

Rt Hon Carwyn Jones AM  
First Minister  
Welsh Government  
Ty Hywel, Cardiff Bay  
Cardiff CF99 1NA

18 March 2016

Dear First Minister

### **MEETING ON 26 FEBRUARY 2016**

The Committee was grateful to you and your officials for attending our meeting on 26 February.

Over the course of the Fourth Assembly, the Committee has looked at a number of areas with you. The meeting on 26 February offered the opportunity for the Committee to revisit these areas. The issues we have covered and which you updated us on for this meeting included;

- Legislative Programme
- First Minister's Delivery Unit
- Child poverty
- Major infrastructure projects in north Wales
- Relationship with the third and private sectors
- Climate Change
- The promotion and marketing of Wales
- Welsh Language
- Major public appointments

We have also looked in recent meetings at some of the constitutional developments that are under consideration in the Assembly and more widely.

The Committee was grateful for your full responses to our questions at the last meeting and for your open approach over the course of the Assembly. The



Committee has however asked me to write to you with the following observations and some additional questions arising from your remarks.

### **Child poverty**

The Committee noted that you appeared to favour devolution of the Work Programme to Wales but were very reluctant to agree to the devolution of benefits. You were particularly concerned that devolution of benefits might not be accompanied by the full budget to meet the cost of these benefits.

The point was made at the meeting that UK work programmes are intrinsically linked to the benefits system and that it is through the benefits system that people are mandated to take part in a work programme. You were asked how devolving the work programmes without devolving the benefits system might work.

The Committee was grateful for your response at the meeting but would be grateful if you could expand on it to address the apparent contradiction between devolving the Work Programme without devolving at least significant parts of the benefits system.

### **Relationship with the third and private sectors**

The Committee believes that it is extremely important that third sector bodies should feel free to act as independent critical voices in civic society. The Committee would, therefore, like to commend your response to the question about ensuring that funding decisions do not inhibit the third sector from being critical of Government policies and initiatives. Your clear statement that you welcome such criticisms is laudable.

We discussed whether the third sector had become over reliant on public sector funding and how the balance of funding between the public sector and other sources of income has changed. In particular, we were concerned about how the Government is helping the third sector in Wales diversify its funding base. It was not entirely clear to what extent over the last 18 months or so the balance of public sector funding for the third sector has changed from core funding to project based funding. Nor were we clear whether other sources of funding have been able to replace reductions in public money. We would be grateful for any further information you can provide that might shine further light on this matter.



We also discussed the national procurement service which was meant to be self-funding by April 2016. At the meeting, Mr Price indicated that the intention remains that the service will be self-financing but that this would now be '*...about 12 months down the line...*'. Can you confirm that the original target for the service to be self-financing by April 2016 will not now be met, when exactly you expect the target to be met and how any funding shortfall in the intervening period will be addressed?

## **Climate Change**

The Committee noted your answers on the challenges of meeting the reduction in carbon emissions. You were satisfied that the annual target of 3% for emissions in devolved areas is being met and even exceeded. You outlined the greater challenges of meeting the 40% reduction in overall emissions by 2020. The Committee also noted the aim for at least an 80% reduction in emissions by 2050.

The Committee welcomes the move to a carbon budgeting approach to be introduced as a result of the Environment (Wales) Bill. However the Committee is concerned that future targets need to be coherent, effectively measured and reported and given due priority across the Welsh government. In the light of the challenges you have outlined, we would be grateful if you could tell us how the new carbon budgeting approach will help to achieve these outcomes.

## **The promotion and marketing of Wales**

Mr Price provided figures at the meeting about the net economic impact of jobs that are in some way supported by the Welsh Government. He also provided some information about the impact of EU funding in creating and supporting employment. The Committee would be grateful for more detailed information on the contribution that EU funds make to the Welsh economy, particularly in relation to employment and GVA.

## **Major Public Appointments**

At the Committee's meeting in March 2015 we focused on how best to ensure the independence of Commissioners (and similar positions, like the Ombudsman and Auditor General) from the Welsh Government, while also ensuring that they are subject to broad political scrutiny and are accountable for their performance.



At that time you indicated a willingness to consider whether the appointment and accountability of major public appointments could be done differently. The Committee asked in particular about the principle of a ‘Commissioner’s Act’ that might consolidate these principles in a consistent way across all Commissioners and analogous offices. However, in the Government’s response to the independent review of the Children’s Commissioner, the Government rejected recommendations to this effect.

In our last meeting you indicated that the next Government will have to consider how the appointments process for different Commissioners can be made more consistent in terms of the appointments process and the way in which the Commissioners function. You said, *‘They were created at different times; there are more of them than there were, and I think it’s inevitable that there will have to be a review to ensure that there’s consistency across the board.’*

The Committee felt that there was something of an inconsistency between your apparent willingness to countenance changes to ensure greater consistency and independence and the Government’s rejection of specific proposals to achieve this. The Committee would be grateful if you could clarify your thinking on this matter.

In relation to other public appointments, the Committee was pleased at the progress that has been made in meeting the 40% target for the appointment of women to regulated positions. The Committee noted the steps that are being taken to bring the number of women appointed to unregulated positions up to, at least, the 40% target but the Committee shares your disappointment at the current position, which is well below 40%.

Members also asked at the meeting about the position in regards to appointments from other under-represented groups. You agreed to write to the Committee with further information:

- comparing the proportion of applicants for public appointments from under-represented groups with the proportion of actual appointments from these groups;
- regarding the effectiveness of the methods used to encourage applications from within those groups.



You wrote to me on 10 March with further information on these points. Among other issues, I note from your letter that:

- Women and minority ethnic applicants have a better conversion rate from application to appointment than any other group. Women and minority ethnic applicants are one and a half times more likely to obtain an appointment than other applicants.
- Disabled applicants are almost twice as likely to fail to achieve an appointment as other applicants.
- Male applicants are a third less likely to achieve an appointment as other applicants.

On balance, this pattern seems reasonable in attempting to correct historic imbalances in public appointments, although the appointment rate for disabled applicants must be a matter of particular concern.

### **Welsh Language**

You were asked you about your long-term vision for the future of the language, in particular how many bilingual people you would like to see in Wales by 2050. In response, you said would like to see 1 million Welsh speakers. As you also indicated, setting an ambition is somewhat easier than achieving it, but the Committee was pleased at the ambition of your response and would like to ask whether you believe this ambition should become the policy of the Government?

### **Constitutional Matters**

The Committee noted with interest your responses on the question of a separate or distinct Welsh jurisdiction.

Since we met there have been two other significant developments, namely the UK government's decision to pause and reflect in relation to the draft Wales Bill and your government's publication of the draft Government and Laws in Wales Bill. The latter clearly puts greater flesh on the bones of your government's view of the shape of the future constitutional settlement for Wales and has already led to some debate.

Earlier in our meeting, you also mentioned your concerns that the actions of the Attorney General, in referring a Welsh Bill to the Supreme Court, could cause the Bill to fall by delaying it until the Assembly was dissolved. It would be interesting



to know how this position might be avoided and whether the draft Government and Laws in Wales Bill specifically addresses this issue.

### **Future Role of the Committee**

I have also written separately to the Presiding Officer, as Chair of the Business Committee, with some observations on the Committee and how it might work in the next Assembly. I have copied that letter to you so that you can offer your views on the matter if wish.

I would be grateful for your response on the points above in due course, which will be published on the Committee's web pages.

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 on the final letter.

David Melding AM

**Deputy Presiding Officer**

**Chair, Committee for the Scrutiny of the First Minister**

