

Third Sector Ministerial Meeting Economy and Infrastructure

Note of meeting 3:00 pm Monday 12th February 2018

Seminar Rooms 1 & 2 Pier Head Building Cardiff Bay.

Ministers in Attendance

Name	Organisation
Ken Skates AM	Cabinet Secretary for Economy and Infrastructure

Stakeholders in Attendance

Matthew Brown	WCVA
Peter Jones	Guide Dogs Cymru
Hazel Lloyd-Lubran	Third Sector Support Wales (TSSW)
Lynne Hill	Children in Wales
Linda Tomos	National Library of Wales
Kate Evans	Wales Sports Association
Peter Williams	Development Trusts Association (DTA) Wales
Gethin Rhys	Interfaith Council for Wales
San Leonard	Social Firms Wales
David Williams	Social Firms Wales
Derek Walker	Wales Co-Operative Centre
Matt Appleby	BiTC Cymru
Brychan Tudor	Disability Arts Wales
Anne Meikle	Wales Environment Link

Apologies

Christine Boston	Community Transport Association (CTA) Wales
------------------	---

Welsh Government Officials

Stephen Layne	Interim Head of Economic Policy
Derek Goode	Economic Policy & Strategy (note taker)
Rhodri Griffiths	Transport Policy, Planning and Partnerships

1. Introductions & Opening Remarks

- 1.1 The Cabinet Secretary for Economy and Infrastructure welcomed members to the first Third Sector Ministerial Meeting of 2018.
- 1.2 The Cabinet Secretary explained that since the last meeting we had published the Economic Action Plan and he said he looked forward to hearing the views of the members of this meeting.
- 1.3 Before moving onto the main agenda items, the Cabinet Secretary asked members if they had seen the minutes of the last meeting and were content with their accuracy. This was confirmed by members.
- 1.4 The Cabinet Secretary said there were four matters arising from the previous meeting.

Action 1 – The Cabinet Secretary explained that the outcome report for the Mandatory Concessionary Fares consultation is being finalised ready for publication. It will be circulated to members of this meeting when available.

Action 2 – The Cabinet Secretary explained that the Economic Action Plan does reference the role of the social economy and the support that will be provided by Welsh Government.

Action 3 – The Cabinet Secretary asked Rhodri Griffiths to give an update on this action. Rhodri explained that last Friday the Department for Transport (DfT) had issued their consultation paper. Initial thoughts on this were positive and agreed previously Welsh Government will share its response to DfT with this group.

Action 4 – The Economic Action Plan was launched on 12th December so today's meeting provides an opportunity for attendees to discuss the plan and provide their feedback.

- 1.5 The Cabinet Secretary introduced the agenda, explaining there were two key items to discuss. The first being the Third Sector paper on the consultation on "Concessionary Bus Fares" and the second being the Third Sector paper on the Economic Action Plan.

2. Third Sector response to the consultation on 'Mandatory Concessionary Bus Fares in Wales'

- 2.1 The Cabinet Secretary explained that we had received a very substantial response with more than 470 responses to the consultation. There had been some very clear themes of what was important to the people responding.
- 2.2 The Cabinet Secretary invited Hazel Lloyd-Lubran to introduce the Third Sector Paper.
- 2.3 Hazel thanked the Cabinet Secretary for the opportunity to present this paper at this meeting. She said that some of the points covered may have been

reflected in the general consultation but it was important to emphasise them again as their paper represented the views they had collected from a wide selection of people from both a local and national perspective.

- 2.4 Hazel then went on to highlight some of the main points in the Third Sector paper.
- 2.4 Hazel said that in the past there had been inconsistency across Wales in the application of the concessionary fares policy. There were many different examples and in general, the opinion of the Third Sector was that it was a good thing if the Welsh Government managed the concession itself in order to create consistency.
- 2.5 However, whilst the Welsh Government managing the bus concession process was preferred, Hazel explained that this change should not result in an increase in delays and it should not reduce local accountability and the ability for people to contact someone quickly for assistance.
- 2.6 Hazel explained that there was a need in some cases for multiple companions to be able to travel with some disabled people. She also explained that carers in some cases also need to travel without the 'cared for' person.
- 2.7 She went on to request that eligibility for disabled people should not be reduced and preferably coverage should be increased. She explained that the changes in UK benefits system had already had a significant negative impact on disabled people. Any reduction in eligibility criteria for concessionary bus fares would be a step too far.
- 2.8 Hazel explained that volunteers were crucial to community groups and travel expenses form a significant cost for such organisations. Discounted or free travel for volunteers would be a significant benefit to the volunteers, their organisations and to the communities they serve. Hazel suggested the new concessionary bus fare scheme could operate in a number of ways in relation to volunteers and suggested they could help with the practicalities of administering such an element to the scheme.
- 2.9 Hazel raised the issue of peak travel. Travelling off peak is not always an option where individuals for example need to attend appointments, support or work. Allowance to travel at peak times is required.
- 2.10 Hazel explained that in some parts of Wales concessionary bus fares are not useful as bus services do not operate. In these circumstances she suggested more use should be made of other modes of travel such as Taxi's and dial a ride services.
- 2.11 The Cabinet Secretary thanked Hazel for the paper and the points she raised here. He said that he was aware that the lack of buses in some parts of the country is stopping some people getting employment. Where buses are not available other forms of transport will be crucial. Alternative modes of transport including taxis, active travel and other innovative methods of transport will be considered as part of any proposed reforms.

- 2.12 The Cabinet Secretary explained that the last consultation took place in 2003 so it was not surprising that there were significant issues with how the system operates.
- 2.13 The Cabinet Secretary then set out the process going forward. He explained that we would assess the full feedback we have received to the consultation including the Third Sector Paper and today's discussion. By April we will publish the results and findings along with the results of the Young people's, local buses and taxi consultation exercises.
- 2.14 Peter Jones said that it was essential that there was no changes made that would adversely impact disabled people. He said that there have already been instances where disabled people with passes have been refused travel if they were unaccompanied. Rhodri Griffiths thanked Peter for this information and said he would write to local authorities to clarify the regulations.

Action 1

Welsh Government to consider current guidance issued to local authorities in relation to the mandatory concessionary fares scheme and if required, review, revise and re-issue the guidance to improve consistency across Wales.

- 2.15 Rhodri thanked everyone for their paper and contributions which were very useful and said he will speak again in the future.

3. Third Sector response to the 'Economic Action Plan'

- 3.1 The Cabinet Secretary said that the Economic Action Plan (EAP) is designed to encourage and support economic growth across all communities and support people and businesses with the skills and infrastructure they need. He explained having published the plan, the focus is now on implementation.
- 3.2 The Cabinet Secretary pointed to the EAP containing some big changes in direction including the Economic Contract designed to promote an inclusive growth agenda. He pointed to international examples in Canada and Scotland who had successfully implemented their own approaches to inclusive growth.
- 3.3 The Cabinet Secretary explained that implementation of the EAP is currently being worked upon and input into key aspects such as the Economic Contract would be welcome.
- 3.4 The Cabinet Secretary explained that promotion of Mental Health & Wellbeing are critical elements of the Plan and that it is important for government to create conditions where people do not dread going to work each day.
- 3.5 The Cabinet Secretary highlighted the significant overlaps between the Economic Action Plan's 'Calls to Action' and the 'Grand Challenges' set out in the UK Industrial Strategy and the opportunities to bid for UK competitive funding through the Industrial Strategy.

- 3.6 The Cabinet Secretary also pointed to the lumpiness of the Welsh Economy geographically. Different parts of Wales face different issues and for this reason we will have a regional focus better attuned to the opportunities and challenges in each part of Wales.
- 3.7 The Cabinet Secretary said that it was important to streamline business support to make the process simple for businesses in Wales.
- 3.8 The Cabinet Secretary emphasised that he wants to work with the Third Sector in implementing the plan. He welcomed the Third Sector's paper and asked Derek Walker to present it.
- 3.9 Derek Walker broadly welcomed the EAP and the direction of travel which offers a clearer approach, more inclusive than in the past. In particular, he said the proposed support of the foundation economy was positive and highlighted the strong role that the Third Sector plays within the foundation economy.
- 3.10 Derek asked about consultation and engagement on the detail of the implementation, noting the references to this within the Plan. He asked that the Third Sector be involved in the detailed implementation plans going forward. The development of the Economic Contract was crucial and it was explained that the Third Sector could play a positive role in shaping it so that the Contract balanced economic, social and environmental considerations.
- 3.11 Derek explained the key request in the Third sector paper to establish a social business framework. Whilst the inclusive growth agenda of the EAP sits well with the Third Sector, there is nevertheless a perception that Third Sector is relatively marginal in terms of direct references in the EAP. From the Third Sector perspective there remained a need for a framework specifically attuned to developing social businesses.
- 3.12 The Cabinet Secretary emphasised the importance of partnership working and that plans, frameworks and strategies should bring partners together around key objectives. He explained the EAP is designed to drive a fairer economy and culture change all of which is important to the social businesses. He referred to the potential opportunity to expand the Economic Contract in future to embrace the £6 billion public procurement budget and the opportunities this might present to social businesses.
- 3.15 The Cabinet Secretary said he wanted the Third Sector to tell us what they need to be able to grow the sector and encouraged them to input their ideas. He said that the work being undertaken on the implementation plans was crucial and asked Stephen Layne to say a few words on progress.
- 3.16 Stephen Layne set out the approach for delivery by April. He explained there will be a phased approach to each element, the Economic Contract, Calls to Action and the Economy Futures Fund. To inform this process a number of events both internal and external have been set up in March to discuss implementation.

- 3.17 Stephen explained that now is the time to make decisions on the details of what is included in the Economic Contract, the thresholds and burden of proof on business. The importance of a balanced approach was emphasised, where the bar is set high enough to drive change, but not so high that business cannot achieve it. All of this will be done over the coming months and contributions and suggestions from the Third Sector are welcome.
- 3.18 Stephen also pointed to the fact that Rhodri was Regional Lead and there would be further opportunities to input into that area of development.
- 3.19 Anne Meikle raised decarbonisation in relation to the future procurement process. She explained that it was good to see that the Welsh Government Plan included elements of sustainability but it was crucial that sustainable practices be built into the procurement process in the same way social and ethical measures there already. Her view was that companies see no incentive or benefit to sustainable practices within the current procurement process. She said that maintaining sustainable practices should be encouraged and count for something in the procurement assessment. This way, sustainable companies will gain an advantage over less sustainable orientated competitors.
- 3.20 The Cabinet Secretary thanked Anne for raising this point and said he would be open to practical suggestions on how this could be implemented. He said a similar approach could be applied to the Economic Contract if a clear set of criteria could be developed.
- 3.21 San Leonard agreed that the key issue is which measurements we use. She said there are already measurements out there in some areas like housing which could be simplified and adapted.
- 3.22 The Cabinet Secretary said that contributions in this area would be crucial and if there were any exemplar businesses out there we would want to know about them to help inform our approach.
- 3.23 Derek Walker agreed to provide examples of businesses in the Third Sector for this purpose.

Action 2 - Derek Walker to provide examples of businesses in the Third Sector that operate sustainable practices.

- 3.24 Derek Walker said that at the moment the foundation economy is just a concept and it needs to become a reality with real actions. As a good example of what can be done, he mentioned that in Blaenau Gwent four housing associations have grouped together to assess how they can spend more of their expenditure locally. The first stage was to assess all expenditure and then they decide where expenditure could be changed. He suggested that support should be given to pilot projects like this or to the wider roll out of successful project to other parts of Wales.
- 3.25 The Cabinet Secretary explained that a £1.5 million budget allocation for the foundation sector has been agreed. This is to be used for projects in areas like social care, retail, food, tourism and other private schemes. He was keen

to get some quick wins in relation to the foundation sector. He thanked Derek for his offer to provide good examples of businesses and projects for consideration and encouraged members to do so as well.

- 3.26 Peter Williams welcomed the fact that EAP recognised the value of the foundation sector to the economy. He suggested that the foundation economy was more than just the four sectors that EAP focussed upon. He suggested the Welsh Government needed to recognise the value of the whole sector and not to just concentrate on the high growth parts of the foundation sector.
- 3.27 In response to Peter Williams, the Cabinet Secretary said the EAP does not just focus on high growth businesses as some businesses might not be growing but they do offer a considerable contribution to the local economy. The Economic Contract would apply to social businesses in the same way that it will apply to any other business.
- 3.28 Ann Meikle asked about the route map for a circular economy and the timeframe for this. Stephen Layne explained that this was work led by natural resources officials within Welsh Government and agreed to provide details to Anne.

Action 3 – Officials to provide contact details of the Welsh Government team responsible for the circular economy work.

- 3.29 Brychan Tudor said that he represented 400 disabled members and would like to ask how the Cabinet Secretary would ensure opportunities for disabled people and that they would be central to the plans not peripheral. He also said that mental health issues should be considered as well.
- 3.30 The Cabinet Secretary said that there are already many measures to ensure this is the case and that these stretch across all departments not just his own. Public transport, health and social care are all important areas to consider in terms of equality of opportunity and access. He referred to the innovation hubs pilot in Wrexham and also the role higher and further education must have in this agenda.
- 3.31 Derek Walker asked the Cabinet Secretary to confirm he agreed there should be a Third Sector Framework as set out in the Third Sector Paper.
- 3.32 The Cabinet Secretary said that it was important the Third Sector was recognised. He referred to the work that Michael Sheen was undertaking in this area. He suggested we should review this work before potentially developing a framework.
- 3.33 Matt Brown said the work by Michael Sheen is expected although at present he is not aware of the timescale for completion.

Action 4 – Officials to establish the timescale for the Michael Sheen work being undertaken.
--

3.34 The Cabinet Secretary closed the meeting by thanking everyone for their time and input. He said officials would canvass for dates for the next meeting in due course taking into account the timetable for the engagement process.

Close