

Third Sector Ministerial Meeting Economy and Infrastructure

Note of meeting held at 2:00 pm on Thursday 16 February 2017 in Conference Room, 2nd Floor Ty Hywel, Cardiff.

Ministers in Attendance

Name	Organisation
Ken Skates AM	Cabinet Secretary for Economy and Infrastructure

Stakeholders in Attendance

Matthew Brown	WCVA
Tim Cairns	CTA UK
Gareth Coles	Voluntary Arts Wales
Derek Walker	Wales Co-Operative Centre
Gethin Rhys	Interfaith Council for Wales
Matt Appleby	BiTC Cymru
Peter Williams	DTA Wales
Sara Mackay	Disability Arts Cymru
Victoria Ward	Welsh Sports Association
James Byrne	Wildlife Trust Wales

Apologies

Sioned Hughes	Urdd Gobaith Cymru
Peter Jones	Guide Dogs Cymru

Welsh Government Officials

Stephen Layne	Economic Policy & Strategy
Derek Goode	Economic Policy & Strategy (note taker)
Rhodri Griffiths	Transport Policy, Planning and Partnerships
Alan Lomas	Economic Policy & Strategy

1. Introductions & Opening Remarks

- 1.1 The Cabinet Secretary for Economy and Infrastructure welcomed members to the first of the Third Sector Ministerial Meetings under the new administration.
- 1.2 The Cabinet Secretary introduced the agenda and asked members and officials around the table to introduce themselves, their organisations and roles.

2. Economic Priorities – Cross Cutting Strategies

- 2.1 The Cabinet Secretary explained that the first paper prepared by the Welsh Government sets out the context and approach being taken to the development of four cross cutting strategies. These strategies will frame the approach to prosperity for all.
 - Prosperous and Secure;
 - Healthy and Active;
 - Ambitious and Learning; and
 - United and Connected.
- 2.2 The Cabinet Secretary highlighted that the delivery of four crosscutting strategies would support a united and focussed approach on key priorities. He invited the thoughts of the Group on the paper and approach.
- 2.3 Derek Walker asked if the Welsh Government intends to produce an Industrial Strategy.
- 2.4 The Cabinet Secretary explained that this is to be a new way of working and that all four strategies will have a strong economic development thread. Prosperous and Secure would be broader than a traditional industrial or economic strategy.
- 2.5 The Cabinet Secretary also explained that he is seeking to work constructively with Greg Clarke the Secretary of State for Business, Energy and Industrial Strategy to ensure that the UK Industrial Strategy dovetails with the work undertaken in Wales.
- 2.6 Derek Walker said he would welcome the opportunity for the third sector to input into the Prosperous and Secure strategy. His view was that in its strategic direction, the Welsh Government ought to take a balanced approach to economic development in seeking to address regional disparities.
- 2.7 The Cabinet Secretary explained that his aspiration was for a Prosperous and Secure strategy which seeks to grow the economy whilst also narrowing the gap between the wealthiest and poorest in our community. He pointed to underpinning economic analysis which indicated that:
 - over 75% of the GVA gap in the relative performance of Wales against the rest of the UK is attributable to lower levels of productivity;
 - that 15% is attributable relative employment levels; and,

- 8% to a lower working age to population ratio than the UK i.e. a higher number of dependents (children and older people).
- 2.8 Stephen Layne added that this understanding of the GVA gap had implications not just for Prosperous and Secure, but also for the other crosscutting strategies in terms of the role they have to play in economic development. For example, Ambitious and Learning in relation to skills development; United and Connected in terms of improving connective infrastructure; and Healthy and Active in terms of better addressing some of the health barriers to employment. As such, the economy will be a common thread that runs through all of the strategies.
 - 2.9 Matthew Brown emphasised that the Third Sector were keen to play a role in the development of the strategies and also referenced the recent Welsh Government announcement on Resilient Communities as a development that should factor into the strategic work.
 - 2.10 The Cabinet Secretary said there would be further opportunities to engage and he asked officials to provide an update on the plans for engagement. Stephen Layne explained that the development of the strategies were taking a different approach to engagement – recognising that engagement needs to be meaningful and part of an ongoing process that extends beyond the publication of the strategies.
 - 2.11 Peter Williams asked about sustainable growth, new forms of industry, new economic activity and the links to the Well Being of Future Generations Act. He said that the strategies should seek to avoid a situation where the needs of the economy are pitted against the needs of the environment.
 - 2.12 The Cabinet Secretary said he very much agreed with these points and added that the concept of green growth opens up tremendous economic opportunities and that the sustainability agenda is critical in future proofing the economy and in protecting the interests of future generations.
 - 2.13 James Byrne emphasised the importance of sustainable development principles in economic development. He added that such principles should be carefully considered in the proposed M4 Relief Road. He suggested that the south Wales metro provides a better example of an integrated transport project that is consistent with sustainable development.
 - 2.14 Matthew Brown called upon the Prosperous and Secure strategy to recognise the important role that social enterprises play in the economy.
 - 2.15 Derek Walker agreed and said that social enterprise could help the strategy to focus upon employment and local economic development.
 - 2.16 Victoria Ward reflected on the positive work being undertaken in conjunction with sports bodies in Wales.
 - 2.17 James Byrne sought clarification on how the carbon budgeting agenda is being taken forward.

2.18 The Cabinet Secretary explained that the Environment Secretary, Leslie Griffiths, is holding all parts of Government to account on this issue. This is impacting upon policy decisions and delivery, particularly in terms of public transport.

2.19 The Cabinet Secretary for Economy and Infrastructure summed up the discussion and thanked members for their contributions.

3. A Sustainable Economic Strategy

3.1 The Cabinet Secretary for Economy and Infrastructure asked Mathew Brown to introduce the paper.

3.2 Matthew Brown said that the paper sets out a series of points that were all important to the Third Sector. He wished to highlight the Welsh language as being a key asset to economic development as were families, broadband and the natural environment we live in.

3.3 James Byrne added that biodiversity and carbon budgeting were also important issues that the Welsh Government should consider.

3.4 Matthew Brown said that the paper set out the high level issues that were of importance to the Third Sector. He hoped that there would be the opportunity to discuss these issues in detail in future meetings.

3.5 The Cabinet Secretary said he was impressed by the cross cutting nature of the paper and expressed a willingness for the Welsh Government to work with the Third Sector on the priorities set out. The foundational economy was an area that the Welsh Government was keen to explore and he referenced the cross Government work being taken forward on the social care sector.

3.6 Matthew Brown commented upon how Brexit was regarded as a risk for the Third Sector, given its close relationship with EU Funds.

3.7 Derek Walker said that the Welsh Government should explore innovative ways of unlocking community benefits and that this is an important consideration given uncertainties around the future of regional policy post Brexit. He said that the foundation economy and the green economy provide untapped potential for securing community benefit.

3.8 The Cabinet Secretary said that the Transport Green Paper presents a vision of more effective and affordable transport through a new franchise, reform of the bus services and an opportunity for a generational change to transport, particularly in relation to bus services.

3.9 Sara MacKay pointed to the difficulties that people with disabilities encounter in using the public transport system to access employment. She cited examples of people in the creative sector who had the skills and were ready to work but were held back by transport issues.

- 3.10 The Cabinet Secretary said that he was aware of this issue and commented that he was working with Diverse Cymru and the Trade Unions to tackle this challenge. Equality would be included in all the Welsh Government strategies.
- 3.11 Gareth Coles pointed out that inequality in the Creative Sector was also evident in terms of social class and that more needs to be done to combat this and ensure opportunity for all, regardless of background.
- 3.12 The Cabinet Secretary said that work carried out by the Communities and Children's Secretary into the Creative Arts suggested participation by lower socio economic groups in the arts was disappointingly low and the best engagement where it did occur was in small scale music festivals. To increase participation and involvement in the arts, the Welsh Government has taken the decision to help those types of events more in the future.
- 3.13 The Cabinet Secretary for Economy and Infrastructure summed up the discussion and thanked everyone for their contributions.

4. Transport innovation that is sustainable, accessible and inclusive

- 4.1 The Cabinet Secretary asked Tim Cairns to introduce the paper.
- 4.2 Tim Cairns thanked the Cabinet Secretary for the opportunity to discuss transport issues. He said he was pleased to hear the Cabinet Secretary say that now was a once in a generation opportunity to change to a truly integrated transport system.
- 4.3 Tim Cairns added that the discussions at the recent Wales Bus Summit tended to concentrate on the traditional operational models for bus service provision. He stated that there needed to be more emphasis on community transport, more flexibility in services, and recognition of the different issues effecting both rural and urban transport. He asked the Cabinet Secretary for his views on the issues raised.
- 4.4 The Cabinet Secretary recognised the need for a step change in the integration of public transport networks and highlighted the work that is being undertaken on the Wales and Borders franchise and the future of public transport across Wales
- 4.5 Tim Cairns thanked the Cabinet Secretary for outlining his vision for bus services. He said that the traditional model of bus service had to be challenged and community transport could be a very effective alternative.
- 4.7 The Cabinet Secretary recognised the important role community transport would play in a future of an integrated network across Wales. He also said that digital connectivity and service was another important issue. The Cabinet Secretary added that the Welsh Government had ensured that 95% of Wales now has superfast broadband and work is ongoing to raise the coverage in rural areas and also take up of the service by customers.

- 4.9 Rhodri Griffiths explained that transport issues will be considered in a wide context and not in isolation as they have impact on the provision of public services and facilities like health and education.
- 4.10 Tim Cairns agreed and said that community transport fills a significant gap in terms of health and educational transport sector and was therefore already a very important contributor.
- 5. To Note: Response to the Welsh Government’s ‘Light springs through the Dark: A Vision for Culture in Wales’**
- 5.1 The Cabinet Secretary said that he had noted the contents of this paper and asked Gareth Coles if he wished to comment.
- 5.2 Gareth Coles said they had welcomed the Welsh Government’s ambitions and look forward to greater detail on proposals in the future.
- 6.0 Any Other Business**
- 6.1 The Cabinet Secretary asked if there was any other business.
- 6.2 Matthew Brown thanked the Cabinet Secretary and said they looked forward to working with him and his officials.
- 6.3 The Cabinet Secretary closed the meeting by thanking everyone for their time and input. He said officials will canvass for dates for the next meeting in due course.

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