

# Bevan Foundation review

ISSUE 16 SPRING 2011



## Wales and Westminster

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## From the Editor

This issue of Review moves the debate about Wales and Westminster forward beyond the question of “yes” or “no” to the deeper issues of how Wales sits in a system of partial devolution, governed by two coalitions of profoundly different complexions.

Whatever the outcome of the referendum on 3rd March, decisions taken in Westminster will continue to have a powerful impact on the well-being of the people of Wales. Changes to benefits, cuts in the public sector workforce, rolling back of employee rights and the reduction in the Welsh Assembly Government’s block grant are all immediate and tangible. Less obviously, reform of the NHS, higher education and social housing in England also have knock-on effects, doubtless unintended, in Wales. Meanwhile, shifts in power between the Assembly and Parliament bring new challenges and tensions, whether over the role of AMs and MPs, or contrasts between the ‘big ideas’ in England and Wales.



# Dealing with the Devolution Genie

**Laura McAllister, Professor of Governance at the University of Liverpool and Chair of Sports Wales, reflects on relationships between Wales and Westminster over the last decade and outlines how they might change in future.**

Successful relationships depend on a few critical ingredients: longevity, habit and mutual respect would feature in most, I suspect. It's entirely fair to say that none of these have been powerful characteristics of the first decade of relationships between the governments in Cardiff and London. Little wonder really: devolution was a huge culture shock to Westminster and Whitehall. Equally, the establishment of the National Assembly for Wales effectively asked the (mainly Labour) MPs at Westminster to share the spoils of power, influence and profile with a bunch of upstart novices in Wales. This was never going to be popular when one has been used to monopolising politics and public attention.

It's taken over twelve years for the two political tiers to get more used to each other. Ironically, it is

during a period of what the French call 'political co-habitation' that the relationship between Wales and Westminster looks like being at least partially sorted. Far easier now for the large cohort of Welsh Labour MPs to align themselves with the 'One Wales' coalition government in Cardiff in the face of swingeing public expenditure cuts by the Cameron-Clegg government.

I've often argued that Wales offers the best and most illuminating insight into the rhythms and dynamics of the UK's devolution process. The dog's breakfast of Wales's original constitution has had the unexpected bonus of making it fascinating research material. First, because it has been the site for most dramatic changes, largely as a consequence of its extremely limited legal and policy capacity set within one of most weird and idiosyncratic institutional shells. As former First Minister, Rhodri Morgan, colourfully admitted:

"What we're doing is learning as we go – evolving precedent and writing our *Erskine May* almost every time someone rings a bell or even goes to the toilet in the National Assembly..."

Secondly, Wales's piecemeal acquisition of powers has gone hand-in-hand with a gradual accrual of new civic and national identities and a rather remarkable construction of a new political state modelled more on pluralism than majoritarianism. Coalitions and minority government have become the norm in Scotland and Wales and the political world has yet to collapse around us. Interesting that it took the media an age to turn any attention to recent events in the devolved countries even though it was apparent for some time that the most likely result of the 2010 UK General Election was power sharing. As we approach the fourth Assembly elections in May, the electoral geography of Wales makes it hard to imagine single majority party government. Rather than bemoan this new reality, it is worth reminding ourselves that it is the policy of governments, not their



**the devolution genie is firmly out of the bottle and this simple fact affects all UK citizens**

political complexion, that usually determines popularity. A BBC Wales poll in 2007 showed 57 per cent of the public supported coalitions in principle and I suspect that figure might well be higher now. Evidence from the international mainstream indicates that coalitions are no more unstable than any other form of government; laws and policies there are frequently subject to better scrutiny and that they can often deliver more innovative policies.

In Wales, the brave new world of pluralism has also included better representation for pretty fundamental parts of the citizenry, including women! In a country recognised mainly for macho symbols like rugby, male voice choirs and coal mines, the Assembly managed a world 'first', gaining a majority of women politicians. This gives us world beater status, putting us ahead of nations with serious gender equality reputations. Sweden, for example, 'only' had 42.7 per cent women in its Parliament, whilst positive measures in post-conflict Rwanda saw 48.8 per cent of seats in its National Assembly held by women. Wales is not yet a feminist panacea – far from it. Given the breakthrough was the result of some brave positive action by two of the main political parties, Labour and Plaid Cymru, we shouldn't get carried away, especially as the May elections are likely to see a fall back to close to critical mass for gender representation as the incumbency overhang ends and the parties row back from positive action.

I never expected to say this but, in a strange kind of way, the second devolution Act (just seven years after the first) will probably prove to be of more value than we first thought. Depending on the March referendum result, the Government of Wales Act 2006 will be acclaimed in the annals of history as one of Peter Hain's greatest political (if not constitutional) achievements, or as a major road block to effective and efficient devolution. As we all know, the Act gave the Assembly substantially more freedom to make its own laws through the complicated, three-stage process of LCOs and Measures. This did, at least, represent a measurable advance in the scope and depth of powers for Wales. Despite its clumsy complexity, it freed Wales from some of the fetters of the legislative priorities and timetables at Westminster, although simultaneously introducing a new mesh of delays and overkill of its own.

Finally, there is an important UK dimension to this whole discussion that is in danger of being lost. Unionists might not like it, but the

devolution genie is firmly out of the bottle and this simple fact affects all UK citizens. We need a heavier dose of realism injected into Whitehall's operation especially, where many officials know no more about the rhythms of a distinctive politics in Wales now than they did in 1999. Witness the Public Bodies Bill and the plans to abolish or merge bodies with UK functions with those with England-only ones, alongside a complete and utter ignorance of Welsh impact or, indeed, any need for proper consultation. I smiled at the comments of Steve Thomas, CEO of the WLGA, when he gave evidence to the Assembly's Communities and Culture Committee:

"... the Home Office, in terms of its relationship to devolution is a bit like, sort of, Frank Spencer. Well meaning, but generally incompetent and bumbling..."

Not always that well-meaning either, in my view...

Allied to this, the infrastructure of how Welsh representation at Westminster is articulated needs reform – the Welsh Day debate and the Welsh Grand are now close to their sell-by dates. An inevitable decline by up to one in four of the number of Welsh MPs might sharpen our focus. Equally, whilst we're not holding our breath, there will surely be a Calman-type Commission on properly funding legislative devolution in the future. Sure, this represents another delay after the excellent Holtham Report has done what Alan Trench described as 'the heavy lifting'. Yes, it will kick the issues of Barnett, tax varying powers and borrowing into the long grass for a while longer, but the signs are that this might be the best we can hope for.

Overall, it strikes me that the people who should be properly following our debates on Wales's political future are those over the border. There are some real dangers here for the UK. Rather than piecemeal solutions that simply tackle symptoms of the UK's constitutional idiosyncrasies, the real challenge is surely to work out a way in which the rapidly developing, quasi-federal UK structure might be better codified, rationalised and funded. For those who believe in the Union, this strategy might better protect its integrity than the macho posturing which has characterised political debate so far. There is a real, live challenge to sensibly re-engineer the UK to reflect new political realities, marrying common sentiments, linkages and precedents in the UK with distinctive national identities, circumstances and priorities. Making a serious, thoughtful and measured input to this process might well be the best contribution Welsh MPs can make during this Parliament.

# Why the case for a “yes” vote is unanswerable

*Wayne David MP argues that the current political climate makes the case for a “yes” vote unanswerable.*

Photo: Natasha Hirst



The referendum in March will decide whether the National Assembly for Wales will have primary legislative powers in key policy areas where, at present, it has only secondary powers. Put like this, it hardly seems like an issue which will set anyone’s pulse racing. But, if a “yes” vote is secured, it will mean that the National Assembly will be transformed into a fully-fledged legislative institution, in a little more than a decade after it was first established. A “yes” vote will mean that the Assembly will be able to formulate and adopt laws in areas like health, education and transport without reference to Westminster.

Following the Richard Commission, the last Labour Government passed the 2006 Government of Wales Act. This enabled the Assembly to achieve specific legislative powers following a successful ‘bid’ to Westminster. Once both Houses of Parliament has agreed a draft Legislative Competence Order (LCO), the UK Government gives the Welsh Assembly Government the power to introduce a law (measure) in that area. Under the 2006 Act, 14 LCOs have been agreed and 14 measures introduced by the Assembly as a consequence. In addition, the Welsh Assembly Government has the ability to put forward amendments to primary legislation going through Westminster in areas where the Assembly has secondary legislative powers.

In the latter half of Gordon Brown’s Government, I was the Wales Office Minister for 17 months, working under Peter Hain, and as such it was largely my responsibility to take through

Westminster the Welsh Assembly Government’s proposals for LCOs and the two Private Members’ LCOs. During that time I gave evidence to the Welsh Affairs Select Committee in the Commons, chaired by Dr Hywel Francis, on no fewer than 11 occasions and negotiated very real improvements in the draft LCOs with both the Welsh Assembly Government and central government departments. Many of the changes were proposed by the very pro-active Welsh Affairs Committee and although there was, from time to time, understandable annoyance from Welsh Ministers, those changes made for better drafted and clearer LCOs. Throughout most of the time I was Wales Office Minister, the pre-legislative scrutiny of the Commons Welsh Affairs Committee was more detailed and thorough than that undertaken by the Assembly’s Scrutiny Committees. But during this period it is clear that the Assembly was increasingly taking scrutiny more seriously and getting better at it all the time. This is an important point because it is vital that any serious legislative institution must have strong scrutiny processes to make a Government responsive and fully accountable and, when appropriate, contribute directly to the pre-legislative process.

Of the LCOs during my time as Minister, by far the most problematic LCO was that dealing with affordable housing. Although the Conservatives blocked this LCO at the end of the last Parliament, during the so-called wash-up process (only to agree it as soon as the Tory-led Government assumed office), the main reason for the initial delay of the original Housing LCO was, quite simply, poor

legislative drafting: the LCO's accompanying Explanatory Note did not accurately describe the content of the LCO itself. While the Explanatory Note spoke of the lifting of the Right to Buy in limited circumstances, the LCO itself enabled the Assembly to lift the Right to Buy more generally. In the second draft this contradiction was resolved by an accurate description of the text being given in the Explanatory Note. But, importantly, the second draft of the LCO was underpinned by a strong and coherent policy approach to social housing. It would have been better, of course, if these positive Welsh Assembly Government policies for social housing had been in place at the very start of the LCO process.

**there is a political imperative for the Assembly to have full legislative powers in those areas which are already largely devolved**

I refer to the Housing LCO because it underlines the need for the Assembly to continue to place greater emphasis on legislative drafting and policy development. This has undoubtedly been happening since the beginning of the LCO process but the experience of the Housing LCO really brought home the need for these areas to be prioritised. To be frank, had the Assembly gone immediately from being a secondary legislative body to a primary legislative institution, without the 2006 Act, the switch-over would have been painful and strained. Now, however, we can see that the Assembly and its Government have taken the opportunity provided by the 2006 Act to develop their expertise. The result is that the Assembly is now well prepared to assume new responsibilities.

I believe that the Assembly has grown in stature over the past two years or so because of the experience of working with the changes introduced by the 2006 Government of Wales Act. But now is also the time for a step change in the way the Assembly works because of the profound political change which occurred at last year's General Election.

The 2006 Act has worked because at its heart is the idea of 'political co-operation'. With a Labour-led Assembly Government and a Labour Government in Westminster, such political co-operation was very much in evidence. After 2005, we saw a huge improvement in the working relationship between Labour MPs and Labour AMs. This produced a common understanding of the different political cultures in Cardiff Bay and Westminster and an appreciation of the different workings of the Parliament and the Assembly. This constructive partnership lay behind the progress which has been made to the LCOs and, in fact, the Government of Wales Act owed its genesis to a

working group of Labour AMs and MPs.

Since the formation of the Tory-led Government in Westminster things have been very different. The Secretary of State for Wales, Cheryl Gillan, has an instinctive hostility to devolution and although there have been few proposals for LCOs from the Assembly of late (because the Welsh Assembly Government is concentrating on introducing Measures) relations between the Wales Office and Cardiff Bay are tepid to say the least. These strains have clearly been in evidence over the dispute about whether the Welsh Assembly Government is able to legislate on presumed consent for organ donations; the Welsh Assembly Government argues that they have the legal base to do so, the Wales Office questions this.

There is also the thorny problem presented by the Welsh Affairs Committee of the House of Commons. Although there was significant criticism of the Welsh Affairs Committee in the early days of the LCO process, the reality was that the Committee always took its work seriously and was consistently constructive: where there were delays it was due to other factors. On one occasion it has to be said delay was caused because the Assembly could not agree itself on which legislative course to follow. However, when the Welsh Affairs Committee comes to consider any new tranche of LCOs real problems can be anticipated. This is because the Committee now has a Conservative Chair, whose track record is anti-devolution, and the Committee itself has a Westminster Government majority. It is reasonable to assume that more often than not the Welsh Affairs Committee will side with the Wales Office when there is a disagreement with the Welsh Assembly Government.

In short, there is now a political imperative for the Assembly to have full legislative powers in those areas which are already largely devolved. So long as the Tory-led Government remains in power in Westminster the Assembly will never be able to rely on a supportive London administration to give its proposals a fair wind.

This reality, combined with the fact that the Assembly now possess the expertise and confidence to press ahead, makes the case for a "yes vote" unanswerable.

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**Wayne David is MP for Caerphilly, Shadow Europe Minister and was Parliamentary Under Secretary of State for Wales 2008-2010.**



# On its own two feet

*Dai Lloyd AM, chair of one of the Assembly's legislation committees, reflects on the current legislative system and looks forward to change.*

Five Permanent Legislation Committees (identified by the wildly imaginative epithets of Permanent Legislative Committees 1, 2, 3, 4 and 5) were established by the National Assembly for Wales on December 9th 2008 to replace the previous ad-hoc, subject-based, LCO and Measures Committees, establishing a permanent footing for the fledgling law-making overtures of the National Assembly for Wales, brought about by the 2006 Government of Wales Act.

Prior to 2006, the National Assembly for Wales considered secondary legislation consequent upon primary legislation passed at Westminster. In 1999, primary legislative powers were deemed suitable for the Scottish Parliament and Northern Ireland Assembly – not so in Wales.

The 2006 Government of Wales Act brought about primary legislative powers for the National Assembly for Wales, but only with the consent of the Secretary of State for Wales, Westminster and the House of Lords – some observers see this as a 3-way veto of legislation proposed by the National Assembly for Wales. Others question why no similar considerations apply to Scotland or Northern Ireland (or indeed to the Isle of Man, Guernsey or Jersey). But we are where we are.

If the National Assembly for Wales requires additional powers to legislate in one of the 20 devolved fields (be it in Health, Education, Local Government or any other topic) it applies for a Legislative Competence Order (LCO) from Westminster. If the National Assembly for Wales wants to create a new law which falls within its current legislative competence (i.e. nothing too radical) it can be progressed by a 'Measure' – like my playing fields measure which was proposed in 2007 and received Royal Assent in 2010.

I chair Permanent Legislation Committee 3, and it has become apparent that even when there is unanimous cross-party agreement in the Assembly, and indeed agreement at Westminster level, the current process as regards LCOs can be long-winded and tortuous.

As an illustration I will consider what is popularly







## The Carers LCO had universal approval

called the Carers LCO – or formally, the National Assembly for Wales (Legislative Competence) (Social Welfare) Order 2009 (relating to carers). This Carers LCO was considered by Legislation Committee 3 in 2009 – the idea was to confer new rights for carers and had gained universal approval. Helen Mary Jones AM had originally won a ballot in 2007 to progress this order, and in February 2008 she was granted leave to introduce an LCO in relation to carers following a debate and vote in the Senedd. Subsequent meetings and deliberations ended up with the Welsh Government taking over this proposal (it being such a good idea!).

In December 2008, again to a chorus of universal approval from all sides politically, from carers themselves and the organisations representing them, the proposed LCO was laid in the Senedd by Gwenda Thomas AM, the Deputy Minister for Social Services.

Between January 2009 and April 2009, this Carers LCO came before weekly meetings of Legislation Committee 3 for intensive, line by line scrutiny – involving written evidence from the agreed list of consultees and oral evidence from witnesses, culminating in the production a comprehensive report.

This LCO was also considered by the National Assembly for Wales's Constitutional Affairs Committee and Finance Committee, which involved their own detailed line by line scrutiny, and occasionally informal meetings with myself as Chair of Legislation Committee 3.

At the same time, intensive line by line scrutiny of this carers LCO was also being carried out by the Welsh Affairs Committee at Westminster (between December 2008 and April 2009), again involving widespread consultation and written responses from all those involved in the sector, meetings with Welsh Government Ministers and producing a comprehensive report – much like Legislation Committee 3 in the National Assembly for Wales was doing.

The House of Lords approved the Order in July 2009, the House of Commons similarly in October

2009 and Royal Approval was gained in November 2009. A subsequent detailed 'Measure' emanating from this LCO was scrutinised and approved by Legislation Committee 5 and given Royal Approval in November 2010.

With so much detailed legislative scrutiny being carried out at both ends of the M4, it makes sense now that the National Assembly for Wales, having gained its legislative spurs, as it were, can deal with these situations on its own.

Experience in legislative drafting, translation and all the organisation involved in making laws are now firmly established in the National Assembly for Wales. Notwithstanding all the foregoing, most legislation for Wales is still made in Westminster at an England and Wales level, and there is certainly scope for improving the scrutiny potential for AMs trying to glimpse Westminster legislation, partly destined for Wales, at a stage where change, if required, could be made i.e. at Draft Bill Stage. However, that would be the subject of discourse for another day, as will scrutiny of all the European legislation as it affects Wales.

From the point of view of the Chair of Legislation Committee 3, considering LCOs and Measures introduced primarily by the Welsh Government as the Committee does, even when there are no policy differences and universal approval, the process is pressured, intensive, duplicated (by Welsh Affairs Committee and Legislation Committee 3) and long-winded. Where there are policy differences between Westminster and Cardiff (for example the Housing LCO and latterly the Organ Donation LCO), the situation can be altogether more interesting, intensive and time consuming – yet no situation is unresolvable.

In the National Assembly for Wales, the legislative processes and structures are now well established. There is a feeling that we have served our 'legislation apprenticeship' and earned our spurs. As Chair of Legislation Committee 3, a "Yes" vote on March 3rd will mean that the intensive line by line scrutiny carried out by my committee will no longer have to be duplicated by Westminster, and the National Assembly for Wales can legislate much like the other nations of these Islands (Scotland, Northern Ireland, Jersey and Guernsey) – on its own two feet, without having to ask permission of another Parliament in another country.

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**Dr Dai Lloyd is AM for South Wales West and Chair of Legislation Committee No. 3. He is also Plaid Cymru Spokesperson for Social Justice, Local Government and Regeneration.**

*Owen Smith, MP for Pontypridd and Shadow Wales Office Minister, reflects on what devolution and the proposed reduction in the number of Members of Parliament mean for his role.*

# Musings of a

Finding time for calm reflection is not easy in the febrile and frenetic world of Westminster.

The daily turnover of parliamentary business and media attention has a tendency to drown out deeper thought – especially, perhaps, for newer MPs coming to terms with the laws and logistics of their new lives.

For this neophyte Welsh MP, however, lucky enough both to be representing his home town and to be given an early chance, as a shadow minister, to speak for and to his country, that task of reflection and refocus feels particularly pressing. Superimpose the wider context of a possible cull of Welsh members and a corresponding – if not contingent – increase in the legislative powers of the National Assembly, and you have a real reason to beg the indulgent question: what am I here for? What is the role for a Welsh MP in 2011? And what might it be in 2015 or 2025?

The answer is complex and dynamic, as the plates of politics at Wales and Westminster continue to buckle and shift beneath our feet. But some core aspects of the role are immutable, unchanged for generations. We are elected to Westminster to represent the views of our constituents and our community and our political party. And, once elected, we are tasked with debating, scrutinising and voting on legislation that will affect both our constituents and those of MPs across the UK.

Devolution has changed that role in obvious ways through the transference of competence for legislation in devolved areas of policy – admittedly, some of the most important domestic areas – from Parliament to the National Assembly. However, even after a successful referendum in March, and the change to the legislative mechanism that would ensue, MPs and Parliament will remain responsible for the passage of swathes of foreign and domestic policy of critical importance to Wales and Welsh citizens. Macro-economic monetary and fiscal policy, work and benefits legislation, our shared English and Welsh legal framework, national security, foreign relations, international environmental obligations, are but a few crucial aspects of government which remain reserved under our devolution settlement. And Welsh MPs have an essential role to play in carrying the banners of our communities and our country onto these contested fields.

Of course, Welsh politics and circumstances,

# modern Roundhead



shaped by our history and geography, culture and society are different, often unique, within the UK, and must be reflected in the consideration and formulation of Whitehall policies that will apply unevenly across the UK. But it is not enough for us to draw the Welsh dimension at Westminster, to articulate the needs or particularities that pertain in Wales or even to throw light on the Welsh way being carved in the Bay. Our ambition must be far greater than that. Our aspiration, as it was for our

Welsh Labour forebears, must be to make our mark in the broader, British context that has always been the weft to the weave of modern Wales. And beyond that, too, in the global community where Welsh enterprise and endeavour, art and craft, has always found a welcome, and where our formative internationalist and socialist traditions must lead us still.

In immediate terms, that means exploding the plausibility of plans for private sector growth in post-industrial Britain, exposing the impact of reduced budgets on Assembly strategies and local services alike, challenging the cuts to policing, disabled benefits, working conditions or environmental standards, and championing the possibility of an active and interventionist industrial policy to re-capitalise not banks but communities – in Rhondda, Rhyl and Rotherham. And though their efforts may often go unreported in Wales, my Labour colleagues are engaged in this clash of values and priorities – in the Treasury team or BIS, DWP or Energy, in Home affairs and European.

It also means, for example, playing our part as Parliamentary roundheads in defeating this cavalier Coalition as they plan to sell off English forests – itself a hugely telling tale, exposing the born-to-rule hauteur of these Tory landowners as they casually flog our forests like the fields and fiefdoms traded by their ancestors. But in our own history too – the history of work not wealth – this episode reminds us of our duty to engage in battles that transcend national borders and the boundaries of ownership. As a descendant of a Cinderford charcoal miner turned Cynon Valley collier, the protection of the Dare Valley Park offers cold comfort when the Forest of Dean falls under the hammer.

And standing tall, too, to repel the Tory assault, led by their asset-stripping, cherry-picking pals, on

the edifice of the English NHS. This last fight is surely one where Welsh MPs must show their valour – for we should draw no comfort, cold or otherwise, from the insulation of our Welsh NHS from the privateers' charter. Lest we forget, Welsh Labour helped build the British National Health Service – its ethos of collective care and universal provision a totem of our progressive values and our ambition to improve people lives right across the UK – and we must not stand by as the Tories reduce it to the rubble of markets and the profit motive.

Finally, Welsh MPs have a vital role to play in helping to forge the next generation of progressive, Labour policies. In doing so, we should remain confident that our Welsh heritage and our Labour values, fused in history and heart, allow us to bring something valuable and unique to the British Labour family, and to politics at large – in 2025 as in 1945. From new partnership models to deliver public services in real collaboration with their users, to novel ownership models to place football – or rugby – clubs back at the heart of their communities, or innovative means of harnessing renewable energy for fuel-poor constituencies, Welsh MPs must be political entrepreneurs, providing traditional Welsh wit and grit in our collective cause.

We should also remain confident in defending the importance of a powerful contingent – in numbers and nous – of Welsh MPs in Parliament. Whether the present 40 or the minimum of 35 agreed in the Speakers Conference of 1944, the numbers must bear a meaningful relation to the topography and tribes of Wales. And, more importantly perhaps, they must also reflect the constitutional complexity of Wales's existence as a semi-autonomous part of the United Kingdom – a nation, of course, but also a body of people inextricably linked, by history and desire, to its neighbouring peoples and the sovereign parliament that serves them. Such complexity cannot be reconciled with the calculating logic of arithmetic formula. That is why the current crop of Welsh Labour MPs, and our Assembly colleagues, must resist the diminution of Welsh voice, while constructing an alternative constitutional agenda of dynamic devolution – pushing power down from both Parliaments and Assemblies to local government and local communities – within a strong and United Kingdom.

**We are elected to Westminster to represent the views of our constituents and our community, and our political party.**



# The cuts agenda for Wales

**The Comprehensive Spending Review will have a massive impact on jobs, income and services in Wales. It also raises new challenges for the Welsh Assembly Government, argues Bevan Foundation Director *Victoria Winckler*, including managing its relationship with the UK government.**



When George Osborne announced his Comprehensive Spending Review on 20th October, all eyes were on the headline figures. Relatively little attention was paid to the likely impact on Wales, other than the impact on the budget of the Welsh Assembly Government. Yet Osborne's expenditure announcements could radically change society and the economy in Wales, irrespective of the Welsh Assembly Government's own budget decisions, though the affecting jobs, incomes, investment and services.

The impact of public spending cuts on jobs is potentially huge. Altogether, about 344,000 people worked in the public sector in Wales in the first quarter of 2010. It is worth noting this is an extremely broad definition of 'public sector' and includes employees in public sector-owned banks (Northern Rock, Royal Bank of Scotland, Bradford and Bingley and Lloyds TSB) and public corporations such as the BBC, as well as more traditional public sector organizations such as local authorities, NHS and

schools. Nevertheless, at more than a quarter of *all* employment in Wales (27.5 per cent), the public sector, in all its guises, provides a livelihood for an awful lot of people.

About one in seven of the public sector workforce is in central government, the great majority of whom are civil servants in Westminster-run departments: administering benefits and pensions, managing taxation, running the courts and prisons, processing driver and vehicle licenses and so on. These 30,000 or so civil servants face swingeing reductions in their budgets. The Department for Work and Pensions, for example, is the largest Westminster department in Wales with nearly 8,000 staff and faces a cut of 35% in its administration costs. The Department for Transport and Ministry of Justice, with a further 9,000 jobs between them, face cuts in administration of a similar order. It's impossible to say just what the impact in terms of jobs might be, but if job loss is directly proportionate to budget cuts then in the order of 10,000 jobs could be affected.



**Osborne's expenditure announcements could radically change society and the economy in Wales**

Most of the remaining public sector jobs in Wales are in local government, health and higher education. The impact on jobs of the Welsh Assembly Government's budget remains to be seen – although it is a relatively job-friendly budget, in that the emphasis was very much on maintaining front-line services, it is inevitable that there will be some shake-out from efficiency gains, mergers and collaboration if not outright cuts.

Estimates of the total number of public sector jobs that might be lost vary – PricewaterhouseCoopers, for example, put the figure for direct job loss at about 27,000. The Office for Budget Responsibility's estimate of UK public sector jobs loss would mean about 18,000 public sector jobs would go if Wales took a hit pro-rata to its share of the UK's public sector workforce.

But jobs losses from public sector organizations are just part of the story. There are also losses in prospect from suppliers to the public sector. PriceWaterhouseCoopers estimate 17,000 jobs will go from suppliers of goods and services including construction companies, nursing agencies and IT providers. In addition, there are the so-called 'induced' job losses, because fewer public sector workers spend money on goods and services which therefore contract and shed jobs – PwC estimate around 9,000 jobs in Wales will be lost this way. All in all, PwC estimate that 52,000 jobs, about 4.3 per cent of all employment in Wales, could disappear by 2015 through a combination of direct job losses and knock-on effects of cuts.

Useful though they are, the various forecasts are no more than that – forecasts. We simply do not know how many jobs will be lost or what the knock-on effect might be. Whatever the figure, one thing is clear – this is a lot of jobs that Wales can ill afford to lose.

The second key area of impact on Wales is on people's income. In terms of benefits, it is very hard to say at this stage what the impact might be when there is so little real detail about the proposed Universal Credit and changes to Housing and Council Tax Benefit. However, we do know that the nearly 300,000 people who claim some form of out-of-work benefit, be it JobSeekers' Allowance, Incapacity Benefit or Employment Support Allowance, could see major changes in the terms on which they get benefit as well as the amount of benefit they receive.

The 332,000 Welsh families who currently receive Working or Child Tax Credit will also see changes to their income, as they too will be covered by the new Universal Credit in due course and face immediate changes from April 2011. Similarly, 237,000 people claiming Housing Benefit in Wales and 321,000

claiming Council Tax Benefit will see major changes and likely cuts in what they get. Many claimants of these benefits are working, rather than unemployed, and with so few jobs around and a pretty tough economic climate it's hard to imagine they will see increases in their pay sufficient to offset loss of benefit.

Of course, some of those who currently receive benefit may well move off it as they find work or their income increases. If Iain Duncan Smith is right, many thousands will find work in the coming years – although given the dependence of the parts of Wales with the highest proportions of benefit claimants on the public sector for jobs it is not easy to see quite where the jobs will come from. Indeed, there could well be an *influx* of people onto the unemployment register, rather than an outflow, as the cuts bite.

Last, and by no means least, the Comprehensive Spending Review directly affects investment and services. Not only is there the impact of the reduction in the Welsh Assembly Government's budget, but there is also the impact of UK-wide spending decisions. Wales has been particularly hard hit on capital expenditure, with no major infrastructure being planned by Westminster departments in the next few years. Westminster-funded services will also be drastically affected. It is inevitable that the 35 per cent reductions in budget faced by many UK government departments will mean a significant cut in services: the police, access to justice, consumer rights, environmental quality all face huge budget reductions.

These pressures are not about tweaking services at the margins – they will fundamentally affect the well-being of people and communities in all parts of Wales. They will also inevitably bring new and greater pressures on the Welsh Assembly Government, not least as the Welsh Assembly Government is expected to pick up the pieces as people lose their homes when their Housing Benefit is cut, as high streets are abandoned as people lose their spending power, as people are sick with worry about losing their livelihoods – and much more besides.

Although much more needs to be done to map the challenges ahead, it is certain they will be huge. With this sort of pressure, and with its own budget also constrained, the Welsh Assembly Government will without doubt be entering the most testing times to date. It will need to use whatever powers it has at its disposal, irrespective of the outcome of the referendum on 3rd March 2011, not only to improve the wellbeing of the people of Wales but to do so in a complex environment where relationships with Westminster matter as much as ever.

A version of this article appeared in Welsh Housing Quarterly [www.whq.org.uk](http://www.whq.org.uk)



# ‘Community’ is Wales’s big idea

**‘Community’ offers a radical alternative to markets and competition, argues Paul Griffiths, consultant and former senior special adviser to the Welsh Assembly Government. But it must be linked with tough management and effective engagement with citizens.**

In a recent post on the Bevan Foundation’s comment website, [Thisismytruth.org](http://Thisismytruth.org), Victoria Winckler, Director of the Bevan Foundation, challenged all of us in Wales to define the ‘Big Idea for Wales’: an innovative and inspiring policy programme with a robust ideology, tangible outcomes for social justice and democracy, and a strategy for practical implementation.

My own view is that Wales has had such a ‘Big Idea’ for most of the past decade, it is just that we are pretty useless at recognising, communicating and celebrating our own innovations and achievements. Even a cursory scan of the policy directions taken by the Welsh Assembly Government would identify that placing community at the heart of our public space has been the unifying and radical theme. Our innovation has been to build our public services around networks of communities rather than the markets or centralised hierarchies which detach public services from communities.

Look at our policies for schools: the fundamental and consistent theme has been the promotion of the community-based, comprehensive school. When the decision was

taken in the first year of devolved Government to abolish school league tables it signified not an attempt to restrict access to performance information but instead a commitment to promote improvement in the school of each community. Instead of promoting market choice and competition between schools and academies, based on imperfect information, the ambition has been to support each community's ownership of its own school and its determination to make improvements. We have not always done this well. We need to do better. But the recent announcements by Leighton Andrews are not about creating markets which detach schools from communities, they are about insisting on greater improvement within our community based schools.

The promotion of 14-19 learning pathways has been based on the objective of combining the community basis for secondary schooling with the very necessary diversification of learning opportunities. Instead of developing specialist academies, divorced from communities, our aim is to network community schools and local colleges so that young people can explore specialised learning pathways without always leaving their communities. This is radical, innovative stuff but one of the reasons we often falter on implementation is that we do not have sufficient belief in our own ambition.

Look at Wales's policy directions in health and social care and we find the same theme of developing public services around communities. The ambition is to integrate the words of general practice, community health services and social care so that people are supported in their communities and prevented from the need to become a hospital resident. Dr Chris Jones' 2009 report for the Welsh Assembly Government, 'Setting the Direction: Primary and Community Services', stands as one of the most inspiring, innovative and practical invocations of community as the basis for effective public action. Working with people in their communities we support their own ability to achieve independence and provide mutual support. Specialist health care is clearly necessary but it is not the first resort and is created through building networks from the community through the local hospital to regional and national centres of expertise.

All this is so very different from a world of competing foundation and private hospitals which relate to communities only in so far as they compete for commissions and market share. The ideological framework is one in which collaborative networks are build up from the communities

where we form the relationships that shape who we are and how we act. The citizen in communities actively shapes her or his own engagement with government and other forms of collective action. This is not the detached, anomic consumer who seeks to influence public services by simply choosing one school or hospital over another.

As Wales developed its community based collaborative public service there have perhaps been more people outside of Wales who recognised its distinctiveness than people within Wales. The New Labour zealots in Whitehall recognised that Wales was following a radically different path to theirs and they reacted with heavy doses of contempt and disdain, and no few threats of corrective intervention. With their evangelism for both market-based contestability and hierarchical controls and targets, New Labour regarded Wales as some domain of political dinosaurs, lacking ambition and reconciled to the welfarism of the 1940's. There was certainly no acknowledgement that the Wales project was a modern and innovative exercise of re-inventing our public realm in ways that sought to engage people in that community space where they defined themselves.

Ed Milliband has challenged the left to move beyond New Labour and to find again Labour's mutualist origins, leading Labour Governments to be less technocratic and more engaged. It probably has not occurred to Ed Milliband that here in Wales he could learn from a well established programme for public service reform which has sought to engage with communities. He could learn from our successes and our failures.

Milliband, in his recent Fabian speech, drew out the divergent traditions of the British left: the centralised direction of the Webbs and the communitarian syndicalism of GDH Cole. One of challenges for socialist decentralisation is that it can lose the tools to achieve the radical redistribution of wealth and opportunity that social justice requires. All too often in Wales we gloss over the unacceptable inequalities within our own country. From the northern valleys of south east Wales to the rural villages of the north west, there is the deprivation of resources and opportunity which ought to be intolerable. This cannot be solved simply by decentralising responsibility to the poorest communities. There is a powerful role for the Welsh Government in redistributing public resources to its poorest communities and then actively and directly engaging with the people in those communities to support them in developing ownership of those resources. Our Communities

placing  
community at  
the heart of  
our public  
space has been  
the unifying  
and radical  
theme





**‘We have not seriously engaged citizens in taking ownership and control of their own services**

First regeneration programme has commendably set its base in community engagement but all too often the state's big battalions, with their big resources, have stood aloof.

We need to recognise that in there is no contradiction between community-based services and the sort of hard-nosed performance management required to correct public service failure. In truth Wales is awash with performance information – we know

where services are succeeding and failing but we are not using that information.

We know which schools, teachers and pupils are succeeding and failing. Until we learn to use that information we will not make the improvements we must make in education attainment. England has recently overtaken Wales in education attainment primarily because of the impressive improvements achieved in London. These improvements were made by identifying which schools needed improvement and then ensuring that the experiences of successful school leaders were applied to those schools. The turnaround has been achieved through robust performance management followed by enforced collaboration – not competition. We should learn from that.

Our most serious failure has been that whilst we have worked to locate our public service institutions in communities, we have not seriously engaged citizens in taking ownership and control

of their own services. The task for Welsh Government and the Welsh left is to yell out that the ‘Big Society’ belongs to the mutualist traditions of the progressive parties of Wales. Our traditions reflect the efforts of ordinary people to shape their own communities and take control of their own lives. We should not allow the rhetoric of the social activism to be captured by politicians who seek to reduce all collective action to minimal residual remedies, the scraps from the table of the occasionally benevolent patrician.

And as we reclaim the Big Society as intellectually ours, we will recognise that in our public services we have much more to do in giving ownership, power and control to people. Our social care is overwhelmingly, in practice, provided by friends, families and neighbours. We should celebrate this and ensure that government acts to support and

empower mutual care, not displace it. The nurturing and development of children is overwhelmingly undertaken in families and communities, and by the armies of volunteers who organise a wealth of sporting, cultural, learning opportunities. We locate our schools in our communities but we do far too little to inter-relate those schools with the activism in our communities.

Our Big Society agenda should be one of ensuring that government acts to engage and empower communities, with public services being the product of a full integration social activism and public resources. It should be a long way from the ‘localism’ agenda in England which seeks to empower people to detach themselves from their local community as they exercise the choice to purchase services from a market that has no recognition of the ties and relationships which make communities vibrant and our lives sociable.

Of course there are those in Wales who have always sought to undermine our commitment to its own communities. The crachach who once dominated Wales's quangos continue to promote forms of government which are detached from citizens and communities. For them, the firm smack of strong government requires bigger government but less of it, reliance on experts rather than politicians, less localism and less democracy. In contrast, our role is to celebrate an ideology rooted in communities which is ours and is distinctive and to commit ourselves to its most effective realisation.





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# The Dragon and St George

How might Wales respond to the changing NHS in England



*Iona Heath, President of the Royal College of General Practitioners, says Wales must demonstrate that high quality health services needn't be market-led.*

The conventional portrayal of the relationship between St George and the dragon shows a helpless maiden saved from the clutches of an ugly and despicable dragon by a heroic St George. I want to propose an alternative: the vulnerable maiden NHS is saved from the vile predations of St George by a heroic dragon emerging from deep within the mountains of Wales.

There is a border between Wales and England – between the Welsh dragon and the English St George – and borders are very interesting places. Paul Tillich, the German-American theologian philosopher reminds us that:

*The border line is the truly propitious place for acquiring knowledge.*

Perhaps acquiring knowledge about the possibility of doing things differently. The One Wales agenda, published on 27 June 2007, made this possibility very clear:

*We firmly reject the privatisation of NHS services or the organisation of such services on market models. We will guarantee public ownership, public funding and public control ... We are resolved to keeping the NHS publicly owned, funded and managed... We will move purposefully to end the internal market ...*

These are the words of a determined and courageous dragon.

Speaking at the Kings College London Millennium Festival of Medicine in 2000, Richard Harries, then the Bishop of Oxford, drew a specific parallel between art and life:

*A sculptor works with a particular piece of stone, a painter with a specific canvas. It is in*

*wrestling with the particular, with quite specific constraints and definite boundaries, that art is produced. The same is true of life. ... Constraints, boundaries, limits can all act to liberate the potential we have within us to be truly human.*

Perhaps, in this way, the Welsh border can liberate the potential to be truly human by creating and protecting a health service commensurate with the extent of suffering, a health service that is dominated by neither the state nor the market and within which:

*the consultation is a unit of production enacted between two co-producers of health – the patient and the doctor – in a meeting of experts.*

I quote Julian Tudor Hart, a colossus of Welsh dragonry.

Wales is a small country and, because of this, has more freedom to rediscover and re-explore the old conviction that 'small is beautiful'. This can be particularly beneficial in relation to NHS institutions. We know that patients prefer small practices and small hospitals within which there are clear potential benefits in terms of a manageable number of lines of communication, a situation which actively facilitates continuity of care, and a greater possibility of self-determination on the part of patients, professionals and the communities that support them.

In a small country with a degree of independence, a long way from London and Westminster, there are possibilities that are very hard to come by in England: possibilities of exploring different relationships between communities and their health care teams, between the individual and the population, between generalists and specialists, between health and social care, and perhaps most importantly in the current context, between professional aspiration and politics. Health professions serve patients; politicians should serve citizens. The way a health service is organised affects both patients and citizens. Within the consultation, clinicians must always prioritise the needs of the individual patient over the needs of the population; politicians must necessarily do the reverse. At any one time we are all of us citizens, with the rights and responsibilities this carries, but only relatively few of us are patients. Our attitudes as citizens both create patients and dictate how their treatment will be paid for.

Article IV of *Health for All*, the 1978 World Health Organisation Declaration of Alma-Ata states that:



*The people have the right and duty to participate individually and collectively in the planning and implementation of their health care.*

And again, this may be easier to make a reality in smaller communities and within a small country where it is perhaps more difficult to introduce major change for which there is no electoral mandate, as is happening in England with the new Health Bill. With every new policy initiative – and there have been 15 major reorganisations of the English health service in the last 30 years – there are always perverse incentives, financial distortions and opportunity costs. All of these seem likely to be huge with the imposition of GP commissioning in England. Trapped within their consortia, GPs will find themselves beset by conflicts of interest on all sides, expected to ration services and promote competition simultaneously. GPs look likely to be financially incentivised to reduce referrals with clear dangers to patients and erosion of the vital trust between patient and doctor which has underpinned the cost-effectiveness of the NHS since its foundation. GPs need to be able to refer in a timely fashion as soon as they reach the limits of their competence and confidence. These limits will necessarily vary between different doctors and in different areas of expertise. Anything that puts a barrier into the process of referral represents a potential danger to patients.

Under the previous Westminster government, Julian Tudor Hart argued that:

***Wales and Scotland are showing that marketisation of health care and education was not just unprincipled, for leaders who claimed to be socialists, but grossly inefficient, because it assumes that the only reason anyone does anything is to make more money for themselves. This is insulting and demoralising to health workers and teachers. At its worst, it becomes a self-fulfilling prophecy.***

And with David Cameron and Andrew Lansley apparently resolved to follow in the footsteps of Tony Blair, this self-fulfilling prophecy is now being actively played out in England. The coalition



government appears determined to expose the health service in England to the full force of European competition law with the economic regulator Monitor charged, first and foremost, with promoting competition. GPs attempting to commission services for their patients will be exposed to a constant threat of litigation from large multinational corporations if they show any favour towards existing NHS institutions. The result will be a rapid acceleration of the processes of marketisation which have been gradually unfolding since the World Trade Organisation first identified general practice as the single biggest obstacle to the commercial exploitation of UK health care back in 1995. And all of this will inevitably be accompanied by fragmentation and duplication of services to patients and increased costs for the taxpayer.

Aneurin Bevan famously declared that the NHS “will last as long as there are folk left with the faith to fight for it”. Perhaps he should also have mentioned the fighting capacity of the dragon. The NHS in England will only survive if Wales and Scotland can model better ways of delivering healthcare and demonstrate to the UK electorate that it is possible to provide high quality health services without exposing them to international trade law and the consequent private profit and public costs. We need a rampant Welsh dragon (Cymru am byth) which never gives up its right and commitment to do things differently.

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**Dr Iona Heath worked as a general practitioner in Kentish Town in London for 34 years and is now President of the Royal College of General Practitioners. This article is based on the RCGP Havard Davis lecture given on 25 November 2010.**

# Welsh healthcare's secret

**The NHS needs to work with community pharmacy to deliver cost-effective and accessible healthcare, says Steve Simmonds.**

As the NHS in Wales prepares to face one of its most challenging periods, it would be wise to ensure it is getting the most out of all the resources at its disposal, including those of the community pharmacies and other primary care providers with whom the NHS contracts. Too often NHS Wales only considers the public services delivered by its direct employees in the buildings it owns. This ignores the 1948 NHS settlement with its primary care contractors who are not employed by NHS but with whom the NHS has specific and tight contracts. NHS Wales can only afford to continue in this way if it decides to make unnecessary cuts to frontline services.

For many of us it is bewildering that an NHS capability that is already present in the heart of our communities appears to remain largely untapped. Community Pharmacy Wales (CPW), the body that represents the 707 community pharmacy contractors in Wales, has laid out a compelling case for the proper integration of community pharmacy into primary care pathways.

Our recently published Manifesto – GOOD HEALTH:IECHYD DA. The Best Medicine of Healthy Lives in Wales – argues for a stronger, more

proactive role for community pharmacies as providers of front-line health and social care services in Wales. Community Pharmacy Wales knows that the skills, experience and the facilities available at community pharmacies in Wales are still under-utilised and can be more extensively used for the benefit of the Welsh people.

The Welsh Assembly Government has widely acknowledged the need to achieve a step-change in NHS Wales thinking from treating illness to preventing it arising in the first place. The network of community pharmacies – a community-based Good Health network – is fundamental to achieving that outcome.

CPW has identified £95 million of savings that could be made by using the community pharmacy alternative to current arrangements. This includes:

- £5m spent unnecessarily by inefficient hospital discharge arrangements leading to 38% of hospital readmissions being related to medication;
- £10m spent unnecessarily by poor medicines management such that between 30% and 50% of patients take their medicines incorrectly in some way;
- £30m spent unnecessarily by GPs treating minor ailments rather than community pharmacies doing so; and
- £50m spent unnecessarily every year by wasting medicines that are prescribed by GPs and so paid for by NHS Wales but are not used by patients.

This wasted £95 million touches everyone involved in NHS Wales and especially detracts from patient care. CPW has now issued its challenge to the Health Boards across Wales to work with their local community pharmacy network to achieve these savings. CPW has also challenged those standing at the Assembly elections to ensure that health services in Wales do not continue to waste this money.

The Government is really missing a trick when it appears to be reluctant to maximise the potential of this existing and incredibly sophisticated healthcare network. Government needs to “sweat” all of Wales’s assets for the benefit of its people. The community pharmacy network is no exception. Dedicated as it is to public service, the potential of this element of the nation’s healthcare estate can be achieved without the need for any new legislation or major adjustments to existing regulations and, more than that, will require no additional investment in real estate, no new money overall and can be achieved without any major disruption to existing services.

<http://www.cpwales.org.uk/manifesto.aspx>

## Six reasons to engage with community pharmacy

- 1 They have a lifelong and valued relationship with their patients.
- 2 They are skilled healthcare professionals and the well recognised experts in medicines.
- 3 The 700 community pharmacies, receiving 35 million visits, are the most accessible part of the NHS service.
- 4 Engaging community pharmacy requires no new money overall and no major disruption to existing services.
- 5 Community pharmacies provide over 5000 well-trained, well-paid, quality jobs in local businesses.
- 6 Community pharmacies are a cost-effective partner. Although they receive fees and allowances for the specific NHS services they deliver, they also contribute funds to the NHS making it a unique public-private partnership benefiting the whole national healthcare system.



# The Welsh way for mental health

**Policies on mental health in Wales and England are now very different, says Rachel Bowen, policy and social inclusion officer at Mind Cymru. But the NHS needs to do more to ensure Welsh policies are effectively delivered.**

Since Wales voted in favour of devolution in 1998, health policy in Wales and England has increasingly diverged. This is also true in the case of mental health policy, especially following Jonathan Morgan AM's decision to introduce a legislative competence order (LCO) to gain additional law-making rights for the Assembly in mental health. The LCO was laid in February 2008, with the resulting Mental Health (Wales) Measure 2010 finally gaining Royal Approval in December 2010.

The Measure is concerned with:

- Local primary mental health support services.
- Care coordination and care and treatment planning within secondary mental health services.
- Assessment of former users of secondary mental health services.
- Independent mental health advocacy.

The Measure makes a number of important changes to current legislation concerning the assessment and treatment of people with mental health conditions and places duties on Health Boards and Local Authorities to provide a number of specific services for people experiencing mental ill health. This should result in people in Wales receiving earlier assessment and treatment for mental health conditions than people living in England. Importantly, the Measure also extends the group of people entitled to support from an Independent Mental Health Advocate, meaning more people in Wales will be entitled to some form of mental health advocacy than is currently the case in England. This underlines the fact that differences in the experiences of service users on either side of the Wales / England border are likely to become more pronounced.

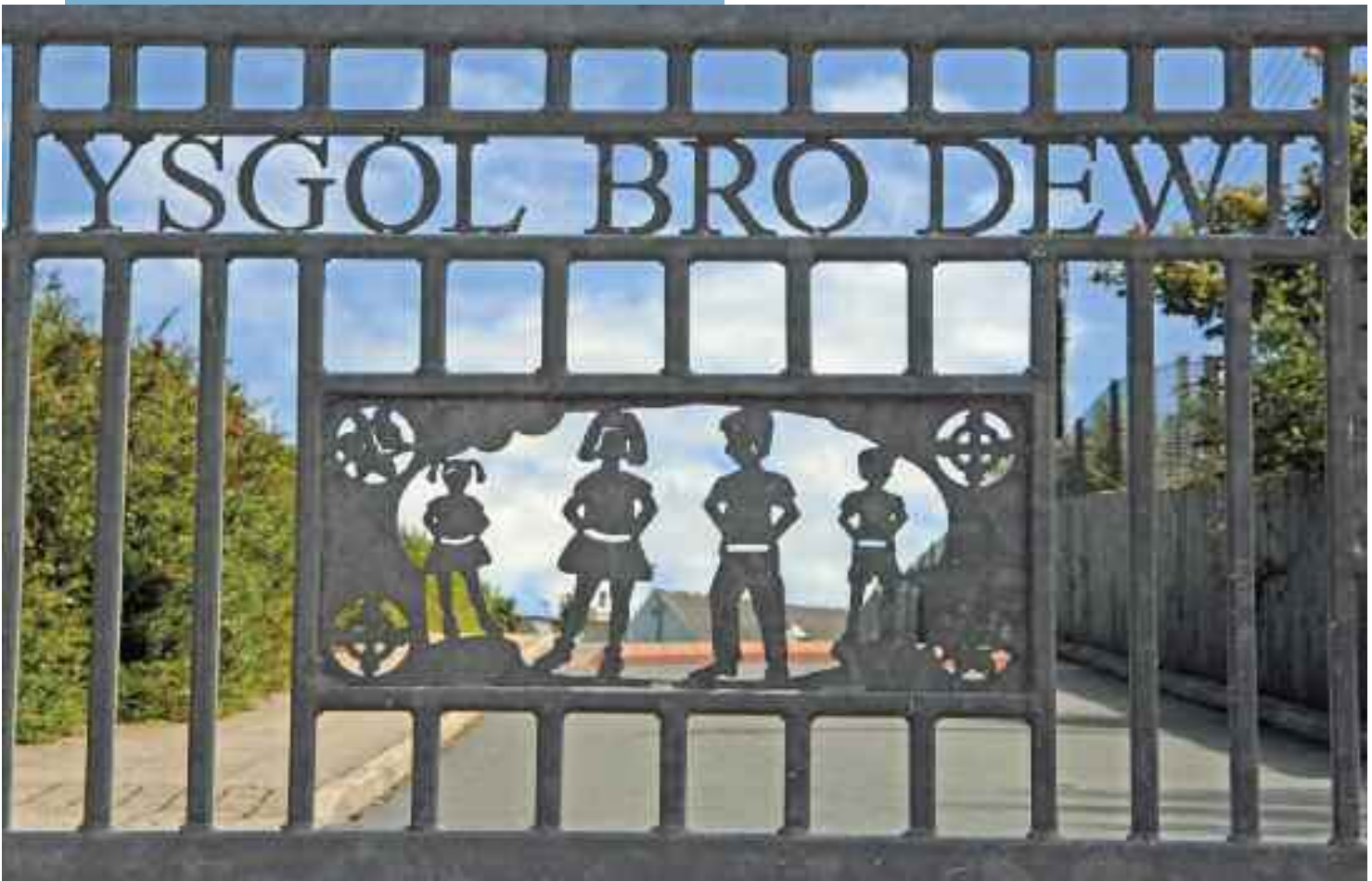
However, even before the process that culminated in the Mental Health (Wales) Measure, it was apparent that Wales and England were taking different approaches to mental health.

There are some significant differences in the Codes of Practice on the Mental Health Act 1983 that were revised and published in 2008. The 'Guiding Principles' section of the Code of Practice for Wales is significantly longer than that of England, placing more detailed emphasis on involving and empowering patients, and the need for effective communication between mental health practitioners, patients and others. The Wales Code also includes a complete chapter on 'Care and treatment planning', again emphasising the need for patient involvement.

The provision of talking treatments (psychological therapies) is another area where people in Wales and England can see significant difference between the two countries. Talking treatments are an effective means of helping people overcome emotional difficulties and deal with mental distress, and research shows that talking treatments can be just as helpful as drugs for many mental health problems.

In England, the Government response to research by Lord Richard Layard on the economic benefits of investing in psychological therapies was the Improving Access to Psychological Therapies (IAPT) programme. This was launched in May 2007 and allocated a total of £173 million over three years. IAPT aims to improve access to evidence-based talking therapies in the NHS through expanding the psychological therapy workforce and services. In December 2010, the Westminster Government announced that it would complete the work of the IAPT for adults with common mental health problems. The government also announced it would extend access to talking therapies to other groups including children and young people, older people, and people with severe and enduring mental health problems. Although the Welsh Assembly Government is supportive of psychological therapies – 'Raising the Standard: the revised National Service Framework', issued in 2005 said that 'A comprehensive evidence-based range of psychological therapies is to be accessible across Wales, with access to more specialist services' – there is currently no equivalent of the IAPT programme in Wales. This means that people seeking talking treatments in Wales are likely to be waiting longer than their counterparts in England.

Given the different political parties in Government in Wales and Westminster, mental health policy in England and Wales is likely to continue to develop in different directions. However, the involvement of people with experience of mental distress should be central to developments on either side of the border.



# Schools, education and devolution in Wales: celebration but not complacency

**Academies and free schools will not improve Wales's educational performance, says *David Egan*, Professor of Education at UWIC. Instead, innovation and reducing the effect of poverty must be top of the agenda.**

Building upon New Labour's record of 'modernising' education through greater choice, more power for the consumer and increased competition, the new Tory-led Coalition Government at Westminster continues to transform education provision in England.

Michael Gove's desire to return to a 'traditional' curriculum that leads to an English Bac taken by students attending an ever increasing number of Academies and 'Free Schools' promises a step back to the education system of the 1950s. A grammar school system, with a grammar school curriculum that leads to a grammar school qualification providing an alternative for upper and middle class parents to the private education system.

The impending announcement, based upon thinking done by Kenneth Baker, of new

'vocational schools' will put in place another key element of this 'retro' fashioning of an elitist and divisive educational system. It is designed to allow social mobility for those parents with elbows sharp enough to get their children into the 'good' schools whilst the rest pursue a technical education and pray that the private sector can grow the economy and the labour force.

Thus whilst some lessons are correctly drawn



**countries that do best have the most egalitarian educational systems**

from the recent round of tests sat by fifteen-year-olds across the OECD known as PISA (the Programme for International Student Assessment) the key ones are ignored. They reveal that the countries that do best in these skills-based tests have the most egalitarian educational systems in which high quality educational opportunities are available to all and not just to a privileged few.

Over the first three terms of devolved education under the National Assembly of Wales, these key messages from PISA have been heeded. An increasingly distinctive education system has emerged in Wales: one that whilst it allows an element of choice and competition (hence the continuation of faith schools, the growth of Welsh-medium education and the competition that exists in some areas in Wales between schools) in essence supports community-based, collaborative and citizen-centred approaches to education where state-provided comprehensive education in local community schools is the norm.

Over the period of these three terms there is much that our education system should be proud of. Levels of participation and achievement in education have risen considerably compared to those attained twenty years and a decade ago. Innovative educational programmes such as the Foundation Phase and the Welsh Baccalaureate have been introduced. Students, their parents, local education authorities, schools and teachers have

much to celebrate. Not to recognise this would be perverse in the extreme.

These achievements have seen many aspects of education policy adopted in England and in other countries eschewed. Endless and enervating national testing from the ages of seven to fourteen were abandoned although we have probably kept far too much of this post-14. It has thereby been accepted that attempts to fatten the pig by weighing it all the time resulted in teachers teaching only to the test in the latter years of primary education, as they still generally do with students between the ages of fourteen and nineteen. In saying this, it is important to remember that this was and is done not out of preference by teachers but because of the pressures applied by national government, local authorities, head-teachers and the inspection system. There is an acceptance here that whilst strong accountability is needed in our education system it should be 'intelligent accountability' which supports educational innovation and is motivated by the needs of students rather than the requirements of league tables.

This is another area where Wales has departed from England and other countries. Initially the Welsh Assembly Government (like the Welsh Office before it) published performance information on schools that allowed the print media in Wales to produce league tables. Eventually they stopped producing this information in such readily transferable forms but they haven't stopped publishing more and more information on school performance.

Again it can be argued that Wales has got the balance right. It has not followed the course taken by those countries that usually top the PISA league tables which often do not have strong external performance management regimes including a national curriculum and an inspection system. Neither have we adopted the approaches of countries like England which have moved to a 'command and control' type system that applies more pressure than support on the education system. Given that these countries are not particularly strong performers in international comparative exercises it could be argued that this has been the right option to take.

So there is much cause for celebration both in the way in which Wales has remained true to its egalitarian and communitarian approaches to public service provision and in the achievements that this has led to.

It is, however, clear that not everything by any means is flourishing in the Welsh education system

what is needed now is a commitment to further improvements in education performance

and there certainly should be no cause for complacency. The PISA results of 2010, following on those of 2007, starkly reveal that the skills of our young people, particularly the basic skills of literacy and numeracy, are not strong enough. The most recent report of our schools inspectorate indicates that there is far too much inconsistency and variability in performance within and between schools.

Together with educational performance in examinations at 16 and 18, they show that whilst our performance may have improved, we simply haven't done enough when we compare ourselves with other countries and there is too much low performance in parts of our system.

What then needs to be done by the next Assembly and probably the one after that to ensure that we develop a high performing as well as an egalitarian education system?

First of all we have to gather a sense of national purpose: a belief shared by all in Wales, including our political masters, that education is of the highest priority and that we need to expend more time, effort and resources in making it a Welsh success story.

Secondly, there should be an acceptance that whilst we might be radical in intent and aspiration for our education system, we are far too 'conservative' in practice. Innovation and talented leadership are not strong features of the educational system in Wales. We need to recognise this and do something about it. What cannot be denied about the Academy programme in England was that it encouraged and released such innovation and leadership leading to high levels of success in many cases and in challenging circumstances.

Thirdly, we must dump this conservatism and introduce innovation most of all in the way that we organise the curriculum and learning and teaching in the later stages of primary schools and particularly in the early years of secondary education. We need a curriculum that achieves a far better balance in favour of skills (including basic skills) compared to subject knowledge and which makes teaching 11-14 year olds at least if not more important than teaching them subjects for GCSE and A level. This, with a modicum of appropriate local and national testing, has to be the practical answer to the challenge of doing better in PISA. These changes have long been called for in Wales: it is now time to make them happen.

Fourthly, we have to close some very big gaps in performance in the Welsh school system. There are many types of these but by far the biggest is that based on social class. We have always had a long-tail of achievement in the education system in Wales that has derived from the area that students come from and the home they have been brought up in. It is probably getting bigger rather than declining.

Poverty should not be used as an excuse for low educational performance. There are students, schools and to some extent areas of Wales that are able to succeed to a high level despite challenging circumstances. But poverty is a major cause of the ills of our educational system, reflecting the wider society in which our schools are located. What we now have to do – like the counties that succeed in PISA – is to achieve system-wide success in combating the effect of poverty. This will require strong national purpose as schools cannot do this alone or necessarily take the lead in this effort. We probably need area-based responses where all public and voluntary services including the whole education system pull in the same direction as part of wider community regeneration.

Finally, we need a concerted attempt at all levels of the system to incubate and spread innovation and develop leadership. Innovation needs to be centred upon the belief that schools can best support schools through collaborative endeavour and should not be introduced in a 'top down' way. It should, however, be based on the ever-increasing bodies of evidence that we have about what works in effective student learning and in teaching and accompanied by accountability systems that capture and spread impact. Leadership needs to be strengthened at national and local level as well as within schools.

Looking back over the last three Assemblies there is much that Wales and its politicians, especially its Education Ministers, should be proud of as far as education is concerned. This has been achieved whilst staying true to the prevailing ethos in education in Wales that draws upon our radical and egalitarian culture and heritage. We should see this as an enduring strength but what is needed now is a commitment to keep our nerve and to seek further improvements in education performance in Wales. To achieve this will require much greater investment in innovation, leadership and a drive to make the effects of poverty on education not an excuse but something we have consigned to history.



# Social Justice and Adult Learning

**With both Westminster and Welsh Governments claiming their policies promote social justice and fairness, Cerys Furlong, Programme Director at NIACE Dysgu Cymru, says they need to put back their claims with action on adult and community learning.**



Since 1999, the Welsh Assembly Government has asserted its concern for social justice. It was particularly evident in the policies of the first two terms of the Assembly and still remains as the overarching theme across all policies in Wales, writ large in 'One Wales' and reflected in political rhetoric. The drive for social justice can be seen in policies in the health service (free prescriptions); culture (free swimming and free access to

museums and galleries) and transport (free bus travel). However, it has sometimes been less clear how the drive for social justice manifests itself in the policies relating to education, particularly adult learning.

Comparisons can be made between the Welsh Assembly Government's focus on social justice, and the new coalition Government in Westminster's focus on 'fairness'. The latter is one of the three watchwords promoted by the coalition in their programme for power (along with freedom and responsibility). Discussion about the 'fairness agenda' in England already seems to draw parallel with those on 'social justice' favoured in Wales (whether rightly or wrongly). A look at Government approaches to policy on adult education in Wales and Westminster might also enable us to test whether these policies are indeed 'fair' or 'socially just'.

Last year, NIACE identified the challenges facing the new UK government as:

- financial (to ensure recovery from recession)
- demographic (to prepare for an ageing population)
- technological (to match the pace of innovation and entrepreneurialism of our trading partners)
- environmental (to secure low carbon economy and greater sustainability)
- social (to reduce inequality)

- political (to encourage active citizenship and build trust in representative democracy).

A new government in Wales, whatever its make-up, will have to address these same issues following the Assembly elections in May 2011. NIACE believes that we need an adult population that is confident and capable, engaged and empowered, enterprising and curious, and cultured and reflective in order to meet them. We need a society which ensures social justice for all, which is tolerant, inclusive and which celebrates diversity. We need a learning society which responds to the challenges we face, through focussing on:

- inclusivity – ensuring those who have benefited least from their initial learning and who face particular barriers to study are supported to achieve their potential;
- equitable contributions – building a learning society will require increased investment by everyone. Public money should not be used to displace existing private sector spending – employers should train their staff;
- a range of learning opportunities – the public benefits of education and training can be measured through behaviours and attitudes as well as specific skills.
- building adults' capabilities – including measures to build health, financial, civic and digital capability; and
- family learning – the capability of adults to be good parents, grandparents or carers is vital to a learning society.

The Assembly Government's agenda for adult and community learning addresses many of these concerns. However, adult and community learning accounts for a relatively small part of the post-16 education and training sector. We now need to ensure joined-up policies across the whole range of providers (higher and further education, local authorities, work-based learning and the voluntary sector) to ensure equality of opportunity to learn, wherever, whenever and whoever the learner is.

We also need to make better use of what Rhodri Morgan called the 'devolution dividend', that is the ability of one country being able to learn from another, using difference in a positive way. With the gulf widening between Wales and Westminster, for example in the different positions on higher education fees and Educational Maintenance Allowances, it is increasingly important to monitor the effect of such changes on the individual's opportunity to access learning, in order to assess whether they are truly 'socially just' or indeed 'fair'.

# Can there be a Welsh Higher Education system?

The contrast between the Welsh Assembly Government's stance on higher education tuition fees and that of the UK government hit the headlines recently. But *Gareth Rees*, Director of the Wales Institute for Social and Economic Research, Data and Methods (WISERD), questions whether currently devolved powers are sufficiently robust to sustain this distinctive Welsh policy.



Universities have certainly hit the headlines over recent months. The UK Coalition Government's policy on student fees has provoked students on to the streets in ways that are reminiscent of the late 1960s. Given this context of widespread protest, it is important to be clear about the key policy issues.

Most attention has – quite rightly – focused on the implications for access to higher education of the UK Government's decision to raise tuition fees for English-resident students to between £6,000 and £9,000 (as well as a range of other changes relating to support for students from poor backgrounds, to the terms on which student loans are to be repaid and the entitlements of part-time students).

In reality, the debates here are very complex. Contrary to widely-held belief, up until now, the introduction of fees for university tuition and their 'top-up' to their current level (of around £3,300 per year for full-time students) have had little impact either on the overall level of demand for university places, or the distribution of demand

between applicants from different social class backgrounds. The chances of someone from a working-class family getting into university remain much lower than those for someone from a middle-class family. But these inequalities have been relatively little affected by the changes in the fees system. Rather, they reflect deep-seated class differences in the social and cultural resources available to individuals, especially as these are reflected in the acquisition of different levels of educational qualifications at schools and colleges.

Nevertheless, what is now being introduced is a much larger increase in tuition fees than has taken place previously. Therefore, we simply do not know what the effects will be. However, the Westminster Government's apparent supposition that the impact on demand for university places will be (near to) zero appears to be very optimistic indeed. Certainly, it is difficult to conclude that such a sharp increase in fees will in any way help the widening of access to universities, especially for individuals from less advantaged backgrounds.

What is also highly significant – but has been

much less publicised – is that the UK Coalition Government's policy represents a major step towards the privatisation of the universities. The tuition fees increase is paralleled by an 85 per cent reduction in the grant previously paid to the universities by the government to support the teaching of students. In the future, only degree programmes in science, technology, engineering and mathematics (the STEM subjects) will receive government support. In effect, then, the costs of university teaching have been – to a very large

extent at least – shifted from the state to individual citizens. This shift will inevitably have far-reaching consequences.

Universities will have much more narrowly instrumental relationships to the employment of graduates; and university education will become a marketised commodity, rather than an entitlement of citizens.

If only briefly, the Welsh Assembly Government's response to these changes in England also hit the London headlines (albeit in ways that exposed extraordinary ignorance of the nature of Wales's devolution settlement). In a very dramatic announcement in the Senedd, the Minister, Leighton Andrews, went out of his way to emphasise that policy in Wales was to follow a distinctive trajectory, reflecting a careful assessment of Wales's particular needs; and, in essence, a characteristic conception of what a citizen's entitlements should be.

Accordingly, for students resident in Wales, the Welsh Assembly Government undertook to pay the difference between the existing level of tuition fees and the new levels to be set by the universities (between £6,000 and £9,000), whether within Wales or elsewhere in the UK. In this way, the principle elaborated in Lord Dearing's report on higher education back in the 1990s, will be maintained. Namely, students should make a reasonable contribution to the costs of their teaching, but within a framework of predominantly state funding. It is clear, then, that Welsh policy will avoid the potentially adverse consequences of English policy on widening access to higher education.

What is much more contentious, however, is how

the Welsh approach to student fees will be funded. Two principal sources have been identified so far. Firstly, the teaching grant made to Welsh universities is to be cut by 35 per cent and this money will be used to pay part of the new fees subsidy; in effect, state money will be used in a different way. Secondly, students resident in England who attend Welsh universities will be required to pay the full fees set by the universities (as, of course, they would do if they went to English universities). This is significant because, uniquely within the UK, a very substantial proportion – some 40 per cent – of students at Welsh universities are resident outside of Wales, mainly in England (and some 30 per cent of students who live in Wales go to universities in other countries of the UK).

Clearly, there will be difficulties here if the sharp increase in fees for English-resident students does affect the level of demand for entry to higher education. Moreover, even if the form of demand changes – for example, if students accommodate to the increased fees by going to their local university and live more cheaply at home while doing so – this too will create difficulties for the Welsh Assembly Government's policy. In addition, the financial model on which the Welsh policy is based assumes that the other elements of university income – from research and third-sector activities – will be unaffected by the wider stringencies that can be foreseen for the economy generally and the public sector, in particular. It may well be that the envisaged restructuring of the higher education sector in Wales – probably reducing the number of separate institutions from the current 10 to no more than six, distributed regionally across Wales – may generate significant cost savings. However, it nevertheless seems likely that maintaining levels of funding for higher education in Wales will be difficult, especially without affecting other areas of government expenditure.

These changes in the funding of universities illustrate very clearly the complexities of the current devolution settlement. The Welsh Assembly Government has set out a bold policy on student fees that marks a principled, broadly social democratic approach to supporting universities in Wales and widening access to them. There would appear to be widespread support for this approach across Welsh society. It remains to be seen, however, whether currently devolved powers are sufficiently robust to sustain this distinctive Welsh policy for the universities, especially in the face of the general financial difficulties that will characterise at least the medium-term future.



*Students wait for a lecture to start*



*Tamsin Stirling, an independent housing consultant and editor of Welsh Housing Quarterly, looks at the reality of housing policy divergence between Wales and England.*



## Constrained localism: the reality of housing in devolved government

**H**ousing is a devolved matter. So simple to say but the reality is much more complex. And although a yes vote on 3rd March will remove some of the complexities, it won't eliminate them. In this article, I take a quick look at some of the more obvious areas of housing policy divergence before moving on to look at two current hot topics - housing finance and the scope of social housing.

### **A bit of history**

Since devolution in 1999, the Welsh Assembly Government has made decisions on a wide range of aspects of housing policy - homelessness, rent-setting, the funding of affordable housing and standards for social housing being just some examples.

A number of developments by the Welsh Assembly Government were notable firsts within the UK, but are seldom recognised as such – providing support for the notion that good practice is a poor traveller. An example here is the adoption in the early 2000s of the Lifetime Homes standard for new social housing built with financial support from the Welsh Assembly Government. The standard comprises 16 elements built into a home to increase flexibility and accessibility. A very simple concept which has the social model of disability and inclusion as its heart, but one which has yet to be incorporated into the requirements for social housing built in England.

The Welsh Assembly Government has also used its secondary legislative powers to enable the implementation of some of its policy decisions.

Statutory instruments on homelessness priority need groups and standards in temporary accommodation are examples here. Again, such divergence in policy does not appear to have influenced policy direction in England, although the practical details have generated some interesting debate between local authorities across the England / Wales border.

Since 1999, other areas of significant policy divergence include Supporting People. At the risk of over-simplification, England has one pot of money for housing-related support services, administered by local authorities. The ring-fence around this money has fairly recently been removed and there was significant evidence of cuts being made by local authorities before the impact of the austerity measures. Wales has two pots of money, one administered by local authorities and one by the Welsh Assembly Government. To date, cuts have been limited and a series of multi-agency groups are considering the future financing, governance and service delivery of housing-related support services in Wales.

However, all is not rosy in the devolution garden. The limited powers of the devolution settlement have slowed down policy development in some areas. For example, measures proposed in 2010 to improve the conditions and management of the private rented sector in Wales were reliant on primary legislation (following recommendations of the Rugg Review), which the Coalition Government has decided not to progress.

And let's not forget the historical inequity of the £70 million plus a year 'repayment' to HM Treasury

by local authorities through the Housing Revenue Account subsidy system ably highlighted in Paul Griffith's *Great Rent Robbery* paper for the Bevan Foundation<sup>1</sup>.

After an extremely protracted process, we now have a Legislative Competence Order providing the Welsh Assembly Government with powers to make measures on various aspects of housing (notably not housing finance or the private rented sector). However, this does not automatically mean swift, elegant, or cohesive law making that makes changes to the 'right' things.

Wales is choosing to 'hook on' to various housing provisions in the Decentralisation and Localism Bill currently going through the Westminster Parliament because it is seen as a more straightforward means of getting legislation on the books than the measures route. And the two measures made to date under the housing LCO (on right to buy and regulation) are unlikely to have a major impact on the big issues of housing supply, affordability, equity and quality.

### **Paying for housing**

Government funding for housing in Wales is affected by the Westminster cuts agenda in as much as the block grant allocated to Wales is reduced and the detail of the calculation is directly influenced by Westminster decisions about specific budget lines. The Welsh Assembly Government decides the distribution of resources however and the final budget for 2011/12 shows that a number of housing budget lines have been protected from significant cuts (unlike those in England).

It is when we come to support for housing through housing benefit that the tricky interface between devolved and non-devolved areas comes into focus. The overall aim of changes to housing and welfare benefits is to get people off benefit and into work. The underlying context for the changes is the desire to significantly reduce the housing benefit bill which currently runs at an annual cost of over £20 billion.

Specific proposals include reducing the amount of housing benefit for those under-occupying their home and for those that have been on Job Seekers' Allowance for more than 12 months, and increasing the amount that people with so-called non-dependents living in their home need to contribute to their rent. Analysis of the proposals by the Welsh Local Government Association concluded that the changes will have a negative impact on the majority of housing benefit claimants in Wales<sup>2</sup>. Simply reducing the amount of housing benefit that someone receives may provide some incentive for some people to seek

work, but in the context of the cuts and Wales's proportionately smaller private sector, will there be job vacancies where they are needed?

Despite Westminster Housing Minister Grant Shapps' convictions that the housing benefit reforms will not result in an increase in homelessness, it is highly likely that landlords face the prospect of increasing levels of rent arrears and they will need to decide how to respond to this. A proportion of private sector landlords may simply stop letting to those who need housing benefit to help pay their rent, further reducing the options available to these individuals.

### **The scope of social housing**

Huge change is afoot in England in relation to the scope of social housing. Proposals by the Westminster Coalition Government include allowing social landlords to charge rents that are up to 80 per cent of market rents, to offer 'flexible' tenancies which can be reviewed taking account of the circumstances of the individual tenant and to decide locally who qualifies to go on housing waiting lists.

The Decentralisation and Localism Bill sets out the legislation to enable these proposals and the Welsh Assembly Government has decided against hooking on to these elements of the Bill. If in the longer term, Wales decides against a significant programme of homes at higher rent levels and confirms the role of social housing in providing for those with few other options, the contrast with England will prove 'interesting'.

Whilst it is possible to point at some undoubted successes in the post-devolution housing policy landscape, there is a question as to whether the Welsh Assembly Government has used its existing powers to best effect. Unintended consequences have not always been avoided and opportunities to join things up have not always been taken. In an increasingly complex world, it is important that policy direction in Wales is determined here, not through unintentional policy drift from elsewhere. We need a cohesive and well-articulated successor to the One Wales document which looks at the housing system as a whole. And in order to develop this, we need to consider available evidence about where we are, what has worked and what has not and have honest, robust debate about what this tells us.

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<sup>1</sup> [www.bevanfoundation.org/resources/The+Great+Rent+Robbery+-+Paul+Griffiths+final.pdf](http://www.bevanfoundation.org/resources/The+Great+Rent+Robbery+-+Paul+Griffiths+final.pdf)  
<sup>2</sup> [www.wlga.gov.uk/english/housing-benefit](http://www.wlga.gov.uk/english/housing-benefit)



# Housing benefit hardship

*John Puzey, Director of Shelter Cymru, says changes to Housing Benefit will increase hardship and homelessness.*

The day the Welsh lobby<sup>1</sup> opposing Housing Benefit cuts went to Parliament, the first big student demonstration took place. Watching the demo we speculated whether it would be possible to get 50,000 on the streets protesting about the cuts to Housing Benefit. We thought not, although the impact of the changes will be at least as far reaching as any changes to university tuition fees.

We thought not because, if the polls are to be believed, most people think that the cuts are justified, that many Housing Benefit claimants are living, at the taxpayers expense, in homes that are in prime locations and expensive to rent, or are quite simply feckless.

Over and over again the justification for the cuts has been to claim that the Housing Benefit bill is out of control and to focus on the very few claimants who receive high levels of benefit, a focus that has been almost entirely on London.

Perhaps that's why some MPs seemed surprised when the lobby group pointed out the effects of cutting the benefits paid to people renting privately in Wales, known as Local Housing Allowance (LHA): not people living in expensive large homes, but overwhelmingly people already living modestly, working but on low incomes or disabled or old – only 22% of people affected by the LHA changes are unemployed.<sup>2</sup>

The Department of Work and Pensions (DWP) assessment of the impact of the cuts in Wales shows that 99% of the 48,700 households living in the private rented sector and claiming LHA would be



the question of how we support people to access and maintain a decent home must be on the political agenda

adversely affected when the changes hit existing tenants in 2012. (The lower LHA for new private tenants begins April this year.)

Putting together the new way the LHA is to be calculated (rates will be set against the 30th percentile of local rents rather than the median) and other changes, the DWP estimate that the loss in Wales will be on average £9 a week for each household, but much higher for some depending on household size and location. These are reductions for people on low incomes, over half of whom already have shortfalls between their LHA and contractual rent, shortfalls which in some cases amount to between £20 and £30 a week.

The impact in Wales is likely to be significant. A key message of the lobby group is that savings being made by the Westminster Government will be a price paid in Wales. Increased hardship, related health problems, disrupted lives and education and indeed homelessness, will come at a cost to people and budgets.

Future housing and homelessness plans in Wales are also threatened by these cuts. With what is likely to be a growing shortage of affordable homes the Welsh Assembly Government has put a significant emphasis on utilising the private rented sector to meet housing need. The benefit cuts could drive a coach and horses through these plans.

The Westminster Government believe that most landlords will reduce their rents in response to the LHA changes, but according to the National Landlords Association, two thirds will not. The Housing Benefit cuts could also accelerate a withdrawal from letting to low-income households as landlords instead meet the growing market of working people who earn above the level that qualifies them for Housing Benefit but can no longer buy because of requirement for high deposits on mortgages. With margins reduced

other landlords may simply cut back on maintenance and repair work, reducing further the standards and quality of rented accommodation.

As well as LHA cuts the Westminster Government also proposes to increase the deductions made to Housing Benefit because of non-dependents in the household, which will put pressure on other adults to leave in turn adding to the already growing numbers of people looking for affordable homes. This move will affect everyone on Housing Benefit including social housing tenants.

In addition the much-reviled Single Room Rent (SRR) which restricts benefit for single under-25 year olds to the average cost of a single room in a shared

house is to be extended to those under 35 years old. There is evidence that the SRR has created real hardship and instances of exploitation among single people in the private rented sector.

But is the Housing Benefit bill 'out of control'? As the charity Crisis point out, taken as a proportion of total Government spending on benefits and tax credits, Housing Benefit has remained stable for the last 20 years. Of course the costs of Housing Benefit have risen but this has been fuelled by a failed housing policy, which has seen house prices rise and private sector rents follow.

The Housing Benefit system is far from perfect, but reforms need to focus on how people are helped to maintain decent homes, find or keep jobs and make a contribution to stable local communities. These cuts will have the very opposite effect.

There is opposition to these changes at Westminster with the Lords agreeing to an independent review of the impact of the changes, although this is not due to finally report until the spring of 2013. In addition there are indications that proposals to reduce HB for long-term unemployed people may be changed or even dropped.

What can be done in Wales? Already the Welsh Assembly Government with local authorities and third sector partners are planning an information campaign directed at affected tenants, urging them to seek help from advice services before the reduced benefit levels hit.

Local authorities are also being urged to increase Discretionary Housing Payment funds, which can be used to prevent homelessness and hardship. Promoting council leasing schemes as a safe and sustainable business model for private landlords should be encouraged, as well as identifying other ways in which the sector can be supported to remain in the market for low income households.

In addition, ideas about a Welsh LHA transitional help fund are being discussed which if implemented, would slow down the rate of reduction in LHA for private tenants, allowing them more time to adjust budgets and local landlords to adjust their business models.

Despite all this good work preparing for the cuts, there will inevitably be hardship and increased homelessness. Once again the fundamental question of how we devise a support system that ensures that all people are able to access and maintain a decent home must be firmly put back on the political agenda.

1 Shelter Cymru, Mind Cymru, Citizens' Advice Cymru, Gofal, Community Housing Cymru, Cymorth, Chartered Institute of Housing Cymru, the National Landlords Association and the Welsh Tenants Federation, Barnardos, Llamau and Oxfam Cymru  
2 HB fact sheet, Crisis, Autumn 2010





The UK government's changes to tax credits and benefits will hit families hard, says *Kate Groucutt*, Policy & Research Director at Daycare Trust. The Welsh Assembly Government could mitigate their impact by improving childcare.

## Family values?

Support for families was one of the key themes during the general election campaign in 2010. Despite a disappointingly thin selection of pledges from the three main parties, the fact that all three leaders had small children enabled them to talk convincingly about the joys and challenges of raising children. Since becoming Prime Minister, David Cameron has repeated his aspiration to make Britain the 'most family-friendly country in Europe', but there are question marks about whether his Government's policies are moving us towards or away from this ambitious target.

In July 2010, the Family and Parenting Institute gave Britain a 'C minus' in its Family Friendly Report Card, arguing that a society in which parenthood can cause poverty is not a family friendly one. Yet a number of policies announced by the UK Government will reduce the incomes of families in Wales and the rest of Britain at a time when family budgets are also being squeezed by rising prices and stagnating wages in many sectors of the economy.

Over the last decade one of the main levers for reducing child poverty has been to support and encourage parents to return to work. Yet many organisations working with families are concerned that some of the Government's changes will reduce incentives for parents to work, and leave them significantly out of pocket.

Childcare is one of the biggest costs that families face and some parents (mainly mothers) would see their entire wage packet taken up with the cost

of childcare without help from the state in the form of tax credits and free nursery places for three and four year olds.

But it remains the case that the majority of childcare costs are met by parents, and costs are rising. A part-time nursery or childminder place in Wales now costs an average of around £90 for a 25 hour week.<sup>1</sup>

Not only does affordable childcare enable parents to work, helping to lift the family out of poverty, but the benefits to young children of attending high quality early education can be significant and long-lasting.<sup>2</sup> For disadvantaged children, attending a good nursery or childminder can ensure that they don't fall behind even before they start school. Currently there is a gap in achievement at age seven of around 21 per cent between those Welsh pupils who are eligible for free school meals and their wealthier peers. Improving access to early education is one way that we can narrow this gap and making childcare less affordable for low-income families risks making this inequality worse.

In the light of the importance of childcare to both child development and family poverty, one of the most worrying changes announced by the Treasury in the spending review in October was a reduction in the proportion of childcare costs that can be claimed through working tax credit from 80% to 70% from April 2011. This benefit helps parents of young children with the cost of nursery or a childminder, and can also be used for childcare for school-age children, such as breakfast

**Welsh Ministers should make strong representations to ensure that the new system works for Welsh families**

or after-school clubs.

Nearly 21,000 families in Wales – the majority of them lone parents – will be affected by this cut, losing an average of £398 per year. And it is in some of the poorest counties that the effect will be the largest. Families in Blaenau Gwent will lose £455 and those in Merthyr Tydfil £453.<sup>3</sup>

The impact of the cut in childcare support will be to reduce work incentives for parents who require childcare in order to go to work, and it risks forcing some of them out of the labour market and on to benefits.

The same families will also be affected by a number of other changes to benefits and tax credits. Although removing child benefit from families containing a higher-rate taxpayer has received more attention in the media, more families will be affected by the freezing of the benefit from April. For a family with two children, this freeze is equivalent to £73 per year in 2011-12, rising to £192.32 per year in 2013-14.<sup>4</sup> The basic element of working tax credit, paid to those working more than 16 hours per week, is also being frozen. For the 104,000 working families with children in Wales who are receiving working tax credit, this will mean a loss of £210 per year by 2012/13.

A number of other changes to the tax credit system will make it less generous and less responsive. The rate at which tax credits are withdrawn as income rises ('the taper') is being increased from 39 to 41 per cent, meaning that the marginal returns for taking on extra hours of work will be reduced. Claimants will also need to work 24 hours rather than the current 16 in order to be eligible. If they are unable to increase their hours in response to this change, families will face a loss of £3,800 each year.

On the positive side, there will be an increase in the child tax credit of £180 above inflation in 2011-12, and a further payment of £110 in 2012-13, which will help mitigate the cuts for some families. But overall, the changes mean that from 2012 a two-child family will not receive any tax credits if their income exceeds £31,000.

One group that will be particularly affected by cuts to benefits are parents who are currently expecting a child. These new mothers and fathers will no longer be eligible for a number of benefits and payments during pregnancy and the first months of their child's life. Among those benefits being withdrawn is the Health in Pregnancy Grant worth £190, the Child Trust Fund which provided a contribution of £250 or £500 towards a child's savings, and the baby element of the child tax credit which was worth £545 per year. The Sure

Start maternity grant, which provides £500 for low income families to help with the cost of a new baby, is being restricted to the first child only. All of these changes will affect thousands of families across Wales.

So what can the Welsh Assembly Government do to mitigate the impact of these cuts? In terms of family income, it is unlikely that any policies at a devolved level can replace the losses of tax credits and benefits. But as the UK Government develops its policies for wider welfare reform, including a new Universal Credit to replace all benefits and tax credits, Welsh Ministers and officials should make strong representations at Westminster to ensure that the new system really works for Welsh families.

The Welsh Assembly Government and local councils should also ensure that families are getting access to all the financial support to which they are entitled through high quality advice and information, and are getting support to return to work. Encouraging employers to offer flexible and part-time work and improvements to transport infrastructure will also help parents manage their work and caring responsibilities.

Most importantly, services to support families and children in local communities must be protected and even enhanced. The Welsh Assembly Government should seriously consider extending the free childcare offer for pre-school children. All three and four year olds in England now get 15 hours of early education per week, and from 2013 the most disadvantaged fifth of two year olds will receive the same. Currently in Wales, three and four year olds get ten hours per week, or more depending on their local authority, and some two year olds get free care. At a minimum, Wales should seek to match the offer in England, and ideally it should be increased to 20 hours for all two to four year olds.

The importance of Flying Start, the Cymorth fund, Integrated Family Support Services and projects such as Genesis Wales 2 cannot be overstated. Protecting these services should be a priority, and developing policy in this area should be a key area of work to continue a distinctive Welsh approach to family support. Welsh children are Wales's future: investing in them and their families is a vote of confidence in Wales's next generation.

1 *Childcare Costs Survey 2011*, Daycare Trust

2 See, for example: *Effective Provision of Pre-School Education (EPPE) Project*, Department for Education and Skills, 2004

3 Figures calculated by the Resolution Foundation. See: <http://www.resolutionfoundation.org/press/>

4 *Families in an age of austerity – how tax and benefit reform will affect UK families*, Family and Parenting Institute, January 2010



# Do we have someone with Ed's Balls?

**Disabled children are a priority for governments in both England and Wales, but services in Wales fall far short of what is needed, says Zoe Richards, Young People and Carer's Manager at Learning Disability Wales. We need political leadership to drive delivery.**



As the life of the current Assembly draws to a close it is perhaps timely to look at what has been achieved and the challenges and way ahead for services for disabled children.

The Disabled Children Matter Wales Campaign, a coalition of several charities, began in Sept 2007 with their first aim being 'to secure a consequential amount of monies (£13 million) for services for disabled children. The campaign rightly or wrongly caused controversy by highlighting the differences in priorities between England and Wales.

Although there are many differences between the situation in England and that in Wales there are also many similarities and points from which we could both learn a great deal.

The issues for disabled children and their families in both England and Wales are very similar, with short breaks, transition, play and access to childcare being amongst the priorities. England and Wales have a very similar policy approach with 'Aiming Higher' in England and 'We are on the way' in Wales. Both policy agendas address the key issues that disabled children and their families face. However, in both circumstances there have been huge challenges in implementing the policy. Recently we were alerted to the story of a parent with a disabled child who had met David Cameron during the run-up to the general election and had been personally promised by him that her situation would improve. We now learn that she is losing some of the essential services that Cameron promised she would retain.

When we analyze the differences between the drive for implementation it is notable that information available through the respective Government's websites is very different. 'Aiming Higher' reveals a packed hub of information with ideas, stories, and a strong emphasis that disabled children are a prominent priority in England. The Welsh Assembly Government website paints a very different picture with information difficult to find

and lacking in volume. 'Aiming Higher' produced substantial investment in pilot areas with programmes being rolled out across the country on completion of pilots. 'We are on the way' also produced pilots of work but with a significant reduction in financial backing for local authorities to implement them.

Both campaigns, Every Disabled Child Matters (England) and Disabled Children Matter Wales (Wales) also have several structural differences. The English campaign is a funded and staffed campaign steered by 4 charities. The Welsh campaign is an unstaffed and un-funded campaign which is now steered by 9 charities. Whilst both campaigns have achieved success there is a noticeable difference in the impact at not only national level but at local authority level, with the Welsh campaign not able to achieve greatly at local Authority level due to lack of resources. In order to highlight accountability the English campaign has been able to pursue several test cases, holding a local authority to account. This is something we see very little of in Wales.

These differences lead to the conclusion that England has a prioritised drive, backed by substantial funding. In Wales there is a well-intentioned effort that has lacked funding, resulting in small changes to people's lives but not those radical, significant changes that are needed.

Both England and Wales tell us that disabled children are a priority. The picture on the ground is very different and leads us to ask 'What is a priority?' To make the priority a reality in Wales, we need strong political leadership, a prioritised policy agenda and website and media coverage that demonstrates this.

Ed Balls saw the inequalities that disabled children face and became the leader for change. Unless we have a Welsh Assembly Government Minister who will take this lead in Wales, services for disabled children will remain the same for many years to come.

# Time for action on the economy

With the Welsh economy in crisis, it's time for radical action to grow the private sector, says *Darren Millar*, Shadow Minister for Economy and Transport



If anyone were in doubt about the scale of the challenges facing the Welsh economy then last December provided timely reminders. The release of Gross Value Added (GVA) figures showed Wales is yet to budge from the foot of the UK wealth table. The PISA statistics showed that, despite extremely hard work by teachers and pupils, attainment by 15-year-old young people has in some areas slipped backwards since 2006.

It is unacceptable that Wales still lags behind. Underneath all these worrying statistics are individuals, families and communities across Wales whose talent has been wasted and hopes frustrated.

Very concerning is the fact that the West Wales and the Valleys region in particular has not started to catch up with the rest of the UK in relative terms. Like Wales, Cornwall & Isles of Scilly, South Yorkshire and Merseyside all received Objective 1 funding. However, unlike Wales, every one of these regions showed signs of improvement relative to the rest of the UK over the past decade.

Unfortunately, it sometimes appears that Welsh Ministers do have doubts about the gravity of the situation. The First Minister was challenged by Andrew Marr a year ago about the Welsh economy's under-performance. He responded that the figures "aren't that bad".

I also worry about his grasp of figures. The First Minister said in Plenary in January that the measure for household income (GDHI) is "a more accurate figure" than GVA. The Institute of Directors, the Institute of Chartered Accountants and the Royal Town Planning Institute Cymru disagree with him – GVA isn't perfect, but it is the best indicator we have to measure performance.

Rather than indulge in an exercise in doom and gloom it is simply appropriate to note that the statistics prove that current Welsh Assembly Government policy is not working. We need change.

There are reasons to be optimistic. Wales also has great strengths and assets which are all too often overlooked. Our nation has received global exposure as a set for popular television programmes and a world-class golfing destination. Anglesey recently featured in The Independent's top 5 destinations for 2011 and the South Wales Valleys is advertised by Visit Britain as having a "unique rollercoaster landscape of hills and vale".

After a century of decline we need to ruthlessly reject ideas that do not work

From own experience as an AM in North Wales, I know there is great potential for the region as an economic powerhouse.

The Welsh Assembly Government is slowly learning that spending on economic development does not guarantee success. Leighton Andrews, the Education Minister, recently admitted that the PISA performance was not necessarily related to investment. CBI Wales has said that since 2001 £2bn has been spent by the Welsh Assembly Government on economic development. We know from estimates that in 2009-10 Wales spent more per head on economic development than the other eleven nations and regions of the UK.

The most urgent challenge in the Welsh economy is to grow the private sector. Not since the early years of the twentieth century has the Welsh economy been at the forefront of British enterprise. Wales needs a more enterprising, productive and skilled economy supported by a strong base of indigenous enterprises. We also need a rounded society, with the public, private and voluntary sectors all making a contribution.

Starting a business is a noble pursuit. Many entrepreneurs want to make a difference, to fulfill a need in society or to solve a problem. They are people with a passion and a will to succeed. I was disturbed, therefore, to read responses to the Economic Renewal Programme. The Institute of Directors said: "Members perceive a suspicion of the private sector and the role of profits in their dealings with WAG, with this not unfortunately confined to junior staff." The Royal Institution of Chartered Surveyors Wales said there was an "inherent suspicion of developers and entrepreneurs" in the Welsh Assembly Government.

As in most large organisations, the culture is defined by those at the top. The Welsh Assembly Government has shown contempt for the Welsh private sector since day one. It took almost a year after the 2007 election to even meet with business leaders formally. The new Council for Economic Renewal has not been given independence. It is chaired by the First Minister and even takes its name from a government strategy! This Jekyll and Hyde approach to the private sector must change.

Welsh Conservatives have argued for some time that we should create an Enterprise Council, chaired by a business person and with key business figures, to advise the Welsh Assembly Government on private sector matters. Ministers from all departments should be asked to account to the Council for their department's impact on the Welsh economy. And the Council should agree



long-term aims and measures for the Welsh economy.

The Enterprise Council would also help to ensure government aims can be achieved by working with the private sector and not against it. There is considerable potential for partnerships with the private sector to build roads, deliver broadband and other public services. Yet, the Welsh Assembly Government remains ideologically opposed to this. The National Assembly's all-party Finance Committee recommended more than two years ago that government should explore the potential for more public-private partnerships.

It is not a matter of politics. Reasonable voices on the centre-left of the political spectrum, such as Will Hutton, have argued that the Welsh Assembly Government should make more use of dormant private money. Poorly negotiated PFI contracts in the past are not a valid argument against private money.

Another Welsh Conservative proposal is to require every secondary school to establish a social enterprise run by pupils. Divine Chocolate, the Big Issue and Jamie Oliver's Fifteen restaurant are all social enterprises that have grown remarkably and made a large impact. All of the skills necessary to run a social enterprise have uses far beyond the business sector. By encouraging young people in Wales to run social enterprises they will learn valuable life skills, such as working with others towards common goals, problem solving and managing funds. What better way to encourage young people to remain in their communities than to give them the skills and outlook necessary to start a business?

I have put on record my desire for a clear "yes" result in the referendum on March 3, but regardless of the result we will never succeed in Wales if the Welsh Assembly Government's vision is constrained. All three of the ideas put forward in this article are already within the powers of the Assembly Government. Devolution gives us the opportunity to lead a different course from the rest of the UK. After nearly a century of gradual decline we need to ruthlessly reject ideas that do not work. We must be radical. That is a challenge in itself.



# Can Wales go green alone?

*Anne Meikle, Head of WWF Cymru, says that although Wales can't reduce carbon emissions without the UK and EU, it can lead the way.*

Let's start with an oft-quoted statistic: 80% of the UK's environmental legislation is initiated in Brussels on behalf of the European Community. So, the simple answer to the question must be, no: Wales can't go green alone. But neither can the UK. Many of the environmental issues we face have to be addressed internationally and even globally. Water and air pollution don't respect national boundaries, and the problems such as climate change are clearly global.

Does this mean that Wales is such a bit-player that the Assembly Government might as well pack in its environmental portfolio? Definitely not! We must build on past successes and confront the huge challenges ahead.

What are these successes? Let's start with a big one. In 2009, the Welsh Assembly Government published the Sustainable Development Scheme, "One Wales: One Planet", which set out the ambition to reduce the greenhouse gas emissions of Wales and our use of natural resources to a level which was consistent with living within the environmental limits of the planet. In terms used by the WWF, and now widely understood, the Welsh Assembly Government is committing, within



the lifetime of a generation, to reduce Wales's carbon and ecological footprints to a 'One Planet' level where, on average, each person in Wales will be using no more than their fair Earth-share of global resources.

Subsequently, the Welsh Assembly Government has committed to reducing greenhouse gas emissions by 40 per cent by 2020, in line with scientific evidence that this is what is needed worldwide to keep the average increase in global temperature to less than 2°C. Not only is this a feather in the Welsh Assembly Government's cap, all of the parties of the National Assembly for Wales have endorsed the position – which gives us in WWF some comfort.

The Labour/Plaid coalition has been courageous in requiring that this 40 per cent reduction is achieved by annual decreases of 3 per cent. However the Welsh Assembly Government estimate that only about a third of the 3 per cent per annum target is actually within its own powers. Success will be achieved only if others, particularly the UK Government, play their part.

It is fortunate then that we have a UK Climate Change Act, which commits the UK Government to specific targets in reducing greenhouse gas emissions and has independent expert scrutiny of

performance. This is reassuring, as the Welsh Assembly Government has no statutory basis for its reduction targets. These are certainly well intentioned commitments and their continuation is made more likely by the cross-party endorsement, but they could be replaced at any time. Also of concern is the fact that there is no mandatory, independent, expert scrutiny of Welsh government performance, as there is by the Climate Change Committee on the UK and Scottish Governments. Expanding the Committee's role in Wales or establishing similar statutory requirements might well be worth considering if new powers are devolved to Wales.

However, even though businesses in Wales have responded well to the Welsh Assembly Government's encouragement to improve energy efficiency and reduce use of fossil fuels, we should remember that many businesses are part of companies which have UK or overseas HQs driving the changes. Sectors such as construction lobbied very loudly when the Welsh Assembly Government tried to introduce improved standards of energy efficiency in buildings before the timetable in England. Again it is clear that integrated decision making with UK and others is more likely to succeed.

There is a key role here too for the public sector. As stated in WWF's One Planet Wales report, in 2007, the public sector:

*"will need to take the lead and coordinate actions from national to local level, on housing, transport, and supply chains for all our material needs... This means taking responsibility as stewards of our environmental assets and managing markets in those public goods for the benefit of all. It also means working in multi-level governance with policies from UK or EU level, and multi-lateral governance in partnership with local communities and the private and civic sectors".*

This suggests some new roles for the public sector in Wales. In particular, it calls for a more mature approach to multi-level governance, where the Welsh Assembly Government recognises that it needs to work with local authorities, the UK government and the European Community to enable many of the necessary changes to occur. Differences in the political colour of the UK and Welsh



**The Welsh Assembly Government must recognise it needs to work with local authorities, the UK government and the European Community**

Assembly governments must not be allowed to thwart this collaboration – indeed, Wales’s government should be influencing the other administrations to follow their lead.

In doing so, we won’t be alone, not if the European Commission gets its way. In January 2011, it promoted a strategic framework that sets resource efficiency as the guiding principle for EU policies on energy, transport, climate change, industry, commodities, agriculture, fisheries, biodiversity and regional development. This will be followed by roadmaps to drive this efficiency and enable suppliers to work together to achieve sustainable production. The EC’s intention seems

to be echoed by the ex-CEO of Marks and Spencer, Stuart Rose, who stated, in the same week, that as no one company can become sustainable alone, the businesses which will prosper will be those who collaborate – even with competitors.

What all this shows us is that there are drivers for more integrated working and governance at many levels. Whether or not we decide in the referendum to give the Welsh Government more powers, we must ensure that the Welsh Assembly Government doesn’t become wholly preoccupied with what it can do under its own steam. Real progress will only come from a synchronicity of our effort with others.

One notable example of the success of integrated action has been in waste management. From being at the bottom of the UK league for recycling, Welsh local authorities are now pushing for top spot, a result that could not have been achieved without advice, support and a fair bit of pressure by the Welsh Assembly Government. Of course it all started with the EC Waste Directive, which had incentives and strong financial penalties for non-compliance. Would Wales have achieved the same level of improvement without the EC? This seems a very clear example of the benefits of integrated governance.

Overall, it is vital that the Welsh Assembly Government and the rest of the public sector in Wales recognise the new roles they need to fulfil. They really must work together and use public expenditure, particularly through sustainable procurement, to help the market transform itself to sustainable production. There must be a conscious move away from subsidising high carbon or resource inefficient aspects of the economy. Supporting firms who are adopting efficient practices early would magnify the public sector’s influence way beyond their restricted powers. And,

to be fair, a start has already been made on food procurement. The EC strategy on resource efficiency shows examples of how public procurement can be a powerful tool for environmental protection and resource efficiency while saving money

We have the opportunity now – within the next year – to make sure that sustainable development governance in Wales is invigorated with the birth of a new organisation to take over from the Sustainable Development Commission. The replacement of Environment Agency Wales, the Countryside Council of Wales and Forestry Commission Wales offers a once-in-a-lifetime chance to give environmental sustainability real meaning in the Welsh context. The new body can have a crucial role in guarding our environmental assets and ecosystem services, through regulation and scrutiny. To be truly effective it must be independent of government, both at Westminster and Cardiff Bay, so that it will be trusted by the people of Wales to put their interests in a healthy environment first – before any political considerations. The new body must stand up for these in the way that the Children’s Commissioner stands up for our young people.

Getting back to the issue of global interdependence on green issues, the need for governments to work together is consistent with the new thinking emerging at UN level as it prepares itself for the Earth Summit in 2012. This will mark, 20 years since the first summit in Rio, which established the international principles of sustainable development. So, just maybe, Wales will find itself in tune with the rest of the world, and its ability to work with the UK government while forging its own path for Sustainable Development may prove to be a model for others to follow.

As Rhodri Morgan said, Wales “was the crucible of the world’s first energy revolution, which was based on fossil fuels and the Assembly government, is now working to ensure ... it is at the forefront of the future energy revolution promoting ... green energy “. It most certainly needs the collaboration of businesses and the regulation and incentives provided by UK and EC to achieve this.



Photo: Peter Slater





# I just want to be treated normally

**Nicola Samuel, a prospective candidate in the 2012 local authority elections, talks to Daneka Norman. Nicola is 24 years old and lives in Cwmbran with her family. She has cerebral palsy and is a wheel chair user. Nicola currently works with Snap Cymru and Millennium Volunteers.**

“ My life is so busy at the moment I don't know if I'm coming or going! There is so much going on. I'm studying for my Welsh exam, working with Snap Cymru, volunteering with Millennium Volunteers, preparing for the council elections in 2012 and trying to catch up with my friends. There's just not enough time for everything!

In my spare time I used to play table tennis but that was closed down. So now I just like to hang out with my friends or catch up with them online in my spare time. When I was younger I completed the Gold Duke of Edinburgh award when we spent a week orienteering in Devon and living in the 'wilderness'. We got lost a couple of times but I still got the award.

Now I do more volunteering work. I help out at a local school as part of a Millennium Volunteers programme. I've just received a certificate for completing 50 hours. This is what I am most proud of at the moment. I hope I can make it to 200 hours which is the highest award.

Working with children is something I want to continue doing and I enjoy helping out at the school a lot. I am qualified in childcare and

achieved top grades on the course. I also managed to complete it in one and a half years instead of three! My sister has three children so I help her out with babysitting too.

Politics is something I have started to get involved with recently. I am a member of the Torfaen People's Panel which has been set up so local people have a chance to say what they think about public services and life in the area. I have decided to stand for the 2012 local council elections as well. I don't know if I will get elected but I want to be able to have a say about how things are done.

I send a lot of time working with Snap Cymru. Keith (Keith Howells, Regional Children's Officer, SNAP Cymru) is always on the phone asking me to help out. Working in the office can be stressful as the phone is always ringing but I enjoy helping out on the helpline. In the past I have also helped at events, working at the Snap Cymru information stand. This can be frustrating because no-one wants to talk to you or they are really patronising because I am in a wheelchair. They don't think I can talk but they never try to find out. The worst is when they speak to my Mum or my colleagues instead of me. I just want to be treated normally. ”



# Union and equality rights up for grabs?

*Mick Antoniw* looks at the changes on the horizon for employment legislation.

Government proposals are coming in thick and fast. Perhaps at the moment they are just testing the water but it seems clear there is going to be a watering down of many employment rights in the guise of getting rid of red tape and removing the burden on business.

Many of the employment rights we now take for granted have been hard-won by trades unions over many years of struggle. None of this, however, seems to mean much to the present government.

We have seen moves by the government, through the now much-missed Lord Young report, to reduce the burden of health and safety on employers which undoubtedly would have led to increased numbers of accidents and deaths in the workplace. Lord Young's demise has perhaps delayed immediate moves to deregulate aspects of health and safety.

However, no such luck for employment rights. The government wants to increase the qualifying period for employment rights from one year to two years. This would mean that for unlawful dismissal, unfair selection for redundancy and similar offences, workers could not go to a tribunal unless they had worked for a company for a minimum of two years. This would no doubt also lead to an increase in the number of fixed term contracts designed to ensure workers can effectively be sacked at the employers' whim with no protection.

A proposal for there to be a financial deposit of £500 for all tribunal cases goes against the whole purpose of tribunals which was to give workers easy access to a forum where they could enforce their rights. The likely effect of this would be to massively reduce the number of tribunal cases and weaken still further the position of non-unionised workers.

If that isn't enough, the government is looking at abolishing May Day and replacing it with a UK day. Where does all this nonsense come from? Haven't the government got better things to do than robbing workers of the one day that acknowledges



their contribution to society and the economy? May Day is a celebration going back to the fourth century and possibly earlier. Over the past 200 years it has increasingly been recognised as a day to celebrate workers' solidarity and achievement.

There is the rub. The common theme which seems to ooze through the government's policy making process is that anything to do with workers' rights, solidarity and possible opposition to the government's cuts programme is to be undermined and attacked at every opportunity in favour of the purported interests of business.

Having already decided not to implement part of the last government's equalities legislation they have decided to slash the funding of the Equalities and Human Rights Commission. A 15 per cent cut amounting to £7 million pounds is to be imposed. Clearly equal rights and anti-discrimination enforcement is not very high up the government's agenda.

So what can we expect over the next 12-24 months apart from the privatisation of the NHS and of education, which are already well underway in England, and the selling off of our woodlands and forests? Almost certainly there will be moves to restrict the rights of trades unions and the use of the political levy for campaigning. Workers' rights will continue to be reduced in the name of unburdening business. Alongside the gerrymandering of constituency boundaries before the next election, we can see an agenda which follows on from what Margaret Thatcher started in the 1980's, an unfettered banking and business community with a workforce for whom the only direction for terms and conditions is downwards.

**Mick Antoniw is a partner with Thompsons trades union solicitors and the prospective Labour candidate for Pontypridd in the forthcoming Assembly election.**

## news European Year 2010 Combating Poverty and Social Exclusion



The Bevan Foundation's work on the European Year of Combating Poverty and Social Exclusion came to a close in December. Although poverty and social exclusion remain as entrenched in the Welsh economy and society as ever, our work has developed understanding of the causes and consequences of poverty and has raised public awareness.



Peter Kenway

### Building a Fairer Wales

The EY2010 conference on 23rd September 2010 enabled nearly 100 delegates to hear keynote speakers Huw Lewis AM and Peter Kenway, Director of New Policy Institute, outline the challenges Wales faces. In workshops, delegates questioned service providers about what they were doing to tackle poverty. The afternoon featured people's experiences of poverty, with a screening of a film 'Two Sisters' and a discussion, hosted by Beverley Humphreys, with Mark Atkinson (NIACE Dysgu Cymru Learner of the Year) and Dilys Price of the Touch Trust.

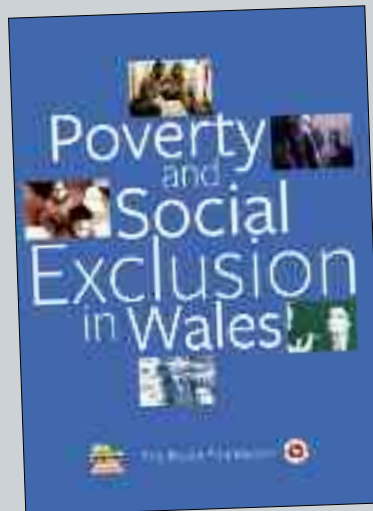


### Two Sisters

Two Sisters, a 20 minute film made by media production students at Merthyr Tydfil College, shows the struggle two young women face building a route out of poverty. Clips from the film were screened on Sky News, BBC Wales Today and it was also covered in the South Wales Echo. You can see it on YouTube at: <http://www.youtube.com/user/enginehouseprod>

### Poverty and Social Exclusion Website

A new website, [www.ey2010.bevanfoundation.org](http://www.ey2010.bevanfoundation.org), provides the latest statistics and links to reports about poverty and social exclusion in Wales, covering income, education, health, housing and much more besides.



### Poverty and Social Exclusion in Wales

An essential read for everyone concerned with promoting social justice in Wales, our 174 page overview provides expert analysis, thought-

provoking critiques and the testimony of people who experience poverty and social exclusion. Available to download free at [www.bevanfoundation.org](http://www.bevanfoundation.org) or order a hard copy for just £7.30 postage and packing.

### Fair Play for Disabled Children and Young People

Despite the Welsh Assembly Government's laudable intentions, there is still a shortage of play and leisure activities for disabled children and young people in Wales. A substantial proportion of children who responded to our survey said there was 'nothing for them' in their areas, with many doing few if any leisure activities. Groups such as Dynamic in Wrexham show that it is possible to provide a range of play and leisure opportunities, but most are over-subscribed. The report recommends that play and leisure providers learn from 'what works' and put in place a range of activities based on children's rights. The report is available at [www.bevanfoundation.org](http://www.bevanfoundation.org)



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# Injured? An apology won't pay the bills,

**but compensation will.**

Injuries can cost a lot more than accident victims initially realise.

The costs can seem small initially, but soon start to mount up. As can the emotional costs.

Mark (right) broke his neck in an appalling car accident that nearly killed him.

**"The day I was told I would be paralysed from the chest downwards," says Mark "... was the day I determined not to break...**

**During my time in hospital, my family and I discussed the degree of support and treatment I need, the very considerable costs involved and claiming compensation..."**

Mark and his family then pursued their claim with Thompsons Solicitors.

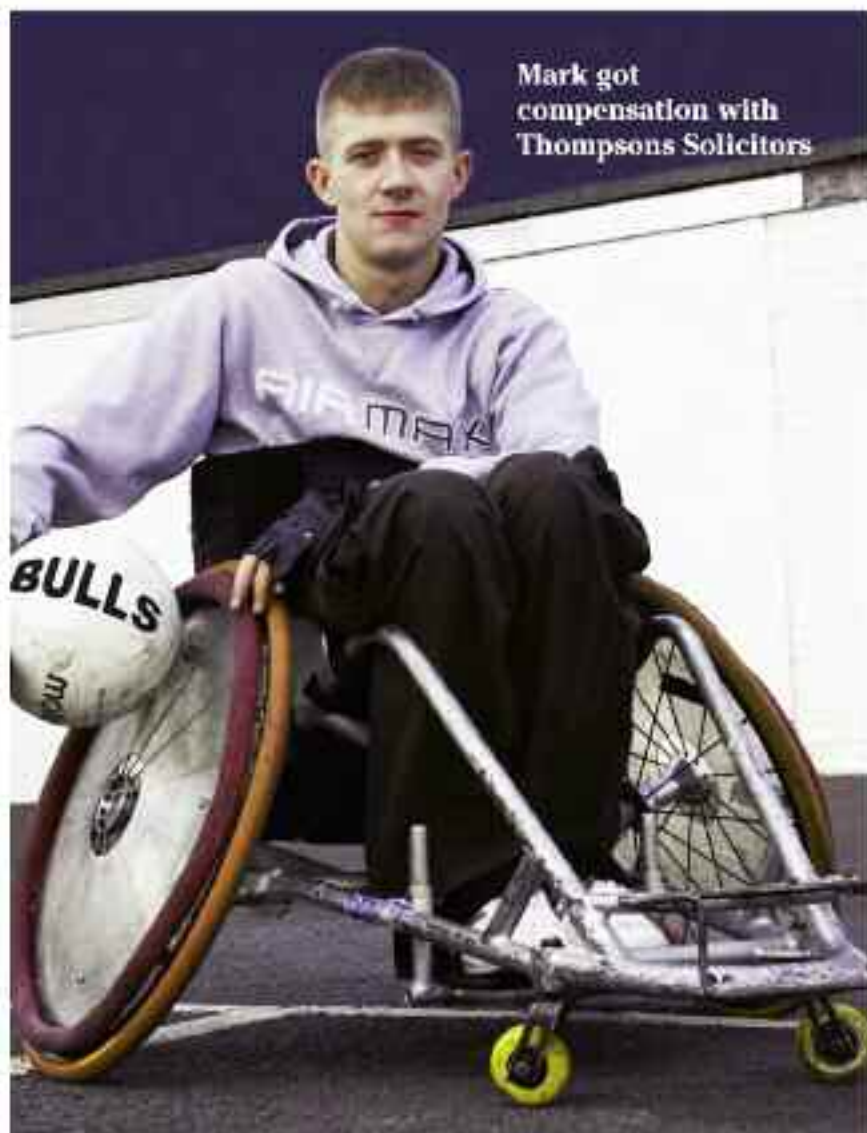
**"The solicitor mostly dealt with my mam," continues Mark. "He was really thorough... and talked to my carers at length about my current and future needs and their costs.**

**Today, I'm getting on with moving forward in my life in a variety of ways."**

Thompsons Solicitors was established over 85 years ago and is the most experienced personal injury law firm in the UK.

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