

PAPER TO THE COMMITTEE FOR THE SCRUTINY OF THE FIRST MINISTER ON THE WELSH GOVERNMENT'S RELATIONSHIP WITH THE PRIVATE SECTOR

Introduction

1. The purpose of this paper is to set out written evidence on the Welsh Government's relationship with the private sector for the Committee for the Scrutiny of the First Minister.
2. The Welsh Ministers are committed to recognising, valuing and consulting with the private sector and business and seek to build partnership with the social partners (Business Representative organisations, Wales TUC and other organisations) for the benefit of the economy and society of Wales. In working in partnership with the social partners the Welsh Ministers recognise that business is integral to the success of the Welsh economy and the stability of Welsh society.
3. The Welsh Government currently funds the Wales Social Partners Unit to facilitate effective engagement with social partners.

Council for Economic Renewal

4. A statutory requirement of the Government of Wales Act 1998/amended 2006 is to consult with business where the exercise of its functions impact on them. A requirement of the GOWA 2006 is for the Welsh Ministers to make a Business Scheme setting out how they proposed to consult with business.
5. In accordance with the Welsh Minister's Business Scheme the Council for Economic Renewal (formerly the Business Partnership Council) was established in 2002. The Council meets three times a year, it is chaired by the First Minister and members are from business representative organisations, social enterprise and trade union representatives.
6. The Council for Economic Renewal is supported by a working group with membership from the full Council and takes forward the actions arising from the meetings. The Welsh Government has a Business Scheme officials group to support the implementation of the Business Scheme.

Welsh Government Departments

7. The role of and relationships with the private sector varies across departments.
8. Working with the private sector is at the heart of activity for the Department for the Economy, Science and Transport (EST) either via contractors or directly to businesses. Some examples of engagement with the private sector in EST includes:
 - The establishment of ten private sector led Advisory panels to provide direct advice and to inform delivery.
 - Contact from thousands of businesses via the helpline. Tens of thousands of web hits and social media interactions are received, which enables trends to be tracked.

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- The establishment of a number of Task and Finish Groups to advise on transport matters, such as the recently established Freight Task and Finish Group and the Ministerial Task and Finish Group on North Wales Transport. These groups all have significant private sector representation.
 - Working closely with public transport providers, for example Arriva Trains Wales, the franchisee for the Wales and Borders rail franchise, which is managed by the Welsh Government.
9. The Department for Health and Social Service's (DHSS) relationship with the private sector includes 'transactional' activity, such as NHS procurement and support for clinical trials activity, as well as industry engagement as part of the policy development process. DHSS and NISCHR engage with industry through a number of standing groups, including the Health and Wellbeing Best Practice and Innovation Board; NHS, Social Care & Business Workstream (of Innovation Board); NISCHR AHSC Industry Group; and Life Sciences Wales KEP Project.
10. The Department for Education and Skills (DfES) engages closely with the private sector on all key areas of education and skills policy and delivery. This includes:
- The Wales Employment and Skills Board, chaired by the Wales Commissioner to the UK Commission for Employment and Skills, which provides an independent forum for employers to discuss a wide range of skills and employment related topics.
 - Engagement with employer representative groups such as CBI, FSB, ITBS and SSCs, which informs our employment and skills policy and delivery.
 - Involvement of key employer groups in formulating the skills strategy, including consulting directly with Commerce Cymru, which consists of the key business representative organisations in Wales.
 - Working in partnership with both employers and Work Based Learning providers to ensure that we are delivering on skills needed for the wider Welsh economy, in areas such as Apprenticeships.
11. Engagement with the private sector in the Department for Sustainable Futures covers a wide range of areas including sectors such as construction, housing, waste, energy and food. In addition, as the first organisation of its kind in the UK, Natural Resources Wales (NRW) has a unique mix of responsibilities to enable not just joined-up but proactive management of our natural resources. It is easier to do business and provides a single point of contact for business. Its creation provides the opportunity to look afresh at processes and to reduce duplication and red tape, simplifying and improving the regulatory environment for the benefit of Welsh businesses and the economy.

Conclusion

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12. The Welsh Government is committed to engaging with the private sector across all departments and through varying means, ensuring that our priorities and policies are focussed on delivering for Wales.

Rt. Hon. Carwyn Jones AM,

First Minister of Wales