

Third Sector Group Ministerial Meeting: Economy and Transport

Note of meeting held on 6 November 2019 at Welsh Government Conference Room in Ty Hywel

List of Attendees

Welsh Government

Deputy Minister for Economy and Transport
Iwan Thomas, Foundational Economy
Jodye Kershaw, Senior Policy Analyst
Dewi Rowlands, Deputy Director – Transport Policy, Planning & Partnership
Jo Salway, Director – Social Partnership & Fair Work
Brett John, Economic Policy

Third Sector Representatives

Matt Brown	Welsh Council for Voluntary Action
Jess McQuade	Wales Environment Link
Derek Walker	Wales Co-operative Centre
David Williams	Social Firms Wales
Rhiannon Hardiman	Living Streets
Elwyn James	Development Trusts Association Wales
Clare Rudall	Business in the Community Wales
Hazel Lloyd Lubran	CVC Cymru
Peter Jones	Guide Dogs Cymru

Apologies

Lynne Hill	Children in Wales
Kate Evans	Welsh Sport Association
Peter Williams	Development Trusts Association Wales
Gethin Rhys	Interfaith Council for Wales
San Leonard	Social Enterprise Wales

Agenda Item 1 – Welcome and minutes of the last meeting

1. The Deputy Minister welcomed members and invited brief introductions. The Group noted the minutes of the last meeting, however, Derek Walker raised that a point-of-contact for childcare within the Welsh Government has not been circulated.

ACTION: Officials to circulate a point-of-contact within Welsh Government that covers childcare policy.

Agenda Item 2 – Engaging Networking Businesses

2. The Deputy Minister invited Clare Rudall (CR) to speak to the paper that has been produced by Business in the Community (BITC).

3. CR opened by emphasising the importance of improving the integration between businesses and the third sector, with this Group providing a clear direction for the focus to be placed on the Foundational Economy agenda. CR noted that BITC engages with a comprehensive array of businesses from all sectors that could act as a useful resource to access in furthering the objectives of the Foundational Economy. For example, BITC encourage member businesses in supporting their local supply chains, ergo promoting sustainability. CR particularly emphasised the proposal of taking advantage of existing networks and resources that BITC can offer in this space.
4. CR explained that her organisation has developed a diagnostic tool – the Responsible Business Tracker – providing the opportunity to share and learn from best practice, aiding in the accumulation of case studies to help other companies of different sizes progress. The tracker - which answers the question “how good is my business at being responsible?” - will provide a scope to assess how they procure from a Foundational Economy perspective, engaging with the member organisations of this group. Reference was made to the case study of Wisbech regeneration where a shift has taken place from a grassroots movement to a proposal for a new garden town with enhanced transport links, more jobs and improved health, education and skills training for local people.

Agenda Item 3 – Foundational Economy

5. The Deputy Minister highlighted that a particular challenge for the prospects of the Foundational Economy now is the need to mainstream and emphasised the need for us to assess the data available in order to progress in considerations surrounding scalability. Derek Walker (DW) was asked to present the paper that has been circulated for further discussion.
6. DW opened his remarks by making reference to and welcoming the presence of social enterprises that have been included as recipients of the Foundational Economy Challenge Fund. However, DW went on to emphasise that social enterprise is a distinct agenda and shouldn't necessarily be considered exclusively by how it interfaces with the Foundational Economy, to which the Deputy Minister agreed. The paper circulated sets out the divergences between the Foundational Economy policy agenda and 'social businesses' in greater detail.
7. DW updated the group on the community of practice work and expressed his concern that learnings should be arrived at wherever possible and that progress should be sustained, with an importance placed on maintaining momentum. Elwyn James (EJ) emphasised the salience of learning from the project and avoiding a reluctance to acknowledge areas of failure.
8. DW raised the issue of future financial support for businesses and the extent of considerations surrounding it's rooting in place based impacts and emphasised that while social enterprises may not be a panacea to the issues that we face, there is a more pronounced need to be ambitious about its potential. The Deputy Minister made reference to the existing productivity gap with England and the need to work towards the principles set out in Professor Phil Brown's report into digitally driven

innovation in Wales. The Ministerial Advisory Board has also been tasked with addressing the concern of Wales' 'missing middle'; growing small firms into medium sized and then retaining their presence here by rooting them into communities.

9. The Deputy Minister announced his intention to organise a roundtable with women leaders in this arena to assess strategy and identify what more work is needed to be done. DW noted that a mapping of the sector on the issue of diversity has shown that it is making good progress but there is a need for this to be closely considered in line with social partnership discussions.
10. JM spoke to her experience of previously engaging with pilot projects and ergo illustrated the reality that political priorities change, however there must be a need to utilise the existing the legal framework as a means of directing and evaluating the work relating to the Foundational Economy. JM suggested that the Wellbeing of Future Generations Act is especially pertinent and could help drive the progression of work and identification of gaps. The Deputy Minister noted that guidance from the Future Generations Commissioner will be ascertained.
11. Peter Jones (PJ) reflected on his experience with a Local Authority Scrutiny Board and Public Sector Boards (PSBs), particularly highlighting the need for greater direction and focus. Hazel Lloyd Lubran (HLL) reiterated this observation from her similar experience from contributing to PSBs as not being sufficiently ambitious and the need to align more effectively with the Regional Partnership Board (RPB). HLL suggested closer working relationship with PSBs and the RPB to further the Foundational Economy policy agenda.

ACTION: The Deputy Minister and officials to consider terms of engagement with the RPBs.

12. The Deputy Minister reflected on the concept of encouraging better jobs closer to home through a commercial procurement exercise based on a Wales TUC Report, primarily focused on tackling vulnerable communities. The Deputy Minister raised the concept of redirecting spend to protect certain parts of the workforce by reassessing commercial procurement. The example of Ebbw Vale utilising the area of work involved in the creating of NHS Wales uniforms leading to 50 people employed was noted. In this case, transportation was identified as being a potential barrier to employment and so the resolution was to place the work near a train station. Progressing this and similar areas of work with circular economy considerations was regarded as being optimal.
13. David Williams (DWs) raised a recent interaction with a large business and his attempt to address their confusion of how they relate to the Foundational Economy policy agenda. The Deputy Minister reflected the need to effectively communicate the policy narrative to organisations across Wales.

ACTION: Officials to circulate literature around the Foundational Economy for members to circulate with other businesses and organisations.

Agenda Item 4 – General update

Social Partnership

14. The Deputy Minister invited Jo Salway (JS) to contribute. JS explained to the group that a consultation document has been published. This area of work is being progressed as a consequence of the First Minister's leadership manifesto which links to the wellbeing goals contained in the Wellbeing of Future Generations legislation.

ACTION: Officials to circulate the link to the published consultation document for the Social Partnership Bill.

15. JS emphasised that this work represents a shift away from a 'jobs at any cost' approach to a more comprehensive understanding of the role of jobs in people's lives and assessing the Welsh Government's position in furthering such an agenda. This may include utilising existing levers or influencing private companies to impact this area of work. Additionally, the legislation will aim to place a duty on public sector bodies to reflect fair and decent work principles.

16. JS noted that work is underway in terms of the development of a Social Partnership Council, building on the success of groups such as the Council for Economic Development. The role of the Fair Work Commission is salient in directing the agenda and policies. The Deputy Minister highlighted that this work effectively compliments the economic contract and the concept of a 'something for something' approach.

17. DW emphasised the role of the third sector as a growing employer and the need for them to be engaged in the development of this work. HLL also highlighted the need to contribute to this.

Wales Transport Strategy

18. Dewi Rowlands (DR) indicated that the last strategy surrounding transport objectives was published in 2008 and so the new approach being developed will inevitably represent a shift in style and direction. The focus will largely be on individuals and how they are able to move around as seamlessly as possible, impacting positively on wellbeing and environmental considerations. The strategy – which will facilitate a transport system that is fit for the future – will be considered by the Cabinet initially for guidance on next steps, with a consultation process set to be initiated at the end of spring and the publication at the end of 2020.

19. The Deputy Minister reflected that the strategy will be contained within a more focused document than has previously been the case and that the climate change emergency that Wales has declared will represent an important driver for considerations. The Future Generations Commissioner has expressed that transport may not be heading in the most efficient direction, reflecting a broader concern of the amount of the transport budget that has been allocated to roads. However, the Deputy Minister emphasised that the decision around the M4 relief road, and subsequent setting up of the Burns Commission, symbolises a clear shift in the considerations of the Welsh Government surrounding transport issues. JM

noted that developments in transport will need to take into account the nature of Wales in respect of its urban and rural communities, articulating the need for not adopting a 'one-size-fits-all' approach. JM, reflecting on the brief nature of the developing strategy, raised the issue of a potential lack of detail. The Deputy Minister reassured that there will be specific targets and more granular detail to supplement the strategy – such as the objectives for active travel.

ACTION: Officials to circulate targets on active travel.

20. PJ expressed his concern as to the development of a commitment for mandatory training for taxi drivers. DR noted that there had been a good response to the White Paper and that there were concerns that the proposals were not going far enough and so they are being reviewed. Engagement is underway with users to refine thinking as to what is needed, emphasising that the work relating to taxis has not been abandoned. PJ also expressed concern in relation to a Welsh Government transport engagement group that has not met since summer 2018 to which DR reassured that the Welsh Government is committed to engaging with relevant stakeholders in the development of priorities and policies relating to transport.

ACTION: The Deputy Minister and officials to consider the issue of mandatory training of taxi drivers.

Economy & Transport budget priorities for the coming year

21. The Deputy Minister reflected on the work of Welsh Government officials under significant pressures and noted that consideration will continue to be given to protect priority areas of spending.

Environmental impact work

22. The group reflected on a paper submitted to the Welsh Government's Ministerial Advisory Foundational Economy sub-group in April 2019 by WWF. JM noted that direction from the Welsh Government, particularly in relation to the Foundational Economy agenda, would be welcomed ahead of events set to be held in 2020. The Deputy Minister expressed his support and drive to help better embed environmental considerations into the Foundational Economy work.

Any Other Business

23. The Group agreed to have a further meeting in the spring. The Deputy Minister closed the meeting.

ACTION: Officials to liaise with WCVA about arrangements for the next meeting.

End.