



Cynulliad Cenedlaethol Cymru **The National Assembly for Wales**

Y Pwyllgor Cymunedau, Cydraddoldeb a **Llywodraeth Leol** **The Communities, Equality and Local Government** **Committee**

Dydd Mercher, 18 Hydref 2012
Wednesday, 18 October 2012

Cynnwys **Contents**

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions

Craffu ar Gyllideb Ddrafft Llywodraeth Cymru 2013-14
Scrutiny of Welsh Government 2013-2014 Draft Budget

Craffu ar Gyllideb Ddrafft Llywodraeth Cymru 2013-14
Scrutiny of Welsh Government 2013-2014 Draft Budget

Cynnig o dan Reol Sefydlog Rhif 17.42 i Wahardd y Cyhoedd o'r Cyfarfod
Motion under Standing Order No. 17.42 to Exclude the Public from 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.

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.

Aelodau'r pwyllgor yn bresennol **Committee members in attendance**

Peter Black Democratiaid Rhyddfrydol Cymru
Welsh Liberal Democrats

Jocelyn Davies Plaid Cymru (yn dirprwyo ar ran Rhodri Glyn Thomas)
The Party of Wales (substitute for Rhodri Glyn Thomas)

Janet Finch-Saunders	Ceidwadwyr Cymreig Welsh Conservatives
Mike Hedges	Llafur Labour
Mark Isherwood	Ceidwadwyr Cymreig Welsh Conservatives
Ann Jones	Llafur (Cadeirydd y Pwyllgor) Labour (Committee Chair)
Gwyn R. Price	Llafur Labour
Joyce Watson	Llafur Labour

**Eraill yn bresennol
Others in attendance**

Leighton Andrews	Aelod Cynulliad, Llafur (Y Gweinidog Addysg a Sgiliau) Assembly Member, Labour (The Minister for Education and Skills)
John Howells	Cyfarwyddwr, Tai, Adfywio a Threftadaeth, Llywodraeth Cymru Director, Housing, Regeneration and Heritage, Welsh Government
Huw Lewis	Aelod Cynulliad, Llafur (Y Gweinidog Tai, Adfywio a Threftadaeth) Assembly Member, Labour (Minister for Housing, Regeneration and Heritage)
Carla Lyne	Dirprwy Gyfarwyddwr, Cyllid a Gwasanaethau Corfforaethol, Llywodraeth Cymru Deputy Director, Finance and Corporate Services, Welsh Government
Kath Palmer	Dirprwy Gyfarwyddwr, Cartrefi a Lleoedd, Llywodraeth Cymru Deputy Director, Homes and Places, Welsh Government

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

Sarah Bartlett	Dirprwy Glerc Deputy Clerk
Jonathan Baxter	Y Gwasanaeth Ymchwil Research Service
Rhys Iorwerth	Y Gwasanaeth Ymchwil Research Service
Marc Wyn Jones	Clerc Clerk

*Dechreuodd y cyfarfod am 8.49 a.m.
The meeting began at 8.49 a.m.*

**Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions**

[1] **Ann Jones:** Good morning everyone and welcome to the Communities, Equality and Local Government Committee. I will deal with the housekeeping rules first. This is a public committee meeting, so we do not need to touch the microphones, which will be operated for us. We operate bilingually and headsets are available: channel 0 is for amplification of the

floor language and channel 1 is for translation from Welsh to English. Please turn off mobile phones and any other electronic devices that may affect the broadcasting. We are not expecting the fire alarm to operate, so, if it does, we will take our instructions from the ushers, or you can follow me as I will be one of the first out of the building.

[2] We have had apologies today from Rhodri Glyn Thomas, and Jocelyn is substituting for him. Ken Skates has sent his apologies. He is a permanent substitution on another committee because of sickness and the balance on that committee. You are welcome here, Jocelyn. It is nice to have you with us.

[3] **Jocelyn Davies:** Thank you.

[4] **Ann Jones:** Are there any declarations of interest before we start? I see that there are none. Good; thank you. Oh, sorry, Jocelyn—

[5] **Jocelyn Davies:** My daughter is a sports coach for Caerphilly County Borough Council. I thought I ought to put that on the record.

[6] **Ann Jones:** Okay, thanks for that.

8.51 a.m.

Craffu ar Gyllideb Ddrafft Llywodraeth Cymru 2013-14 Scrutiny of Welsh Government 2013-2014 Draft Budget

[7] **Ann Jones:** We continue to scrutinise the Welsh Government's draft budget for 2013-14. As part of that scrutiny, we have with us today Huw Lewis, the Minister for Housing, Regeneration and Heritage. I think that the sporting element should be in your title as well, but never mind, we will let you off with just those three at the moment. Minister, please could you introduce your officials? We would then like to go straight to questions, if that is okay, because we have quite a lot to get through.

[8] **The Minister for Housing, Regeneration and Heritage (Huw Lewis):** That is no problem. I have John Howells on my right and Kath Palmer on my left.

[9] **Ann Jones:** Thanks very much. As I said, we have quite a lot of questions so we will see how far we can get. The big mastermind challenge is to get through them all. I will start. What work has been done to reprioritise funding within your portfolio to better align it to the programme for government?

[10] **Huw Lewis:** This is a broad portfolio, as anyone can see. All elements of the budget have really gone under the microscope in the past year. Needs must for many reasons at the moment. To outline the headline changes or the most important reprioritisations, first of all within housing, there is the creation of a £4 million revenue budget. This is strategically important because, as we are all aware, capital budgets are under enormous pressure. The intention with this recurrent £4 million budget is that it will act as an attraction to private sector investment so that we can put finance deals together, such as the Ely mill scheme in north Cardiff, so that we can maintain capital flow to get those houses built. That was put together through my being able to draw down £2 million from the central services and administration budget, a further £1.8 million from my own regeneration budget, and £0.2 million from a housing policy development budget. Those were tough decisions to make, but I feel that they should be made and that reprioritisation should happen so that we can continue to build through an economic downturn.

[11] The second highlight I would draw to the committee's attention is the creation of a £10 million recyclable loan fund to bring empty properties back into use. I think that that will have a significant impact not just in terms of hitting our target of bringing 5,000 empty homes back into use, but in terms of the regeneration and economic spin-offs. Therefore, that recyclable loan is worth prioritising. The early signs are that there has been tremendous interest in, and uptake of, the houses into homes fund, as we are calling it.

[12] **Ann Jones:** Thanks. Jocelyn is next.

[13] **Jocelyn Davies:** On protected budgets, would the Minister mind outlining which budgets are being protected?

[14] **Huw Lewis:** Do you mean right across the portfolio?

[15] **Jocelyn Davies:** Yes. Do you have budgets that are specifically protected?

[16] **Huw Lewis:** Yes, there are a number. Supporting People is the biggest. The major repairs allowance has been protected. There are also—oh gosh, there are a number of protected budgets—

[17] **Ms Palmer:** The two main ones are the major repairs allowance and SP.

[18] **Huw Lewis:** In terms of SP particularly, this is an unsung success, I would say, in terms of Welsh Government budgeting. SP, of course, was not protected across the border in England; there were no ring fences put around it, and parts of England have seen a collapse in SP of up to 40%. That has not happened here in Wales, but the two headline ones are the major repairs allowance and SP.

[19] **Jocelyn Davies:** I notice that you told us in the Chamber, back in June I think, that the social housing grant is also a protected budget. Is that correct?

[20] **Huw Lewis:** No, that is not correct.

[21] **Jocelyn Davies:** You told us in an answer in June that the social housing grant is a protected budget, even in difficult times.

[22] **Huw Lewis:** I will double check on what the Record of Proceedings says, but the social housing grant has not been protected.

[23] **Ms Palmer:** The social housing grant has gone down and it has suffered from the budget cuts, because being able to protect the MRA and the dowry figure, has meant that we have had to sustain cuts in the budget in other areas. So, unfortunately, the social housing grant is one of the areas where we have had to have a decrease in budget.

[24] **Jocelyn Davies:** I have the Record of Proceedings because I was in the Chamber at the time, and that is why I was going to ask you why things have changed since 20 June, when you told the Chamber that the social housing grant was protected.

[25] **Huw Lewis:** Things have not changed. I will check the record; it may have been an error of mine in the Chamber, but it is clear in the budget—and people have known these figures for quite some time now—that we have not been able to protect the social housing grant.

[26] **Jocelyn Davies:** I am sure the sector would like that on record.

[27] **Ann Jones:** Generally, still on questions around your portfolio, and on sustainability Minister, what sustainable development appraisal of your departmental budget has been carried out as part of your budget planning process? How have you built in sustainable development?

[28] **Huw Lewis:** All Ministers would have to do that as a central organising principle of constructing the budget. Yes, that was completed.

[29] **Ann Jones:** Did it bring any changes? Were you at a position, and then after doing the sustainable development appraisal, you had to make changes?

[30] **Huw Lewis:** You would not read these in the figures, if you like, but certainly there are commitments that arise from our commitment to sustainability. One would be my transfer to John Griffiths's portfolio—the Department for Environment and Sustainable Development—just shy of £2.8 million for the new round of Arbed. That was part of my commitment towards sustainability. The other one was something that you will not see within the budget, which is a commitment to maintaining housing standards. We will not see within Wales any cutting back in terms of the code levels and commitments to the sustainability of the housing build quality that we are committed to, even though that would be an enormous temptation obviously within an economic climate such as this one.

[31] **Ann Jones:** Okay. On the sprinklers regulations, which will be completed in September 2013 and will mean that houses will be sustainable as we hope they will never burn down, how are they factored into the budget? How will you counter claims from the Home Builders Federation that we are going to stop it building houses because we want sprinklers in them?

[32] **Huw Lewis:** This is the law of the land in Wales. I have instructed officials to get ready for this and we will be prepared in terms of the budget and in other ways too.

[33] **Mike Hedges:** Stakeholders were concerned that there was little dialogue between them and the Welsh Government about the formation of budgets and strategies. Stakeholders, you will be surprised to know, emphasised to us how crucial it is that their current levels of funding are maintained in order for them to be able to continue to deliver their services effectively. I am sure that everybody else has said that as well. You have had to make difficult decisions because the amount of money coming into the Welsh Government, and hence into your portfolio, is reduced, but you have taken 2.1% in capital and revenue out of heritage. Why did you decide to do that, as opposed to protecting that area as you have protected others?

9.00 a.m.

[34] **Huw Lewis:** In a sense, Mike, I think that you have partly answered your own question in that there is a UK budget settlement within which we have to operate. Those who politically support the UK Government's commitment to deficit reduction have no ground to stand upon, in my view, if they then criticise the Welsh Government for cutting our cloth to fit. That applies across all portfolios. Heritage is no exception to that. I recognise the pressures on the heritage sector but, again, there is a stark contrast here: Arts Council England, for instance, took a budgetary hit of 20% last time round; the budgetary reduction for the Arts Council of Wales was around 4%. I do not welcome that 4%, and I recognise it as a pressure upon the arts community right across Wales, but it is a stark contrast with the free-for-all that is going on over the border. We have maintained our governmental commitment to arts and heritage in Wales in a way that the UK Government simply has not.

[35] These budgets are reducing, and reducing in real terms. I have not allocated any kind

of inflationary protection to the heritage sector, so that will be a pressure on it. It has all been known to the various partners within the heritage community for some considerable time and I am working closely alongside them to try to mitigate the effects as much as we possibly can. For instance, in the latest remit letter, there is a renewed emphasis on revenue raising being expected of organisations such as National Museum Wales and Cadw. I can report that there is serious thinking and working going on within those organisations in that regard. It will not claw back the reduction that has been made; it will not even fully compensate for the inflationary side of things, but it will help. Co-working will be important here, too, and I will be expecting a new level of co-operation between organisations such as the national library, National Museum Wales and local libraries and museums. The regional co-operation of such organisations will also be expected. It is imperative that people lean on each other and support each other in difficult times. The regional aspect of Carl Sargeant's work with local government will be a very important aspect of how we protect arts and culture-based organisations through the coming period. However, we are in this situation because of decisions made by the Chancellor.

[36] **Janet Finch-Saunders:** The latest progress report on your programme for government concedes that attracting all socioeconomic groups to participate in arts and culture is still a 'challenge'. Why is this, and how will the funding that you provide for the arts address the situation?

[37] **Huw Lewis:** The commitment to social justice, specifically within our arts and cultural provision, remains, despite everything. My remit letters to, for instance, the arts council makes that crystal clear. It is expected to look specifically at issues such as child poverty and is expected specifically to work with Communities First, and take that co-working to the highest possible level. It is expected to prioritise hard-to-reach groups within communities. Despite everything, the Arts Council of Wales is rising to the challenge and it is reporting 30% increases in audience numbers over the last two years, which is tremendously encouraging. I am also very impressed, incidentally, with the work of National Museum Wales in terms of its growing connection with Communities First and working with young people in our more deprived communities. So, there is that thread of a commitment to working with groups of people who, for financial, social or even psychological reasons, do not see the arts as being for them. The problem has not gone away, but neither has the commitment to overcome it.

[38] **Jocelyn Davies:** You mentioned the museums and your strategy for Wales, as well as the Libraries Inspire strategy. I do not think that you will be surprised that stakeholders have said that with a 2.4% decrease in revenue funding it is going to be impossible to deliver those strategies. I notice that in the programme for government, your indicator is to increase the number of visitors to museums, and your libraries strategy is to get more people using libraries. Do you think that you will be able to achieve your outcomes with a reduced budget?

[39] **Huw Lewis:** Yes, I do. All of the indications are good. There are pressures, and I recognise the pressures that are put on the various partner organisations that are involved in this sort of work. However, I also see a higher level of partnership working. I can see that regional working in the libraries and museums sector will be imperative to making this happen. The co-operation of local government will be very important. I am also attempting to reinvigorate the connection between our museums and libraries community and organisations like Kids in Museums, which is a charitable organisation. We are now hammering out a strategy with Kids in Museums that was not there before.

[40] I have also mentioned that organisations will be expected to think about raising revenue much more than they have in the past. National Museum Wales is leading the way in that regard and has a strong commitment to doing so. As well as that, we will do everything that we possibly can to seek finance from other sources. The showcase on this, of course, is

the St Fagans museum development, in partnership with the lottery. I am hoping that continued close working with the lottery will yield all sorts of results when it comes to investment in this sector.

[41] The other important point to recognise is that heritage does not sit on its own as some kind of fenced-off area of activity. It is connected intimately to other parts of my portfolio. A fantastic example of that would be the Bargoed library conversion, which has been a tremendous shot in the arm for the library service in the Caerphilly county borough. It is also about town-centre regeneration. In budgetary terms, we would have stuck a regeneration label on Bargoed library, as it was part of a town-centre high-street regeneration programme. However, it has also transformed library services in that part of the borough. That kind of integrated working—and a regional level of co-operation in local government on top of that—will be vital if we are going to deliver on the strategies in this kind of atmosphere.

[42] **Jocelyn Davies:** This is just a one-year budget, but in the longer term you will see further reductions and the organisations that you mentioned—local government and so on—will also see reductions. There is a squeeze point this year; do you see that there will come a point in two, three or four years' time where you will not be able to increase visitor numbers because the projects that you mention and the collaborations will have fulfilled all of the potential that they have for savings?

[43] **Huw Lewis:** Much of this depends on the ideological commitment of the UK Government towards deficit reduction, which is not something that I can control. However, if we take libraries as an example, as pressure on communities and individuals increases, the need for library services, which, by their nature, are provided free of charge, becomes ever greater. I see access to information in the kind of economic crisis we are in at the moment as being as vital as access to a watertight home. People need free access to information. They need the important services that libraries can provide. Schools will need the educational services that museums can provide. I will fight within the budgetary settlement, every step of the way, to make sure that these strategies are delivered upon. It is impossible to give you an accurate picture of three years down the road. A great deal will depend on what the coalition Government in Westminster gets up to.

[44] **Jocelyn Davies:** I think that you can make a fairly confident prediction that it is not going to get any better.

[45] **Huw Lewis:** You might be right.

[46] **Peter Black:** I see that you are having problems with basic economics, Minister, so I will concentrate on this particular issue.

[47] When we had the stakeholders meeting, the national library told us that it had faced so many cuts over recent years—not just under the coalition Government, but before then—that it was now reaching a crisis point. As you know, the director of the national library is about to retire and move on. Have you had any dialogue with it on how it could address its funding crisis, and how that funding will be applied to its objectives to ensure that its important work as an archive preserving the national heritage and literature of Wales continues without too much threat?

[48] **Huw Lewis:** It is a curious thing, Peter, that you have extrapolated from a comment by the national library that my ability to grasp basic economics is questionable. I am not sure how those two things are linked.

[49] **Peter Black:** It was your comment on the coalition Government. The economic programme is down to Labour's incompetence in the previous Government.

[50] **Huw Lewis:** I will leave that to your imagination.

[51] **Ann Jones:** Let us stick to our budget.

[52] **Huw Lewis:** It is also a curious thing that, in my regular contact with the national library—which faces pressures, there is no doubt—the words ‘crisis point’ have never been used as the national library’s viewpoint of its financial situation at the moment. I have impressed on the national library—and will continue to make this point—that its connection with the wider library community across Wales needs to be worked upon, as well as its connection with our programme for government priorities. Take the connection with our child poverty strategy, for instance. How the national library reaches out to communities that might never have even heard of it will be a priority for me. We will continue to work in an atmosphere of partnership to get through the difficulties that we face at the moment. I am a little dismayed if the national library is reporting its current state of affairs in one tone to one group of people and in another way to me.

[53] **Peter Black:** If you are setting those additional priorities for the national library, are you giving it the resources to deliver them?

[54] **Mr Howells:** On a technical point, we tried to treat all national institutions in a similar manner as far as the budget was concerned. We had a difficult budget squeeze to apply, but we applied it equally to the national library, the national museum and the other cultural institutions. They are all facing pressures, but, as far as the Government’s budget settlement is concerned, it was applied in a consistent manner across all the institutions.

[55] **Peter Black:** I understand that, but the Minister has just outlined a whole set of additional priorities for the national library to meet. If he expects it to meet those priorities, he has to fund them.

[56] **Huw Lewis:** They are not necessarily additional priorities. They are changes in the assumptions about the way in which the institution works. It should be assumed that a national institution, such as the national library, serves the nation—all of it. It should make efforts in its day-to-day work to attract and reach out, for instance, to the educational side of things, in particular to young people that might not necessarily have ever come across the work of the national library before. It is a matter for the library to reprioritise its work to make sure that that happens.

9.15 a.m.

[57] **Peter Black:** Is that in addition to its core funding?

[58] **Ann Jones:** Come on, Peter.

[59] **Peter Black:** I am trying to be helpful. You are giving resources to digitise its record, so that it can access things online.

[60] **Huw Lewis:** Yes.

[61] **Peter Black:** I am just trying to help you here, Minister. It has core funding and you say that, in addition to this core funding, it has to do more than that. How is it going to do that when its core services are under threat?

[62] **Huw Lewis:** It is a question of who you have spoken to on a daily basis. It is not just about speaking to academics who may use the facilities of an organisation like that. It is also

about speaking to the wider community. That does not necessarily entail any kind of drastic burden with regard to finance.

[63] **Ann Jones:** I have Mike and then Janet. We are still on question five, and we are halfway through the Minister's time.

[64] **Mike Hedges:** I have two points for the Minister. The first is on the national library. Do you not think that organisations such as the national library could save substantial sums of money if they followed the Welsh Government's policy of sending as much as possible out electronically, rather than printing magazines and sending them out to people? Secondly, do you not think that libraries will see huge increases in the number of people using them, if only to access the Department for Work and Pensions sites, which is pushing more people to access things electronically rather than talking to people?

[65] **Huw Lewis:** Yes and yes. There is a work programme that everyone needs to go through with regard to looking at every item of their internal budget and asking whether they really can continue to do things such as provide glossy versions. Computer-based working has got to be a bigger part of libraries' work, in particular. I know that the national library recognises that, and our local libraries certainly do. There have been enormous strides in that regard. You are absolutely right: people will need to lean on these institutions more in coming months and years.

[66] **Janet Finch-Saunders:** The £14.2 million to support Cadw—

[67] **Ann Jones:** We are coming on to Cadw later. We are discussing historic environment at the moment, but I will mark you down for that question. We will move on. Mark, will you ask the questions on sports and physical activity?

[68] **Mark Isherwood:** Encouraging people to take regular physical activity 'remains a big challenge', according to the annual report on the Welsh Government's programme for government. What assessment does the Welsh Government undertake of Sport Wales's effectiveness in using the funding that it receives from your department to increase sport participation?

[69] **Huw Lewis:** We keep an eye on the situation and monitor it throughout the year, obviously. Sport Wales meets with my officials quarterly. I meet with it biennially in meetings with the chair. I also have my remit letter, which lays out the policy framework within which Sport Wales operates. It is true that there are some stubborn statistics when it comes to things such as physical activity, mainly surrounding adults and older teenagers. I think that it is right to say that only about 30% of adults in Wales are meeting any kind of guideline for physical activity. Those numbers are very stubborn.

[70] In other areas, there has been fantastic progress. For instance, younger children's physical activity is showing healthy rises. With regard to the number of volunteers and coaches across Wales, there has been a tremendous leap forward, which is unique in the UK. It is testament to Sport Wales's community activity. There is an increase of over 30% in voluntary and community-based coaches, which is critical to my mind with regard to encouraging people out of their armchairs and into physical activity. Those numbers have shot up, because of the emphasis that Sport Wales has put upon that kind of encouragement and working.

[71] However, I recognise that we have issues that have to be addressed. I am working closely with officials at looking at other ways in which we can try to crack some of the most stubborn statistics, particularly when it comes to the activity of adults. Whatever is going on out there is good and it has an effect, but it is not shifting those big numbers when it comes to

the grown-ups.

[72] **Mark Isherwood:** We have had a report that refers to a fall in the percentage of primary school children taking part since 2006 and that there has been a drop in the percentage of secondary school children taking part, which is of concern. The report also acknowledges that the provision does not encourage young people, and that it has a negative impact on regular participation. Therefore, in terms of children, young people and adults, what specific outputs and outcomes do you expect Sport Wales to achieve in the budget period that we are discussing with the funding that you are giving it?

[73] **Huw Lewis:** It has its performance indicators, which are laid out for it. I could write to you with the details of that, but it is things like the percentage of people participating in sport or physical activity, the percentage of people who volunteer to help others, the number of free public swims and so on. I can write to you with the full list and so on. It is clear that we have a mixed picture here. There are things that are going forward at a rate of knots, in a very encouraging way, such as the numbers of local coaches and younger children's physical activity; yet, there are things that are very stubborn and refusing to move. I am in the process of rethinking how we might progress, through Sport Wales, but also through other partners—local government is a critical partner, for instance, as is the NHS, and schools are tremendously important. I am in the process of beginning a rethink in terms of how we work together across those broad partnerships, particularly in relation to the activity of adults. However, it is early days at the moment. The situation is clear for all of us.

[74] **Mark Isherwood:** Do you believe that this should be linked to the play agenda?

[75] **Huw Lewis:** There are links to the play agenda but, obviously, we can re-explore this.

[76] **Ann Jones:** Joyce and Jocelyn have supplementary questions to ask. I am conscious that we have not even reached the housing aspect, and we still have several questions; I ask everyone to bear that in mind.

[77] **Joyce Watson:** Very quickly, Minister, we have seen a very new approach to women's football, which has been given a couple of minutes on national television, which is quite novel and very welcome. Do you think that, if there is work to be done by television companies and newspapers that support and promote women and girls in sport in Wales, it might help to lift some of those figures?

[78] **Huw Lewis:** You are absolutely right, and you point to something that shows how wide this agenda needs to be. It is not necessarily just about interventions from Sport Wales; it is also about the wider cultural and social sector assumptions that people have. My first Olympic experience ever was to go to see a women's football match at the Millennium Stadium. As well as being an inspiring event, of itself, as part of the Olympics, the atmosphere within the stadium during that game stood as an example for football more widely. The enthusiasm, stripped of all tribalism, if you like, that women's football was obviously in the habit of generating, was marvellous to see. It was also a fantastic thing that I was informed that this was the largest crowd that had ever been drawn to any women's football event in history—and it happened in Cardiff.

[79] **Ann Jones:** Good.

[80] **Huw Lewis:** It is good to see that they are starting to wake up to this, but without the media realising that there is a shift here in terms of public attitudes—the Olympic Games have been key to this—and without them reporting on it, we will continue to have trouble in attracting women and girls into sport and into physical activity.

[81] **Jocelyn Davies:** What evidence does the Minister have that the people who are not involved in the things that you can count by ticking boxes are just sitting in their armchairs? I am sure that many people walk to work, walk their dog every day, or are active in gardening. I probably would not come into your statistics, but I can assure you that I get more than adequate physical activity every week, because of the lifestyle that I lead. So, are you sure that, when you say that there is this stubborn figure, those people are not physically active in their everyday lives?

[82] **Huw Lewis:** If you could sit alongside me in my physical activity ministerial advisory group you would see that argument being played out. How sure can we be? What counts as physical activity and what counts as sport? The best that we can do, while the academics fight it out, is to be aware of the measures of activity that are going on internationally around us. Whatever measure you use, there will be issues within the UK, particularly within Wales, surrounding older teenagers and adults. I will bring John in on this.

[83] **Mr Howells:** It is a difficult area. The evidence that we cite, which we normally refer to, is based on survey evidence of the general population, not Sport Wales figures. So, walking is as important as active sport. The figures that we talk about are based on surveys of the general population; if you are walking the dog, that should count. However, I would not want to say that it is an optimistic picture, and neither would the chief medical officer.

[84] **Jocelyn Davies:** Okay. Some things need absolutely no Government intervention and Ministers should just keep their noses out of those. [*Laughter.*]

[85] **Ann Jones:** Do not reply to that one, Minister. [*Laughter.*]

[86] **Huw Lewis:** I will not interfere with your dog walking, Jocelyn. Please carry on. [*Laughter.*]

[87] **Ann Jones:** We are going to move on to the historic environment. Mark has that question, and I will bring Janet in as well.

[88] **Mark Isherwood:** What assessment have you made of the possible impact of the 4.7% reduction in capital and revenue spending for the historic environment?

[89] **Huw Lewis:** There will be pressures upon the historic environment sector. We are operating within the budget settlement handed to us by the UK Government. However, I am pushing forward with the heritage Bill, which will offer, without introducing significant new burdens or duties or anything like that, a new framework for protecting the historic environment so that we can make best use of it. I am keen to see communities that have historic features, perhaps buildings, within their boundaries do well by those historic features in a way that they perhaps have not done previously.

[90] I return to the fact that the Simpson compact and regional collaborative working will be essential if we are to get through this period of austerity. There are many smaller organisations within the historic environment sector that are full of enthusiastic people who are doing good things, but, quite often, in an unco-ordinated way. These organisations can be very small and, therefore, can be very exposed to any kind of financial pressure or change. Working closer with those organisations is important, simply so that they do not go under during a period such as this.

[91] **Janet Finch-Saunders:** Is the £14.2 million for Cadw designed to impact or influence any decisions on the proposed merger options?

[92] **Huw Lewis:** I am not sure that I follow that question, Janet.

[93] **Janet Finch-Saunders:** I am referring to the £14.2 million that you have allocated for Cadw alone. Is there any sort of innuendo? Is that funding designed to impact or influence any decisions that you might make as regards the merger options that you talk about?

[94] **Huw Lewis:** I have not been presented with any merger options. There is certainly no connection between the budgetary allocations for Cadw and any discussion about merging organisations. The two things are not connected.

[95] **Ann Jones:** We will move on, because I am anxious to get to the housing and regeneration part of your portfolio, Minister, given that there are some questions on which we need answers there. We are strapped for time, so could we all please bear that in mind when we are questioning and answering?

[96] **Gwyn R. Price:** How are you ensuring that the Supporting People programme provides value for money, and what assessment have you made of any potential increase in demand for services as a result of the current economic climate?

9.30 a.m.

[97] **Huw Lewis:** I am glad that you have asked about Supporting People, because it is very important. It is a major aspect, in budget terms, of my work; it is absolutely essential in the work that we do. The first thing to point out is that Supporting People in Wales remains ring-fenced, so it is protected. That is not the case across the border in England, where I do not know whether Supporting People exists any more—it certainly does not exist as a national programme. We have recently begun to implement the review of Professor Sir Mansel Aylward on the future of Supporting People, and a needs-based formula for distributing resource will lie at the centre of how Supporting People moves forward. That will be phased in, and it will be reviewed, once again, in 2013-14. It relies entirely upon a regional commissioning system, so there will be a different way of managing that Supporting People spend across regions, fitting in with the Simpson agenda, and there will be a framework of outcomes measurement to make sure that we are getting the results that we need. A close eye will have to be kept on the whole thing. There are pressures here, of course. I would dearly love to be able to raise the budget lines for Supporting People, because the demand for those sorts of programmes, I anticipate, can only rise.

[98] **Gwyn R. Price:** To follow that up, do you think that you have enough in your budget to support these people through any future cuts?

[99] **Huw Lewis:** There is never enough. We have acted to protect the spend. I have acted to ensure that the spend is distributed according to need. It was not in the past; it was according to historic precedent. However, I cannot sit here and tell you that I will prevent every tenancy breakdown or every instance of homelessness. We will not, Gwyn. These sorts of figures will grow, but we will have a very different system to support people in Wales compared with the rest of the United Kingdom, and I am sure that that will bear results. People will be looked after in a much more co-ordinated fashion than is the case anywhere else in the United Kingdom.

[100] **Ann Jones:** Joyce has a question about affordable homes.

[101] **Joyce Watson:** Minister, you have already mentioned that you have put £4 million revenue support for social housing into your budget. How will it be utilised and how does it align with the programme for government commitments?

[102] **Huw Lewis:** The £4 million is there to work alongside private sector investment. So, I am recognising that I can either sit down and watch my capital budgets shrink—and, commensurately, the number of houses for social let that we could construct would go down and down every year—or find other ways of financing build. That partly depends on things like land release. To make sure that public land is seen as one of our most valuable resources, it needs to be released rapidly for the benefit of the public. We are also in a position to construct special purpose vehicles in order to keep the financial wheels turning. As I said, the first out of the gate is the Ely mill development in Cardiff North, which brings a building society together with the Welsh Government—the building society reverting to the original purpose of building societies, which was to build. That is 700 properties in total, balancing homes for sale with homes for social rent within that development to ensure that we have a financial package that works for us, for people in Cardiff and for the private investor, the Principality in this case.

[103] **Joyce Watson:** Are you content that you have allocated enough funds for capital grants to meet those housing targets and have you had discussions with stakeholders, particularly housing associations?

[104] **Huw Lewis:** Yes, we have had innumerable discussions with stakeholders. The housing associations are central to this. They are committed to building 2,000 properties over this Assembly without social housing grant, so they are stepping up with special purpose vehicles of their own and financing within their own means a commitment to housebuilding. The overall affordable housing targets have been set: 7,500 homes over this Assembly. At the moment, we are following a profile of build that would deliver those 7,500 homes, and we have to keep that momentum moving, and as well as those constant discussions with potential lenders and key organisations like registered social landlords. Connected to that, as I say, we have to keep a conveyor belt of land being provided. That is key to this also.

[105] **Ann Jones:** Do you want to move on to general capital funding, Peter?

[106] **Peter Black:** Before I ask my question, with the Chair's permission, I would like to ask whether it is possible to have a note on what land has been released by the Welsh Government for public housing since the 2011 election, and which departments were controlling that land.

[107] **Huw Lewis:** Of course, yes. It is all available.

[108] **Peter Black:** That would be useful to see how successful that policy is.

[109] What impact do you expect the 20% reduction in housing general support to have on the delivery of disabled facilities grants?

[110] **Huw Lewis:** It will have a bad effect. DFGs are unhypothecated; it is down to local authorities to ensure that they emphasise this work properly within their own budget setting, and so on, remembering, of course, that DFGs are a mandatory entitlement. Local authorities need to take that into account. The Welsh Government aims to help, obviously, through the rapid response adaptations programme—a budget that I have protected. I would look to local authorities to protect their work on DFGs, and, in fact, to step up the work, which we know is absolutely vital, apart from anything else, to keep people at home and out of hospital.

[111] **Peter Black:** You are aware, obviously, of the recent figures that show that some local authorities have to wait nearly two years to get a DFG. What dialogue have you had with those authorities about how they will tackle this problem?

[112] **Huw Lewis:** I have not had specific discussions with the Welsh Local Government

Association as yet—that was quite a recent report that you referred to, but it gives us all cause for concern. A two-year wait for an adaptation is clearly unacceptable, and that situation cannot be allowed to continue. As I say, at the moment the budgets are unhypothecated, but there is a management issue in this, to my mind, as well as a budgetary element.

[113] **Peter Black:** Given the concerns that you have, why was this not flagged up in the equality impact assessment of the budget?

[114] **Ms Palmer:** We did do an equality impact assessment on the budgets. It is very difficult, because all the housing budgets support vulnerable people in need, generally; that is the nature of the budgets themselves. So, it has been identified in terms of any cuts in the budgets, whether it is social housing grant, DFGs or physical adaptation grants.

[115] **Peter Black:** It is not referred to in the impact assessment at all. It is not actually mentioned. Why was it not mentioned? Is it because it was a negative impact?

[116] **Huw Lewis:** I would have to get back to you on that, Peter. I do not know why this was not mentioned specifically.

[117] **Ann Jones:** Before you go on, Peter, on the disabled facilities grant, the previous Committee on Equality of Opportunity, which I chaired—I think that Jocelyn was the Deputy Minister for Housing at the time—did quite a lot of work on speeding up the disabled facilities grants and rapid adaptations. That piece of work was quite extensive, so I am quite concerned that this other report is out now saying that councils have gone back to waiting two years to do them. I suppose I declare an interest inasmuch as housing adaptations are quite close to my heart at the moment, although I have had no local authority support whatsoever, so I am clear to say what I want on this. Can you go back and look at that report and the recommendations and the actions taken by the Minister who was responsible for it previously? You might then see why it has broken down again, because there are a lot of people out there, the most vulnerable in society, who are being failed. If it is the case that the local authority is not able to deal with it, would you look at whether another body should be the recipient body for DFGs?

[118] **Huw Lewis:** The situation cannot continue as it is. Of course I will undertake to look at Jocelyn's work and see what lessons can be learned from this. I will underline that this is unhypothecated and is run by local authorities—it is not run by me. We do need to get this situation resolved and something will have to be done.

[119] **Jocelyn Davies:** Perhaps the Minister can supply us with a note on how much money each local authority gets and how much it spends on disabled facilities grants.

[120] **Huw Lewis:** Well, I could certainly give you a note on how much they get.

[121] **Jocelyn Davies:** I think that you would be able to give us a note on both.

[122] **Huw Lewis:** Okay.

[123] **Jocelyn Davies:** It is very good news that you have protected the care and repair budget. We have to acknowledge that it is not delivered just through local authorities.

[124] **Ann Jones:** No, that is true.

[125] **Huw Lewis:** Care and repair, I have to say, show the way. The consumer response—I do not like to use the word 'consumer', actually, but the response of people to the work of care and repair is without parallel, and this is another thing that should give us pause for

thought. Something needs to happen in this area.

[126] **Mark Isherwood:** My understanding is that the College of Occupational Therapists has also made submissions to you with regard to consultations in relation to its impact on the use of DFG and equivalent funding in housing associations and the good practice models that exist in certain parts of Wales in order to make whatever funding is available go further and hit the right place first time.

[127] **Huw Lewis:** Thanks for pointing that out, Mark.

[128] **Peter Black:** I would like to suggest that the note on spend should be historical, and not just for recent years, so that we can see what the trend is. I think that there was also a committee report in the second Assembly that highlighted these issues. I am sure that the Minister will be able to find those reports.

[129] Moving on, what provision has been made in the budget plans for 2013-14 and 2014-15 in relation to bringing forward and implementing the forthcoming housing Bill?

[130] **Huw Lewis:** As Peter will know, as someone who is taking a Bill through the Assembly himself, the financial aspects have to be looked at as part of the legislative procedure anyway. That work is in hand at the moment; that sort of impact assessment is happening now.

[131] There would, conceivably, be pressures, for instance around the registration and accreditation of private sector landlords, although the scheme would be fees-based. We need to figure out the arithmetic and find out exactly what that means, particularly given that parts of Wales can be very different, as some have a large number of private landlords and others have a lot fewer. So, we have to make sure that the arithmetic is done.

[132] The legislation will, of course, also have at its heart a big emphasis on preventing homelessness. I will have to work closely alongside local government to figure out what pledges such as the eradication of family homelessness by 2019 will mean in terms of resource. Essentially, it means that we will not have children going through a homelessness experience in Wales. What does that mean? What do we need to construct in terms of bricks and mortar to make sure that that happens, and what do we need to construct in terms of regional collaboration to ensure that it is sustainable? All that work will need to be undertaken.

[133] However, I think that the window of time is sufficient for this work to be done properly. We will not be doing any of this stuff today, or next year; the Bill will be introduced in 2013 and the first impacts will be felt in 2014, while some of the homelessness impacts will not be felt until 2019. So, there is a good window of time to get this right.

[134] **Janet Finch-Saunders:** You have set a target of 5,000 to be brought back. How will you apportion that across each individual authority? What criteria are you going to use?

[135] **Huw Lewis:** Five thousand empty homes, Janet. There is no apportionment at the moment. What I am doing is to watch how the scheme runs through the first round of lending—the first £10 million to go out there and so on. I was very keen to get the scheme up and running as quickly as is humanly possible. We have not set any criteria for particular types of community, or for local authorities that have certain types of housing or anything like that, and I am not sure that we could have justified having the evidence base for such a thing anyway. What I intend is for us to watch and learn from the first round of lending, which will be a three-year round. We should then look carefully at who is benefiting, which parts of Wales are benefiting and consider whether there are gaps in provision. Then, there may be

modification as we go along.

9.45 a.m.

[136] **Janet Finch-Saunders:** May I ask a supplementary question?

[137] **Ann Jones:** No, sorry, Janet; we are out of time. Joyce, yours is going to have to be the last question on the Welsh housing quality standard and we must write to the Minister with our outstanding questions.

[138] **Joyce Watson:** There have been recommendations by the Wales Audit Office and the Public Accounts Committee to ensure that the Welsh housing quality standard is achieved as soon as possible in a cost-effective manner. What provision have you made in your budget allocations for any costs associated with implementing those recommendations?

[139] **Huw Lewis:** In the current climate, I have done the best I can. The primary thing is to protect the major repairs allowance budget. That is a protected budget, as I mentioned in response to the very first question. So, if you take the MRA and the dowry fund together, it is something like £108 million. We will obviously be working to try to understand and come to terms with the fact that we now have very different pictures across Wales in terms of people's progress towards the quality standard. We have authorities like Caerphilly, which held a ballot and the result meant that it did not transfer its stock. However, it also says that it has a good financial plan for getting to the quality standard. So, although we are behind the 2012 target in a place like Caerphilly, it seems as if, in the next two or three years in particular, we will see massive inroads being made into the quality standard target within an authority like that. In some parts of Wales, in areas like my own constituency where the transfer did occur, that work is already under way. I have set up a ministerial task force to consider the progress being made in other parts of Wales—and I have asked for a report next spring—where the picture is really rather difficult. It is difficult to see where the money is coming from and it is difficult to see how those parts of Wales will meet the standard by 2020 even. I will ask for that report. We may have to consider alternative ways forward in particular parts of the country.

[140] **Peter Black:** I accept that this is a very difficult agenda and it would be difficult to achieve it not only in the current financial climate, but in the previous financial climate as well. However, you made a statement back in July last year in which you said that, by this year, you would have 78% of registered social landlords meeting the Welsh housing quality standard and 39% of local council homes, but the actual achievement is 40% and 22%. On what basis was that statement made and what action did you take to achieve those targets, which you missed?

[141] **Huw Lewis:** You are rehearsing now, Peter, the conversation that we had in the Chamber yesterday. The targets have been missed; everyone knows it. I am not trying to hide it or run away from—

[142] **Peter Black:** I understand that; I am just asking what action you took.

[143] **Huw Lewis:** Well, as I said, the major action that I took was to protect the major repairs allowance. We are keeping the investment flowing from the Welsh Government into the quality agenda. Once again, as far as I am aware, and it is probably not fair to brand Scotland with this, but this is certainly not the case across the border in England.

[144] **Ann Jones:** Mark, you have a very quick supplementary question.

[145] **Mark Isherwood:** In those areas where the WHQS is going to be very difficult to

achieve without an appropriate funding package, would it be permissible for partial transfers to go ahead if a particular area or estate wanted to transfer to, say, a community mutual using a WHQS-plus model for wider regeneration?

[146] **Huw Lewis:** I do not want to create any hostages to fortune here, Chair. [*Laughter.*] Mark will know—

[147] **Jocelyn Davies:** Just say ‘no’, Minister.

[148] **Ann Jones:** Just refuse to answer that question.

[149] **Huw Lewis:** Well, no, because Mark is sincere in asking the question. I am a great fan of mutual options and I think that there is, perhaps, unexplored territory in this debate as it has been held over the last 12 to 15 years in terms of a conventional shift to an RSL or being retained by the local authority. Those are not the only options that we could consider. Perhaps, for some parts of Wales, an investigation is needed into alternative options. I do like mutuals.

[150] **Ann Jones:** We are going to have to suspend the questioning now as the Minister has another pressing engagement, which is why we started the meeting earlier. Minister, we will write to you with questions on lottery funding post-Olympics and regeneration. Due to the fact that the Chair of the Finance Committee is pushing me for an early letter to allow her to make her deliberations, could we have the information as soon as possible so that we can put it in our letter to the Finance Committee, and also the notes that you offered to send us? Some of that information might be the basis to formulate a further inquiry into policy scrutiny. Thank you and your officials for attending. You will get a copy of the transcript to check for accuracy. Thank you very much.

[151] **Huw Lewis:** Thank you.

9.51 a.m.

Craffu ar Gyllideb Ddrafft Llywodraeth Cymru 2013-14 Scrutiny of Welsh Government 2013-2014 Draft Budget

[152] **Ann Jones:** We will now move on with the next session, which is further scrutiny of the Welsh Government’s budget. We are going to see Leighton. Leighton is appearing before this committee purely on the Welsh language—that part of his portfolio.

[153] Thank you very much, Leighton, for agreeing to come in. I have just explained to the committee that this session is on the Welsh language part of your budget. You will no doubt be attending other committees on other parts of your portfolio. We have quite a few questions, but only an hour in which to ask them.

[154] **The Minister for Education and Skills (Leighton Andrews):** Forty minutes, I think.

[155] **Ann Jones:** Forty minutes, is it? I thought that we had an hour. Sorry about that; no wonder you are smiling now. Do you want to introduce yourself and your official for the record? We will then go straight into questions.

[156] **Leighton Andrews:** I am Leighton Andrews, the Minister for Education and Skills.

[157] **Ms Lyne:** I am Carla Lyne, deputy director of finance and corporate services.

[158] **Leighton Andrews:** Caroline Turner, deputy director in overall charge of the Welsh language unit, had a family illness last night, so has been unable to join us this morning.

[159] **Ann Jones:** Okay. We will go straight into the questions, if that is okay? According to the programme for government annual report, the percentage of pupils aged five who speak Welsh fluently at home has remained consistent over the past decade. How is the funding that you plan to provide for the Welsh language in this next year's budget intended to increase that percentage?

[160] **Leighton Andrews:** We published the Welsh-medium education strategy in April 2010, so that has only had a couple of years to bed in. We published the Welsh language strategy earlier this year. Those strategies working together will make a significant impact on improving the overall percentages. One of the foci for the Welsh language strategy is language within the family and another is children and young people. We are putting the resources that we have in alignment with the strategies that we have developed.

[161] **Mike Hedges:** Would you consider it a success to have upheld that figure at that level? If you look at census data from when censuses were first taken of the number of Welsh speakers, you will see that there has been a consistent decline in those figures until 1991. Is it not like turning a super-tanker around, and that stability represents great success?

[162] **Leighton Andrews:** What has been achieved overall in relation to the Welsh language and Welsh-medium education over the last 50 years is a significant success, and I have said before that I think it is a success of politics. You can sometimes find it hard to point to areas where you can genuinely say that political activity has made a difference; in the case of the Welsh language, you can say that. That is something to be recognised. I am a little reluctant to be drawn into any issues around the census until we have the latest census figures later this year, but I accept the point you make.

[163] **Mike Hedges:** I was talking about the 2001 census.

[164] **Ann Jones:** Okay, thanks, Mike. Peter has the next question.

[165] **Peter Black:** In the same vein as the Chair's question, the programme for government annual report states that there has been little change in the proportion of Welsh speakers over recent years, according to the annual population surveys; I accept that you are waiting for the latest census figures to see how that changes. How are you targeting the Welsh language funding that you have in 2013-14 to increase that number?

[166] **Leighton Andrews:** There is a series of ways in which we are addressing this. This is the first year in which a Minister with responsibility for the Welsh language has had overall control of all the Welsh language budgets. Everything from the budget for the Eisteddfod, through to what was the Welsh Language Board, sits in my department now and is aligned with the budgets for the Welsh-medium education strategy and so on. So, for the first time we have a coherence in the way we approach the budgets, which means I am in a slightly privileged position compared with previous Ministers with responsibility for the Welsh language, who were operating through a third party—the Welsh Language Board. That makes for a more efficient distribution of budgets and enables us to look at priorities more swiftly and in a more integrated fashion.

[167] We have a number of reviews under way of how we are spending money: we are looking at the Welsh for adults budget and the Welsh as a second language budget, for example. We are also looking at the way in which Welsh is taught as a second language and the way in which we use our resources there. We are looking to strengthen the network and infrastructure for the Welsh language throughout Wales, so we are giving support to the

mentrau iaith to ensure they have a national position. Following the resolution of the Assembly, we have a working group looking at Welsh in rural areas, broadly speaking. I have established a new Welsh language and technology fund, which has had considerable endorsement from within the sector. So, there is a series of initiatives there.

[168] We have also been able to put additional money into the local eisteddfodau and we have reinforced the grant to the Welsh School, London, which potentially is a way of showcasing the Welsh language more widely.

[169] **Peter Black:** That was a very comprehensive answer; thank you, Minister. In common with many other areas, the programme for government does not set any targets in terms of the Welsh language. How do you know when you have been successful?

[170] **Leighton Andrews:** There are targets in the Welsh-medium education strategy. We have also been quite ambitious in the Welsh language strategy itself. We have identified six thematic areas where the focus should be. I think that it is important, but I do not want to set new targets until I have seen the new census data, because they will tell us where we really are with the language.

[171] **Ann Jones:** Minister, you have done really well in answering the next two questions, so we will now move on to Janet's question 6 on the Welsh Language (Wales) Measure 2011 and the Welsh Language Commissioner.

[172] **Janet Finch-Saunders:** Good morning, Minister. How is the implementation of the Welsh Language (Wales) Measure 2011 reflected in your draft budget allocations for 2013-14?

[173] **Leighton Andrews:** We moved very swiftly to implement the Measure. We drew up the job description, advertised and appointed the Welsh Language Commissioner who took over her responsibilities in April, having had a shadow period building up to that. In the budget, there is around £4.1 million for the Welsh Language Commissioner for 2012-13. She has been going through an informal exercise recently of consulting on the Welsh language standards.

[174] **Janet Finch-Saunders:** What assessment have you made of the level of funding that you have afforded her and how effective it has been?

[175] **Leighton Andrews:** We went through quite a comprehensive exercise before the Welsh Language Board's budgets came into the Welsh Government. In the period from May 2011 through to April of this year, we looked at what the split was in the Welsh Language Board, in respect of issues to do with standards, Welsh language schemes and so on, compared with the money that was used for grants to other organisations. It was on that basis that we looked at what we thought would be necessary for the commissioner, which staff from the Welsh Language Board should transfer to the commissioner and which should transfer internally to the Welsh Government and we reached agreement on that.

10.00 a.m.

[176] **Janet Finch-Saunders:** Was it taken into consideration that it was the first year it was set up and so on?

[177] **Leighton Andrews:** Yes. Clearly, there were some set-up costs. We looked at options for the location of the commissioner and so on.

[178] **Jocelyn Davies:** Moving on a little bit, as you know, the commissioner will have the

first set of language standards to impose on organisations in spring next year. You have just been asked about the set-up costs, but what about the implementation and monitoring of standards? Do you think that the budget for the commissioner properly reflects the work that will have to be done?

[179] **Leighton Andrews:** I do, at the moment. It may well be that, as we move forward, we will have to look at the budget again. We are operating in a completely new situation. This is a different set of responsibilities and roles to that of the former Welsh Language Board. Obviously, we will maintain a dialogue with the commissioner on this.

[180] **Mike Hedges:** Perhaps I should preface my question by saying that my daughter attends a Welsh-medium school in Swansea. The draft budget showed that funding for Welsh learning will reduce from £16.4 million in 2012-13 to £16.2 million in 2013-14. That is a real-terms reduction. What assessment have you made of the likely impact of this reduction?

[181] **Leighton Andrews:** The impact is caused by changes in commissioning at our end, which should result in savings, so we do not expect to see any changes on the ground.

[182] **Mike Hedges:** What progress has been made on ensuring that students continue to study through the medium of Welsh outside the school environment, when they go on to further education colleges, particularly for pupils from Welsh-medium schools outside Gwynedd, Ceredigion and Carmarthenshire?

[183] **Leighton Andrews:** There are a number of elements to this. In the School Standards and Organisation (Wales) Bill we are, for the first time, putting Welsh in education strategic plans on a statutory footing. That will require local authorities to measure demand for Welsh-medium education properly. In respect of further education, you will see in the budget some £6 million devoted to further education provision through the medium of Welsh. I am very pleased that ColegauCymru has appointed its first bilingual officer in the course of the last year. It is making good progress in looking at the distribution of further education courses through the medium of Welsh.

[184] **Ann Jones:** How do you make the decision, wearing your Minister for education hat, about the provision of capital funding for Welsh-medium schools?

[185] **Leighton Andrews:** The strategic outline cases that local authorities bring to us for their developments are obviously based on their assessment of need. The issue really is to what extent they have effectively planned for Welsh-medium education in the past. We would have some questions about whether that has been done as well as it might have been in every authority. That is one of the reasons why we are putting the Welsh in education strategic plans on a statutory footing. Looking around Wales, you will see that, over time, local authorities have very often started Welsh-medium streams in existing English-language schools or operated these in portakabins on English-medium school sites—they have followed a whole series of routes. Effective planning for the future is critical. We have seen a rising percentage of parents wanting to see their children educated through the medium of Welsh, and that needs to be taken into account properly by local authorities.

[186] **Ann Jones:** Mark has questions on equality and the Welsh language.

[187] **Mark Isherwood:** After last year's budget scrutiny, you wrote to the committee saying that each directorate within the Welsh Government had a process for screening policies for their impact on the Welsh language, but that this was different to and separate from the equality impact assessment. Can you explain why this is, and set out your approach to monitoring whether this process is being followed robustly?

[188] **Leighton Andrews:** That is a very good question. In dialogue with Ministers in other departments, I try to ensure that the Welsh language is properly considered in the context of developments that they are undertaking. For example, I met the Minister for Environment and Sustainable Development last week to discuss sustainable development, and one of the issues for me in that discussion, leaving aside my departmental responsibilities to him on delivering sustainability, is that any proposals he makes contribute to the sustainability of the Welsh language. Through bilateral meetings, we would obviously seek to do that.

[189] You have just raised for me a question that I might well go back and look at as to whether we need a more systematic approach in place to review how other Government departments are supporting our Welsh language objectives. Obviously, when we published the Welsh language strategy earlier this year, we made it clear that this was a strategy for the whole Government, not just for the Minister with responsibility for the Welsh language. We have quite a lot to do in terms of getting the structure in place to deliver on that, and, of course, we have had the integration of the Welsh Language Board staff into the Welsh Government and we have had to look across the piece at all the grants. Whether we have yet put in place a systematic approach for looking at other Government departments and their approach to the Welsh language, I am not sure, but I will now go away and look at that.

[190] **Mark Isherwood:** The Minister has just answered my next question, Chair.

[191] **Ann Jones:** Given that you are now going to take it back to have a look at how it continues to be mainstreamed, would the Welsh Government's Welsh language unit play a part in doing that mainstreaming, because it has £8.9 million in the budget?

[192] **Leighton Andrews:** It would play a part in it, but there is an issue here for the Government as to how that is handled centrally, and that will be a conversation that I will probably want to have with the Permanent Secretary. I have, from time to time for example, raised issues of support for Ministers in respect of the Welsh language to ensure that communications between Ministers and Assembly Members, or indeed members of the public, can properly be answered through the medium of Welsh, as they should be.

[193] **Mike Hedges:** A lot of children go to Welsh-medium schools, but my question is about the opportunities for them to use Welsh outside school in social environments. Are you looking to provide support for organisations that provide Welsh-medium social activities, especially for teenagers? Speaking as the father of a teenage daughter, they are probably the most difficult group to engage in social activities through the medium of Welsh.

[194] **Leighton Andrews:** Yes, indeed. These are issues that we have discussed in detail with the Urdd, for example, which has done quite a lot of work for us in surveying need. It is also an issue that is on the agenda of Sport Wales and many other organisations.

[195] **Ann Jones:** Do Members have any more questions? I see that they do not. You have exceeded your excellence in answering scrutiny questions, Minister.

[196] **Leighton Andrews:** Thank you.

[197] **Ann Jones:** You will get a copy of the transcript to check for accuracy. Thank you for attending this morning, and thank you for your papers.

10.08 a.m.

Cynnig o dan Reol Sefydlog Rhif 17.42 i Wahardd y Cyhoedd o'r Cyfarfod
Motion under Standing Order No. 17.42 to Exclude the Public from the Meeting

[198] **Ann Jones:** I move that

the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order No. 17.42.

[199] I see that the committee is in agreement.

Derbyniwyd y cynnig.
Motion agreed.

Daeth rhan gyhoeddus y cyfarfod i ben am 10.08 a.m.
The public part of the meeting ended at 10.08 a.m.