



Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales

Cofnod y Trafodion The Record of Proceedings

[Y Pwyllgor Cydraddoldeb, Llywodraeth Leol a
Chymunedau](#)

[The Equality, Local Government and
Communities Committee](#)

21/06/2017

[Agenda'r Cyfarfod](#)
[Meeting Agenda](#)

[Trawsgrifiadau'r Pwyllgor](#)
[Committee Transcripts](#)

Cynnwys Contents

- 4 Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datgan Buddiannau
Introduction, Apologies, Substitutions and Declarations of Interest
- 4 Ymchwiliad i Dlodi yng Nghymru: Cymunedau yn Gyntaf— Gwersi a
Ddysgwyd—Sesiwn Dystiolaeth 4: Ysgrifennydd y Cabinet dros
Gymunedau a Phlant
Inquiry into Poverty in Wales: Communities First— Lessons Learnt—
Evidence Session 4: The Cabinet Secretary for Communities and
Children
- 37 Papurau i'w Nodi
Papers to Note
- 37 Cynnig o dan Reol Sefydlog 17.42 (vi) i Wahardd y Cyhoedd o Weddill y
Cyfarfod
Motion under Standing Order 17.42 (vi) to Resolve to Exclude the
Public from the Remainder of the Meeting

Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd. Lle y mae cyfranwyr wedi darparu cywiriadau i'w tystiolaeth, nodir y rheini yn y trawsgrifiad.

The proceedings are reported in the language in which they were spoken in the committee. In addition, a transcription of the simultaneous interpretation is included. Where contributors have supplied corrections to their evidence, these are noted in the transcript.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Janet Finch–Saunders Bywgraffiad Biography	Ceidwadwyr Cymreig Welsh Conservatives
John Griffiths Bywgraffiad Biography	Llafur (Cadeirydd y Pwyllgor) Labour (Committee Chair)
Bethan Jenkins Bywgraffiad Biography	Plaid Cymru The Party of Wales
Rhianon Passmore Bywgraffiad Biography	Llafur Labour
Jenny Rathbone Bywgraffiad Biography	Llafur Labour
Joyce Watson Bywgraffiad Biography	Llafur Labour

Eraill yn bresennol
Others in attendance

Jo–Anne Daniels	Cyfarwyddwr, Cymunedau a Threchu Tlodi, Llywodraeth Cymru Director, Communities and Tackling Poverty, Welsh Government
Carl Sargeant Bywgraffiad Biography	Aelod Cynulliad, Llafur (Ysgrifennydd y Cabinet dros Gymunedau a Phlant) Assembly Member, Labour (The Cabinet Secretary for Communities and Children)
Ruth Studley	Dirprwy Gyfarwyddwr, Pontio Cymunedau yn Gyntaf, Llywodreth Cymru Deputy Director, Communities First Transition, Welsh Government

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Chloe Davies	Dirprwy Glerc Deputy Clerk
Hannah Johnson	Y Gwasanaeth Ymchwil Research Service
Naomi Stocks	Clerc Clerk

*Dechreuodd y cyfarfod am 09:16.
The meeting began at 09:16.*

**Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datgan Buddiannau
Introduction, Apologies, Substitutions and Declarations of Interest**

[1] **John Griffiths:** May I welcome everyone to this meeting of the Equality, Local Government and Communities Committee? Item 1 is introduction, apologies, substitutions and declarations of interest. We've had apologies from Gareth Bennett and Sian Gwenllian, and David Melding AM will be substituting for Janet Finch-Saunders AM for item 6 only.

**Ymchwiliad i Dlodi yng Nghymru: Cymunedau yn Gyntaf—
Gwersi a Ddysgwyd—Sesiwn Dystiolaeth 4:
Ysgrifennydd y Cabinet dros Gymunedau a Phlant
Inquiry into Poverty in Wales: Communities First—
Lessons Learnt—Evidence Session 4:
The Cabinet Secretary for Communities and Children**

[2] **John Griffiths:** Item 2 today is our inquiry into poverty in Wales and Communities First to look at lessons learnt and this is evidence session 4. I'm very pleased to welcome Carl Sargeant, the Cabinet Secretary for Communities and Children, and two of the Cabinet Secretary's officials. Cabinet Secretary, would you like to introduce your officials for the Record, please?

[3] **The Cabinet Secretary for Communities and Children (Carl Sargeant):** Bore da. Good morning, Chair; good morning, committee. Jo-Anne.

[4] **Ms Daniels:** Bore da. Good morning. Jo-Anne Daniels, director of communities and tackling poverty.

[5] **Carl Sargeant:** Ruth.

[6] **Ms Studley:** Bore da. Good morning. Ruth Studley, deputy director of the Communities First transition team.

[7] **John Griffiths:** Thank you and a warm welcome to you all. Perhaps I

might begin, Cabinet Secretary, by asking about the new approach to building resilient communities. To start with, could you tell the committee what lessons have been learnt by the Welsh Government during the Communities First programme over the years, and how those lessons will be applied for the future?

[8] **Carl Sargeant:** Okay, thank you, Chair. It's been a really interesting process for us in terms of working towards transition. What we have seen over the long period of the Communities First programme and the changes that have been made to it during the process is that it has, overarchingly, not delivered the wholesale change in terms of the tackling poverty agenda that it was set up to do.

[9] I don't say that it was just the programme, actually; there were lots of factors alongside that that were preventative in making Communities First work better. I think what Communities First has done is that it has had the ability to stop communities probably getting poorer. What is very clear is that the staff and workforce around those programmes have been excellent in working with communities and we shouldn't ever forget that—it's a really important point.

[10] But, overarchingly, as I've said on many occasions, the fundamental change for Wales, for the UK, in need of tackling poverty is one that this Government is keen to pursue. That's why we believe that a change in the way that we do business in communities, making them more resilient longer term and making investments around jobs, employment, skills and childcare—all of the suite of tools that we're introducing—are and will be the difference in turning what we believe are very stubborn poverty figures around.

[11] **John Griffiths:** Could I ask you, Cabinet Secretary, about the evidence base, really, in terms of what sort of evidence-based picture we have of the successes or otherwise of Communities First, but also looking at how that will inform the future? Because, in the written paper it states that the underlying premise of Communities First remains untested—that underlying premise being the improvement of an area through individual level outcomes. So, if it is untested, even after all the years of Communities First, and Welsh Government is now going to move to a new approach to building resilient communities, it begs the question really, doesn't it? What evidence is there that an approach has failed and a new approach will work?

[12] **Carl Sargeant:** Well, I'm not sure that I agree with the principle of the process being untested. I think we've had lots of evidence sessions: we've had the Amion Consulting and Old Bell 3 report; we've had Ipsos MORI, Wavehill Consulting—all do reviews on where Communities First has been realised. I think the simple approach to this is looking at the poverty figures, and we know through the long-term trend of poverty, this is and was our overarching tackling poverty programme, and the figures aren't moving. So, fundamentally, we have said, as a Government, that we have to do something and take a new approach. And I think what we've offered here is a cross-government, cross-public sector approach to change; and I think the legislation that we put in place last year, around the Well-being of Future Generations (Wales) Act 2015, introducing well-being plans and opportunities for the future, plays a crucial role in planning a different way forward. I don't accept that there hasn't been any measurement around the success or failure of Communities First, and more so, in the two stages of that, there's been a broad overarching review of Communities First, but actually, locally, Communities First clusters have also had to demonstrate the value added with the programmes that they introduced as well, when they drew down funding.

[13] **John Griffiths:** Well, what your paper provided to the committee states, Cabinet Secretary, is that the evaluation of Communities First

[14] 'correctly identified that the underlying premise of the programme—that it was possible to improve area characteristics by influencing individual-level outcomes—was (and remains) untested.'

[15] So, in terms of that central aspect of Communities First, that's your and the Welsh Government's view, and I think that why we're very interested as a committee in the evidence base—as I say, not just in terms of lessons to be learnt from Communities First, and the Communities First experience, but how that translates into future programmes.

[16] **Carl Sargeant:** I think what the many evidence-taking sessions from all of the assessments after that had been done, the recent—. I think you're referring to the line I offered to you with regard to a consultation that was done by Wavehill Consulting and Ipsos MORI. The evaluation was looking at how Communities First was being delivered using data from the Aspireview and interviews with different staff. But I think it was difficult to draw from that some of the characteristics of the programme, but as I said earlier, Chair, we have to look at the overarching principle, and is this working or

not. And the evidence would suggest, long term, that the programme could be better. We could make better investments, I think, in terms of wanting and seeking transition in our communities, and that's what we've sought to do.

[17] **John Griffiths:** Are you in a position to tell the committee, Cabinet Secretary, how the future programmes will be monitored and evaluated, what the general approach will be? Are you looking to have a much stronger evaluation and monitoring for whatever is put in place to succeed Communities First?

[18] **Carl Sargeant:** I think it's only fair that I'm very clear on this, in terms of what is next. Communities First is drawing to an end; there is no further Communities First programme. What we have done with this programme is manage to have a softer exit than was considered earlier on. We've managed to find some legacy funding to help communities to start that transition to move into a different space. I note that one of the authorities in the evidence that was given to you—I think it was Caerphilly, actually—was talking about the jigsaw effect of drawing different parts of the public service and voluntary sector together to deliver some of those programmes, and that's exactly the place where we are. So, to be clear, there isn't another Communities First programme, but what there is is some legacy funding to help local authorities and public services boards to develop programmes that they believe will have a positive effect on their communities in the way that Communities First operated, to take that forward in a different way. It's our contribution to that, but there isn't a Communities First programme to be monitored post exit of the programme.

[19] **John Griffiths:** But the programmes that you've referred to as being important in terms of the way forward, Communities for Work and so on, will they be rigorously and vigorously evaluated and monitored?

[20] **Carl Sargeant:** Of course. The areas that we will be investing in, such as Lift, Communities for Work and parents, childcare and employment will all have indicators attached to them. They have now and they will do in the future.

[21] **John Griffiths:** Bethan.

[22] **Bethan Jenkins:** I'm just trying to understand, so that when we come to our conclusions, we are satisfied with answers. You said today that you need to, as you said, end Communities First because you didn't see that it was

reaching its—. It wasn't delivering what you set out to deliver, such as, the levels of general poverty weren't going down. If you're not replacing it with anything on that level, what is the rationale for trying to—? How are you then going to seek to eradicate or bring the poverty levels down, because you won't have a corresponding project of that depth or that breadth anymore? I'm very concerned that this—. There are pluses and benefits, but, fundamentally, it didn't achieve what it needed to achieve, but by replacing it with a suite or a jigsaw of different projects, that's not going to do that either. So, why is getting rid of one project, to replace it potentially with something that's going to be, potentially, even less effective at getting rid of general poverty, an answer for the Government? How is that something that you think is acceptable as a vision?

[23] **Carl Sargeant:** I'm not sure I accept your premise in terms of what that looks like for the future. What we've noticed is that a single policy agenda has not changed communities, as we've seen, to what we would have hoped to have seen in terms of the positivity. We spent multimillion pounds on a programme and the effect of that has kept poverty at a base level. What we have learned since then is that the multifaceted approach of programmes, and bringing those together, has a much better effect—a wraparound provision for services—and that's what the Government programme is about now. It's about making sure that Families First, Flying Start and children's zones all interact with each other.

[24] **Bethan Jenkins:** The rationale is to cut poverty levels. I mean, I'm trying to understand what the principle of those would be, if not to achieve getting people out of poverty.

[25] **Carl Sargeant:** That is an indirect consequence of all of those programmes in terms of tackling poverty. So, when we invest in our employment programme, Lift or Communities for Work, what we do know is that giving people strong, secure jobs for the future will give them—

[26] **Bethan Jenkins:** As individuals, yes, but not for the area where they live.

[27] **Carl Sargeant:** You have a natural progression. Once you start to build a community and individuals have more benefit, your community benefits. So, there is a growth in terms of the tackling area poverty agenda. So, I think the Communities First programme has worked very effectively on individual programmes, local to their need. And all of the programmes right across

Wales were very different in what their approach was to local communities. What we're doing here is giving them a baseline of opportunity, so all our major programmes, including the public sector and voluntary third sector, are given the opportunity to work together better, and integrate the finances. There is also an issue here, not only because of the programme ending, but there is also—I recognise it really well—the issue of using our money better. The finances are really tight, and we have to make sure that our investments are used well.

[28] It's been really hard, and we're still learning, but we are moving into that direction where there is ownership from other agencies as well. Before, when Communities First was the lead body, because they paid for some of these interventions, on health or whether it be, education or other areas, actually, health should have been coming to the table, and education should have been coming to the table, and that's where we are in this space now. The transition period of the legacy will be about how we develop relationships with other third parties to make sure that, where there are good programmes in local areas, hopefully, they'll be able to be continued through a different funding model. But, we just can't continue with the funding model we had. And, actually, it demonstrates that we weren't having the overarching effect we were seeking to have in the first place.

[29] **John Griffiths:** Could I ask then, Cabinet Secretary, what is the structure, what is the process that will bring the health boards, the education sector and others together to concentrate on dealing with these issues, overcoming these problems, in these particular areas?

09:30

[30] **Carl Sargeant:** We established within the local government department public service boards. Public service boards are already working on their well-being assessment plans. Again, it's a bottom-up approach, about looking at what is the need of communities, and how that will operate. LSBs—. Sorry, PSBs—they used to be called LSBs—and the lead delivery bodies in local authorities are already starting to engage, in terms of what the local needs of communities are. And then those partners will have to deliver a well-being plan, and how they're going to fund that programme is part of that proposal. Public service boards are really important units for the future.

[31] **John Griffiths:** Okay. And Rhianon.

[32] **Rhianon Passmore:** You've slightly moved on from my question, but in terms of the previous question, how did you, and Government, weigh up the breadth and portfolio of projects—a variety of projects—in terms of preference, as was, in terms of Communities First, compared to the lens now of employability and childcare zones and empowerment as strategic themes? And why have you chosen to do that?

[33] **Carl Sargeant:** Ken Skates is the lead Minister on poverty, and we have lots of conversations about what direction of travel we need to have. And, as a Government, we've come to the conclusion that the way to grow communities is by giving people good-quality jobs, employment, the ability to have modal shift easier. And the skills agenda is something that goes hand in hand with our childcare pledge, about working parents, for the ability for them to access childcare.

[34] So, as I said earlier, there's a suite of things that we know—giving people opportunity for the future, enabling them, empowering them, gives them the opportunity to move themselves out of the poverty trap. You can fund people to stay in poverty as long as you wish, but, actually, what you need to do is empower them. And that's what we're doing with our employability plan, and our employability programme, with Ken and Julie James leading on. And that's why we made a significant investment in terms of our Lift and Communities for Work programme, to spread that out across Wales, because we know giving people the chance to get to the employment market is critical for success for the future.

[35] **Rhianon Passmore:** And, Chair, if I may, in terms of the longevity of those strands of what remains, or what will be steered into that area of funding, that is a longer-term strategy, moving forward?

[36] **Carl Sargeant:** It is, yes.

[37] **Rhianon Passmore:** Okay.

[38] **John Griffiths:** Okay. And Janet.

[39] **Janet Finch-Saunders:** Yes, I'm going to move on, aren't I, with the three Es? But my question to you at the moment is: I'm starting to hear—you know, we passed a lot of legislation last term, and then wanting to see it move forward, and achieve, and accomplish the aims of that legislation—. A

lot of what I'm hearing now, for me, dovetails into the future generations and well-being. Am I right that we are moving more—? So, I suppose my question to you, then, is: how is the commissioner involved in the work you're doing? We're not working all in different sort of silos, are we? We're all pulling this together and moving forward, so that the three Es, which I hear Ken mentioning, I hear Sophie Howe mentioning—I've heard you mention it, and I'll be asking you more questions on that later on—but are we really—. Is this beginning to really see the foundations laid now for the Well-being of Future Generations (Wales) Act 2015, moving it forward?

[40] **Carl Sargeant:** Well, I hope so. And this has been a real difficult journey for us all, because, actually, you're shifting this supertank around, and what we used to do before. The 44 public bodies enabled by the Well-being of Future Generations (Wales) Act 2015, including Government, are having to start to work differently. We are working currently on four strategies that bring together the whole of Government on priorities, and where we need to make our long-term investments. That is about planning for the future. And the commissioner has been very clear about challenging Government, and public bodies, about why they should be in that space. I think it is a very progressive piece of legislation, if we can get it to work.

[41] Therefore, some of the actions we're planning here, in terms of our long-term investment, as Rhianon says, about employability programmes, about changing the long-term culture, is something that you've got to do. You cannot tackle poverty overnight; you can give people money, but it doesn't change a cultural shift. You have to work with people to get their community resilience up. I've been to communities the length and breadth of Wales—it's a really difficult one. Sometimes, they're quite resilient but they're still poor, and what we've got to do is empower them to take them out of poverty. So, the jobs and skills agenda is critical, and this is the long-term joined-up vision of Government and public bodies. That's why I said that PSBs are a real key to this. Getting local health boards and the voluntary sector involved in local decision-making is critical for the future.

[42] **Janet Finch-Saunders:** And just the tiniest question: when we did a previous poverty inquiry, a lot of the workshops we did—what did come out fundamentally and very strongly was the fact that there was a lot of duplication. So, again, for me, this is about pulling everything together so that we're not sending out pots of money here, there and everywhere and not being able to achieve because they haven't got the data and they haven't got the wherewithal. It's about, really, us all moving together, and I am right in

thinking that the project that Alun Davies is working on with the Valleys, there's buy-in there as well, so you're not all working off on a tangent—it's all being brought together. Am I right?

[43] **Carl Sargeant:** We're all part of that programme. There is an internal workforce programme board that looks at all of these issues going forward. It's a bit easier on paper than actually doing it, but we are getting there.

[44] **Janet Finch-Saunders:** Well, I can get my head around it if I know that that's what those aims are.

[45] **John Griffiths:** Okay. And Jenny.

[46] **Jenny Rathbone:** I completely agree with you that we need to tackle the culture of poverty; it isn't just about getting people a job. But that is one of my concerns in the way we're going forward on this, because what Communities First has done in many places is build up the resilience of the community to be able to organise the things that need doing in their community. And by eliminating this place-based strategy, we are in danger of collapsing that resilience. So, I wondered if you—. I appreciate that the PSBs have all got to be thinking holistically, but that is the main danger because these organisations, even if they're brilliant and are really reaching the people who most need them, there's no guarantee that PSBs are going to pick them up.

[47] **Carl Sargeant:** You're absolutely right, there isn't a guarantee about that, but I would hope that PSBs would be able to identify the need of their communities, and if that is part of the need, they'd have to demonstrate why they aren't picking that up. The issue—. Again, I think the point you raise is an important one. I think it's always easier to explain, rather than in strategic terms, but actually in reality about what happens in communities. Again, I am very familiar with an area that the Chair is the constituent Member for, where there is a community centre that was developed with Communities First funding. It's supported by Communities First and Flying Start. We're hoping that Flying Start may be able to be part of that in the future. It has saved significant amounts of money both on local issues around vandalism and fire-starting because of the community centre and resilience, and there was a question about whether that community centre would have a future. Now, logically, if you were the local delivery board you would collectively come to a conclusion that the small investment to keep that community centre going was a long-term clever investment, because if you close it, what happens

then? Do you go back to the issue of vandalism and fire-starting, which would be a much increased cost? So, there is some logic behind planning together for the future, and that's why the public service boards are key to this. But I'm not going to sit here and say that all programmes are going to be safe for the future because, one, the finances don't support that and, two, there has to be a priority given from local people to what those needs are and then which ones they wish to choose to fund.

[48] **Jenny Rathbone:** Okay, but all the programmes that you mention like PaCE and getting people into employment, even the ones we have at the moment—the Communities First-funded programmes to support people into employment—they never go beyond actually getting that person to the door of the employment, and there's no support after that. And there's quite a lot of evidence from employers that people, because of their mental and physical health not being up to it, simply don't stay in the job.

[49] **Carl Sargeant:** I have been to a Communities for Work programme where that has actually taken place, where the teams go beyond the realms of what their statutory duty is and where they are picking up people who are needing sometimes a confidence-building approach to accessing an employment programme. So, it does happen, and I will give that some further thought, actually, whether we look at our staff and staff training about what that enablement for support in the local communities is. We are funding significant amounts of money into that programme now, and I take on board your concern about how we ensure that the most vulnerable in our communities are able to have confidence to move into that space. I will look at that.

[50] **John Griffiths:** Okay. And Joyce.

[51] **Joyce Watson:** First, thinking around what keeps people poor, and you've identified an awful lot of that, but what also keeps people poor at the moment is the day-to-day cost of living: their housing costs, their energy costs and their travel costs. So, my question to you, when you're talking about making people resilient rather than communities resilient, because it seems that's the space we're going to occupy, is: are the local—I nearly did the same—are the public service boards going to be able to address poverty from the individual perspective, so that they do, as you are hoping they will, wrap around the individual?

[52] **John Griffiths:** Can I just say on that matter, Cabinet Secretary, before

you answer that, as I'm sure you know, the Joseph Rowntree Foundation and the Bevan Foundation did work that, I think, usefully introduces some clarity into a very complicated area, which was that, obviously, if you improve the income of a household and reduce its costs, then they've got more money to spend, and that's a benefit in very many ways? So, I think the points that Joyce raises are very important and it would be interesting to know exactly what Welsh Government and who in Welsh Government will be acting to deal with those issues, whether it's energy, water, transport—any of the issues Joyce mentioned.

[53] **Carl Sargeant:** Yes, and I absolutely agree with the Member and with the position from the Joseph Rowntree Foundation about the capital element of poverty as well. I think the programmes that we are developing and have developed in Government go a long way to support that. So, Lesley Griffiths and the energy efficiency programme about reducing energy efficiency—increasing energy efficiency, I should say, rather than reducing it; my programme of innovation and housing about how do we get more energy efficiency homes being built for the future, more long-term planning, what will the energy markets look like—. I'm saying to developers, 'Let's build power stations, effectively—power houses', because we know—there's one thing for certain—energy costs will be rising in the future, but, actually, if we can stop that now, there's a net gain for us all, both on environmental issues but also tackling poverty. There's the issue of the metro, so enabling people to travel around easier, hopefully at a reduced cost, enabling them to get to work, jobs and skills, which we're planning. The Valleys taskforce is a great example of Alun Davies leading on a strategy to change the very hard, stubborn effects of the Valleys poverty agenda. That'll become more clear over the next few weeks when he launches his strategy.

[54] So, there are lots of programmes that we are joining up to look at the whole agenda of poverty. This is not my role—Ken Skates hold the reigns, but it's actually a cross-Government approach to how we can change communities' resilience in terms of the effects of our capital poverty spends. So, I think maybe Janet or Bethan earlier on were saying, 'What is the approach here? Communities First was our major programme of investment.' Our investment on poverty is all our investment. We have to think about what do we do to change culture, to change people's opportunity in life, and that's why there's a more holistic approach to tackling this. One programme won't tackle poverty on its own, we've seen that.

[55] **John Griffiths:** Rhianon.

[56] **Rhianon Passmore:** Well, I welcome that joined-up approach cross-governmentally. In terms of that wider strategy, and the place that Communities First had as a place-based programme moving forward, obviously it was there because—Objective 1 areas as well, in terms of Wales' indices of multiple deprivation—. All of those indicators stated that these were the areas that needed as much of that extra resource as possible. So, I suppose, moving forward now, those indices will probably still be the same. We've also got welfare reform. So, I welcome that approach on a wider scale. But in terms of guidance to those who will be taking up the mantle of those places that are still there—and housing is a huge issue—how are you going to direct public service boards in terms of their guidance to be able to effectively map and scope that these areas are still there? Although people transiently move in and out—we accept that. And how are you going to do that so that that mantle is effectively picked up, moving forward?

09:45

[57] **Carl Sargeant:** There are two areas to this: there's the legacy programme of Communities First and we've given guidance to the lead delivery bodies—there are so many acronyms here—and my team meet with all the delivery bodies on a regular basis to have a discussion about what that looks like for the future.

[58] There is also the longer-term investment from all programmes across Government. That's why the PSBs' well-being assessment plans are really important. I know that the commissioner has started to look at those well-being assessment plans in detail. Some are better than others, it would be fair to say, but it's a first, so we need to make sure that they get them right for the future.

[59] Alongside that, we have a programme-based approach. Again, we've got some really individual, person-centred approaches to change. So, we're looking at the adverse childhood experience programme and profiling. We know that we also have to break culture as well: where there are three generations of families who haven't worked, how do we get that fourth generation naturally going into employment? We've got to work with a very small cohort of individuals in that space. So, some of our programmes are very individual-centric and then there is a broader approach to change in terms of the PSBs and area change. So, I don't think we've missed anything in that programme of long-term planning, but the legacy effect of this

programme will help with some of the what are locally perceived to be effective programmes and the ability, if that's the case, for them to take that forward.

[60] **Rhianon Passmore:** And that would include direction around pooling of resources.

[61] **Carl Sargeant:** I won't be telling any PSBs or lead delivery bodies what they should be making their investments in. I don't think it's right for Government to tell local-based plans, where they know what their communities are, what they should be investing in.

[62] **Rhianon Passmore:** And how will that be measured, obviously with the democratic accountability, if those PSBs are not carrying out those functions as expected?

[63] **Carl Sargeant:** It's not my process, but there is a process in place for where the assessments are created and the well-being plans are delivered. There is an opportunity, if I'm right, in the legislation for the commissioner or the Minister to go back to the PSBs and say, 'Good effort—try again'. So, there is a recall effect on that, but you may have to check that, Chair, because it's not my portfolio.

[64] **John Griffiths:** We can certainly check that with other Cabinet Secretaries. Cabinet Secretary, we need to move on to further questions. Before we do, could I just ask you whether you will be publishing a new tackling poverty action plan to provide a framework for the future?

[65] **Carl Sargeant:** That is with Ken Skates, but my understanding is that together we'll be working on child poverty and a national poverty action plan.

[66] **John Griffiths:** Okay. Again, we can check that. We'll move on, then, and Joyce Watson has some further questions.

[67] **Joyce Watson:** You talked about—and everybody has—the transition, and I suppose my question is: what is it that you're hoping to transition towards? If we were going to measure that transition in five years' time, as an example, what would you hope it would look like?

[68] **Carl Sargeant:** What does success look like? That's probably one of the most difficult questions I've had today.

[69] **Joyce Watson:** Well, the transition.

[70] **Carl Sargeant:** In terms of the transition, I would hope that it's the ability to join up the programmes, as I said earlier on, with all of the interested parties to make a difference to those communities. I think it's quite dangerous to try and measure poverty year on year because you get fluctuations in it and you've got to have a longer-term approach. I would hope that our national indicators, with the investments that we make, with the legacy funding—bearing in mind that some of this funding will drop into the RSG at year 4, or year 3 possibly, in terms of the legacy fund—that will give local authorities the opportunity to continue with the programmes longer term. I would hope that the indicators that we've set in the WFG Act would start to see trends moving up. As I said earlier on, we cannot tackle poverty overnight. It's not a light-touch effect. But we hope that the programme interventions that we do make will start making those collective positive effects on the indicators.

[71] **Joyce Watson:** So, the transition would look like—?

[72] **Carl Sargeant:** Well, the transition is—. I would hope that what are perceived as locally good programmes continue, but there will be a challenge for all organisations to come together to make sure that they can fund them together. I noted—I think it was Joseph Rowntree—. If I'm wrong I accept that, but I think it was Joseph Rowntree who said that some of the individual programmes that were perceived to be very effective should start to consider should they become individual charities of their own, to attract funding et cetera. I am not suggesting that's a bad idea at all, and that's why we've given a lot of space here in terms of transition. There are dangers in having long transition programmes. I know it's been given to you in evidence around staffing et cetera, and security and programme, but I do believe, given the longer legacy effect in terms of finance, that it gives the public service boards, the lead delivery bodies and local authorities better time to plan for the future. That's what I've been saying to my team when they meet them: 'This isn't "carry on as normal" for the next 12 months; you make sure you've got exit strategies for programmes, or continuation programmes for that opportunity there, and making sure your staff are central to this'. If I may, Chair, I'll send you a note on how the discussions are in terms of transition with all the LSBs across Wales, just to give you confidence that we are engaging.

[73] **John Griffiths:** That would be very useful.

[74] **Joyce Watson:** The thing that hangs everything together, usually, is good co-ordination. So, I want to try to understand how it is that that is happening and whether there's any direction coming—. I know you want to leave communities to do their own thing, guided by the future generations Act, but nonetheless I am sure that there are authorities that will need help with that. So, they will want, perhaps, help with co-ordinating it. So, I want to ask, Cabinet Secretary, whether there's any work being done on co-ordinating.

[75] **Carl Sargeant:** From the announcement date, we were very quick to get out and talk to the lead delivery bodies, making sure that we had two events—one in north Wales and one in the south—very early on to talk about what the future may look like. The key to this is engagement and my team and the co-ordinating board go out and talk to these agencies—you're absolutely right; but it was historic. There were some better than others anyway. So, we already started to recognise the strengths of some organisations and their ability to plan for the future, and others that would probably struggle with that. What we've done is try to get underneath that and give them a little bit more help, where needed, in terms of my team helping them to make general assessments of what the future looks like. It's really important that these bodies don't wait until the end of the programme and then just hope for some legacy funding and bounce along the bottom at the end. We've got to plan for the future and look at what that looks like. That's why I said I'd send you a note in terms of where the boards are in terms of their position statements currently in terms of looking for the future. I think it's an important piece of work.

[76] **Joyce Watson:** Are you satisfied, then, that the communities we're talking about have a clear understanding of where they're going, or support if they don't know where they're going? Is it likely that we're going to have communities transition and strategy guidance?

[77] **Carl Sargeant:** We have got some guidance that we'll be issuing to the LDBs—sorry, it has been issued to the LDBs already—in terms of what that looks like. I think it's too early to say definitively what that is going to look like, because we're early into the stages of transition, and that's the planning process that we're working through. One of the issues that I'm keen to ensure is part of that process is engaging the local community as well. So, I'm expecting the clusters to make sure that they are engaged with their

consumers, effectively, and understanding what that may look like. Because actually, the empowerment part of this about helping local people who may be wanting to get into that space as well. I know there are lots of volunteers out there within Communities First clusters—how can we enable them to move on as well? Sometimes it's just a capital piece of expenditure that helps them. That's why our funding streams would allow that to happen.

[78] **John Griffiths:** Could I just ask—just a second, Joyce—will that guidance be published?

[79] **Carl Sargeant:** I haven't got a problem with it being published. If you want to see that, I'm happy for that to be made available for you. I'm not holding any secrets here about what that guidance would look like. Jo-Anne—it might be helpful if she explains to you partly the question regarding Joyce's question and regarding support mechanisms and where the civil service position is on this and the support mechanism that's there.

[80] **Ms Daniels:** Following the Cabinet Secretary's announcement in February, we established a dedicated team that Ruth now heads up, the Communities First transition team. The sole function of that team is to work with lead delivery bodies and to work with local authorities and other organisations like GAVO and the Co-op, who've been instrumental in delivering Communities First, to help them with their transition plans.

[81] We issued them with guidance very shortly after the announcement and they responded by giving us very headline transition plans. I think it was at the end of March. They then had to work those up into more detailed transition plans, which they submitted to us at the end of May. We've given them feedback both on their initial headline plans and on their more detailed plans.

[82] The team have met regularly with the lead delivery bodies. Ruth and the team have also met individually with pretty much every local authority that has Communities First. So, there is regular communication and there are members of the team who act, in a sense, as account managers. In addition to that, we have a contract with WCVA, who are providing additional support to lead delivery bodies to advise them on various aspects of transition planning. That team will stay in place right through the transition period to work with local authorities, to work with lead delivery bodies and partners, to give them as much support as we can throughout the process.

[83] **John Griffiths:** Thanks for that. Could I just bring Bethan in at this stage?

[84] **Bethan Jenkins:** You've obviously read the transcript because you could quote Caerphilly council, and they were saying that it was very difficult for them to provide you with transitional plans in detail because the local elections were upon them, and also that some of the cabinet hadn't met to discuss it in detail either. I was just wondering how satisfied you are that the more in-depth plans are going to be as in-depth as you would wish—considering the fact that I know in some councils, they're still deliberating who is on the cabinet or not on the cabinet—so that we understand fully the issues. I'm not satisfied yet, listening to Joyce Watson's questions, and, I think, Rhianon's—. When we're saying about transitioning, perhaps we need to see the guidance. I'm still not understanding exactly what they're going to be transitioning into, because it would be very, very different across Wales. So, for example, they might have a very good lifestyle programme in Blaenau Gwent but they might have a very good financial education programme in Conwy. How, then, are we going to be measuring how they're effective, considering they're going to be doing very different things in their respective areas? I'm not saying that they won't be doing good things—but it's how, then, we get to understand how they're comparing each other to know that those new projects are going to be viable for the future.

[85] **Carl Sargeant:** That's exactly the conundrum we've been in in terms of a bigger scale on Communities First, because all of the Communities First partnerships are very different in terms of what their local needs assessments were. We've been very keen to make sure this is a locally managed programme with general principles of tackling poverty. There are an array of programmes that have been funded by Communities First, and they would possibly be on the cusp of tackling poverty, but they have a general community resilient—building resilience in communities. So, I'm comfortable with that, but the main focus of Communities First was on tackling poverty. It may be useful for Ruth to add some value to this, because I know Ruth has had direct engagement with local authorities and LDBs—lead delivery bodies, LDBs—and Ruth is probably able to—. In fact, Ruth has talked directly to Caerphilly, so it may be useful.

10:00

[86] **John Griffiths:** Yes, okay. Thank you.

[87] **Ms Studley:** Okay. So, you're right. It's been quite difficult for lead delivery bodies at times to pull together their plans in the timescales, given the political environment, but we also recognise that this year is going to be a complicated year anyway, because we are phasing out the programme. So, we have been very flexible about the support that we provide for those local authorities and lead delivery bodies, recognising that we expect that their detailed plans indeed change as well throughout the year, as the situation changes. We had early conversations with Caerphilly about meeting the deadlines, because of the political environment. As it happened, they were able to submit a plan, but recognised that actually they might want to submit caveats at a later date. But all of them will want to do that as their circumstances change. So, that's what our team is there for this year: to make sure that we understand what is happening in lead delivery bodies and how their changing circumstances are going to affect their delivery, and how we can support them with that. So, we have very regular bilaterals and network meetings with all of the lead delivery bodies.

[88] **Bethan Jenkins:** But they were saying, still, when they came here, that they didn't know—and I hope I'm not misquoting them—what they were potentially transitioning into. So, are you giving them guidance on that, specifically?

[89] **Ms Studley:** We've not given them guidance on what they need to transition into, because, as the Cabinet Secretary has said, that is a matter for them to determine locally. What we have provided as guidance very early on, which was drafted in consultation with them, was how they needed to go about approaching this, and how they needed to plan what they were going to do during this year. And that guidance was issued to them at the end of the last financial year. So, they've had that, but they've also had the opportunity to question us in more detail about specific questions that are pertinent to them only.

[90] **John Griffiths:** Okay. Rhianon.

[91] **Carl Sargeant:** Sorry, if I may, Chair, it would be fair to say that some authorities are dealing with this better than others, and that there is a long-term issue in terms of the ability, locally, to manage these programmes out. It would be fair to say Caerphilly is particularly challenging because it's a big programme, and therefore we are giving additional support in that space.

[92] **John Griffiths:** Okay.

[93] **Rhianon Passmore:** I was just going to add that, in terms of the variety of projects, as well as the quality, which was one of the issues at the beginning, Caerphilly is delivering a huge programme, and I would have thought that those lead delivery bodies, whether local authorities or others, are going to find it very different in terms of those plans, moving forward, because the more detailed they are, and the more interwoven and more complex, the more support they will need. My question really is about that engagement and that guidance. One of the witnesses that we had here said that they'd heard about this on the BBC news, so how would you reassure this committee that that engagement has been there? You've spoken to this already, but, in terms of that as a comment that's been picked up, how would you reassure us that that's taking place?

[94] **Carl Sargeant:** I fully accept responsibility for that really difficult process that we had to go through. We had to go through a legal process of making sure we had a consultation programme where I wasn't predetermining a decision. Now, in an ideal world, I would've liked all staff to have been informed the day before we made a public announcement, but I'm unable to do that because it causes a judicial-review-style challenge. So, because it's such a big programme, with lots of people working in there, there will have been people that fell through the gaps, and I apologise for that, because the last thing I want is staff to be informed by a news break. There is a process that we are trying to make sure that there are no surprises now, and my team, as I said about the engagement of that process, is, I believe, robust. But that was one incident at the very start of the programme when we had to make an announcement on the detail of the programme.

[95] **Rhianon Passmore:** But, in terms of where we are now, and obviously you've mentioned supporting—sorry, Chair, but, in terms of supporting this transition, bearing in mind it's now extended, and with additional funding to be able to support the complexity of what's out there, how would you reassure me, and the rest of the committee, that engagement is solid and that you are doing what you say you're doing?

[96] **Carl Sargeant:** Yes, I'm very confident about that. My team works incredibly hard talking to all the LDBs across Wales. I have had individual Members coming to me where they've had some staff members go directly to Members to raise concerns, and I've acted on that straight away and said to my team, 'Get back out there, and talk to the lead delivery body.' If there's a connection issue, it's not at our end, it's more local. But I'm very keen to

hear from you if there are issues out there about communications, because I value the workforce and the staff on the ground—they do a tremendous job, and transition is difficult in any case. But I'm confident that our procedures in place to communicate with LDBs are robust.

[97] **Rhianon Passmore:** Okay, thank you.

[98] **John Griffiths:** Okay. And Rhianon, I think we should probably move on to some questions on the legacy fund.

[99] **Rhianon Passmore:** Okay, thank you. So, in terms of monitoring performance of individual projects within the legacy fund, will there be Welsh Government performance monitoring?

[100] **Carl Sargeant:** First of all, the legacy fund will be based upon a big process from the local LDBs about what the programme should look like. Of course, there'll be assessments around what that looks like and how we fund there. The long-term assessment of that will be based upon the indicators, as I said earlier on, about, 'What progression are we making?' What I've tried to do with the legacy fund is a hands-off approach. It's really about local determination for local projects, and I want some general national principles of tackling poverty, sticking to the agenda of skills and jobs and growth and opportunity, but I really want to have a hands-off approach in terms of what—. It's got to be lawful and within the rules of public funding, but I'm hoping that the legacy fund we'll be able to use as a local catalyst to change. It sounds a lot of money, but it's not huge amounts compared to what the fund was originally, and that's why this money's going to have to be used in a clever way, drawing in contributions from other bodies as well.

[101] **Rhianon Passmore:** Do you see a need, then—and apologies if this is not directly for you, but do you see that there is argument for an overarching longitudinal, academic study of poverty strategy?

[102] **Carl Sargeant:** I think there are enough data around to understand what the effects are of poverty and the issues that we need to look at to tackle those issues, and those are the things that the Government are doing. So, all of the things I told you about before around housing and jobs and skills, investment in our communities, are the things we need to do to make changes. I've read lots of reports by Joseph Rowntree and by other organisations—Oxfam—and they've all got their local views on how to tackle poverty. We, as a Government, take this very seriously. We've made an offer

to the people of Wales about what our investment should be, and we'll continue that with vigour to make sure that we can make a change and encourage resilience to those communities.

[103] **Rhianon Passmore:** Okay, thank you.

[104] **John Griffiths:** Rhianon, just before you go on, I think Jenny wanted to come in on this particular point.

[105] **Jenny Rathbone:** Yes. I think, just—. The bit I struggled with was—I understand that you can't micromanage programmes, and nor should you, but I think that the communities we're talking about are the ones who find it most difficult to make their views heard, because they're in deprived areas. So, I struggle to understand how we're going to ensure that local authorities, local delivery boards, are going to be listening to those who most need these services. And that is a philosophical issue. I struggle to understand how local communities who've benefited from Communities First are going to be able to articulate to public services boards who are chief executives, leaders, of organisations that these ways of doing things are better than some of the other ways of doing things. Democratic accountability is uneven, and in some areas there's very little proper challenge. I appreciate you can't micromanage things, but how are you going to philosophically ensure that the Well-being of Future Generations (Wales) Act 2015 is embedded in the way we do these things?

[106] **Carl Sargeant:** I think there's a three-pronged response to that. First of all, what I would say is that there's a democratic process here. All of those areas are represented by an elected Member, whether that be yourself or local authority members or, indeed, parliamentarians. They all have a voice as well, and I would hope they—I know many do—make strong representations for their communities, and that will continue.

[107] Never underestimate the power of communities and their resilience to make changes. We've seen that in many communities across Wales making a stand. Look, we're not exiting these communities at all. There is still a presence in terms of our Lift programme and our Communities for Work programme, so there will be an access point there.

[108] My third point is—and I think it's well made by you, the worry of generalising chief executives and high-level people on the public services boards. They are there to make decisions, but I would expect them to comply

with the legislation that's in place about making a well-being assessment for those communities—for all communities. They can't just pick on the ones that are nice and leafy suburbs. They've got to look at the whole make-up of the community and what that is. And I would hope—and that's why it may be a discussion for yourselves with Mark Drakeford around what the PSBs and well-being plans look like. Whereas, before, the LHBs weren't statutory partners, now they are. So, we have to have the local health boards in there, and it's incumbent on them—if there is a high incidence of teenage pregnancy, or alcohol misuse, or domestic violence in an area, it is incumbent on them as a collective to do something about that, and to make that a priority of their well-being plan.

[109] So, I don't think communities will drop off the end, subject to the processes being firmly adhered to. There are three parts there that I think could cover the concerns that you have. It will stem back to the power of the well-being plan, and the commissioner has said in her contributions in the past that she will be monitoring the well-being plans very rigorously.

[110] **Jenny Rathbone:** Okay. Thank you.

[111] **John Griffiths:** Okay. Rhianon.

[112] **Rhianon Passmore:** Thank you. Can you clarify the timescales of how the £6 million legacy fund will be spanned out? Is it four years or six years?

[113] **Carl Sargeant:** It's £6 million annually, for four years.

[114] **Rhianon Passmore:** For four years. Okay.

[115] **Carl Sargeant:** Two years. Two years, and then potentially two more.

[116] **Rhianon Passmore:** Right, okay. So, the legacy fund, in its concept—will it be purely for Communities First areas, or will it be more flexible? One of the criticisms around Communities First was its inflexibility in terms of spend and postcode lottery, which was attempted, I gather, to be mitigated for in the last round.

[117] **Carl Sargeant:** Yes.

[118] **Rhianon Passmore:** So, in terms of how that can be utilised, and, if it is more flexible, how do we then redress the earlier points that have just been

made in terms of those areas of greatest need are often centralised in one area, although not always?

[119] **Carl Sargeant:** What we've said is that the legacy fund—and that's part of the very high-level guidance that should be used for tackling the issues around deprived communities—. Now, arguably, what we've seen in the past is that we know there are deprived communities outside of the Communities First postcode. So, again, I'm more relaxed about that, providing they can demonstrate that it's being used for that purpose.

[120] **Rhianon Passmore:** Okay. So the lower super-output area argument.

[121] **Carl Sargeant:** Yes.

[122] **Rhianon Passmore:** Okay. Thank you.

[123] **John Griffiths:** Are you content with that? We'll move on, then, and I think Janet Finch-Saunders has some further questions.

10:15

[124] **Janet Finch-Saunders:** Thank you, Chairman. I know that Bethan, to my left here, mentioned that the Wales Audit Office, for instance, raised concerns that there was a tension between setting the strategic direction of the programme and then allowing local communities to set their own aims. Given that the Welsh Government has prioritised the three Es but local authorities are deciding which projects continue to receive funding, is the Cabinet Secretary confident that the tensions identified back in 2009 by the WAO are not being continued?

[125] **Carl Sargeant:** I'm confident that we can take this programme forward positively in terms of the legacy transition. Look, the auditor general has a strong opinion on this, but this is not an easy programme. We are talking about some of the most difficult communities in the whole of Wales here, and of course there are going to be challenges that are faced. As I said, it wasn't a consistent programme; it was a different programme in every community. So, we're always going to face challenges. I think the generalisation of challenge from the auditor general was an interesting one.

[126] **Janet Finch-Saunders:** Okay, thanks. How many local authorities have chosen to transition to the employability grant and how does this relate to

the Welsh Government's forthcoming employability plan?

[127] **Carl Sargeant:** All of the local authorities will receive the employability programme. So, there were three authorities that didn't comply with the criteria for Communities First areas, but they will also get the Communities for Work programme. There's going to be national coverage.

[128] **Janet Finch-Saunders:** So, how does that relate to the Welsh Government's forthcoming employability plan?

[129] **Carl Sargeant:** Well, Julie James leads on the employability plan, but we've had lots of discussions about this. At one point, I was quite relaxed, actually; I was going to release the funding from my department to Julie James's, to give it a synergy between the whole employability plan, but what we've agreed on is that we'll watch how this operates and then maybe that will happen in the future. I was very keen to ensure that the employability plan spans from people who are—the people that Jenny was talking about earlier on—right at the cusp of the market, about trying to give them confidence and opportunity to get into an employability programme, right to the other end, of degrees and Master's, and how we fund that. So, the employability plan operates right across that. Julie will be launching that plan sometime later this year.

[130] **Janet Finch-Saunders:** That was going to be my next question.

[131] **Carl Sargeant:** I can't give you that answer because it's with Julie, but we have been involved in the development of that.

[132] **Janet Finch-Saunders:** Do you think it's fairly imminently that the plan will be published?

[133] **Carl Sargeant:** I wouldn't want to respond to that.

[134] **Janet Finch-Saunders:** Okay.

[135] **John Griffiths:** We'll certainly take that up with Julie James.

[136] **Janet Finch-Saunders:** So, how will the Welsh Government's employability plan and economic strategy increase the supply of decent jobs, specifically in and near the 52 most deprived communities?

[137] **Carl Sargeant:** Ken Skates and I, and Julie and Alun Davies, we meet on a regular basis to talk and discuss what our plans are for making investments. There has to be also a sense of reality. This is a long-term cultural shift and change to tackle the issue of poverty, making some soft interventions, but actually it's longer term strategic planning. The economic development plan Ken Skates is talking about is something that's critical to us. And Alun Davies and the amount of jobs we're trying to create in the Valleys, he'll make some more announcements on that in the next few weeks.

[138] The reality of this is that we're not always going to be able to create employment pathways in a certain area, but what we have to have the ability to do is either create opportunities of employment or enable people to access employment elsewhere easily. That's why the planning of the metro and the north Wales metro and other transport schemes are integrated into the broader discussion. That's why the four strategies we're talking about for our investments have to be co-ordinated.

[139] I've been in Government quite a number of years now—well, I would say this, wouldn't I—but I've never seen the Government operating in this style before. It's much more integrated. There's lots of discussions between departments as opposed to department discussions. To be fair to Ken Skates, and I think I may have mentioned this in another committee prior, when I had my 20,000 homes target delivered to me by the First Minister, Ken Skates was one of the first knocking on the door saying, 'How are we going to resolve our target of 20,000?' That wouldn't have happened in the past. This is a collective duty, and it's the same with poverty.

[140] **Janet Finch-Saunders:** Okay, thank you. Are you concerned that the focus on employment, early years and empowerment might leave gaps in provision for people in areas of work that do not fit into such priorities, such as health, education, teenagers and older people?

[141] **Carl Sargeant:** I think it's encompassing. I think, as I said earlier on, there are programmes that we have for individuals, such as older persons strategies, et cetera, but I do believe that the fundamental change for poverty is employment. Giving people good-quality skills and jobs is the route out of poverty.

[142] **Janet Finch-Saunders:** Right, thank you. And what does the empowerment element mean? There is a strong consensus in our evidence

that one of the successes of Communities First was engaging and empowering people and communities. How will that part of the programme be preserved, going forward?

[143] **Carl Sargeant:** Well, it's what I talked about earlier on, about the resilience, about empowering people to make those decisions themselves, and giving people confidence and the ability to access jobs, and what the jobs are that they want to be involved in—giving them the skills and confidence to be able to do that themselves. For far too long, public bodies have done things to communities, and Alun Davies—I admire him and his robustness—has been doing the Valleys taskforce chat events, and he's been talking to some robust communities across the Valleys, where they haven't held back on what their views are. And I think it is absolutely right they do that, because for far too long we've done things to people rather than what people want, and I think being a listening Government is really important, and that's why the empowerment element of this is really, really critical. Because, as I said earlier in this discussion, we can still fund communities to stay poor, but unless communities want to be empowered to develop, grow, then we're never going to solve this issue. So, the empowerment is equally as important as the education or the employment part of this.

[144] **Janet Finch–Saunders:** Thank you.

[145] **John Griffiths:** Okay, Janet, thank you very much. And Bethan Jenkins has some further questions.

[146] **Bethan Jenkins:** Rydym ni wedi cyffwrdd eithaf lot ar Gymunedau am Waith ac Esgyn yn barod, ond yr hyn rydw i wedi bod yn gofyn i'r tystion sydd wedi bod yn dod i mewn ar hwn yw'r ffaith bod nifer o fudiadau sydd yn gweithio â phobl wedi dod ataf i yn benodol yn dweud ei fod e'n anodd iawn iddyn nhw ffeindio unrhyw ddata neu unrhyw ffordd o fesur llwyddiant y rhaglenni yma. Yn eich tystiolaeth, rydych chi'n dweud bod yna adolygiadau wedi cael eu gwneud o brosiectau eraill y Llywodraeth. A ydych chi'n siarad am **Bethan Jenkins:** We've touched upon Communities for Work and Lift already, but what I've been asking witnesses who've appeared before us is that many organisations working with people have approached me personally and said that it's very difficult for them to find any data or any way of measuring the success of these programmes. In your evidence, you state that reviews have been undertaken of the other Government projects. Are you talking about everything, or are you talking about specific programmes? That is, do you

bopeth, neu a ydych chi'n siarad am rai penodol? Hynny yw, a oes gennych chi wybodaeth nad oes gen i ar lwyddiant Cymunedau am Waith ac Esgyn, oherwydd yr hyn y mae mudiadau yn dweud wrthyf fi—yn debyg i'r hyn a oedd Jenny Rathbone yn dweud—yw bod cael rhywun i mewn i waith yn cael ei gyfrif fel llwyddiant, ond nid esblygiad neu ddatblygiad y person hwnnw o fewn y gwaith hwnnw?

[147] **Carl Sargeant:** Thank you for your question. I think you actually raised this with me in Plenary one day, and I said to you, 'Write to me asking me exactly what you want to understand and I'd be happy to write back to you.' I'm not sure if we've sent that back to you, or if you've sent that in, in terms of the detail. We have had evaluation of the Lift programme: 12 April was the first one that we published. We had an independent evaluation of Lift published on 20 December 2016. Current data, which I'm happy to share with you: the Communities for Work programme has supported over 9,000 individuals across Wales, with over 2,000 of those entering employment. In addition, Lift has helped 921 people back into work, and both programmes are ahead of their targets, Chair. I'm more than happy to provide a note to committee in terms of the detail of the evaluation of those, if that's helpful.

[148] **John Griffiths:** It would be helpful.

[149] **Bethan Jenkins:** A allaf i jest ofyn: a ydyn nhw'n cael eu hasesu yn yr un modd ag y mae Cymunedau yn Gyntaf yn cael ei asesu? Oherwydd maen nhw'n dal, ar hyn o bryd o leiaf, yn dod o fewn ardaloedd Cymunedau yn Gyntaf. Neu, a ydyn nhw'n cael eu hasesu mewn ffordd wahanol?

[150] **Carl Sargeant:** They're assessed according to the Welsh European Funding Office guidance on assessment, reporting outcomes and all outcomes, on a strict set of evidence criteria before they can be claimed

upon, Chair. So, I'm more than happy to put that in the note, if it's helpful.

[151] **Bethan Jenkins:** Ocê. A pha dystiolaeth—? Rydych chi'n dweud eu bod nhw wedi helpu i gael pobl i mewn i waith, ond a oes tystiolaeth gennych chi, yn rhan o'r asesiadau hynny, sydd yn dweud eu bod nhw wedi llwyddo i leihau tlodi? Oherwydd yn eich cynllun i gael gwared ar Gymunedau yn Gyntaf ac i ymestyn y prosiectau yma, maen nhw'n mynd i fod yn gynlluniau nad ydynt yn ddaearyddol bellach, a bydd angen i lai o arian, neu bot o arian, fynd i fwy o lefydd—pot cyfyngedig o arian i fynd i fwy o lefydd. A ydych chi'n hyderus bod hynny yn gallu bod yn llwyddiannus? Eto, i ddod yn ôl at fy nghwestiynau i yn gynharach, a ydy e ar sail lleihau tlodi neu ar sail cael rhywun i mewn i waith?

Bethan Jenkins: Okay. And what evidence—? You say that they have assisted in getting people into work, but do you have any evidence, as part of those assessments, that shows that they have been successful in reducing poverty? Because in your plan to scrap Communities First and to extend these projects, they will be non-geographically focused projects, and the pot of money will have to be spread more widely—a limited pot will have to be spread more widely. Are you confident that that can be successful? And again, coming back to my earlier question, is it on the basis of reducing poverty or getting someone into work?

[152] **Carl Sargeant:** I think it works both ways. First of all, you said about the challenge of a reduced pot of money for this. We've increased the funding for this—

[153] **Bethan Jenkins:** No, what I meant was that it would be—. Because you're not going to be confining it to the Communities First areas, it's going to be a smaller pot to cover such a big area—

[154] **Carl Sargeant:** Of course.

[155] **Bethan Jenkins:** Because, at the moment, it covers just Communities First areas. That's what I was trying to say.

[156] **Carl Sargeant:** Yes, okay. I accept that, but we are increasing the pot.

[157] **Bethan Jenkins:** Yes, it didn't come over.

[158] **Carl Sargeant:** It's okay. So, we are making further investment across

all of Wales. What we do know is that giving people jobs not only has a fiscal benefit for those individuals, but it also has a well-being effect as well. There are lots of aspects about employment and engagement with individuals that have positive effects, and that's why the work that we're doing currently on adverse childhood experiences demonstrates that a person's well-being is as equal to the person's physical well-being as well. Their mental health increases because of work opportunities. So, there are double wins here in terms of doing this.

[159] We also know that giving people jobs—quality jobs, employment—helps tackle the issues around poverty as well. So, there are several wins to just this employability element of this. That rides alongside our childcare pledge. So, this isn't just about childcare for young people and giving them good-quality childcare. This is also enabling parents to get back to work to increase their pay and, again, an intervention to tackle poverty indirectly. So, there are lots of things that we're doing here, with a long-term vision of tackling the poverty agenda. So, that's why I said earlier on, Chair, if I may, that all our programmes that we interact with have to have an eye on what this is going to do to tackle the very stubborn effects of poverty. I believe Lift and Communities for Work will do that too.

[160] **Bethan Jenkins:** Rydych chi'n sôn am swyddi o ansawdd da. O fewn y cynlluniau yma wedyn, beth yw'r diffiniad o 'swyddi o ansawdd da'? Oherwydd pan oeddwn i'n siarad efo rhai pobl sydd yn delifro prosiectau Llywodraeth San Steffan, roedden nhw'n dweud eu bod nhw'n mynd i mewn i swyddi fel gweithio yn McDonald's neu weithio yn Tesco. Felly swyddi, a thicio'r bocs o gael swydd, ond ddim yn swydd a oedd yn ddiffiniad teg o 'ansawdd da'. A rydych chi'n hyderus bod y swyddi y bydd pobl yn mynd iddynt fel rhan o'r broses yma yn swyddi a fydd yn gallu helpu tuag at y gôl o'u helpu nhw gyda'u ffordd o fyw a'u llesiant bywyd?

Bethan Jenkins: You talk about good-quality jobs. Within these programmes, what's the definition of a 'quality job'? Because when I spoke to some people who deliver projects for the Westminster Government, they said that they're going into jobs such as working in McDonald's or working in Tesco. So, that ticks the box in getting a job, but it wasn't a job that could fairly be defined as being a 'high-quality job'. Are you confident that the jobs that people will access as part of this process will assist in the goal of helping them with improving their way of life and wellbeing and reducing poverty?

[161] **Carl Sargeant:** Well, of course, I think the whole process of employment is a journey. I wouldn't expect many of the people on the Lift programme to go into chief executive jobs in local authorities straight away. But I think what I would expect them to do is to work, whether they work in an authority or whether they work in a local shop. For some of these people who are accessing these courses, this is a huge journey for even just accessing the course. The positivity of getting a job at the end is a huge achievement, whether that will be in Tesco or McDonald's. I'm not going to say that they're bad jobs. For some they are a stepping stone to something else.

10:30

[162] **Bethan Jenkins:** Yes, but—. It was Remploy I was speaking to, and they were saying that many of them were on zero-hours contracts then and they weren't able to actually afford to get the job. So, yes, I can understand what you're saying in relation to getting a job and having that empowerment experience, but long-term, really, if you're on a contract like that—they were having to go to each individual workforce then and say, 'Actually, can we negotiate a better contract for them?' So, that's really what I'm getting at—that they've got that sustainability behind them so that then that will help their well-being as opposed to, potentially, if they're not on that secure contract, it may have an adverse impact on that individual.

[163] **Carl Sargeant:** Yes, I think that's a very fair question, Chair. I can't answer that today, but I will find some further detail in terms of that pathway. I think that the course itself and then the empowerment for a working position—. I would hate to think that we are funding a programme that is potentially going to make it worse for somebody.

[164] **Bethan Jenkins:** I'm not saying that's to do with what you're doing. That was from the UK Government's Department for Work and Pensions, but we can learn from what they've done, which hasn't worked, and make sure that it works better here. That's what I'm trying to say.

[165] **Carl Sargeant:** Yes, and I'd be very happy to look at that in more detail.

[166] **John Griffiths:** Very quickly, before Bethan goes on, I'm just going to bring Rhianon Passmore in.

[167] **Rhianon Passmore:** I was going to make the point that Bethan's just

brought up. Both those points, I think, are well made in terms of the fact that a step-up job makes a major difference to a person's confidence and psyche et cetera. But in terms of the employability pathways moving forward, and that pot of money has increased for those employability programmes, I think it is absolutely correct that we look at some sort of extension for them, whether it's a form of mentoring or almost some sort of extension qualification so that we can additionally add to those who want a higher quality qualification, moving forward, so that there is that ability and flexibility within those pathways for those who are able, and in that position, to move up the educational curriculum and gain qualifications.

[168] **Carl Sargeant:** For those who will wish to do so, the employability plan that Julie James is introducing will give that opportunity—that seamless approach to education long term.

[169] **Rhianon Passmore:** And, of course, in terms of zero-hours contracts, then in terms of what qualifications you have, we know that you are more likely to be on a zero-hours contract if you are at the bottom of the—

[170] **Carl Sargeant:** Yes, I will look at that. I certainly will look, in terms of detail, at what that looks like.

[171] **John Griffiths:** Thank you for that. Bethan.

[172] **Bethan Jenkins:** My last question is on the other programmes: Flying Start and Families First. Are they going to be changed from being place-based or are they going to be retained as place-based projects?

[173] **Carl Sargeant:** They are currently place-based, however, I am doing some trials currently with—. You'll have learnt about our launch of the children zones. I have had some submissions from some organisations that have asked for maximum flexibility. So, they will deliver what they say that they're going to deliver, but they're saying that if we give them more flexibility on those finances—because there is a lot of servicing of finance about understanding place-based: you can't use it here, but you've got to account for it in several places—they can deliver all of what I'm asking for, plus more, if I give them flexibility with the budgets. I've asked my team to explore that—. So, on Families First and Flying Start, and Supporting People potentially—are there options to making better value-for-money decisions locally, provided that they say they're going to do what we expect initially. If they can do more, then I'd be happy to be flexible with the finances. One of

the organisations that's doing it, the Cwm Taf public service board, is one of the agencies that's looking at—

[174] **Bethan Jenkins:** What does 'flexible with the finances' mean?

[175] **Carl Sargeant:** You get a budget for Families First and you get a budget for Flying Start, but it's very specific to individuals on that programme. They're saying they can deliver all of what they're supposed to with that finance, but if we can give them flexibility in the budget, they can use it better. Some families don't need all the services that you get with Flying Start or Families First. So, they're saying, 'If we've got individuals who need that very targeted approach, can we use some of that money to do that, and we'll also meet the needs of the criteria that you've started, provided you give us some budget flexibility?' I'm saying, 'Get on with it.' I really think, on local determination, provided that they can demonstrate that they're using the money effectively for our priorities, which we know work, and they can do more with that, then let's test it.

[176] **Bethan Jenkins:** So, you're not saying that you'll get rid of place-based as a principle yet, but you're saying that if they came to you on a case-by-case basis, you would be able to respond to that—[*Inaudible.*]

[177] **Carl Sargeant:** We had already started giving flexibility between budgets—I think it was a 5 per cent transition between Families First and Flying Start, giving local authorities some scope to move money around a bit. As I said, we've started the children's zones now. The concept of that is about enabling—. There's no real money with children's zones. This is about bringing interested parties in to deal with the very detailed approach to dealing with long-term generational shift in terms of young people—getting them into a better place. So, the ability to use the money better with other organisations as well, because when you've got a Families First budget, you are tied into a Families First budget, and that's it. I'm saying, if the fire service come and say, 'Look we've got some issues with our young people in this particular area, and a little bit of investment from us, and a little bit of investment from you will save you with lots of interventions elsewhere', I'm saying, 'Do it', because it gives the ability for what we're trying to do in terms of the future generation—plan together for a better place. Money is tight, money is getting really difficult, so while it is currently the establishment of a place-based approach—yes—but we have some trial areas where I'm saying to them, 'Demonstrate to me with a business case why you can deliver what you said you're going to deliver, and more, then I'll give you

some flexibility'. It carries some risk, but if we didn't carry some risk, we'd never change, would we?

[178] **Bethan Jenkins:** And you'll evaluate that I assume.

[179] **Carl Sargeant:** We will do, yes. It's only just starting, so—

[180] **John Griffiths:** Okay. Could I just ask one final question, Cabinet Secretary, and it's about the £4 million capital fund to protect community assets? How will that be distributed, what would be the process, and who would be making the decisions as to which community assets are protected?

[181] **Carl Sargeant:** Again, local determination—what the local communities believe is the right thing for them, and the local authorities. We are also aligning the communities asset grant with the communities facility programme. So, we are looking at how those both work together. I'll be issuing some guidance on the capital asset programme for the long term. I'm happy to share that when we've drafted that with committee, if that's helpful. But, again, we will expect that the community asset stuff is around how they plan for the long term. It's not a short-term intervention; it's about capital investment. Is it things like an ability to have secure doors, gates, which would enable that unit to be then developed into a childcare facility to help us deliver our childcare pledge, which will make that community centre sustainable long term? That's what they need to start thinking about. It's not just a grant for capital spending because they want new windows—it's got to be planning for what the legacy fund is for the future.

[182] **John Griffiths:** So, are you able to say whether it will be a bidding process at this stage?

[183] **Carl Sargeant:** It's likely to be a bidding process.

[184] **John Griffiths:** But you'll share the guidance with the committee when it's available?

[185] **Carl Sargeant:** Yes.

[186] **John Griffiths:** Okay. Well, if there are no further questions, may I thank all three of you very much for coming along to give evidence this morning? You will be sent a transcript to check for factual accuracy. Thank you.

[187] **Carl Sargeant:** Thank you all again.

10:38

**Papurau i'w Nodi
Papers to Note**

[188] **John Griffiths:** Okay, we'll move on to item 3, papers to note. Paper 2 is a letter from the Cabinet Secretary for Communities and Children in relation to the Abolition of the Right to Buy and Associated Rights (Wales) Bill. Paper 3 is a letter from the Cabinet Secretary for Communities and Children in relation to the same Bill, the abolition of the right to buy. And paper 4 is a letter from the Chair of the Finance Committee in relation to scrutiny of the draft budget. Are you happy to note all three papers? Okay, thank you very much for that.

10:39

**Cynnig o dan Reol Sefydlog 17.42 (vi) i Wahardd y Cyhoedd o Weddill y
Cyfarfod**

**Motion under Standing Order 17.42 (vi) to Resolve to Exclude the
Public from the Remainder of the Meeting**

Cynnig:

Motion:

*bod y pwyllgor yn penderfynu that the committee resolves to
gwahardd y cyhoedd o weddill y exclude the public from the
cyfarfod yn unol â Rheol Sefydlog remainder of the meeting in
17.42(vi) . accordance with Standing Order*

17.42(vi).

Cynigiwyd y cynnig.

Motion moved.

[189] **John Griffiths:** Item 4, then, is a motion under Standing Order 17.42 to resolve to exclude the public from the remainder of the meeting. Are Members content so to do? Okay, thank you very much. We will move into private session.

*Derbyniwyd y cynnig.
Motion agreed.*

*Daeth rhan gyhoeddus y cyfarfod i ben am 10:39
The public part of the meeting ended at 10:39.*