subsequent variations. Conditions may prevent a development being subdivided into smaller shops, limit the range of goods sold, or restrict floorspace. Local Planning Authorities can extend the list of uses controlled in out-of-centre retail developments if the presence of such uses is likely to lead to the loss of existing provision in retail and commercial centres. New out-of-centre retail developments or extensions to existing out-of-centre developments should not be of a scale, type or location likely to undermine the vitality, attractiveness and viability of those retail and commercial centres which would otherwise serve the community well, and should not be allowed if they would be likely to put development plan retail strategy at risk.

We believe the Welsh Government needs to ensure that Compulsory Purchase Orders (CPO) can be used effectively and that the sharing of knowledge and skills in using CPOs is being encouraged and supported across local authorities. The Committee has agreed that it will pursue this issue further through its work programme. The Welsh Government intends to develop a package of measures to improve confidence and understanding amongst Local Planning Authorities on the use of compulsory purchase powers. These include updating 'Circular 14/2004 on Compulsory Purchase Orders' to reflect the latest reforms to the compulsory purchase regime, some of which have yet to come into force. The style of the Circular will also be reviewed to improve understanding and application of the guidance by Local Authorities.

We will work with relevant stakeholders to share knowledge and expertise of the use of CPOs with a view to identifying and disseminating best practice.

This work will commence in due course around other priorities for the compulsory purchase regime in Wales including establishing provision for compulsory acquisition through a bespoke infrastructure consenting process.

We welcome the Minister's willingness to consider creating regional development corporations and look forward to a response on this matter.

The Welsh Government launched 'Prosperity for All' in autumn 2017 and the 'Economic Action Plan' (EAP) in December 2017 in order to set out a commitment to a regionally focussed model of economic development.

A key element of which is the appointment of three new Chief Regional Officers across North Wales, Mid and West Wales, and the South East. Work is underway to consider the various components of regional economic development, as set out in the EAP and we are engaging with external stakeholders as part of this process. Further information will be provided as this work evolves.

The Chief Regional Officers will work with others to support regeneration initiatives including the advantages of the emerging City and Growth Deals, the new Development Bank of Wales and Regional Skills Partnerships. They will bring partners together to develop and deliver regional business plans that identify regional priorities and opportunities.

The EAP recognises that this new way of working will be dovetailed with wider regional initiatives, such as the Targeted Regeneration Investment programme.

The pace and scale of highstreet bank closures is a huge concern to all Committee Members. We would welcome further information from the Welsh Government on what it is doing to ensure that vital banking services are still available to the community on the high-street. The Welsh Government's powers are limited in addressing the gaps in provision of high street banking services resulting from the technology driven commercial decisions to close branches.

We believe all banks leaving a community should have a responsibility to their customers who have used their services over many years. Banking regulation is non-devolved and is the responsibility of the UK Government. It is they who have the powers to regulate the industry to ensure that vital banking services are available to the community on the high street either by the traditional banks or increasingly through services transitioned to the Post Office.

However, we are in discussion with many of the main banks in Wales to gauge their appetite for working with Welsh Government with a view to repurposing their vacant town centre buildings for wider community use.

We believe there is an increased role for post offices to play in providing services lost by the closure of high-street banks, and seek an update from the Welsh Government on how it's engaging with Post Office to ensure the viability of its branches in the long term, and whether it is exploring schemes such as the former post office development fund.

Post Office matters are not devolved. However, Welsh Government officials are in regular contact with Post Office Limited in order to ensure we have up-to-date information on issues relevant to Wales and Welsh communities.

The Post Office network now offers access to banking services for 99% of personal banking customers and 95% of business banking customers. That said, the Post Office does not offer the same range of services as a bank branch. Services on offer include paying in cash and cheques, balance enquiries and free access to cash withdrawals. In addition, business customers can access a change service. Post Office Limited states that the Post Office network is currently carrying out around 200 banking transactions every minute. This represents an increase of 10% over the last two years.

Post Office Limited is considered a key stakeholder by High Street Banks planning branch closures. They are involved in the consultation process at an early stage.

The Welsh Government is not currently considering the re-opening of the Post Office Development or Diversification Funds. Re-opening the schemes would not improve the banking services on offer. The Post Office Development and Diversification Funds provided grants for the improvement of associated retail businesses.

Although we welcome the **Targeted Regeneration** Investment Programme, we are concerned that this is for capital funding only and other potential non-physical funding approaches are not being explored. It is important that innovative, robust and sustainable solutions are investigated, in combination with the physical changes. We would welcome the Welsh Government's comments on this and consideration of more innovative approaches not already being undertaken. This could include, for example, ensuring new large scale developments provide opportunities for small local businesses, by allocating retail space for start-up businesses.

Whilst the Targeted Regeneration Investment programme provides capital funding, the Welsh Government will be co-investing in regionally-significant regeneration projects. In a similar way, there is also the EU-funded Building for the Future programme aimed at bringing vacant land and buildings back into sustainable use.

We fully expect local authorities, and wider stakeholders, to contribute financially, through both capital and revenue funding contributions, in ensuring investment proposals are comprehensive, viable and sustainable over the long-term.

The example highlighted of developing retail space for start-up businesses is a good example of what could be delivered through BFF and the new TRI programme.

Agenda Item 3.5

Cynulliad Cenedlaethol Cymru Y Pwyllgor Cyfrifon Cyhoeddus

National Assembly for Wales
Public Accounts Committee

Director General's letter dated 31/01/18 follows this letter.

Andrew Slade
Director General – Economy, Skills and Natural
Resources Group
Welsh Government
Cathays Park
Cardiff CF10 3NO

8 March 2018

Dear Mr Slade,

Public Accounts Committee meeting 15 January 2018: UK Government Digital Service

Thank you for your letter of 31 January which was considered in the Public Accounts Committee meeting on 26 February.

During the consideration of the section regarding the UK Government Digital Service, Members felt that there was a different philosophy with approach to procurement between the UK and Welsh Governments. The Committee have a number of questions on the relationship between the Welsh and UK Governments and it was agreed I would write to you again on this issue.

Can you please advise as to:

- How much the Welsh Government is actually using the Government Digital Service (GDS) Digital, Data and Technology (DDat) procurement frameworks;
- Provide reasons as to why the Welsh Government would not be directly using these procurement frameworks and instead creating separate versions; and
- In England they are using the new mechanisms, as stated in your letter, which provide for quick procurement and an iterative, experimental approach. The Welsh Government is appearing to prefer the old-style large IT contracts which last for many years and take considerable time to procure. In this instance, can you clarify what the lead-in times for the Welsh Government procurement frameworks are in comparison to the



Cynulliad Cenedlaethol Cymru Bae Caerdydd, Caerdydd, CF99 1NA SeneddArchwilio@cynulliad.cymru www.cynulliad.cymru/SeneddArchwilio 0300 200 6565 National Assembly for Wales Cardiff Bay, Cardiff, CF99 1NA SeneddPAC@assembly.wales www.assembly.wales/SeneddPAC 0300 200 6565 English ones and why they are not apparently being used together with how much has been spent on the English procurement frameworks.

I look forward to receiving this further information and am copying both this and your letter to Russell George AM, Chair of the Economy, Infrastructure and Skills Committee due to that Committee's interest in this areas.

Yours sincerely,

Nick Ramsay AM

Chair



Grwp yr Economi, Sgiliau a Chyfoeth Naturiol Economy, Skills and Natural Resources Group

Cyfarwyddwr Cyffredinol - Director General



Nick Ramsay AM Chair Public Accounts Committee National Assembly for Wales Cardiff Bay

31 January 2018

Dear Chair

Public Accounts Committee Meeting 15th January 2018

I am writing in response to the email from the Clerk to the Committee dated 16th January, further to my introductory appearance before the Committee with Tracey Burke the previous day.

I welcomed the opportunity of an initial discussion with the Committee, and am glad that members found the session useful.

There were a number of follow up actions arising from the meeting that fell to me:

- Provide a note on the relationship the Welsh Government has with the UK Government Digital Service;
- Provide a follow-up note on the tables in the context of modelling the economy as part of the Economic Action Plan;
- Send a note to update how the proposed powers to give greater autonomy to Transport for Wales are progressing; and
- An assessment of exposure for Wales as a result of [today's] announcement of Carillion's liquidation.

My responses on these points are attached.

With best wishes.

Yours sincerely

C. M. fz.

Andrew Slade

Director General

Economy, Skills and Natural Resources Group

Parc Cathays/Cathays Park Caerdydd/Cardiff CF10 3NQ

Ffôn/Tel: 0300 025 6162 E-Bost/E-Mail: andrew.slade@gov.wales



Public Accounts Committee 15 January 2018 Introductory Hearing – Actions

The Welsh Government's relationship to/with the UK Government Digital Service

The Government Digital Service (GDS) was established in 2012 to lead the transformation of central UK government services. GDS's primary focus has been on UK Government services and provided an advisory/guidance role to devolved administrations.

Welsh Government has worked closely with GDS on strategy and co-ordination. We contributed to the UK Government Digital Transformation Strategy which referenced work already happening on digital service transformation in Welsh Government. Officials have been active members of GDS's leadership groups — Digital, Technology and Data Leaders - since their establishment. Following the merger of the groups in to the Digital and Technology Leaders, Welsh Government officials have continued to be involved and will be in attendance at the next meeting in March.

We have attended and contributed to GDS Transforming Together events and applied learning into Welsh Government. This month, there is a GDS/Ministry for Housing, Communities and Local Government workshop, which officials will be attending, to discuss how GDS can support local government digital transformation.

On supporting transformation, Welsh Government has learnt lessons from the exemplar transformation projects which GDS worked on with UK Departments from 2012-2015. Welsh Government has adopted GDS's Cloud First strategy and have already successfully migrated a number of our key business applications.

We have developed an Open Data Strategy for Welsh Government and on data science we have worked with GDS and ONS on promoting the data science accelerator programme.

On skills and workforce, Welsh Government has worked closely alongside GDS on its Digital, Data and Technology (DDaT) professions framework. We are implementing the GDS DDaT taxonomy into relevant roles within Welsh Government and are using the taxonomy for our external digital and technology recruitments. Welsh Government staff have attended training at the GDS Digital Academy. At an operational level we regularly collaborate with GDS on a range of capability matters.

On standards and compliance, we implemented an adapted version of GDS's digital service standard in 2014 for the development of our own digital services. We use agile methodologies in transforming our services. We have a range of governance arrangements in place to control spending controls and technology choices.

Welsh Government is a user of the contracts put in place by GDS/ Cabinet Office such as G Cloud and the Digital Outcomes and Specialists frameworks.

On websites, we have used the GOV.UK branding and style guide to support the modernisation of our own Welsh Government website. We are in active discussion with GDS about using their common services platforms.

In summary, Welsh Government has both a strategic and operational relationship with GDS and has done for many years. This is beneficial for both parties and helps support the effective transformation of Welsh Government's digital services.

<u>Tables in the Context of Modelling the Economy as part of the Economic</u> Action Plan

Input-Output tables provide a framework for showing the flows of goods and services in an economy. Input-Output tables for Wales have been produced by Cardiff University, drawing on a small private survey of Welsh businesses. The most recent data are for 2007 and were published in 2010. They have been used by the Welsh Government, alongside other information, to provide estimates of the short-run impacts (actual and potential) of economic events e.g. from a major plant opening or closure.

Used appropriately, robust Input-Output tables can also be used to analyse the industrial structure of an economy and improve the coherence and reliability of economic statistics such as GDP and GVA.

Input-Output tables have several theoretical and practical limitations that mean they are only appropriate for use in particular circumstances and, where they are used, the results should be interpreted with care. In particular, input-output tables should not be used by themselves to assess the longer term impact of economic policies, although they may provide information which can contribute to such an assessment.

Robust data on trade flows between Wales and the rest of the UK are an essential building block of Input-Output tables. There are currently no official data on these flows and these data are not straightforward to obtain because of the close integration of the Welsh economy with the rest of the UK.

Officials will look at the costs and benefits of producing robust Input-Output tables for Wales as well as understanding the sources and quality of data that could be used. We will share the results of this work with the committee.

<u>Update on How the Proposed Powers to give Greater Autonomy to Transport</u> <u>for Wales are Progressing</u>

Transport for Wales (TfW) was established under the Companies Act 2006 and is fully accountable to the Welsh Ministers as a wholly owned subsidiary company limited by guarantee.

The scope of operation of TfW is limited to the activities which the Welsh Ministers may lawfully carry out. It is not possible therefore for TfW to discharge functions which are outside the Welsh Ministers' powers and the Welsh Ministers can not delegate their functions to TfW – unless TfW is created in statute and the powers are transferred via legislation. The Welsh Government therefore retains ultimate

responsibility for transport matters but is able to ask TfW to carry out services on its behalf.

TfW was set up to discharge certain transport functions on behalf of the Welsh Ministers and was remitted, in the first instance, to design and undertake the procurement process for the next Wales and Border rail service and the South Wales Metro, and to develop options for the North East Wales Metro.

Positive discussions are being held with the UK Government regarding the transfer of powers relating to rail franchising and the Valley Lines railway asset.

The Welsh Ministers aspiration for TfW is to enable the Company to take on a wider range of transport functions. To this end, by the end of March 2018, TfW's remit will be extended to include the day-to-day monitoring and management and the demobilisation of the current Wales and Borders rail services franchise, and the mobilisation and on-going management of the new Wales and Borders rail services franchise. The Company will also be remitted to manage the delivery of the South Wales Metro and the North East Wales Metro.

The Welsh Government is considering the benefits of transforming TfW into an operationally independent delivery agent and what activities, projects and services it could ask TfW to deliver on its behalf. This might include the construction of capital transport improvements for walking and cycling, roads or rail, and management of financial support for passenger transport. It might also involve the branding and marketing of services. The Company might also have a role in land purchase and land development to support an income stream. Operational independence will mean that everyday questions and issues would be decided by TfW, so that the Company could respond swiftly and flexibly to emerging situations. The Welsh Government is also considering whether, over the longer-term, there may be further benefits from creating an independent body by statute.

The Welsh Government expects to make a decision by the end of this financial year on next steps so that the 2018/19 remit letter to TfW can incorporate any agreed additional responsibilities.

Exposure for Wales as a Result of Announcement of Carillion's Liquidation

The Welsh Government has been monitoring the situation with Carillion closely since the first profits warning was announced in July 2017. Welsh Government carries out due diligence as a standard part of all tender exercises and monitors the financial situation of all suppliers once a contract has been awarded.

Carillion are a significant provider of outsourced and construction services to the UK Government. They are not a significant provider of services to Welsh Government.

Where contracts with Carillion do exist we will be working with our advisers and the Official Receiver to agree the best way forward to minimise the impact of this situation. All options to minimise any potential delays to delivery will be explored.

We will do all we can to support Carillion workers and supply chains in Wales, including assisting workers find alternative employment and training where necessary through Welsh Government support programmes such as REACT, a project part-funded by the European Social Fund through Welsh Government and delivered in partnership with Careers Wales and Jobcentre Plus.

Carillion feature in one of the bids to run the rail services in Wales and the Borders from October 2018, and to take forward key aspects of the next stage of Metro. The relevant bidding organisation is currently exploring ways in which it can legitimately remain in the process.

Network Rail have confirmed that Carillion's work for them does not involve the day to day running of the railway. We will also be working with them around any involvement of Carillion within their supply chain.

Carillion are currently the Welsh Government's appointed contractor for the delivery of the design for the A40 Llanddewi Velfrey to Penblewin road scheme. We are therefore exploring all options as to how best to progress to the next stages of the project, so as to minimise any delays.

Carillion are also the Welsh Government's appointed contractor for the design of improvements to junction 15 and 16 of the A55. Carillion's profit warning in July 2017 was released following the receipt and assessment of their bid for the project, but prior to the formal award of the contract to Carillion. The Welsh Government paused its procurement process so as to allow investigations to be carried out as to Carillion's financial stability.

Carillion gave assurances as to their stability, and this coupled with the fact that they were only being awarded a contract for design at this stage meant that the Welsh Government, on balance, could not legitimately withhold awarding the contract to Carillion without the potential for challenge under procurement law.

As with the A40, we will be exploring all options as to how best to progress to the next stages of the A55 junction 15 and 16 project, so as to minimise any delays. This includes exploring the possibility of directly contracting with Carillion's supply chain.

With regard to the Superfast Broadband contract with Openreach, it has been confirmed that its subcontractor, Carillion telent, is not impacted by the issues facing Carillion.

Welsh Government has contacted all Welsh public sector bodies to determine the level of risk/exposure and thus far no contracts or pending contracts have been identified.

Welsh Government has received one invoice to date since the liquidation, and advice is being sought from the Official Receiver on how to handle this. A small number of further invoices are expected.

The Welsh Government is also aware that Carillion are the appointed contractor for the Meridien Tower in Swansea providing the remedial works to make the building fire safe following the Grenfell fire incident. This is a commercial contract as the building is privately owned. Welsh Government housing policy officials are in discussions with Swansea Council and Carillion to ensure the works do not go on hold.

Economy, Skills and Natural Resources Group 31st January 2018

Agenda Item 3.6

Cynulliad Cenedlaethol Cymru Y Pwyllgor Cyfrifon Cyhoeddus

National Assembly for Wales
Public Accounts Committee

Lynne Neagle AM - Chair of Children, Young People and Education Committee Russell George AM - Chair of the Economy, Infrastructure and Skills Committee National Assembly for Wales

8 March 2018

Dear Lynne and Russell,

Welsh Government Hwb Programme

The Public Accounts Committee held an Introductory Session with Tracey Burke on 15 January, the Director General with responsibility for Education and Public Services in the Welsh Government.

During that evidence session, we discussed coding elements of the Welsh Government Hwb Programme – (a website and collection of online tools provided to all schools in Wales). Following that meeting, Tracey Burke has provided additional information about this Programme and specifically Cracking the Code and the Minecraft for Education Pilot, (Part D of the attached letter).

The Public Accounts Committee considered the response on 26 February and expressed concern that the scale of the Welsh Government's activity in this area appears insufficient considering what needs to be done to ensure the digital challenge is met. There appears to be a lack of ambition within the Welsh Government to deliver in this area. For example, the Minecraft for Education initiative pilot scheme currently only involves 10 schools, and the Cracking the Code project has only received £1.3M for this Assembly Term together with a further £930K for Technocamps. These numbers are too small in comparison to the number of schools in Wales.

Public Accounts Committee Members believe there is a profound disconnect in the scale of what is being done to what should be happening and consider that this is might be an area of interest for your Committees. I would be grateful if you can



Cynulliad Cenedlaethol Cymru Bae Caerdydd, Caerdydd, CF99 1NA SeneddArchwilio@cynulliad.cymru www.cynulliad.cymru/SeneddArchwilio 0300 200 6565 National Assembly for Wales Cardiff Bay, Cardiff, CF99 1NA SeneddPAC@assembly.wales www.assembly.wales/SeneddPAC 0300 200 6565 consider scheduling this area into your work programmes/regular scrutiny of Cabinet Secretaries and advise me of the outcome.

Yours sincerely,

Nick Ramsay AM

Chair



Tracey Burke

Cyfarwyddwr Cyffredinol / Director General Y Grŵp Addysg a Gwasanaethau Cyhoeddus Education and Public Services Group

Mr Nick Ramsay AM Chair Public Accounts Committee National Assembly for Wales Cardiff Bay CF99 1NA



8th February 2018

Dear Mr Ramsay

Public Accounts Committee Meeting – 22 January 2018 – Follow-up Actions

I am writing in relation to your request for additional information, following the Committee session on 22 January 2018 on the Supporting People Programme. Please find the additional information requested below.

A. Whether third sector organisations were invited to participate in the stakeholder engagement workshops during the development of the Pathfinder project

The Wales Council for Voluntary Action (WCVA) and Cymorth Cymru were invited to, and have attended, all the pathfinder meetings to date. Third sector organisations also participated in the stakeholder engagement workshops as part of the alignment project, including Barnardos and Cymorth.

B. The grants which form the proposed single integrated grant

We are currently considering creating a new single Early Intervention and Prevention Support Grant in 2019-20 and are working to test new grant arrangements in seven local authorities in 2018-19. The Grants included for 2018-19 are:



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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

- Supporting People
- Flying Start
- Families First
- Legacy Fund
- Promoting Positive Engagement for Young People
- Childcare and Play (formerly Out of School Childcare)
- Homelessness Prevention
- Rent Smart Wales Enforcement (formerly part of Independent Living)
- St David's Day Fund
- Communities for Work Plus (formerly the Employability Grant).

C. Additional information on actions to prevent homelessness

Q1. What is the Welsh Government's overall perspective on the issues raised by the Auditor General's recent report on homelessness, and what it says about the response of local government and its partners both to the Housing (Wales) Act 2014 and to the Equality Act 2010 and the Well-being of Future Generations (Wales) Act 2015? **Q1a.** Does the Welsh Government support the recommendations that the Auditor General has made, and will it be taking any action itself to reinforce them?

The recently published report from the Auditor General was from our perspective a useful opportunity to use the implementation the Housing Act 2014 as a means by which to consider wider issues concerning how well local authorities are able to manage future demand. The report provides important information and feedback on the progress being made by local authorities and we welcome the findings and recommendations.

The report acknowledges the importance of the Housing (Wales) Act 2014 in placing homelessness prevention at the centre of local authority duties, and the funding which Welsh Government has provided to support implementation. The recommendations are all for local authorities and we will work with the Welsh Local Government Association (WLGA) and local authorities to help secure their implementation.

The addition of £6 million to the Revenue Support Grant (RSG) for homelessness from 2018-19 demonstrates that, in line with the Auditor General's recommendations, Ministers are keen to put these services on a firmer, longer-term footing.

Q2. What is the Welsh Government doing to address evidence of a decline in successful prevention work, the growing number of people in temporary accommodation and the risk of a postcode lottery in service provision?

Our published statistics show an increase in the number of households receiving assistance and, therefore, we do not recognise that there is a decline in successful prevention. Against this increase in demand for services, the evidence suggests that local authorities are actually managing to maintain their rates of prevention. This means more people are being prevented from becoming homeless.

This significantly increased demand on statutory homeless services will have inevitably resulted in an increase to the numbers of people being placed in temporary

Ffôn • Tel 0300 0258047

tracey.burke@gov.wales

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accommodation. However, there could be many more factors behind this increase including a more inclusive approach taken by local authorities to providing emergency accommodation, particularly to people who may previously have not been supported, as a result of refinements to guidance and Welsh Government progress visits.

The evaluation of Part 2 of the Housing (Wales) Act 2014 will look at the impact of the legislation on the use of temporary accommodation and we will consider any recommendations arising from the report.

As the Auditor General noted in his recent report it is true that some authorities are further along than others in changing the culture and attitudes needed to become truly preventative. Our programme of engagement, networks and further planned training are there to support them in implementing the spirit and letter of the Act.

Q3. How is the Welsh Government expecting local authorities to use the £6 million funding that it has proposed to add to the revenue support grant to support implementation of the Act?

The additional £6 million is included in the local government revenue settlement from 2018-19. It is a matter for each local authority to determine how they spend this, but Ministers and officials have made clear that this is the secure long-term funding, for which the WAO recently called, and is intended to support delivery of front-line prevention services, as required under the legislation.

Q3a. What sort of changes is the Welsh Government expecting local authorities to make in reviewing and reorganising services with the support of this funding?

It is for each local authority to decide how it utilises the new funding in the Revenue Support Grant (RSG). We will continue to monitor prevention rates and to work closely with local authorities, directly and through the WLGA, to identify and share best practice.

Further funding of £2.8 million is also being channelled to local authorities as a revenue grant to help them build on their statutory prevention work. This will enable local authorities to intensify their efforts to achieve successful outcomes for individuals and families at risk of homelessness or without a home.

Local authority plans for this funding are expected to focus on improving access to the private-rented sector; application of trauma informed practice; strengthening services for people with mental health and/or substance misuse problems (including improved joint working between housing and mental health/substance misuse services); and action to prevent youth homelessness and reduce rough sleeping.



Ffôn • Tel 0300 0258047

tracey.burke@gov.wales

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Q3b. How will the Welsh Government be ensuring that the additional funding is used as intended and not to offset other pressures on core local authority funding?

We will continue to monitor the number of households being supported to prevent or relieve homelessness through our collection of management data and publication of national statistics.

Officials will work with local government to ensure delivery of effective front-line prevention services, as required under the legislation. We will ensure there are the necessary and appropriate arrangements for monitoring the outputs and outcomes, including via the grant terms and conditions for the additional £2.8m, as well as regular engagement with local authorities through the homelessness networks, working groups and programme of visits to individual local authorities.

Q3c. How does the Welsh Government expect local authorities to join up wider work on homelessness prevention with the Supporting People Programme?

How local authorities organise their services to ensure alignment and joint working is a matter for them. However, the importance of support is reflected in our homelessness legislation, which requires local authorities to undertake homelessness reviews and prepare strategies to reduce homelessness by the end of 2018. The reviews and strategies must address the need for support to prevent and relieve homelessness.

The role of Supporting People grant funding in helping the prevention of homelessness is highlighted in the interim report by Salford University and the Auditor General's recent report includes a number of recommendations aimed at improving outcomes in this area, including the advantages of closer integration between Supporting People and homelessness teams.

We will be revising our statutory homelessness guidance in 2018, and will strengthen the advice regarding the need for close collaboration between Supporting People and homelessness teams with shared objectives and planning. The benefits of integration of services and reduction of 'silo funding' underpins the work to increase funding flexibility which may, subject to Ministerial decision on future grant structures, offer further opportunities to join up services more effectively.

Q4. In the context of the report's findings about collaboration, is the issue of the classification of housing associations - which the Committee has explored previously - presenting any particular challenges in securing their buy in to wider work on homelessness prevention?

In the course of preparing the legislation for classification of housing associations, officials have explored the duty to co-operate on homelessness prevention and this was not considered to be relevant for classification. The duty to cooperate contained within the 2014 Act therefore remains unchanged and we are satisfied that this will not impact on the future status of RSLs as private organisations.

Ffôn • Tel 0300 0258047

tracey.burke@gov.wales

Gwefan • website: www.wales.gov.uk

D. An update on the coding elements of the Hwb programme (website and collection of online tools provided to all schools in Wales by the Welsh Government) and include information on activities on teaching coding in schools more generally not just specifically to the Hwb programme.

We launched *Cracking the Code* our plan to improve coding skills last June. With £1.3 million this Assembly term, we are working with education consortia, businesses, third sector partners, and universities, so more learners develop these skills in advance of the new curriculum. The ability to 'code' is a fundamental skill that all young people need to succeed in the economy, now and in the future.

We have also invested £930k with Technocamps to deliver computer coding workshops to pupils and teachers in our schools. We have committed to support their ESF application so they can deliver an enhanced programme for young people, while our new curriculum is being developed.

Link to the statement and plan: http://gov.wales/about/cabinet/cabinetstatements/2017/crackingcode/?lang=en

BBC news item following Estyn annual report: http://www.bbc.co.uk/news/uk-wales-42791009

Our Minecraft for Education pilot aims to inspire first-time coders with Minecraft Code Builder and to use Minecraft for Education to support key priorities in Wales including literacy, numeracy and the Digital Competence Framework. Ten schools in Wales with infrastructure readiness and a desire to participate were identified in conjunction with regional education consortia. Key objectives of this pilot include:

- Raising awareness and highlighting the benefits of coding to headteachers, teachers, learners and parents
- Breaking down the barriers to participation in coding
- Facilitating coding experiences
- Exploring the impact in the classroom.

I hope this information answers the additional questions and is of use to the Committee. If you require further information, please do let me know.

Yours sincerely			



Tracey Burke

Parc Cathays • Cathays Park
Caerdydd • Cardiff
Pack Page 51 3NQ

Ffôn • Tel 0300 0258047 <u>tracey.burke@gov.wales</u> Gwefan • website: <u>www.wales.gov.uk</u>

Agenda Item 5

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Agenda Item 6

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