

# Agenda Supplement – Enterprise and Business Committee

Meeting Venue:

**Committee Room 4 – Tŷ Hywel**

Meeting date: 17 September 2015

Meeting time: 09.15

For further information contact:

**Gareth Price**

Committee Clerk

0300 200 6565

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Please note the documents below are in addition to those published in the main Agenda and Reports pack for this Meeting

## 4 Papers to note

### Co-investment in Skills

(Pages 1 – 20)

Attached Documents:

EBC(4)-20-15 (p.4) Information provided by the Deputy Minister for Skills and Technology following the Committee meeting of 11 June

EBC(4)-20-15 (p.5) Letter from William Graham AM to the Deputy Minister for Skills and Technology regarding the Welsh Government's Co-investment in Skills Framework

EBC(4)-20-15 (p.6) Letter from the Deputy Minister for Skills and Technology to William Graham AM regarding the Welsh Government's Co-investment in Skills Framework

### Development Bank for Wales

(Pages 21 – 24)

Attached Documents:

EBC(4)-20-15 (p.7) Letter from the Minister for Economy, Science and Transport regarding the Development Bank for Wales



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Wales

EBC(4)–20–15 (p.8) Letter from William Graham AM to the Minister for Economy, Science and Transport regarding the Development Bank for Wales

EBC(4)–20–15 (p.9) Letter from the Minister for Economy, Science and Transport to William Graham AM regarding the Development Bank for Wales

### **Large-scale job losses**

(Pages 25 – 28)

Attached Documents:

EBC(4)–20–15 (p.10) Information provided by the Deputy Minister for Skills and Technology following the Committee meeting of 1 July

EBC(4)–20–15 (p.11) Link to skills report provided by the Deputy Minister for Skills and Technology following the Committee meeting of 1 July

EBC(4)–20–15 (p.12) Information provided by the Minister for Economy, Science and Transport following the Committee meeting of 1 July

### **The Potential of the Maritime Economy in Wales**

(Pages 29 – 30)

Attached Documents:

EBC(4)–20–15 (p.13) Letter from William Graham AM to Alun Ffred Jones AM

### **Bus and Community Transport Services in Wales**

(Page 31)

Attached Documents:

EBC(4)–20–15 (P.14) Letter from the Clerk of the Petitions Committee to the Clerk of the Enterprise and Business Committee



Llywodraeth Cymru  
Welsh Government

Julie James AC / AM  
Y Dirprwy Weinidog Sgiliau a Thechnoleg  
Deputy Minister for Skills and Technology

Eich cyf/Your ref  
Ein cyf/Our ref: SF/JJ/1891/15

William Graham AM  
Chair, Enterprise and Business Committee

[committeebusiness@wales.gsi.gov.uk](mailto:committeebusiness@wales.gsi.gov.uk)

9<sup>th</sup> July 2015

Dear William,

**Response to the Enterprise and Business Committee to identify the support and investment provided for apprenticeships and training across the Welsh Government.**

Further to my letter of 23 June, please find attached a spreadsheet which identifies the support and investment provided for apprenticeships and training across Welsh Government departments.

This spreadsheet details the information we have received from across each Ministerial portfolio. However, although identified in the spreadsheet, there are some projects currently under development where we are not able to provide financial information at present.

I trust the Committee finds this information useful.

Yours sincerely

A handwritten signature in black ink that reads "Julie James". The signature is written in a cursive, flowing style.

**Julie James AC / AM**  
Y Dirprwy Weinidog Sgiliau a Thechnoleg  
Deputy Minister for Skills and Technology

<b>Investment in apprenticeships and training by Welsh Government department</b>					
<b>Welsh Government Department</b>	<b>Programme / Project Name</b>	<b>Brief Programme / Project Description - who is eligible?</b>	<b>Investment (£) 2015-16</b>	<b>Investment over 3 years (if it cannot be accurately provided on an annual basis)</b>	<b>When does the programme / project cease (if applicable)</b>
Skills - Higher Education (Economy, Skills & Natural Resources Group)	Higher Education - HEFCW allocation and tuition fee support	In 2015/16 more than £360m will be made available to Welsh Universities via the Higher Education Funding Council for Wales (HEFCW) and through tuition fee support funded by Welsh Government. HEFCW is responsible for determining how to distribute it's funds to institutions in Wales. In 2015/16 HEFCW will allocate funding of £154m to support the activities of universities in Wales including £79m for research, £27m in support of part-time undergraduate provision, £11m for post-graduate teaching and research training and £15m for courses that are more expensive to teach (medicine, dentistry etc). In HEFCW funding allocations for 2015/16 HEFCW Council has agreed to set aside a sum of £1.839m per year for the next three years to support the new Go Wales Programme, subject to WEFO approval.	£360 million		
Skills (Economy, Skills & Natural Resources Group)	Apprenticeships	A training programme for employed learners to develop sector-specific knowledge and competence. Learners are able to undertake apprenticeship programmes at level 2 to level 4/5.	£91.5 million		
Skills (Economy, Skills & Natural Resources Group)	Traineeships	The Programme will deliver engagement and level 1 training to young people aged 18 and under who have left compulsory education. This cohort group are vulnerable to becoming "NEET" status and risk long-term unemployment.  This programme seeks to intervene early ensuring they get a chance to acquire work skills and get a good start in working life, sample work options and opportunities, and find job opportunities or other appropriate further training.	£33 million		
Skills (Economy, Skills & Natural Resources Group)	Work Ready Programme	A training programme for non employed adult learners to enable them to develop the required skills to progress into further learning and/or employment.	£3.8 million		
Skills (Economy, Skills & Natural Resources Group)	FE Funding	Further education provision post-16. Whilst this is all age (post-16) provision the majority of the budget is deployed on Statutory post-16 learning for 16-19 year olds. This includes A level provision as well as vocational programmes at level 2 and 3. Further education funding also includes Basic Skills, English for Speakers of Other Languages (ESOL) and other lower level provision skills as well as part time provision for the older learner.	£283.6 million		
Skills (Economy, Skills & Natural Resources Group)	6th Form Funding	Statutory post-16 learning for 16-19 year olds, primarily delivery of A level provision although some vocational provision at level 2 and 3 is included.	£104.5 million		
Skills (Economy, Skills & Natural Resources Group)	Adult Community Learning	This programme focuses on adult numeracy, literacy, digital literacy and ESOL.	£3.7 million		

Welsh Government Department	Programme / Project Name	Brief Programme / Project Description - who is eligible?	Investment (£) 2015-16	Investment over 3 years (if it cannot be accurately provided on an annual basis)	When does the programme / project cease (If applicable)
Skills (Economy, Skills & Natural Resources Group)	Flexible Skills Programme - Pilot	The Programme delivers skills interventions to employers that are of significant economic importance to Wales. A focus on high quality and sustainable job creation providing skills development support that cannot be met through existing provision.	£3,900,000 (£1,500,000 WG core budget + £2,400,000 consequential)		Pilot ends 31 March 2016
Skills (Economy, Skills & Natural Resources Group)	Skills Priorities Programme	The Programme will address the growing demands for highly skilled individuals across Wales and enhance the FE sector's ability to respond to emerging demands for higher level skills. Three strands of activity are planned during 2015/16 as part of the SPP phase 2 pilot to enhance the FE sector's ability to respond to emerging demands for higher level skills delivery initially at levels 3, 4 and 5 with an increasing focus on levels 4 and 5. Strand 1: Residual activity from SPP phase 1 to be completed within academic year 15/16. Strand 2: Building capacity within the FE sector to deliver targeted higher-level skills provision in line with Welsh Government priority sectors and linked to regional demand. Strand 3: Continuing professional development (CPD) for FE lecturers.	Strand 1 - £2.5 million Strand 2 - £1.5 million, Strand 3 - £500k		
Skills (Economy, Skills & Natural Resources Group)	ReAct III	The Welsh Government's ReAct III programme aims to address the needs of people who have been made redundant, or are under notice of redundancy, through a series of measures designed to remove barriers to obtaining employment.		£28,383,657 (inc ESF from 2015 to 2018)	Mar-2018
Skills (Economy, Skills & Natural Resources Group)	Jobs Growth Wales II	The programme is aimed at unemployed young people aged 16-24, giving them valuable work experience for a 6 month period paid at or above the National Minimum Wage between 25 and 40 hours per week.		£126,102,496 (inc ESF from 2015 to 2018)	Mar-2018
Skills (Economy, Skills & Natural Resources Group)	Activate your Potential	This operation will provide employer-linked activities and employment focussed opportunities, supplemented with careers information, advice and guidance to young people aged 11-19. These young people will typically demonstrate patterns of attendance, levels of attainment, and behaviour that identify them as being 'at risk of becoming NEET'		£65,708,395 (inc ESF from 2015 to 2018)	TBC
Skills (Economy, Skills & Natural Resources Group)	Early Years ESF	The programme will raise the quality of the Early Years, Childcare and Play workforce by increasing the levels of relevant childcare qualifications held by the existing workforce within both the maintained and non-maintained sectors. The main focus will be on up-skilling Childcare and Play sector workers up to the proposed 'ideal benchmark' of Level 3; a smaller proportion of childcare workers will be up-skilled to Levels 5 and/or 6.		£20,000,000 (incl ESF from 2015 to 2018)	May-2018
Skills (Economy, Skills & Natural Resources Group)	Essential Skills in the Workplace II	The Essential Skills in the Workplace II (ESIW II) project will raise the levels of essential skills in the employed workforce in Wales through a programme of enhanced essential skills support. Working with employers, the project will raise awareness of the benefits of a skilled workforce, providing support and guidance to address identified basic skills needs.		£39,375,000 (inc ESF from 2015 - 2018)	Sep-2018

Welsh Government Department	Programme / Project Name	Brief Programme / Project Description - who is eligible?	Investment (£) 2015-16	Investment over 3 years (if it cannot be accurately provided on an annual basis)	When does the programme / project cease (If applicable)
Education & Public Services Group		The National Training Framework on violence against women, domestic abuse and sexual violence is formed of six groups and a specialist subject syllabus. Although there is some progression within the Framework, generally each part of it relates to a specific group of professions who, following training will form part of a workforce working towards a collective aim; to improve the response to those who have experienced violence against women, domestic abuse and sexual violence.	£275,000 (approx)	825,000	Minimum 5 year programme
Communities and Tackling Poverty (within Education and Public Services Group)	Digital Communities Wales	Digital Communities Wales, the Welsh Government's successor programme to Communities 2.0, focuses on supporting the digital inclusion of individuals by working through partner organisations and co-ordinating activities. The programme provides support to individuals most likely to be digitally excluded (disabled people, those living in social housing, older people and the economically inactive & unemployed) to help them improve their lives, whether it's accessing cheaper online goods and services, helping reduce isolation or finding work. Wales Co-operative Centre is delivering the contract on behalf of the Welsh Government.	£1 million	£2 million	Mar 17. The contract is for two years (from Apr 15) initially, with an option to extend for a further two years.
Communities and Tackling Poverty (within Education and Public Services Group)	Communities First	The Communities First programme provides funding for Lead Delivery Bodies within local authority areas known as Communities First Clusters to narrow the economic, education/skills and health gaps between our most deprived and more affluent areas. It has three strategic objectives helping to achieve these outcomes - Prosperous Communities, Learning Communities and Healthier Communities Each Cluster produces a delivery plan setting out projects and activities designed to support the three strategic objectives. Under the "prosperous communities" and "learning communities" objectives there is a significant amount of activity designed to support people to gain the skills and qualifications they need to enter employment and to get a job. During 2014/15, as a result of Communities First: 2646 people over the age of 25 and 888 people between 16 and 24 entered employment, 3544 people over age 25 completed an employment related course and 567 people aged 16-24 secured a JGW placement.	Funding of £31.7 million for the period 1st April 2015 to 31st March 2016 has been agreed. It is not possible to identify how much of this will be used to fund activities related to employment and employability.		It has been agreed that Communities First will continue for the life of the current Welsh Government. No decisions have been made after this point.
Communities and Tackling Poverty (within Education and Public Services Group)	Lift	The Lift Programme reflects the commitment in the Welsh Government's Tackling Poverty Action Plan to provide 5,000 training and employment opportunities for people aged 16 and over, living in households where no one has worked for at least six months. It is not aimed at those who are temporarily out of work but focusses on those who face the greatest barriers to becoming employable, such as young single parents, adults with few or no formal qualifications, people with poor employment records and disabled people. The Programme is being delivered in nine areas, based on 12 Communities First Clusters, across Wales: Anglesey; Flintshire East and West (2 Clusters); Carmarthenshire; Swansea North West; Afan Valley; Taf West; Cardiff East; Caerphilly Basin and Upper Rhymney Valley (2 Clusters); Tredegar and Ebbw Fawr (2 Clusters). The programme is progressing well and as at 31 May 2015 had provided 1,821 training and employment opportunities to people from workless households, with 314 people supported into employment.	£1.1 million approx		Dec-2017

Welsh Government Department	Programme / Project Name	Brief Programme / Project Description - who is eligible?	Investment (£) 2015-16	Investment over 3 years (if it cannot be accurately provided on an annual basis)	When does the programme / project cease (If applicable)
Communities and Tackling Poverty (within Education and Public Services Group)	Communities 4 Work	The Communities for Work Programme is a ESF funded programme which will provide intensive employment advice and mentoring support in the 52 Communities First Clusters in Wales. The programme will support the long term unemployed and economically inactive (over 12 months) and NEETS living within the areas. In addition to the mentoring JCP advisors will be based within the community working on an outreach basis. The programme will also offer a range of training for participants and a barriers fund to support participants into employment.	£8.7 million	£41 million	Funding approved until 2018 with the option to extend until 2020
Natural Resources (Economy, Skills and Natural Resources)	Bovine TB Eradication Project	The Welsh Government made a commitment to take a science-led approach to eradicating bovine TB in Wales. As part of this commitment a five-year badger vaccination programme has been established in the Intensive Action Area (IAA) in north Pembrokeshire and part of Ceredigion and Carmarthenshire. To undertake this work The Office of the Chief Veterinary Officer (OCVO) employed a workforce of 24 members of staff to undertake this work. These members of staff required to undertake specialist training and have successfully completed the Cage Trapping and Vaccinators training course and be an accredited and certified lay vaccinator in order to vaccinate a badger. This specialist skill will enable those members of staff at the end of the five year project to utilise their skills in an ever increasingly market for this necessary skill set.	£20,000 approximately	£200,000	5 Year project - Mar 2017
Natural Resources (Economy, Skills and Natural Resources)	Bovine TB Eradication Project	To provide bespoke Cymorth TB training via Improve International to Official Veterinarians (private veterinarians approved to conduct veterinary duties on behalf of government). Cymorth TB (which translates as TB Support) is a WG initiative whereby farmers receive additional support from their veterinarian. By being trained the veterinarian has an additional revenue stream as they are then qualified to undertake this work for government, and farmers receive consistent advice with regards their approach to disease control, not only when veterinarians are delivering government funded work, but when they support their clients privately.	£52,000 (approx)		Investment is only for the first year, any further training (e.g. new entrants, or refresher training) will be funded by the veterinarians themselves.
Natural Resources (Economy, Skills and Natural Resources)	Rural Development Placement Programme	A broad based placement opportunity to be part of a team that supports the design and delivery of a wide range of high profile activities and grant schemes across rural Wales concerning: food production, fisheries, processing and marketing, supply chain development and development of the rural economy and communities. Eligibility – 9-12 month, full time undergraduate student as part of their course or as a sandwich placement. Basic knowledge of one or more of finance, business management, food processing, agri-food marketing, supply chain development or rural development.	DRC funded at Team Band £25,728.  No placement in 2015/16 due to recruitment ban	Rolling annual basis	

Welsh Government Department	Programme / Project Name	Brief Programme / Project Description - who is eligible?	Investment (£) 2015-16	Investment over 3 years (if it cannot be accurately provided on an annual basis)	When does the programme / project cease (If applicable)
Natural Resources (Economy, Skills and Natural Resources)	Remote Sensing & GIS MSc work placement module	Every year, and for the last 11 years, as part of a continued Government-academic relationship with Aberystwyth University, LNFD host a number of student placements as part of the Remote Sensing and GIS MSc course at Aberystwyth University. The students are not paid, with the only cost to the Division being staff time to set up and manage the placements. Each placement is for 5 weeks, with the option to extend for the duration of their dissertation. The projects that the students undertake, are all 'live' in terms of having a policy need and are agreed with the course leaders ahead of the placements, based on realistic achievement of beneficial outcomes for WG environmental policy areas, while providing valuable learning experience for the students. The Remote Sensing and GIS course was identified, in particular, as a benefit to WG due to the innovative methods employed (addressing some of the points made in the Williams report, from paragraph 4.104 onwards, particularly those on increasing efficiency and reducing cost, relating to issues of processes and technology). This collaborative working arrangement is of mutual benefit to WG, the MSc students and the University.	Small amount of staff supervision over 5 weeks/year for 1-3 students.	N/A	
Natural Resources (Economy, Skills and Natural Resources)	Land, Nature and Forestry - Academic Engagement	A programme to enable access and engagement with students and the wider academic community via the hosting of unpaid undergraduate and post graduate secondments within Natural Resources. Also covers the rolling out of a programme to develop projects for primarily PhD students on key policy areas to provide a funded secondment opportunity for 3-6 months.	£30,000		Rolling basis responsive to policy need.
EST (Economy, Skills and Natural Resources )	Next Generation Broadband Wales (publicly referred to as Superfast Cymru)	In July 2012, Welsh Ministers entered into a Grant Agreement with BT to deliver the Superfast Cymru Programme. BT have committed as part of the agreement to directly offer 100 apprenticeships across Wales by September 2015. This target has already been exceeded with 123 offered to date. All apprenticeships recruited currently receive training & development and are expected to achieve a Diploma (level 3) in ICT.	Funding of apprenticeships is the responsibility of BT as the grant awarded for the roll-out of SFC is for the infrastructure costs. 123 apprenticeships to date		December 2016 (currently)
EST (Economy, Skills and Natural Resources )	BAMC Training	Funding to British Airways Maintenance Cardiff (BAMC) for Continuous Improvement (CI) Training	£186,000		2016/17
EST (Economy, Skills and Natural Resources )	Aberpergwm Mine Apprentices	Support to enable apprentices at Walter Energy, Aberpergwm Mine, Glyneath to complete their mining apprenticeships.	£84,000		2015/16
EST (Economy, Skills and Natural Resources )	Nuclear Apprentice Scheme	Support for Group Llandrillo Menai for its Engineering Apprentice Programme supporting the Nuclear industry.	£896,000		2016/17

Welsh Government Department	Programme / Project Name	Brief Programme / Project Description - who is eligible?	Investment (£) 2015-16	Investment over 3 years (if it cannot be accurately provided on an annual basis)	When does the programme / project cease (If applicable)
EST (Economy, Skills and Natural Resources )	M4 Corridor around Newport	Apprentice opportunities in fields such as civil engineering and quantity surveying in the current design development stage of a new section of motorway south of Newport alongside complementary measures. Potential for a construction phase to commence in 2018.	£120,000+		2021/2022
EST (Economy, Skills and Natural Resources )	A465 Heads of the Valleys Dualling - Section 2 Gilwern to Brynmawr	Construction work begun on the dualling scheme in Dec 2014 with completion due in Sept 2018. The scheme contractor, Costain, have achieved National Skills Academy status for the project and will be appointing a minimum of 60 apprentices across a range of trades and disciplines (10 have been appointed to date). These positions are advertised via Careers Wales in partnership with the Construction Industry Training Board (CITB) and Coleg Gwent. Further targets have been set in terms of Work Experience placements, recruitment of Graduates and training for subcontractors.	Expenditure on scheme construction during 2015-2016 is £54 million. All skills and training costs form part of this figure.		2018/2019
EST (Economy, Skills and Natural Resources )	Workforce Development	<p>A comprehensive skills development programme across museums, libraries and archives sector workforce (staff and volunteers) to deliver skills for transformational change management in the sector. A number of the contractors and consultants working on the A465 Dualling projects, Sections 2 and 3 have taken on apprentices during the design phases of the project, and before construction has begun. The apprentices are targeted from deprived areas along or near the A465 and are given the opportunity to develop a professional career with a real company getting paid a good wage. The apprentices are aged between 16 – 25.</p> <p>Initially the apprenticeship scheme was piloted with 8 Quantity Surveying apprentices (whom have now completed their apprenticeship and are in the University of South Wales studying their degree), but this has now grown to 21 civil engineering technician apprentices and a further 9 Quantity Surveying apprentices.</p> <p>This apprenticeship scheme has the support from the CITB and the CSTT (Chartered Surveyors Training Trust), and is in line with the requirements from the professional bodies, the ICE and the RICS.</p>	£105,000		The current programme has been designed for 2015-16.
EST (Economy, Skills and Natural Resources )	TBX -Production Accountant up-skilling	Grant funding to up-skill and train a Welsh Production Accountant during Fox's pilot of The Bastard Executioner, in order to strengthen the skills base in Wales. Production accountancy is an area where there is a significant skills gap at this senior level in Wales, and the grant funding facilitated the appointment of a Welsh production accountant to shadow a senior Fox accountant for 16 weeks while shooting the pilot in Wales.	£50,000		Jun-2015

Welsh Government Department	Programme / Project Name	Brief Programme / Project Description - who is eligible?	Investment (£) 2015-16	Investment over 3 years (if it cannot be accurately provided on an annual basis)	When does the programme / project cease (If applicable)
EST (Economy, Skills and Natural Resources )	It's My Shout Sponsorship	Sponsorship of It's My Shout Training Scheme-which provides hands on training for young people, alongside industry professionals producing short films for television and screen.	£28,000		September 2015 (Summer holiday youth training scheme).
EST with Skills (Economy, Skills and Natural Resources )	Ebbw Vale Shared Apprentices Scheme	The scheme will provide support for the organisation of a shared apprentices scheme, based in the Ebbw Vale Enterprise Zone, and including an element of wage subsidy.	£144,514 from EST funds re overheads and wage subsidy. DfES to fund actual training, value uncertain		Starts from 15/16 academic year for 4 years initially.
EST with Skills (Economy, Skills and Natural Resources )	Haven Waterway and Deeside EZ Shared Apprentices Schemes	As above but these schemes were launched in 2014/15 and have no element of wage subsidy. DEST contributed with set up costs in 2014/15, DfES are funding the training.	Nothing from DEST, training costs from DfES, value uncertain		Ongoing
EST with Skills (Economy, Skills and Natural Resources )	Murco Transform Skills	The scheme has provided subsidised training to companies that were impacted by the closure of the Murco refinery in the haven Enterprise Zone.	£101,000 allocated from DEST funds in 15/16. Amount committed to date uncertain.		Ceased 1/7/15 but considering an extension
EST with Skills (Economy, Skills and Natural Resources )	Airbus 350 XWB Training Aid	Employees; apprentices	1,600,000		2018/19
EST (Economy, Skills and Natural Resources )	Wales Contact Centre Forum	Companies and individuals engaged in contact centre industry in Wales	125,000		31/03/2017
EST (Economy, Skills and Natural Resources )	Chartered Institute for Securities and Investment pilot Corporate Education programme	Schools and colleges - to create a pathway for students into careers in financial services.	30,000		

Welsh Government Department	Programme / Project Name	Brief Programme / Project Description - who is eligible?	Investment (£) 2015-16	Investment over 3 years (if it cannot be accurately provided on an annual basis)	When does the programme / project cease (If applicable)
EST (Economy, Skills and Natural Resources )	Professional Construction Apprenticeship Academy	<p>Apprentice scheme for Civil Engineers and Quantity Surveyors.</p> <p>Originally set up in 2012 to support the delivery of the A465 Dualling schemes.</p> <p>15 major construction companies individually employ apprentices who are trained via courses set up specifically for the academy.</p> <p>Scheme is supported by CITB &amp; Institution of Civil Engineers.</p> <p>50+ apprentices have been appointed with a further 30 planned for this year.</p> <p>2 apprentices from the academy have won CITB Welsh Apprentice of the Year.</p>	50,000		2021/22
EST (Economy, Skills and Natural Resources )	A465 Heads of the Valleys Dualling - Section 3 Brynmawr to Tredegar	<p>Scheme contractor, Carillion achieved National Skills Academy status in 2013.</p> <p>29 apprentices have been appointed on the scheme as well as a range of graduate, work experience placements.</p> <p>Through Targeted Recruitment and Training over 4000 person weeks of employment has been delivered.</p>	Expenditure on scheme construction during 2015-2016 is £28 million. All skills and training costs form part of this figure		2015/16

Welsh Government Department	Programme / Project Name	Brief Programme / Project Description - who is eligible?	Investment (£) 2015-16	Investment over 3 years (if it cannot be accurately provided on an annual basis)	When does the programme / project cease (If applicable)
<b>Projects under development but unable to provide financial data at present time.</b>					
Department for Health and Social Services	Healthy Working Wales (Out of Work Service)	To provide peer mentoring and specialist employment services to achieve employment outcomes for people aged 25+ with substance misuse and/or mental health issues	This detail is unavailable at present as it is under development.		TBC
Department for Health and Social Services	Healthy Working Wales (In Work Service)	To provide wrap-around support to the Health & Work Service (HWS), which is being funded by the DWP from December 2014 (the provider is to be appointed in July). The ESF project will primarily receive referrals from HWS and deliver rapid access to work-focussed interventions for employees in the early stages of long-term sickness absence, and also support employers and GPs to address health and work-related issues	This detail is unavailable at present as it is under development.		TBC
Department for Health	Together for a Healthy Working Wales (16-24)	To provide wrap-around support to the Health & Work Service (HWS), which is being funded by the DWP from December 2014 (the provider is to be appointed in July). The ESF project will primarily receive referrals from HWS and deliver rapid access to work-focussed interventions for employees in the early stages of long-term sickness absence, and also support employers and GPs to address health and work-related issues	This detail is unavailable at present as it is under development.		TBC
Department for Health and Social Services		To provide peer mentoring and specialist employment services to achieve employment outcomes for young people aged 16-24 with substance misuse and/or mental health issues who are in the NEET category	This detail is unavailable at present as it is under development.		TBC
Value Wales (within Economy, Skills & Natural Resources Group)		Invest in young people in West Wales & Valleys and develop a local procurement talent pool. They will help their employers undertake procurement more efficiently and reduce costs. Up-skill SMEs who can bid for public sector contracts; up-skill public sector buyers to increase opportunities for SMEs to bid for contracts. This will contribute to increased employment and tackling poverty	This detail is unavailable at present as it is under development.		TBC
Department for Local Government and Communities (within Education & Public Services Group)	Communities 4 Work	Communities4Work is a major development of the Welsh Government's Communities First Programme to tackle poverty, co-sponsored by Department for Work and Pensions. The proposal provides an opportunity to deliver creative and innovative models of intensive mentoring and employment support, for 16-24 year olds who are Not in Employment Education or Training engaging and supporting them into work and/or training.	This detail is unavailable at present as it is under development.		TBC

Welsh Government Department	Programme / Project Name	Brief Programme / Project Description - who is eligible?	Investment (£) 2015-16	Investment over 3 years (if it cannot be accurately provided on an annual basis)	When does the programme / project cease (If applicable)
Department for Local Government and Communities (within Education & Public Services Group)	Parent, Childcare and Employment (PaCE)	The Operation will help economically inactive parents aged 16 to 24 into sustainable work, where childcare is their main barrier. The operation aims to provide solutions to overcome their childcare barriers to enable the parent to prepare for and access employment opportunities. Parents will receive individualised help via a Parent Employment Adviser in their local community.	This detail is unavailable at present as it is under development.		TBC



Julie James  
Deputy Minister for Skills  
Ty Hywel  
Cardiff Bay  
CF99 1NA

14 July 2015

Dear Julie,

### **Co-investment in Skills Framework**

Thank you for attending the Enterprise and Business Committee meeting on 11 June to discuss the Welsh Government's Framework for the Co-investment in Skills in Wales. Members of the Committee appreciated the detailed responses you gave during the session. As you know, we have held two events at which stakeholders were invited to contribute their thoughts on the Framework which you launched in April.

I would like to take this opportunity to share some of the comments and concerns which were raised during the events. I would be grateful if you could respond to the Committee on the issues raised:

#### **Necessity of approach**

There was a recognition from all the participants of the events that in the current economic climate the possibility for public funding of training is limited.

#### **Communications**

Concern was expressed that the new policy has not been widely promoted. There are many training opportunities which are wholly funded by Structural Funds which may not be available beyond 2020.

There was a request for a clearer definition of 'co-investment', for instance, does it include 'in-kind' contributions, for example, the cost to a business of releasing an employee to attend a course?

Participants wanted to know how the Welsh Government is going to ensure that employers in Wales are aware of the changes. Can you share with us the detail of any promotion campaigns you are undertaking? Committee Members are keen to help spread the word about the changes.

### **Potential unintended consequences**

By far the most urgent comments made in our events was the concern that this approach will result in the provision of far fewer apprenticeships and other training opportunities in Wales.

Also, that larger employers will bear the burden of the cost of training. There was concern that trained staff will be poached by smaller companies. This was mentioned in the context of the tourism industry, particularly.

Employers in sectors with existing levies, for example construction, fear they may pay twice for investing in skills.

Can you clarify if any measures are being taken in the implementation planning which will ensure that the available investment from Government and employers is spread across the age range of employees in order to allow equal access to training opportunities regardless of age?

### **Implementation**

Participants were concerned that the implementation timetable is too short and that such a major cultural change is being brought in without sufficient preparation.

Participants were not convinced that enough is being done to ensure the quality of the training provided will be maintained. The framework makes references to influencing the quality of skills investment, can you clarify what mechanisms will be in place to ensure the quality of training is measured and maintained?

Questions remain about the nature of the investment from now on, for instance, is the Welsh Government going to invest more in some areas of Wales than others? For instance, we heard evidence in North Wales of existing skills shortages

associated with a shrinking labour market. Participants at our event had concerns about how the demands for skilled labour will be met when major projects such as Wylfa Newydd get underway.

Would welcome more detail on the funding for levering in employers who are not yet engaged with training and apprenticeships mentioned in the evidence on 11 June. (para 29, Enterprise and Business Committee meeting, 11 June 2015).

Can you provide details of whether the Welsh Government procurement best practice includes training and social clauses as a requirement rather than as guidance?

Can you clarify what, if any, role the Federation of Small Businesses; the Confederation of British Industry and the Chambers of Commerce will have in ensuring the success of this policy change?

Thank you again for the evidence you provided to the Committee. Members of the Committee are keen to follow up on this issue and will be recommending that the next Assembly Committee which covers the skills portfolio receives an update on the implementation of this policy.

*Kind regards,*

*William*

William Graham

Chair, Enterprise and Business Committee



Julie James AC / AM  
Y Dirprwy Weinidog Sgiliau a Thechnoleg  
Deputy Minister for Skills and Technology



Llywodraeth Cymru  
Welsh Government

Eich cyf/Your ref  
Ein cyf/Our ref SF/JJ/2216/15

William Graham AM  
Chair, Enterprise and Business Committee  
[committeebusiness@wales.gsi.gov.uk](mailto:committeebusiness@wales.gsi.gov.uk)

14<sup>th</sup> August 2015

Dear William,

**Response to the Enterprise and Business Committee – supplementary questions raised on the Framework for Co-investment in Skills**

I am writing in response to your letter of the 14 July, which follows on from my attendance at the Enterprise and Business Committee on the 11 June, concerning the implementation of the Welsh Government's Framework for Co-investment in Skills ('the Framework').

I welcome the comments and insight from Committee members following the 11 June committee as well as the two stakeholder workshops held to date. Whilst I recognise that there remains an element of ongoing apprehension regarding the co-investment policy, there also appears to be a general consensus from stakeholders that, as we look ahead, the availability of public funds for training is likely to be limited and therefore we need to develop a long-term and financially sustainable model for skills delivery in Wales.

As I mentioned during my attendance at Committee, and noted within the supporting paper provided to members, the skills landscape in Wales is shifting. We need to acknowledge that Wales is lagging behind the rest of the UK nations in terms of the level of employer investment in skills. There remains a proportion of employers who are still not regularly investing in training and critically we must prepare ourselves for a time beyond 2020 and the current round of European funding.

The Framework does not retract any investment being made by the Welsh Government in skills delivery and nor has it been developed purely in response to the current or future budgetary challenges facing Wales. The focus has always been on striking the right balance between the support available from government for skills delivery – which will always be finite in nature – and the investments which are and should continue to be made by employers to support the skills of their workforce.

I appreciate that rebalancing this relationship represents a significant cultural shift for certain employers and for certain sectors in Wales as well as for training providers. However, I believe the Framework provides an overall win-win scenario for all stakeholders involved as

the 'do nothing' scenario is likely to see Wales fall further behind in terms of its overall skills profile and the level of skills investment made by employers.

### **Timescales for implementation**

As noted within the supporting paper provided to Committee, the concept of co-investment is not new. It was highlighted as part of the Policy Statement on Skills published in January 2014, the consultation on the co-investment policy which commenced in February 2014, the Skills Implementation Plan published in July 2014 and the Skills Performance Measures published in September 2014. The expertise of an External Reference Group comprising of key stakeholders including employers was also sought in shaping the policy and to support its ongoing communication with employers, training providers and other organisations in Wales.

We have also given a two-year window to April 2017 to implement the key elements of the Framework. During this time the Welsh Government will continue to invest in training alongside employers. This will leave just over two years until the end of the current round of European funding in 2020 to embed the policy.

I do not believe that postponing action into future years will allow sufficient time for the appropriate level of transition to take place and could leave certain mainstream programmes vulnerable to considerable budgetary shocks in the future should European funding significantly diminish or even cease. That is why we need to take action now.

### **Communication including engaging with employers**

We are currently in the process of agreeing the detail of a Communications Plan which will further support the communication and engagement with key stakeholders. The Plan will involve a variety of engagement routes focusing on employers, training organisations as well as the Regional Skills Partnerships.

I would like to take this opportunity to thank the Committee for their offer to engage and promote the message of investment in skills and, where appropriate, I will capture this as part of our overall Communications Plan.

You also mention in your letter specific information on the intention to lever in those employers who are not regularly engaged with training. As well as seeking to engage with such employers as part of our Communications Plan we are also making further investment in training alongside employers as part of our Skills Priorities Programme (SPP). SPP is providing Further Education colleges with the opportunity to develop new training concepts in response to employer demand for training, supported by the evidence base available from the Regional Skills Partnerships. The aim of the programme is to look at innovative methods of training delivery which could attract more employers to engage and invest in the skills of their workforce. Indeed ensuring provision remains relevant to employers forms a critical part of the *influencing* pillar of our Framework and is captured by a number of actions including SPP, our work on standards and qualifications and the evidence from the Regional Skills Partnerships.

As we move forward with implementing the Framework, we will of course continue to engage with key stakeholders such as the Federation of Small Businesses (FSB), the Confederation of British Industry (CBI), Colegau Cymru and the National Training Federation for Wales. I also remain in regular contact with key employers and employer representative groups through the work of the Wales Employment and Skills Board (WESB) which is chaired by Scott Waddington in his capacity as Wales Commissioner to the UK Commission for Employment and Skills (UKCES).

## **European funding and in-kind investment**

I recognise that those stakeholders wishing to access European funding have an interest in gaining further detail on the practicalities of co-investment from the perspective of in-kind matched funding. I cannot comment directly on this issue given that European funding is not within my portfolio. As you are aware the Wales European Funding Office (WEFO) is responsible for managing the delivery of EU Structural Funds in Wales. However, my officials worked closely with WEFO during the development of the Framework and are continuing to provide commentary on individual project proposals to ensure that the right balance is struck between the priorities in place with the European Commission and the policy direction being set through my portfolio as defined by the Policy Statement on Skills, Framework for Co-investment and Skills Performance Measures. My understanding is that where project beneficiaries are employers or employed status individuals (i.e. the project is supporting general workforce development activities), WEFO are expecting project proposals to include reference to the Framework for Co-investment in Skills and to recognise the need for employers to provide a direct investment in training.

As noted above, European funding is not within my portfolio. However, in the interest of developing a financially sustainable skills system, I would expect those organisations bidding for European funding to appreciate that basing their projects on in-kind contributions from employers could limit the capability of those projects to continue delivery into the long term should the matched funding available via Europe reduce or become unavailable. Indeed co-investment provides a sound platform for underpinning the exit strategies of individual European projects. Those projects seeking a direct cash investment from employers (as opposed to in-kind) are more likely to continue beyond the lifetime of European funding (or other forms of public funding) as the expectation on the employer to invest in training has been established from the outset.

For the purposes of skills programmes within my portfolio there will be an expectation for employers to provide a direct cash contribution for training with the exception of Apprenticeships for those under the age of 25, Higher Apprenticeships and support for Essential Skills (as per the *Government-led Investments* specified within the Framework for Co-investment in Skills). For example, the Skills Priorities Programme and the Flexible Skills Programme will both require a direct cash contribution from employers. This approach to co-investment will not apply to employability programmes or programmes directly focusing on individuals out of work given that these policy areas are not captured under the Framework for Co-investment in Skills.

## **Quality of provision and value for money**

I appreciate the concerns regarding the potential reduction in the overall volume of training opportunities available in Wales and the risks to the quality of provision.

On the first matter, I acknowledge that the output from provision may fluctuate in the short term particularly as our priorities for Apprenticeship provision embed. However, in driving forward our commitment to higher level skills development, I am more concerned as to whether the investments being made in training are producing the required *impacts* as defined by our Skills Performance Measures.

Whereas it is possible overall training output may reduce as a result of the Framework, it is also possible that this will be countered by improvements in the outcomes for Wales, for example improved skills levels or gains in productivity. The focus should be on value for money and understanding the impact of the actions we are taking rather than purely focusing on output and volume.

This principle is in line with our Skills Performance Measures which focus on ensuring the pool of investments made in training are being appropriately targeted with a view to maximising the impact for Wales in terms of Jobs and Growth, Financial Sustainability, Equality and Equity and International Skills Benchmarking. Such an approach also highlights the fact that the Framework for Co-investment in Skills is not simply about a discussion on who pays for what but is about challenging the investments being made and determining whether these are producing the right outcomes which benefit Wales in the long term – hence the third pillar to the Framework, *Impact*.

In terms of the overall quality of provision I do not expect this to be affected by the implementation of the Framework. Existing standards for the development of Apprenticeship frameworks and vocational qualification design will be maintained and this will be underpinned by the ongoing function of Estyn, other quality assurance processes and the future work of Qualifications Wales. Equally, we must also consider the fact that if employers are being expected to contribute more towards the delivery of training they will expect to see more flexible forms of delivery to come forward but this will not be to the detriment of quality.

### **Equality and equity**

We do not have evidence to suggest that co-investment will have a greater impact on large employers than on employers of other sizes. Having reviewed the evidence on employer investment in skills available from the UK Commission for Employment and Skills (UKCES), the general trend appears to show that the smaller the employer, the higher the level of investment made in training<sup>1</sup>. This appears to reflect the economies of scale for larger employers. This data also indicates that larger employers in Wales decreased their expenditure on training between 2011 and 2013 with the investment by smaller firms increasing over the same time period.

I recognise that time and money are the major barriers for many employers wishing to participate in training; however, I remain convinced that we should be looking to some larger employers to do more in terms of skills development, whether individually or by working across their respective industries and supply chains. Similarly, I do not expect sectors with existing levy systems to pay twice for training and, at this stage, I am not aware of any specific elements of the Framework which could produce this scenario. Despite this I have asked officials to continue to engage with the Industry Training Boards to ensure such risks are appropriately managed.

On the issue of access to programmes by age, I would like to reiterate to Committee members that, unless otherwise stated, all Welsh Government skills programmes are available to access on an all-age basis. I recognise that, by prioritising Apprenticeship provision for those under the age of 25 and focusing on Higher Apprenticeships, there is a perception that this provision is now age restrictive. This is not the case. Apprenticeship provision is still available on an all-age basis although we have chosen to support employers where they are either seeking to develop higher level vocational skills at Level 4 and above (i.e. via a Higher Apprenticeship) or where they are contributing to reducing levels of youth engagement and employment by supporting an apprentice under the age of 25.

Similarly our Skills Priorities Programme will not have any age restrictions; however the provision made available to employers will focus on higher level skills delivery in response

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<sup>1</sup> UK Commission for Employment and Skills (UKCES) Employer Skills Survey 2013: Wales Report, Table 5.5 Total training expenditure and spend per person trained and per employee, by size (2011 vs. 2013) <http://gov.wales/docs/caecd/research/2014/04/04-employer-skills-survey-2013-wales-report-en.pdf>

to future jobs and growth opportunities. We will continue to review the areas requiring prioritisation by assessing the impact of government-led investments through the use of our Skills Performance Measures.

### **Regional prioritisation**

The role of the Regional Skills Partnerships (RSPs) will be key to ensuring that regional employment and skills priorities are taken into account during the planning and funding of our skills provision. We are currently in the process of developing Demand Supply Assessments with the RSPs which will seek to influence the allocation/ deployment of Further Education and Apprenticeship provision from 2016-17.

By working with the RSPs in this way we have sought to capture key infrastructure and inward investment projects at an earlier stage to ensure that these are factored into our planning and funding regime. As noted previously, our Skills Priorities Programme will also provide the opportunity to develop new training concepts in response to employer demand for training and this programme will be supported by the evidence base available via the RSPs.

Our intention is to promote collaboration at a regional and national level rather than a race to compete for limited public funds. We will be working with RSPs to promote co-investment in skills and the need for employers to invest in the skills of their workforce. Our expectation is that, by working with RSPs to ensure regional provision is more reflective of the needs of local employers, there will be a clear rationale for employers to invest. To complement this work we will again be using our Skills Performance Measures to develop a regional dashboard which can track the impact of the work we are taking forward with the RSPs on at a regional level.

### **Community benefits within procurement**

I am very keen to maximise the opportunities for strengthening the work of my portfolio and the links to the portfolio of the Minister for Finance and Government Business in terms of public sector procurement and the use of social clauses (or community benefits). I am grateful to the Committee for noting this particular issue and in recognising how it fits within the context of the Framework for Co-investment in Skills.

The current procurement best practice in terms of Community Benefits is not mandated although guidance is available online via the link below aimed at supporting procurers to incorporate community benefits within procurement initiatives and the contacting process: <http://gov.wales/topics/improvingervices/bettervfm/publications/community-benefits-2014/?lang=en>

I am continuing to work with the Minister for Finance and Government Business on this area so that Welsh Government can bring forward future actions which could strengthen the existing guidance.

In closing I would like to thank again the Committee for the opportunity to provide evidence to support their inquiry. I am in no doubt that implementing the Framework represents a long-term cultural challenge for Wales and I remain committed to ensuring it is implemented with sensitivity and taking full account of the feedback from stakeholders. I also remain

convinced that this is the only way forward if we are to develop a long-term and financially sustainable model for skills delivery in Wales. I will of course continue to update the Committee on the progress being made in implementing the Framework.

Yours sincerely



**Julie James AC / AM**

Y Dirprwy Weinidog Sgiliau a Thechnoleg  
Deputy Minister for Skills and Technology

William Graham AM  
Chair  
Enterprise and Business Committee

08 July 2015

Dear William

As you will be aware I was hoping to make an announcement about further progress in regard to a Development Bank for Wales.

Professor Jones Evans and his Task and Finish Group completed their feasibility study into the creation of such a Development Bank in March. I wrote to the Committee on 10<sup>th</sup> March enclosing a copy and welcoming comments on the study and its recommendations.

I wonder if you are in a position to let me have the Committee's comments.

*Edwina Hart*

Edwina Hart MB CStJ AM  
Minister for Economy, Science and Transport  
Welsh Government  
Cardiff Bay  
CF99 1NA

15 July 2015

Dear Edwina,

### **Development Bank for Wales**

Thank you for your letter of 8 July.

I am responding on behalf of the Committee. We support, in principle, the establishment of a Development Bank for Wales (DBW) and we are reassured by the confident and positive way in which Finance Wales has responded to the proposals. We would expect the Development Bank, in whatever form it takes, to build on rather than replace the expertise, reputation and experience of Finance Wales.

In our discussions with you, Dylan Jones Evans, Robert Lloyd Griffiths and Finance Wales officials a number of issues arose that we expect you will be considering in the next stage of developing your proposals. At your earliest convenience we would be grateful for further detail regarding the following:

- The precise remit of the DBW.
- Clarification as to how the proposed 'hybrid model' will differ from, and offer an improvement on, the mode of operation currently adopted by Finance Wales.
- The timescale for establishment and operation of the DBW.
- The ability of DBW to borrow.
- Whether the DBW will be self-financing and, if so, whether this includes the sourcing of capital funds.
- How you intend to make use of the existing skills of Finance Wales staff and seek to provide certainty for all affected by these proposals.
- The need to secure State Aid approval.
- The steps involved in securing the necessary regulatory approvals, dependent on the precise remit and name of the DBW.



We suggest that all of the above should be addressed in detail as part of a fully costed business plan, developed by your officials in conjunction with Finance Wales, which we look forward to considering in the near future.

*Kingoards,*  
Yours sincerely,

*William*

William Graham

Chair, Enterprise and Business Committee



Ein cyf/Our ref EH/02973/15

William Graham AM  
Chair  
Enterprise and Business Committee

17 July 2015

Dear William

Thank you for your letter of 15 July in regard to the establishment of a Development Bank for Wales.

I am grateful to you for setting out your thoughts and sharing the issues your Committee has identified. I appreciate your concerns in regard to further clarification of the remit, timescales, funding and utilising the skills in Finance Wales. I also note your view on the importance of building on the expertise and experience of Finance Wales.

On 15 July I issued a letter to all Assembly Members in which I acknowledged the issues raised by your Committee, the Finance Committee and the Financial and Professional Services Panel. I explained that given this advice and following further discussions with Professor Jones-Evans, I would be taking work forward on a phased basis through discrete but related strands of work. These strands of work will consider the issues raised by your Committee.

I will provide a further update in September.

*Edwina Hart*



Julie James AC / AM  
Y Dirprwy Weinidog Sgiliau a Thechnoleg  
Deputy Minister for Skills and Technology

Eich cyf/Your ref  
Ein cyf/Our ref

Mr William Graham AM  
Chair, Enterprise and Business Committee,  
committeebusiness@wales.gsi.gov.uk

15 July 2015

Dear William

**Response to the Enterprise and Business Committee in respect of Large Scale Job Losses**

Further to my attendance at the recent Enterprise and Business Committee on 1<sup>st</sup> July 2015, please find attached a copy of the skills report relating to the “Shaping the Future” project for Magnox staff based at the Wylfa and Trawsfynydd facilities in north Wales.

Please also find attached a summary of the indicative impact of the Welsh Government’s Department for Education and Skills contribution to the Murco Taskforce.

I trust the Committee finds this information useful.

Yours sincerely

**Julie James AC / AM**  
Y Dirprwy Weinidog Sgiliau a Thechnoleg  
Deputy Minister for Skills and Technology

## Murco Taskforce - Department for Education and Skills (DfES)

### Summary of the indicative impact of DfES contribution to the Murco Taskforce

<p><b>Individual employment</b></p> <p>(Murco HR 25/06/15)</p> <p>(JC+ Update due Sept)</p>	<p>460 Murco staff and contractors have been made redundant. The last staff will leave on August 31<sup>st</sup> 2015.</p> <p>Puma have indicated that 72 will be needed for their operations.</p> <p>69% of Murco employees have found work (over 1/3 within Pembrokeshire) 12% are still searching.</p> <p>84 Murco staff and 82 contractors have claimed job seekers allowance, with 47 and 41 still signing on.</p> <p>12 apprentices and 3 graduate placement students have been transferred by Pembrokeshire colleague to Valero to continue their training.</p>
<p><b>Penna</b></p> <p>(Final Penna contract finished 30/06/2015)</p>	<p>Over 15,604 jobs were advertised by the appointed outsourcing agency Penna, of which 1/3 were general technician and engineering roles and 7% were in Pembrokeshire. They delivered a series of workshops to make people aware of the support available to them, assist them in all aspects including interview skills, financial planning and setting up their own businesses.</p>
<p><b>Jobs Fairs</b></p>	<p>JCP organised a jobs fair in December attracting 314 people whilst another more specialised event in January had 160 attendees. A further generic jobs fair was held on March 25<sup>th</sup> with 30 employers attending. Careers Wales supported the careers fairs providing advice, guidance and support to access ReACT funding.</p>
<p><b>Careers Wales</b></p>	<p>Careers Wales Advisers have worked with a total of 320 individuals, 25% approximately are from the subcontractor network. A total of 480 one to one interviews have taken place providing general careers advice and guidance in addition to support for funding applications.</p> <p>Support to individuals continues to be available via the Individual Skills Gateway for those who are no longer eligible for ReACT support.</p>
<p><b>ReACT</b></p>	<p>£167,195 of ReACT funding has been awarded to 185 beneficiaries.</p> <p>£58,400 of ReACT funding has supported 17 employers, to recruit and upskill 25 individuals that have been made redundant.</p>
<p><b>Murco Transform Skills Programme</b></p>	<p>£363,000 has been committed to the new Murco Transform Skills Programme. 16 of the employers most affected by the Murco closure have been working with a Workforce Development Advisor to identify skills needs to diversify business operations. Funding totalling £150,936.97 has been awarded to upskill and train 193 individuals.</p>

**Final Evaluation:** Cardiff University produced an evidence base of the economic risk of the Murco closure in June 2014. Evaluation will be conducted next year so that the lasting impact can be monitored 12 months after closure.

Please see the link for the skills report relating to the “Shaping the Future” project for Magnox staff based at the Wylfa and Trawsfynydd facilities in north Wales provided by the Deputy Minister for Skills and Technology.

<http://www.mentermon.com/epublications/skillingup/>



William Graham AM  
Chair  
Enterprise and Business Committee

14 July 2015

Dear William

At your Committee on 1st July, I responded to a question about the powers and policy levers the Welsh Government currently has in relation to mitigating the effects of large-scale job losses. I offered to give this issue more thought.

It has been clear from recent experience that the success of the task force approach is more dependent upon the buy in of the companies rather than additional powers or levers. Early and open engagement with the companies has allowed for better results.

Of the levers we do have, the most effective and useful ones often do not actually involve significant amounts of money. For example, one of the most powerful is to be able to offer a tailored approach to meet the company needs and those they employ.

Through the task force model it is clear that levers deployed such as brokerage, leadership, coordination and swift and decisive actions have been key. These are all existing powers.

I will of course continue to consider if additional powers are needed particularly in relation to the regulatory context which can sometimes directly impact on the ability of companies to maintain sustainable operations in Wales. I will also continue to press the UK Government for a stable regulatory environment that is appropriate to growth. This is particularly the case in the energy, environment and manufacturing sectors.

*Edwina Hart*



Alun Ffred Jones  
Environment and Sustainability Committee  
National Assembly for Wales  
Cardiff Bay  
CF99 1NA

14 January 2015

Dear Alun

## **Grid connectivity and the development of marine renewable energy in Anglesey**

The Enterprise and Business Committee is currently undertaking an inquiry into the maritime economy in Wales, including the opportunities provided by marine renewable energy, the potential economic benefits of this sector, and how effectively the sector is being supported. At a recent meeting we heard evidence which seems to be relevant to the remit of your Committee.

When we visited Anglesey Energy Island on 9 July we heard from those involved about the significant opportunities for development of marine renewables, and the fact that Anglesey hopes to be a world centre of excellence in this sector. We were told that many international companies are interested in investing and / or establishing themselves in the area. Opportunities exist not only in generating electricity on and around Anglesey, but also in establishing a cluster of firms in the area with expertise which could lead to innovations in the sector, with potential opportunities for manufacturing as well as export of equipment and construction of installations elsewhere in the UK and beyond.

However, we were also told that securing adequate grid connectivity represents the most significant of three critical issues for future development of marine

renewables on Anglesey, along with securing the necessary permissions for development and finance (both investment and the electricity price).

Energy Island has an ambition to generate 140MW of marine renewable electricity, and considers grid connectivity to enable the export of 150MW to be required. However, we were told that while grid connections are often provided reactively in response to specific requests, a more proactive approach is needed because of the nature of the industry as a rapidly emerging sector, and the number of companies considering Anglesey as a base. The reactive approach currently applied appears to be a barrier to the development of the sector.

This is also an issue which Rhodri Glyn Thomas AM has also identified in his work in this area on behalf of the Committee of the Regions.

The Environment and Sustainability committee has considered energy generation already in this Assembly, and I understand you are about to return to this area. Consequently, we felt it might be helpful to share the evidence we have heard in this area as you consider your future work.

Kind regards,

Wman

William Graham,

Chair, Enterprise and Business Committee

Gareth Price  
Clerk, Enterprise and Business Committee

8 September 2015

Dear Gareth

## Committee Inquiry into Bus and Community Transport Services in Wales

I understand that Enterprise and Business Committee is about to start an inquiry into bus service provision in Wales. As you may be aware, the Petitions Committee has received a number of petitions on this subject and has taken some evidence on the matter. You may wish to take this into account as part of the background for your Committee's inquiry.

Further information on the petitions, along with details of the Petitions Committee's consideration of them, can be found at the following hyperlinks:

P-04-475 Wanted – Buses for Meirionnydd –

<http://www.senedd.assembly.wales/mgIssueHistoryHome.aspx?IId=6333>

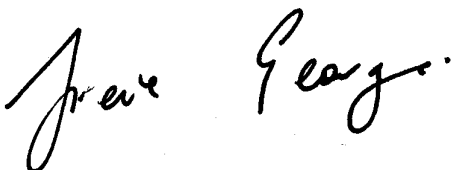
P-04-513 Save the Wrexham/Barmouth X94 Bus Service –

<http://www.senedd.assembly.wales/mgIssueHistoryHome.aspx?IId=8140>

P-04-515 Increase Funding for Welsh Bus Services –

<http://www.senedd.assembly.wales/mgIssueHistoryHome.aspx?IId=8247>

Please let me know if you need any further information.



Steve George  
Clerk, Petitions Committee

