

The Co-operation Agreement – Annual Report

2022-2023

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Mark Drakeford MS First Minister of Wales



Rhun ap lorwerth MS

Foreword

Two years ago, the Welsh Government and Plaid Cymru signed the Co-operation Agreement, a unique agreement, which sets out a series of commitments where we have shared interests and a shared ambition to deliver progressive change for people across Wales.

This is a three-year programme of policies, which range from addressing the lack of housing for local people in many communities to providing more free childcare and free school meals to all primary school pupils. When we signed the Co-operation Agreement it was against the backdrop of the coronavirus pandemic, the emerging cost-of-living crisis, the war in Ukraine and the ongoing political turmoil within the UK Government. Two years on, far from receding, many of these challenges have deepened. The Welsh Government's financial situation has also worsened, with persistent high-inflation and high energy prices and a settlement from the UK Government which recognises neither of these factors.

Despite this wider context, we have continued to make significant progress delivering our joint programme. This report sets out what we have achieved in the second year of the Co-operation Agreement.

The second year of the Agreement has also been marked by a change in the leadership of Plaid Cymru. Adam Price MS, who originally negotiated and signed the Co-operation Agreement, resigned as leader in May 2023. He has been replaced as Plaid Cymru leader by Rhun ap lorwerth MS. The commitment of both parties to the Agreement has remained strong and the reappointment of Siân Gwenllian MS and Cefin Campbell MS as Lead Designated Member and Designated Member respectively has provided continuity to the work of implementing the 46 policy areas which make up the Shared Policy Programme.

We are pleased to see the progress that has been made through the Co-operation Agreement and look forward to continuing to work together over the third year of the Agreement.

Executive Summary

Since the Co-operation Agreement was signed on 1 December 2021 there has been real progress on the policy commitments set out in the Agreement.

The first Co-operation Agreement Annual Report, published on 1 December 2022, set out the significant progress made in the first year. We have continued to work collaboratively to roll out policies announced last year and to finalise policy development in other areas set out in the Co-operation Agreement.

In 2023, working together we have:

- Furthered the roll-out of universal free school meals for primary school pupils. To date, more than 15 million additional free meals have been served across Wales.
- Progressed the expansion of free childcare to all two-year olds, with a particular focus on providing and strengthening Welsh-medium childcare. We are rolling out delivery of the policy via the excellent Flying Start programme.
- Implemented a radical package of measures to help people live in their local communities and to address high numbers of second homes. In April, new rules came into force including using the planning, property and taxation systems.
- Launched a Green Paper consultation on securing a path towards adequate housing, including fair rents and affordability.
- Completed a consultation about proposals to introduce a discretionary visitor levy for Wales and published the findings. Legislation enabling local authorities to introduce a levy in their areas will be brought forward in this Senedd term.
- Passed the Social Partnership and Public Procurement (Wales) Act into law in May 2023.
- Launched a new publicly owned energy company for Wales, Ynni Cymru, to unlock our green energy potential.

- Published the independent review of local government section 19 and Natural Resources Wales reports into extreme flooding in winter 2020-21.
- Passed the Agriculture (Wales) Act, which provides the powers necessary to provide support in the future and ensures continued support for farmers during a transition period.
- Started work through the Net Zero 2035 Challenge Group to examine potential pathways to net zero by 2035 – the current target date is 2050.
- Invested more into flood management and mitigation in response to the increased risk of flooding, with a £214m fund for flood schemes.
- Introduced the Senedd Cymru (Members and Elections) Bill to the Senedd which, if agreed, will make the Senedd a more modern and effective legislature.
- Received the independent report by the expert panel on a Shadow Broadcasting and Communications Authority for Wales.
- Continued the Arfor programme to deliver an economic boost and strengthen the Welsh language across Gwynedd, Ceredigion, Carmarthenshire and Anglesey.

- Welcomed the independent report by Sharron Lusher on the future of vocational qualifications in Wales.
- Set out the aspiration for Wales to be a leading, innovation-based nation through our new innovation strategy.
- Provided new funding to help strengthen local journalism in Wales and support for Wales-based companies to develop bilingual content for young audiences.
- Delivered the first mental health crisis hub in Wales for young people who are in need of urgent support as part of our commitment for community mental health facilities.

- Set out ambitious plans to reach the goal of becoming the most LGBTQ+ friendly nation in Europe.
- Completed the first stage consultation on our ambition to reform council tax to make it fairer.
- Launched a £20m Welsh Building Safety Developer Loan scheme to provide interestfree loans over five years to assist developers with remediation works to address fire safety issues in buildings of 11 metres or more in Wales. We have also reached agreement with major developers to sign a legally binding pact, which commits them to carry out fire safety works on medium and high-rise buildings across Wales.

Budget Overview

We continue to work together to monitor spending as we focus on delivering the Co-operation Agreement commitments.

The Minister for Finance and Local Government and the Lead Designated Member meet regularly to discuss a range of budgetary matters. There are also regular bilateral meetings between individual ministers and the Designated Members to focus on portfolio budgets and ensure commitments remain on track and are resourced as appropriate.

As part of the 2023-24 Budget, in March, the Welsh Government and the Plaid Cymru Designated Members published a joint paper setting out, in more detail, the engagement undertaken to identify where further funding had been provided for shared priorities.

There has been unprecedented pressure on the Welsh budget during this financial year and Welsh Government Ministers and Plaid Cymru Designated Members have worked together to address the potential impact of these challenges on the Co-operation Agreement. This engagement will continue as we prepare for the 2024-25 Final Budget.

Governance Framework and Oversight Arrangements

Following the appointment of Rhun ap Iorwerth MS as Leader of Plaid Cymru, it was confirmed Siân Gwenllian MS and Cefin Campbell MS would continue in their roles as Lead Designated Member and Designated Member for the Co-operation Agreement.

Throughout this second year of the Co-operation Agreement, the Designated Members have continued to work closely with Welsh Government Ministers to develop and deliver the commitments in the Agreement. Ministers and Designated Members meet regularly to progress this work.

The First Minister and Leader of Plaid Cymru retain oversight of the Co-operation Agreement and hold meetings of the Oversight Board to review progress and next steps.

Policy programme

Radical Action in Testing Times

During the second year of the Co-operation Agreement, we have continued to focus on those commitments which help support people during the cost-ofliving crisis. We worked swiftly in year one to put in place measures which have a direct impact on all generations. This has continued throughout year two as further commitments have been implemented and developed.

Free school meals – All primary school children, including nursery-age pupils attending two sessions a day in a maintained school, will be eligible for free school meals by 2024, with the offer reaching approximately 176,000 newly eligible pupils. To date, more than 15 million additional free meals have been served across Wales.

The next phase of the expansion began in September, with the offer expanding to include the majority of pupils in school years three and four – bringing the total number of pupils now eligible for a universal primary free school meal to more than 145,000. The programme will be expanded further in April 2024, reaching the majority of pupils in school years five and six. In agreeing local approaches to implementation, flexibility has been provided for local authorities able to expand provision faster than this to do so. Local authorities across Wales have made excellent progress to date, with initial stages of delivery focusing on building capacity for schools to deliver the increased offer safely and sustainably.

Childcare – We are committed to expanding free childcare to all two-year olds, with a particular focus on providing and strengthening Welsh-medium childcare. We are rolling out delivery of the policy via the excellent existing Flying Start programme, which is trusted by local communities. Flying Start helps families with young children in the most disadvantaged areas of Wales and includes free, part-time quality childcare for children aged two to three in those areas.

The first phase of the expansion programme is now complete – Flying Start services are being offered to more than 3,175 additional children under four. The second phase is well under way, with 12.5 hours a week of high-quality, free Flying Start childcare available to more than 3,800 additional children already. We expect this phase to eventually support more than 4,500 more two-year-olds to access high-quality Flying Start childcare in 2023-24. In 2024-25, a further 5,200 two-year olds will be supported to access Flying Start childcare.



Deputy Minister for Social Services Julie Morgan MS and Designated Member Siân Gwenllian MS at Mount Stuart Primary School, in Cardiff

During 2023-24 and 2024-25, we are investing £46m to expand Flying Start childcare to support long-term, positive impacts on the lives of those children and families across Wales facing the greatest challenges.

Future of social care – Our shared ambition is to create a National Care Service, free at the point of need, continuing as a public service. As a first step, we set up the National Care Service Expert Group, which published its final report in November 2022 with a series of recommendations about how to create a National Care Service. We will publish an initial implementation plan before the end of this year.

In May 2023, we launched a consultation on the Rebalancing Care and Support programme, which forms an important building block towards creating a National Care Service in Wales. **Second homes** – During the first two years of the Co-operation Agreement, we have taken immediate and longer-term action to address the proliferation of second homes and problem of unaffordable housing affecting many communities across Wales. We have set out a radical programme to create vibrant communities and ensure everyone has the opportunity to live in their local community – whether buying or renting a home.

From 1 April, Welsh communities were better supported to address high levels of second home ownership and empty properties as new council tax and non-domestic rates rules came into force. These followed national and local consultations, enabling local authorities to put strengthened levers into practical effect. The measures are part of efforts to ensure people have the chance to live in their local community and to improve the availability and affordability of housing to rent and to buy. Local authorities are able to set and collect council tax premiums on second homes and longterm empty properties at up to 300% – up from 100% – based on local needs. In 2023-24, nine of the 22 local authorities in Wales are applying a premium to both second homes and long-term empty dwellings. A further six local authorities are applying premiums to long-term empty dwellings only. One local authority has decided to charge a premium of 150% for second homes in 2023-24. From 1 April 2023, local authorities are encouraged to publish details relating to the income generated from charging a premium for the previous financial year on their websites.

The criteria for holiday lets liable for nondomestic rates instead of council tax have also been strengthened, to provide a clearer demonstration that properties are being let regularly as part of genuine holiday businesses, which contributes to the local economy. To accompany this change revised statutory guidance has been issued to local authorities.

A formal consultation exercise about proposals for a new statutory licensing scheme for visitor accommodation providers was completed in March. The responses were published in July.

In October 2022, changes were made to the planning 'Use Class Order' and one local planning authority concluded a consultation in September 2023 on its use. We are supporting it financially should the changes be implemented so the learning can be shared across Wales.

In January 2023, the Minister for Climate Change launched the £50m national empty homes grant scheme to bring more empty homes back into use. 16 local authorities are now participating in the scheme and over 400 valid applications have been received to date.

There have been detailed discussions about the mortgage market and potential role that local mortgage support can play. Now we have an opportunity to help more people by widening our current mortgage rescue offering to support those at an earlier stage, not just those that are threatened with repossession, to enable them to stay in their homes. The Help to Stay Wales Scheme will provide targeted support as part of our budget agreement for 2023-24, with £40m repayable capital funding being made available over this year and next year to bring forward schemes to provide flexible financial support. The Help to Stay Wales Scheme will provide an option for homeowners who are at serious risk of losing their home by offering a partial repayment of an existing mortgage balance via a lowcost equity loan, secured by a second charge (behind first charge lender), reducing revised mortgage repayments to a level the applicant can afford. The Scheme will be operated by the Development Bank of Wales and will be interest free for the first five years. The purpose of the Scheme is to reduce the number of homeowners at risk of repossession and homelessness by offering them time to resolve their underlying financial issues.

Building safety – We have set out an ambitious building safety programme to address fire safety issues in our existing medium and high-rise buildings stock, as well as fundamental reforms to the current system of building safety.

Ten major UK residential developers have signed a legally binding contract with the Welsh Government that commits them to carry out life critical fire safety works in buildings of 11 metres and over in height, which they have developed over the last 30 years. These developers have identified 84 buildings that require works. The first monitoring meetings took place between developers and officials over the summer to discuss progress.

To ensure any financial barriers to works being carried out are removed, a £20m Developer Loan Scheme has been established to ensure works can be carried out as quickly as possible.



Minister for Climate Change Julie James MS and Designated Member Siân Gwenllian MS at Pobl – Housing First, Newport

The Welsh Government has committed to step in and carry out remediation work in an initial cohort of 30 privately-owned buildings where a developer is unknown or has ceased trading – these are known as orphan buildings. Following surveys, which identified issues present, further work is being undertaken to identify actions required to reduce fire risk in these buildings and provide a schedule of works to take place.

A final round of applications has been received in respect to our programme to address fire safety issues in the social sector. To date, more than 100 buildings have been granted funding for works to be undertaken.

Property and Fair Rents – We recognise the pressure the rising cost-of-living is placing on already struggling household budgets, including rental costs for tenants. We are committed to helping tenants; committed to ensuring that we strive to deliver adequate housing and that access to private renting is fair: one main aspect of this is affordability. In June, we launched a Green Paper consultation A Call for Evidence on securing a path towards Adequate Housing – including Fair Rents and Affordability to gather evidence to support and develop our Co-operation Agreement commitment. The consultation closed on 15 September 2023 and the responses are being analysed so we can better understand the rental market in Wales, in particular what factors influence landlord behaviour in setting rents and taking on tenants and what tenants consider is an affordable and adequate property.

Homelessness – We have set out ambitious plans to end homelessness in Wales through a new White Paper covering policy and legislative reform. Our joint commitment is to end all forms of homelessness in Wales, by making it 'rare, brief and unrepeated'. The proposals focus on improving prevention and early intervention, through the introduction of a package of reforms to create significant change to the existing Welsh homelessness and housing system. The White Paper is heavily based on the findings of an Independent Expert Review Panel who were asked to review existing legislation and make recommendations to the Welsh Government. As part of this review, over 350 people with lived experience of homelessness have shared their views to help develop the proposals.

Council Tax reform – We are committed to reforming council tax to make it fairer and more progressive. We have proposed reforms including more progressive bands reflecting the latest data, regular revaluations, and a review of arrangements for discounts and reductions to ensure people are supported in the most effective way. More detail about what the new system could look like was set out in the consultation published on 14 November. Certain aspects of the reforms will also be enabled through a Local Government Finance (Wales) Bill, which was introduced in November. Council tax will continue to fund vital services like schools and social care. but the reforms are not designed to raise any more revenue overall than is raised currently.

Procurement – The Social Partnership and Public Procurement (Wales) Act became law in May 2023. Funding has been agreed to continue our work on promoting the purchasing of Welshmade goods and services. We are working with stakeholders to help define Welsh suppliers and measure the economic benefit of procurement.

Visitor levy – Plans to introduce legislation to enable local authorities to introduce a visitor levy in their areas will be introduced into the Senedd before the end of 2024. The levy will be a small charge paid by people staying in overnight visitor accommodation. Similar charges are commonplace around the world, used in more than 40 destinations including Greece, Frankfurt, Amsterdam and Catalonia. Local authorities will decide whether to introduce a levy and the funds raised will be used to improve the tourism offer in local areas.

We concluded a consultation about proposals to introduce a visitor levy for Wales and published the findings and a consumer research report in March 2023. Consultation responses and ongoing research will help to inform the development of the legislative proposals.



Minister for Finance and Local Government Rebecca Evans MS and Designated Member Cefin Campbell MS at Llys-y-frân Lake, Pembrokeshire

A Greener Wales to Tackle Climate Change and the Nature Emergency

2023 brought with it fresh reminders that climate change is happening here and now. Extreme heat, storms and flooding are becoming regular events as the earth becomes warmer. We continue to work together to meet our Net Zero targets, while developing a new and sustainable form of farm support for our agriculture sector.

Net zero energy company (Ynni Cymru) -

We launched Ynni Cymru, a new publicly-owned energy company for Wales in August. Based at M-SParc, Ynys Môn, the company will help to expand community-owned renewable energy generation across Wales. Early scoping work has indicated that a strong opportunity exists for Ynni Cymru to position Wales at the forefront of developing and delivering smarter local energy projects. As part of the work, funding has been given to 10 projects in the form of resource grants over three years and to support community energy projects to develop.

Flood review – Professor Elwen Evans KC's independent review of local government section 19 and Natural Resources Wales' reports into extreme flooding in winter 2020-21 was published in August. The review is an important step in improving how flood risk management, including the response to flooding and its aftermath, is delivered across Wales. Agricultural pollution – We committed to working with the farming community in the deployment of the Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021, to improve water and air quality, taking an approach targeted at those activities known to cause pollution. Following consideration of the responses to the consultation on support and evidence for proposals for a time-limited licence scheme, amendments were brought forward to the Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021 to implement an 'Enhanced Nutrient Management Approach' from 1 January 2024 to 31 December 2024. This will operate where there is a need for more than 170kg/ha nitrogen from livestock manures to be applied to the land. This approach replaces the proposed licence application process, whilst retaining the principles consulted upon and for which the consultation showed support.



Minister for Climate Change Julie James MS and Designated Member Siân Gwenllian MS at Ynni Anafon, Abergwyngregyn

These new steps represent further action towards our shared aim to significantly reduce pollution from agriculture, demonstrating our continued commitment to do so in partnership with the farming community to achieve lasting results.

Net zero – In January, the Net Zero 2035 Challenge Group started work examining the potential pathways to reach net zero by the earlier date of 2035, instead of 2050. The group is looking at the impact on society and sectors of the economy and how any adverse effects may be mitigated, including how the costs and benefits are shared fairly. A number of technical experts have joined the group, selected from academia, public and private institutions, with expertise across all key sectors of our economy. All experts are giving their time freely. They are joined by a number of observers and will be supported by the Wales Centre for Public Policy.

Flood capital investment and national

resilience – Our commitment to invest more into flood management and mitigation and respond to the increased risk of flooding continues. We have announced the latest funding allocations from a £214m fund for flood schemes – £75m was allocated as part of the Flood and Coastal Erosion Risk Management Programme for 2023-24. The money is available to Risk Management Authorities to reduce flood and coastal risk across Wales.

National Infrastructure Commission for Wales -

To support how we plan for future flooding, we have asked the National Infrastructure Commission for Wales to assess how we minimise flooding to homes, businesses and infrastructure by 2050. It will consider our skills, capacity and resource needs, the challenges around adaptation, the need to work on a catchment scale and have greater partnership thinking not just across risk management authorities but also across wider government departments. We expect this work to be completed in summer 2024. **Biodiversity** – We will bring forward legislation during this Senedd term to establish an environmental governance body for Wales and to introduce a statutory duty and targets to protect and restore biodiversity. A White Paper will be published in early 2024.

Tree planting – In May, the Minister for Climate Change and the Minister for Rural Affairs, North Wales and Trefnydd announced higher payment rates for creating woodland as part of Wales' drive to plant 86m trees by the end of the decade to combat the climate emergency. Following a review and in response to feedback from the sector, the rates will be uplifted in line with actual costs of woodland creation in 2023.

Sustainable Farming Scheme – In June, Senedd Members voted in favour of the first made-in-Wales Agriculture Bill which will be key in supporting farmers and sustainable food production for generations to come. The Agriculture (Wales) Act reforms decades of EU farming support and establishes Sustainable Land Management as the framework for future agricultural support and regulation within Wales.

We are committed to supporting farmers by introducing a transition period, including stability payments, as we reform the system of farm payments, reflecting the Co-operation Agreement commitment. This will provide much needed stability and ensure no farmer will face a cliff edge in their funding support. In July we published the co-design response to the outline proposals of the Sustainable Farming Scheme, providing valuable feedback. The two co-design reports which include views from farmers and other stakeholders, along with the Welsh Government's response. The next stage in the process will be the consultation on the Sustainable Farming Scheme which is due to take place later this year, before its launch in 2025.

Community Food Strategy – Welsh Government has completed a "system mapping" of issues relevant to community food as a major step in the development of a strategy. The "system map" has been considered by stakeholder focus groups, making observations on the issues the map portrays and suggestions for the direction of policy.

Public Transport – Transport for Wales is continuing to develop options for progressing the commitment to explore the development of transport links between the North and South Wales, including how to protect potential travel corridors on the western coast of Wales. Feasibility work is continuing on protecting transport corridors and developing multi-modal options for improving transport connectivity between North and South Wales.

Reforming the Foundations of Wales

The actions of the current UK Government continue to threaten devolution in Wales. We are committed to sending a clear message to Westminster that the Senedd is here to stay and decisions about Wales are made in Wales.

We will reform our electoral system to enable Wales' parliamentarians to represent people more effectively and we look forward to receiving the independent commission's report about our constitutional future.

Senedd reform – We have introduced the Senedd Cymru (Members and Elections) Bill. It realises the recommendations made by the Special Purpose Committee on Senedd Reform, which were endorsed by a majority of Senedd Members in June 2022. It aims to strengthen democracy in Wales by creating a modern Senedd, better able to represent people in Wales, with increased capacity to scrutinise, make laws, and hold the government to account.

A second Bill in the package of Senedd reform, to introduce gender quotas for candidates standing for election to the Senedd, with the aim of making the institution more effective and more representative of the people it serves, has been developed.

The Independent Commission on the Constitutional Future of Wales – Welsh Ministers and Designated Members have met regularly with the co-chairs of the Independent Commission on the Constitutional Future of Wales to receive updates about the progress of the commission's work. The commission has engaged with the public to inform its final report about Wales' constitutional future, which will be available in January 2024.

Broadcasting – The independent expert panel was set up in 2022 to explore the establishment of a Shadow Broadcasting and Communications Authority for Wales and in August it published a final report with extensive recommendations for the future. These are being considered.

Media financial support – We have made funding available to help strengthen local journalism in Wales. This has supported the Welsh Public Interest News Accelerator, which has awarded grants to ten organisations committed to delivering locally relevant public interest news and promoting growth in the Welsh community news sector. The funding has also supported a small number of targeted journalism projects aimed at research, improving representation and increasing the provision of news on Senedd business. We have also provided funding for Wales-based companies to develop bilingual content for young audiences. Eight projects have received support, including an animation and game inspired by the myths and legends of Wales; a comedy sketch show aimed at a preschool audience featuring an eclectic band of characters made from buttons and thread; and a fun-filled, water-based children's gameshow that combines mental and physical challenges. Funding has been awarded to support the ongoing sustainability of the AM platform.

Arfor and Valleys – The Arfor programme aims to deliver an economic boost and strengthen the Welsh language across Gwynedd, Ceredigion, Carmarthenshire and Anglesey. It supports a number of initiatives, including a focus on opportunities for young people and families, to enable them to stay in or return to their home communities.

Following on from the success of its first phase, the programme is open to tenders for the Enterprising Communities work stream. This presents an opportunity for companies, social enterprises and cooperative enterprises to apply for funding up until March 2025, to support Welsh-language communities.

National School for Government – In the past year work has been carried out in relation to exploring how a National School for Government could contribute to the One Welsh Public Service. This has included a review of international examples on government school models, extensive internal and external stakeholder engagement and a research study to gauge demand for such an offer. An independent reference group has been appointed to provide scrutiny and challenge to the work, and the process of detailed review and consideration is continuing. The work has identified a leadership pipeline programme as a priority.

Review regional partnership arrangements -

The Minister for Finance and Local Government, together with the Designated Member, conducted an extensive engagement exercise with the chairs of a range of strategic partnerships to take stock of progress since the review of strategic partnerships reported in June 2020. The outcome of that exercise was shared, and agreed, with the Partnership Council for Wales. The report and next steps will be published.

Children looked after – Last year we consulted on legislation to eliminate profit from the care of children looked after as part of wider reform of children's services. In June we issued a summary of the responses which will inform the development of the policy and legislation, which will be introduced next year.

Supply teaching – In December 2022 the Minister for Education and Welsh Language outlined plans to develop a sustainable model of supply teaching with fair work at its heart. This has involved work in three areas. We have procured a national booking platform which will enable schools to source and book supply staff directly which is being rolled out to Local Authorities.

We have established a new supply agency framework with 41 framework agencies being successful. The framework has been strengthened and includes a requirement for agencies to sign up to the 'SaferJobs' network, a strengthened requirement for agencies to comply with statutory employment requirements and will ensure that agencies work to support the Professional Learning Entitlement for supply teachers. We have also commissioned the Independent Welsh Pay Review Body to undertake a strategic review of teachers pay and conditions.



Minister for Economy Vaughan Gething MS and Designated Member Cefin Campbell MS with council leaders at Arfor 2 launch, Llŷn & Eifionydd National Eisteddfod

School term dates – We are committed to reforming the school day and school year. We are exploring how the composition of terms and distribution of school holidays can help tackle disadvantage, support wellbeing and benefit learners, school staff and parents. On 21 November a formal consultation exercise was published, seeking views on a number of proposed amendments to the existing school calendar. It sets out plans to work with relevant bodies to reframe the traditional parameters of the school calendar to create more consistent term lengths and increase some half-term breaks so that each half-term is broadly the same length. Specific proposals include extending the October half-term break to two weeks and shortening the summer break by one week, plus providing the flexibility to de-couple the spring break from the Easter public holiday. The consultation will run until February 2024. Next steps will be announced following the consideration of the findings.

Reforming qualifications – The independent report on the future of vocational qualifications was published on 11 September, making 33 recommendations for the Welsh Government and other organisations, notably Qualifications Wales and CTER. The report acknowledged what is already good within vocational qualifications and the way they are delivered, based on the evidence provided, but recommends change where it is needed. It considers the vocational landscape in the UK as well as internationally and recognises the importance of strong support from employers in both developing and delivering vocational qualifications.

Recommendations covered an approach to made-for-Wales qualifications and strategic developments relating to the delivery and infrastructure surrounding vocational qualifications as a whole.

Tertiary Education & Research, including

innovation strategy – We have launched a new innovation strategy for Wales, setting out an aspiration for Wales to be a leading, innovationbased nation. It focuses on ensuring innovative new products and processes are developed to help solve the biggest challenges facing communities and ensuring they reach every part of society. Through collaboration, the aim is to bring about better healthcare, tackling the climate and nature emergencies and creating better jobs and prosperity for businesses, universities, and local communities. A delivery plan was published in October, which set out the actions Welsh Government will take to drive innovation in Wales. Many of these actions will be taken in partnership with others, recognising the effort and impact needed from all members of the innovation ecosystem, to build a stronger culture of innovation in Wales.

Creating a United and Fairer Wales for All

We have a mutual commitment that everyone in Wales will share in the opportunities of the future, where no-one is held back wherever they live, and diversity is respected and celebrated. We continue to deliver our Co-operation Agreement commitments against a backdrop of the ongoing cost-of-living crisis which is having an impact on people and businesses across the country. Despite this we remain committed to addressing inequalities and ensuring a fairer Wales for all.

Culture Strategy – We have been working collaboratively with a lead external partner to engage with sector stakeholders and communities to produce a new Culture Strategy for Wales. Engagement has taken place through the year – more than 100 in-depth interviews and 15 workshops with relevant sectors, communities and stakeholders across Wales have taken place.

In March, we announced the membership of an overarching steering group to scrutinise and critically evaluate progress on the development of the strategy. Our focus remains on ensuring the final strategy is pragmatic and ambitious, that it brings cohesion to how the sectors in scope work together, and to how culture is reflected across the work of the Welsh Government.

Also in March we announced free entry for disadvantaged families to the **Urdd Eisteddfod 2023**. With funding of £150,000, disadvantaged families were able to claim free tickets to the Urdd Eisteddfod. National Contemporary Art Gallery – We have made good progress in developing a National Contemporary Art Gallery for Wales. The project to deliver the dispersed network of galleries across Wales is being taken forward through a collaboration between the Arts Council of Wales, Amgueddfa Cymru and National Library of Wales.

The gallery network will provide free access to the contemporary art and the national collection and bring art closer to Welsh communities. Host galleries will continue to provide access to the national collection of Welsh art and an anchor gallery will provide a prominent public face for the national contemporary art gallery. The national collection belongs to everyone in Wales and is being made available digitally through the Celf ar y Cyd digital platform. This unique model will allow people to explore the collection in their local communities while also ensuring more people across Wales, the UK and internationally can access the national collection. **Curriculum (Welsh history)** – Welsh history is a mandatory part of the new curriculum which was introduced in September 2022. We place great importance on Welsh history, in all of its diversity and complexity. We consulted on proposed changes to the statements of what matters for the humanities area in relation to the history of Wales and the world to put our commitment to this beyond doubt.

The proposals gained broad support and the consultation outcome was published in February 2023. Welsh Ministers subsequently issued a revised statements of what matters Code on 2 June to bring about changes to the mandatory statements of what matters in respect of Welsh histories, following that consultation. The resulting changes to the Curriculum for Wales framework guidance for the humanities area came into effect in May 2023.

Prosiect 2050 – We continue to work towards our goal of a million Welsh speakers by 2050 and have developed, funded and promoted a range of Welsh language programmes over the last 12 months.

The Welsh Government has outlined its objective of becoming a bilingual administration in its internal use of Welsh strategy, *Cymraeg. It belongs to us all*. This enables staff to work interchangeably in English and Welsh. Work is progressing on the objectives of the strategy, which was published in 2020, and progress has been achieved by focusing on the strategy's four themes for the first five years: leadership, learning, recruitment and technology.

The third cohort of the pilot phase of our *Leading in a Bilingual Country* programme is underway. It brings together senior leaders from across the Welsh public and third sectors to discuss how they can lead in a way which contributes to the spirit and letter of *Cymraeg 2050*. The Welsh Government will also be part of a working bilingually pilot project led by the Welsh Language Commissioner.

We are investing £1 million for the Welsh language as part of support to understand and pilot interventions in response to the results of the 2021 Welsh Language Census in Carmarthenshire and the former industrial heartland areas of the Western Valleys.

Welsh Language Education Bill – In March, we published a White Paper setting out proposals for a Welsh Language Education Bill which included new aims and ambitions for our education system. Achieving these will mean increasing the number of Welsh medium schools, but also increasing the Welsh language provision in schools that are not already designated Welsh medium schools. Put simply, we want every pupil to become a confident Welsh speaker through the statutory education system. As announced in the First Minister's Statement on the Legislative Programme, a Welsh Language Education Bill will be introduced in this third legislative year, before the Summer 2024 recess.

Work has commenced, and will continue into 2024 on a full technical study on the trajectory with expert input to match the new ambition that will be central to the Bill to consider a steeper trajectory for 2050 and beyond.

Welsh Language Standards – The Welsh Language Standards (No.9) Regulations 2023 were made on 19 September following a vote in Plenary. These apply to water companies providing water to the public in Wales.

Welsh language place names – Building on the Welsh Language Communities Housing plan published in October 2022, the Welsh Government's Welsh linguistic infrastructure policy was published in June 2023. The policy set out the role of the new linguistic infrastructure unit within Welsh Government, which will be responsible for taking forward the work on safeguarding Welsh place names. This includes focusing on house names, the names of topographical features, and historic names. Research has been commissioned to identify how, where, and why place name changes occur.

Coleg Cymraeg Cenedlaethol and National Centre for Learning Welsh – We have provided additional funding to the Coleg Cymraeg to strengthen and support delivery in the leisure and sport, health and social care, childcare and agriculture sectors; as well as extending provision in the business and creative arts sectors. In the apprenticeship sector, the Coleg continues to build capacity in health and social care and childcare sectors enabling more learners to speak Welsh and be confident bilingual speakers for the workplace. The funding is also supporting the continuation of two initial teacher education projects.

In 2023-24, the National Centre extended provision for 16 to 25-year-olds and the education workforce to provide free access to Welsh courses. The funding is also being used for a pilot project with schools where pupils are using a new Say Something in Welsh digital resource alongside more formal lessons. A successful pilot has already been held with two schools and this is being extended to another ten.

Seren network – Working in partnership with higher education institutions in Wales, four opportunities were offered to Seren learners for summer 2023. Following an application process with 495 applicants, 50 learners attended a three-day medical residential school at Cardiff University; 78 attended a four-day humanities residential school, and 39 learners attend a four-day residential veterinary science school at Aberystwyth University. Also, in collaboration with Swansea University, 86 learners engaged with a five-day online STEM school. Tackling poverty and inequality – We are progressing the commitment to explore the infrastructure required to prepare for the devolution of the administration of welfare by undertaking a comprehensive programme of work which will not only make a difference to individuals in Wales in the short term but will allow Welsh Ministers to make future decisions on devolving further powers in the future. There are three strands of work: the publication of a Welsh Benefits Charter, development and delivery of a plan to streamline Welsh Benefits and further research to disentangle the complexity regarding the administration rather than policy of a welfare benefit system. This work will be overseen by an external steering group. The Minister for Social Justice and Chief Whip presented the proposed approach at the Partnership Council for Wales on 8 November 2023 and this was agreed. The publication of the Charter is planned for January 2024 with sign up from all delivery partners, which includes the 22 Local Authorities. The aim of the Charter is to drive a culture shift in delivery of benefits by asking delivery partners to commit to a set of principles based on fairness, transparency and a person-centred approach.

Mental health – The first mental health crisis hub in Wales for young people in need of urgent support is operational. The 24/7 Crisis Hwb facility has been established in Carmarthen by Hywel Dda University Health Board. The sanctuary service offers bespoke mental health provision for children and young people in the right environment, when they need it most. It will prevent long waits for distressed children in A&E and will prevent the need for acute mental health wards to admit children for short assessments.

The Bettws Ward at St Cadoc's Hospital, part of Aneurin Bevan University Health Board, is undergoing extensive re-development to provide an alternative to admission, crisis hub for children and young people. It is expected this will be operational in March 2024. Other similar projects are being developed in the Betsi Cadwaladr University Health Board area, the Swansea Bay University Health Board area, Cwm Taf Morgannwg University Health Board area and Powys Teaching Health Board.

Disability – We are committed to the social model of disability and strengthening the rights of disabled people. The Minister for Social Justice and Chief Whip, and Designated Member both attend meetings of the Disability Rights Taskforce set up to respond to the *Locked out: liberating disabled people's lives and rights in Wales beyond COVID-19* report.

Anti-racist Wales Action Plan – Following the publication of the Anti-Racist Wales Action Plan, the Criminal Justice Anti-Racism Action Plan (CJARAP), outlining concrete actions to tackle inequality across the system was launched in September 2022. This commitment is the first-time criminal justice partners, including all four police forces in Wales, police and crime commissioners, the Crown Prosecution Service, Youth Justice Board, His Majesty's Prison and Probation Service, and His Majesty's Courts and Tribunal Service have come together to tackle the inequalities which are evident at every stage of the criminal justice system.

To achieve a more culturally competent and antiracist criminal justice system, the Race Equality Taskforce, responsible for implementing the CJARAP, has established a workstream focused on cultural competency, education and training to identify the effective and evidence-led training and education packages related to race which are available to employees across the criminal justice workforce in Wales.

Funding has been committed to accelerate and support the work of sponsored bodies, local, regional and grassroots organisations to deliver on the culture, heritage and sport goals and actions in the Anti-racist Wales Action Plan. Initiatives are aimed at advancing anti-racist practices, ensuring equitable opportunities, and fostering greater engagement.

LGBTQ+ – To support our ambition to become the most LGBTQ+ friendly nation in Europe, we published the LGBTQ+ Action Plan for Wales in February. It brings together commitments to set out a bold but realistic set of goals towards a society where inclusion and celebration of LGBTQ+ people is rooted at its centre.

In April, the United Nations and its Independent Expert on Sexual Orientation and Gender Identity recognised the LGBTQ+ Action Plan for Wales as "an example of good practice in human rights policymaking".

In August, the Deputy Minister for Social Partnership and the Designated Member opened the first Camp Cymru at the National Eisteddfod. Funded by the Arts Council of Wales and supported by the Welsh Government, it brought artists, creatives and members of the LGBTQ+ community together to discuss Welsh-language queer arts in Wales. The event was the first national queer arts talk of its kind in Wales.

The Co-operation Agreement is an ambitious, three-year programme of commitments. As set out in this report, significant progress has been achieved in 2023. Further announcements will follow over the course of 2024.