

COUNCIL FOR ECONOMIC RENEWAL

OVERVIEW OF THE TASK AND FINISH GROUPS

Introduction

1. At the last Working Group which supports the Council for Economic Renewal, a paper to note was requested summarising the current task and finish groups within the BETS portfolio area.
2. Four Task and Finish Groups have been established to provide independent advice on :
 - Working Smarter - investigating the regulatory burden on Welsh farmers and land managers in Wales
 - Micro-Business - providing strategic guidance on the development of a micro business strategy for Wales.
 - Business Rates Policy - considering current Welsh Business Rates policy and whether the policies meet the needs of Welsh business.
 - City-Regions - considering the potential role of city regions in future economic development in Wales.

Working Smarter

3. In August 2011, the BETS Minister and the Deputy Minister for Agriculture, Food, Fisheries and European Programmes commissioned Gareth Williams to investigate the regulatory burden on Welsh farmers and land managers. This built on the work already done on reducing red tape within the agriculture industry in Wales.
4. The Working Smarter report was completed in December 2011 and focuses on seven key areas and makes 74 recommendations, with an emphasis on how those recommendations should be delivered. The seven key areas are:
 - Improving communication with the farming community
 - Improving the Single Payment application process and customer experience
 - Reducing the overall number of farm inspections while adequately addressing risk
 - Safeguarding animal health and welfare while establishing flexibility of livestock movement
 - Reducing and simplifying farm records, including those covering livestock identification and movements, and medicine purchase and usage

- Improving understanding of, and compliance with, environmental regulations
 - Making it easier for farmers to diversify their farm businesses.
5. The report sets out the timeframe for delivery, suggesting that all should be implemented by the next Assembly Elections in 2015 with the first tranche of recommendations by Summer recess 2012.
 6. The Deputy Minister announced the Welsh Government's response with the publication of a table of responses to each of the 74 recommendations. This response accepts the majority of the recommendations with five accepted in part, four accepted in principle and one accepted subject to legislation.
 7. The need for closer working between Government, farmers, the farming unions and agencies was identified where the same partners must be more active in communicating best practice and supporting the implementation and control of regulations in the future. The recommendation to use advisory groups comprised of farmers and other stakeholders to focus on key issues and report their findings and recommendations directly to the Deputy Minister was welcomed.
 8. The report was debated in Plenary on the 7 February and was generally welcomed. A meeting with stakeholders and partners has taken place on the 9 February.
 9. Gareth Williams will review the Welsh Government's implementation of his report after one year.

Micro Business

10. This Micro Business Task and Finish Group was established in September 2011 and chaired by Robert Lloyd Griffiths, Director of IoD Wales. The Group presented their report to the BETS Minister and was published on the 18 January 2012. The BETS Minister welcomed and accepted, in principle, the recommendations of the report for the development of a Micro-Business Strategy for Wales.
11. The report recommends that the Welsh Government focuses on five primary priorities to sustain and grow micro-businesses:
 - Access to and awareness of business support services
 - Access to finance
 - Mentoring and coaching
 - Public Sector Procurement
 - Regulatory burden
12. The group also considered but were not able to explore fully other factors including:

- a pre-apprentice support scheme targeting young people in employment, training or education;
- supporting micro-businesses to become more innovative – but looking beyond research and development and focus on developing individuals capability to innovate and embrace new challenges;
- supporting micro-businesses to trade internationally; and
- the importance of a communications infrastructure.

13. Welsh Government officials are now preparing an implementation plan to take the recommendations forward. The Task and Finish group will continue to meet quarterly to monitor progress of the implementation of its recommendations.

Business Rates Review

14. The Business Rates Review Task and Finish Group was established in November 2011 to review the business rates policy in Wales. The Group, chaired by Professor Brian Morgan, is:

- Considering current Welsh Business Rates policy and whether the policies meet the needs of Welsh business.
- Considering the relative importance of the non-domestic / business rates regime as a lever for supporting economic growth.
- Assessing the implications of specific policies in relation to small business rate relief, empty property rate relief, and rate relief as a targeted policy intervention to encourage economic development (to include renewable energy businesses as well as assistance in disadvantaged areas).
- Making recommendations on the above, taking into account that non-domestic / business rates exist to raise funding for local services and recognising that non-domestic rates do not just apply to 'businesses' but to all non-domestic properties.

15. Written submissions were requested by the Group, through a call for evidence running over an eight week period. (5th December 2011 -27th January, 2012). All written evidence presented to the Group is now being considered and will inform the report.

16. In addition to written submissions, the Group is holding evidence sessions around Wales. Five formal meetings have been held to date with another two scheduled on 15 February and 14 March 2012. These meetings have been used to obtain oral contributions and discuss the review. In addition, the Group will be conducting a visit to Scotland, in late February, to examine their approach to business rate policy.

17. The Group will deliver its report to the Minister by the end of March 2012.

A City Region Approach

18. The City Regions Task and Finish group was the last of these four groups to be established and is chaired by Dr Elizabeth Hayward. The first meeting was held on 21 November 2011. It has met on four occasions and a further two are planned.
19. The Group has been asked to consider the potential role of city regions in future economic development in Wales. Specifically the group has been asked to:
 - Consider the evidence for supporting city regions as drivers of economic growth, identifying specific areas that might be appropriate to support in Wales and their characteristics.
 - Establish the likely key economic development opportunities and benefits offered by each of the identified city regions and any potential from working together.
 - Identify the strategic and high-level economic issues associated with each of the areas as part of a consistent approach to supporting city regions in Wales.
 - Suggest how the proposed city regions might best benefit from economic opportunities in the short, medium and long-term e.g. future EU funding, rail electrification.
 - Outline the distinguishing economic propositions offered by each of the identified city region areas.
 - Establish whether, and if so what, economic policy and institutional changes will be required in Wales to deliver an effective approach to supporting city regions.
20. Presentations have been received on Stuttgart City Region, recognised as a successful model, as well as a less successful model to understand the lessons. The Chair of the Independent Advisory Group on the Welsh Planning Review has also presented to the Task and Finish group.
21. The Group will provide the BETS Minister with a full progress report before the end of March.