



**Cynulliad Cenedlaethol Cymru**  
**Y Pwyllgor Addysg, Dysgu Gydol Oes a Sgiliau**

**The National Assembly for Wales**  
**The Education, Lifelong Learning and Skills Committee**

**Dydd Mercher, 5 Gorffennaf 2006**  
**Wednesday, 5 July 2006**

**Cynnwys**  
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cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.  
In addition, an English translation of Welsh speeches is included.

*Aelodau Cynulliad yn bresennol: Peter Black (Cadeirydd), Christine Chapman, Jeff Cuthbert, Jane Davidson (y Gweinidog dros Addysg, Dysgu Gydol Oes a Sgiliau), William Graham, Irene James, Janet Ryder, Owen John Thomas.*

*Swyddogion yn bresennol: Judith Cole, Pennaeth Ymchwil a Derbyn; Alun Huws, Pennaeth Hyfforddiant Cychwynnol i Athrawon; Joanest Jackson, Cyngorydd Cyfreithiol y Pwyllgor; Steve Marshall, Cyfarwyddwr yr Adran Addysg, Dysgu Gydol Oes a Sgiliau; Elizabeth Taylor, Pennaeth Grŵp Plant ac Ysgolion; Wayne Williams, Pennaeth Ystadegau Ariannol Llywodraeth Leol.*

*Eraill yn bresennol: yr Athro Julie Allan, Prifysgol Stirling; David Blaney, Pennaeth Cynllunio ac Ailgyflunio, Cyngor Cyllido Addysg Uwch Cymru; Phil Clarke, Rheolwr Datblygu Strategaeth, Remploy Interwork; Professor Philip Gummett, Prif Weithredwr, HEFCW; David Knight, Pennaeth Strategaeth Marchnata, Remploy; Gareth Parry, Rheolwr Cyffredinol, Remploy; yr Athro Syr Roger Williams, Cadeirydd, HEFCW.*

*Gwasanaeth y Pwyllgor: Steve George, Clerc; Ruth Hatton, Dirprwy Glerc.*

*Assembly Members in attendance: Peter Black (Chair), Christine Chapman, Jeff Cuthbert, Jane Davidson (Minister for Education, Lifelong Learning and Skills), William Graham, Irene James, Janet Ryder, Owen John Thomas.*

*Officials in attendance: Judith Cole, Head of Research and Admissions; Alun Huws, Head of Initial Teacher Training; Joanest Jackson, Legal Adviser to the Committee; Steve Marshall, Director of Education, Lifelong Learning and Skills Department; Elizabeth Taylor, Head of Children and Schools Group; Wayne Williams, Head of Local Government Finance Statistics.*

*Others in attendance: Professor Julie Allan, University of Stirling; David Blaney, Head of Planning and Reconfiguration, Higher Education Funding Council for Wales; Phil Clarke, Strategy Development Manager, Remploy Interwork; Professor Philip Gummett, Chief Executive, HEFCW; David Knight, Head of Marketing Strategy, Remploy; Gareth Parry, General Manager Remploy; Professor Sir Roger Williams, Chairman, HEFCW.*

*Committee Service: Steve George, Clerk; Ruth Hatton, Deputy Clerk.*

*Dechreuodd y cyfarfod am 9.01 a.m.  
The meeting began at 9.01 a.m.*

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

[1] **Peter Black:** Good morning, and welcome to the Education, Lifelong Learning and Skills Committee. I have some housekeeping announcements before we start, particularly for the benefit of the members of the public. In an emergency, ushers will indicate the nearest safe exit. Headsets are available for translation and amplification and ushers can explain if members of the public are unclear on how to operate them. Members will wish to note that simultaneous translation is available on channel 1 and that channel 0 is the floor language.

[2] I ask everyone to completely switch off their mobile phones and BlackBerrys and any other electronic devices, because they will impact on the tape and on the quality of the sound. I also remind Members that we are scheduled to finish at 1 p.m. today because of the large number of items that we have before us.

[3] We are expecting a delegation from Lesotho, who will be sitting at the back; when they come in, I will interrupt proceedings to welcome them. I understand that we are also expecting a delegation of elected members and officials from Rhondda Cynon Taf County Borough Council, who will be arriving at about 11 a.m.. As they are not here I can say that they are here to learn about how it is done in terms of scrutiny and they will be watching what we do.

[4] There have been several technical problems with the microphones, so I ask Members to wait until the light comes on before speaking. That will be particularly important during the final session, when we have the video conferencing, because they will be relying on the microphone feed to hear what we have to say.

[5] I have not received any apologies for absence or notices of substitutions, but I have had an apology from Christine Chapman that she will be late. I think that there is a large traffic jam building up around the whole of Cardiff, due to the M4 being blocked.

[6] I ask Members to make any declarations of interest, under Standing Order No. 4.6. I see that there are none.

9.03 a.m.

### **Adroddiad y Gweinidog Minister's Report**

[7] **Peter Black:** I invite the Minister to introduce her report.

[8] **The Minister for Education, Lifelong Learning and Skills (Jane Davidson):** I am pleased to present my report to the committee. It covers specific areas identified by Members, ongoing programmes of work as well as issues of current interest. In particular, I am reporting to the committee on the second anniversary of the Clywch inquiry, indicating that all the recommendations directed to the Assembly Government have either been enacted or are in the process of being enacted, in discussion with the Children's Commissioner for Wales's office.

[9] My report also contains my response to the Assembly Plenary motion approved on 8 November 2005, directing me to bring an assessment of the school repair and maintenance backlog to the committee. A commitment has been made to continue funding for schools' capital at the current level of £143.516 million per annum, until at least the end of the decade, namely the 2009-10 financial year. Next year's comprehensive spending review, which we now know will take place in July, will take our consideration to 2010-11 and we will need to consider then more precisely how much funding should be provided, and how it should be allocated.

[10] We also need to recognise that fitness for purpose is not a static description. Since the target of having all buildings fit for purpose was articulated in 'Wales: A Better Country', a range of factors have come into play that have driven up fitness requirements. They include: the removal of asbestos; increased disability accessibility requirements; foundation phase accommodation needs, including outdoor facilities; enhanced security; the need for pupil and vehicle segregation on site; higher electrical and water quality standards; sustainability requirements, including the Building Research Establishment Assessment Method standards; and inclusion of facilities suitable for community use. Local authorities will also need to have a rolling programme of building renewal and replacement if we are not to slip back to the position that we found when the Assembly came into being in 1999. In the absence of planned programmes of investment, many school buildings were in a dire state. So, I would welcome the committee's views on the current position and how we should look ahead to and beyond

2010.

[11] I was delighted to launch 'Appetite for Life' at the food and fitness conference on 29 June, which sets out the outcome of the food in schools working group's review of school meals, and its proposals on how we can continue to drive forward our whole-school approach to improving food and nutrition in schools in Wales. The report proposes not only the introduction of more stringent standards for school lunches, but minimum standards for all food and drink available throughout the school day. The report proposes that schools will have to take unhealthy food off their premises, including, for example, food provided through vending machines, by September 2008. In addition, new meal nutrient standards will be introduced from September 2008, followed by a one-year implementation period in primary schools, and a two-year implementation period in secondary schools. Currently, legislation only allows standards to be set for school lunches. However, the Education and Inspections Bill, which is currently being considered by Parliament, should provide us with all the necessary powers to take forward every proposal in 'Appetite for Life' by the autumn. I am grateful to all the independent organisations that have contributed towards this process, and the consultation period for 'Appetite for Life' will end on 31 October, which can coincide with the new legislation coming on stream. The report can be accessed via the internet, and all Assembly Members will receive a hard copy by the end of the week.

[12] **Peter Black:** Thank you, Minister. Item 1 is on the 'Clywch' report. I saw Janet indicating first that she wants to come in, and then William.

[13] **Janet Ryder:** On recommendation 21.29, you are using the money available in 2006-07 to evaluate existing models of counselling, and therefore it will be at least 2008 before we see anything like a national scheme coming in. What is the end date that you are working to on that?

[14] **William Graham:** On this matter, it is a serious issue that requires a great deal of consideration. Is the progress a little slow, because a third of the 22 recommendations are still only at the consultation stage? Can the Minister give an idea as to when those recommendations will be actioned? The Estyn report comments in particular that 10 per cent of all primary schools have shortcomings in their arrangements for child protection, and that staff are not adequately trained for this. What is the progress on that particular issue? Will the Minister consider inviting the office of the children's commissioner to come to this committee to give its overview of what has happened so far?

[15] **Irene James:** Just to come in on the back of what William just said, what follow-up work is intended and how will its effectiveness be monitored?

[16] **Jane Davidson:** As you will see in my report to committee, we are taking the issues around the counselling strategy, which we agreed in principle, and on which we were supported by the children's commissioner when the report was first published, very seriously. We said then, and have said subsequently, that in order to deliver a counselling strategy, we must have people who are qualified as counsellors, which is a long-term aim. We must ensure that we have adequate provision in terms of the training and recruitment of counsellors, and we must know that what is being delivered is of the highest quality in terms of the young people. That is why the first piece of work that we did on this was to audit the existing arrangements. We are now looking at evaluating how effective those arrangements are in terms of taking it forward. You will see that the report says that the task group, which includes counsellors and young people, as well as a range of other professional organisations, is meeting this month.

9.10 a.m.

[17] The intention is to have a draft national strategy for consultation in the autumn. I am happy that we are taking this forward at the appropriate pace; we gained extra funding of £200,000 from the Assembly budget over the next three years for this. However, it is also important to say that, in the context of the Furlong review, as I have reported to committee before, if we are going to create extra places for the training of counsellors for the future, we need to release those places that are currently allocated to teacher training. So, we need to ensure that that work continues apace in order to release appropriate places for the counselling strategy. We propose, incrementally, to expand these opportunities across the country. When we consult on the draft strategy from the autumn onwards, we will be able to be clearer about timescales following that further discussion with the professionals.

[18] William, I am really not sure where you get this notion that a third of the recommendations have not been acted on. In actual fact, as I said in my outline, all the recommendations to the Assembly Government have either been enacted or are in the process of being enacted, with the exception of the one concerning tribunals. Of course, we reported to committee almost immediately following the children's commissioner's initial report that the proposals for tribunals cut across employment law, and we immediately took forward the task group as he proposed. He sat on that group in person and accepted and supported the proposition in terms of the independent investigators, who will be in place by September. The requirements are now enshrined in regulations, by you in the Assembly, in terms of the obligations on schools to use those investigators, and also to have a voting non-governor expert member on cases of this kind. Were we to go through the recommendations one at a time, you would find it very hard to substantiate your claim.

[19] Irene, in terms of the issues of whether we are effective in delivering on this report, clearly, where there have been legislative requirements, we have taken them forward, and we will be able to establish their effectiveness because they are statutory requirements. There is a range of other areas for which the Assembly Government is not responsible, but we obviously have an interest in work being undertaken by local safeguarding boards, local authorities and others, and we will continue to ensure that we have a proper dialogue in these matters, through our regular meetings with other agencies and in my dialogue with other Ministers.

[20] **Janet Ryder:** You talk about going out to consultation in the autumn on a proposed scheme, but you also mention the need to have counsellors fully trained, and that seems to intimate that that will not happen until the changes from Furlong actually happen in colleges, which could be many years hence, by the time those people have completed their training courses. What is the first date on which you anticipate having fully trained counsellors in place? Surely, you must have looked at that, and looked ahead to work out your timescales. By what date do you first anticipate having those fully trained people and the scheme in place across Wales.

[21] **Jane Davidson:** I cannot give you that date for the reasons that I previously outlined. If we are going to take this seriously—and we on this side of the table take this very seriously—then we must make sure that the courses, the training, the people who can train, the assessments, and the accreditations are all available, and all of that will come through in the counselling strategy, on which we will consult in the autumn. That will, as I have already reported, give us a proper timescale. When the 'Clywch' report was first published, we made the commitment that we would want a national counselling strategy. We have put extra investment into that, and we have very good counselling services operating in some parts of Wales, but, as you know, not across the whole of Wales. In terms of making a set of opportunities available to all rather than some, we need a very strong strategic framework. That is why we will deliver on that in the autumn.

[22] **William Graham:** I would just comment that, in quickly looking through this, the current position is that one third of the recommendations is under consultation.

[23] **Jane Davidson:** Let me take you through them. In terms of initial teacher training accreditation, that has been done; on whistleblowing, you know that we looked at the draft guidance in committee last month; the guidance on how allegations should be investigated is done; the issues around the independent investigative proposals and the non-governor measure have been dealt with; the examining bodies and child protection guidance is done; the drama guidance is here for you and will be issued imminently, so that is done; and the information-sharing guidance in terms of local safeguarding boards is being published this month. The performance regulations are still outstanding at present, as the draft regulations are being finalised for consultation. In terms of best practice, the guidance is now being issued, in terms of complaints by pupils, and that guidance will be out by September. In terms of the counselling strategy, we are evaluating the models and taking that consultation forward in the autumn, and, in terms of informing schools, for example, with regard to Childline, the National Society for the Prevention of Cruelty to Children and so forth, that is in the complaints guidance, which will be completed by September. I think that we can demonstrate unequivocally, as I have said, that the actions are either being taken or will be completed imminently.

[24] The big action that we have to take together is on the issue around the counselling strategy, which is why I have included in my report substantial information about how we are taking that forward.

[25] **Janet Ryder:** I just want to know why the Minister said that these will be actioned imminently when she cannot give me a date for when she will have these training councils in place.

[26] **Jane Davidson:** I have just pointed out, Janet—I know that I have to do it a lot with you, again and again—that the counselling strategy must be a long-term, considered strategy. We need to get those people who can assess and accredit the counsellors of the future in place; we need to have the university and other training opportunities in place; and we need to look at ways in which to extend the current provision, which is what we are doing this year with the additional funding. We have £200,000 this year, £200,000 next year, and £200,000 the year after, to do that. In my own area of Rhondda Cynon Taf, we have very effective independent counselling provision. However, in other areas, they do not. If we are going to expand something where there have not, historically, been people who have been trained up in these areas, we have to take it step by step to ensure that we do it properly and have the proper strategic framework.

[27] I have fully accepted that, on the issues around counselling, we have a long way to go, and we will need to put increased investment in year on year in terms of taking that strategy forward.

[28] **Peter Black:** Before we move on, I would like to make an observation, Minister, not by way of criticism, but as a lesson for the future. I noticed yesterday that we approved the criteria for the initial teacher training accreditation regulations. In that, there is a specific paragraph relating to Clywch, which is referred to in this report. That reference to Clywch was not referred to in the schedule of legislation, which is notified to committee. I think that if it had been made clearer in the schedule that there was something in those regulations relating to Clywch, we may well have called them in for scrutiny. I know that Members had an opportunity to raise them yesterday, and no-one actually commented on them, but I think that, given the interest in Clywch, it would have been helpful if it had been mentioned in the schedule when it came to committee. That is just an observation in passing; it is not a criticism, but there may be a lesson for the future in terms of such issues of interest and whether legislation will refer to those specifically.

[29] **Jane Davidson:** I am certainly happy to take that back and look at it. All the legislation that we have made on the back of Clywch has been in relation to the Clywch inquiry, and we have brought it all to Plenary for debate.

[30] **Peter Black:** I am not disputing that, Minister. I just think that we, as a committee, might have asked to look at it specifically, had we been aware at an earlier stage that it had been in there. However, let us move on.

[31] Section 2 is on the targets for school buildings and the issue of maintenance and repair. I will ask a question on this first, Minister. I am pleased that we actually have a figure of £620.6 million now for maintenance and repair. I think that that is very helpful in being able to assess what is happening. I am also aware that, as you have said in your introduction, evaluating how much money is needed to make the buildings fit for purpose is very much a moveable feast because of the issues around the surplus places in particular, but also in terms of renewing and reorganising schools.

9.20 a.m.

[32] However, it seems that you have reported, later in your report, that you have plans to spend £574 million up to 2010, which is the target set by which schools should have been made fit for purpose. That is still less than the £620 million and significantly less than the money that we would all recognise is necessary to make schools fit for purpose. So, clearly, the commitment made of £143.5 million per annum will be insufficient to achieve that target. I understand that you are waiting for the comprehensive spending review before you have an idea of how much money will be available. However, it would be helpful if, as a Government, you could reiterate your commitment to achieving that target of making all school buildings fit for purpose by 2010, and that you will make every effort to ensure that the finance is available. On the basis of these figures, it looks like we will need roughly twice what you have allocated so far.

[33] **Jane Davidson:** I have three or four points to make in response to that. First, that chart, which includes the £620.6 million, relates to the maintenance of existing buildings. As you will see from the information that we have provided, we are still doing what we can describe as ‘forensic work’ on individual local authorities that have not properly planned for the future. You will also notice that, in Estyn’s annual report this year, the chief inspector made it extremely clear that authorities are taking too long to change their current pattern of school provision. In many cases, authorities have been slow to take steps to reduce the number of spare or unfilled places and to remove temporary school accommodation, such as wooden huts. She also said that the local authority should link the removal of spare school places to improving the condition of existing school buildings and the quality of education provided in them. We have all said that strongly in this committee—things need to be brought together.

[34] As you will see, we have almost doubled the expenditure over the last few years on school buildings. Last year, we said that we would maintain at least the £143 million-odd a year through to the end of the decade, but, as I said in my opening remarks, once we get the asset management plans from local authorities—and a substantial number of local authorities is due to complete them this year—we can then look at whether we need to allocate further funding in future years. I am sure that this Assembly committee would want to support increased allocations to the school building agenda, to bring school buildings up to the right standard for pupils, but would also recognise that the chart on general capital funding shows that, in fact, most authorities are spending substantial amounts on school buildings. If we maintained the current level of spend of individual local authorities, it would represent an additional £80 million nearly that has gone in, and we want to continue to encourage local authorities to provide that in future.



[35] However, we need to ensure that local authorities spend the funding allocated and fund effectively for the future, and I have regular dialogue on these issues with the Welsh Local Government Association. So, the answer to your question on whether we are making every effort and whether all the finance is available is, 'Yes, we are making every effort and we will make the finance available, subject to authorities having the right plans in place to ensure the best quality of education in their local area'.

[36] **Janet Ryder:** When the Minister described what would make a school fit for purpose, I was disappointed to note that she did not include in her list the need to install a sprinkler system. Sprinkler systems are not like smoke alarms; they do not trigger accidentally. There has to be a fire underneath them, they heat-react and each head reacts separately, so there is no danger of their causing massive water damage unnecessarily. In fact, there is more danger from the school being burned down. We know that sophisticated sprinkler systems can contain a fire, register it with the emergency services and, in some cases, can actually put out the fire and prevent a great deal of damage. Not one school in north Wales currently has a sprinkler system, though many have undergone remodelling and have had new extensions built. None of those new extensions or remodelling schemes includes sprinkler systems. I ask the Minister to consider seriously making this a criterion for a school to be deemed fit for purpose, so that, when a remodelling exercise is undertaken or a new school built, those sprinkler systems are put in. This committee needs to be moving on that. We have seen the damage that can be caused by fires in schools.

[37] Like many other Members, I have spoken to colleagues in local government in light of this report, and one or two of them are questioning where some of these figures have come from. The Vale of Glamorgan council in particular is looking at that registered £13.5 million backlog and saying that that would just about put one of its secondary schools in place. Its true estimate of the backlog is much closer to £80 million. The Vale of Glamorgan has its asset management documents in place. Where were these figures taken from?

[38] **Jane Davidson:** Perhaps Elizabeth could answer that.

[39] **Ms Taylor:** The information has come from the local authorities and has been fed back to them at least once to check, and they were content with what they had said.

[40] **Jane Davidson:** I am a great fan of sprinkler systems, particularly in new schools, but this is a matter for local authorities to decide on in dialogue with their local fire services. We know that, in many cases, particularly in new schools, local authorities are installing sprinkler systems. However, we also know—and Edwina Hart, the Minister responsible for this area, has told the Assembly previously—that the fire service would not necessarily see some buildings as suitable for sprinkler systems because of when and how the buildings were constructed. We have always operated on the basis that this is a professional matter for local authorities, but the school building money is available for the use of sprinkler systems; we have always enabled that to be the case.

[41] **William Graham:** Does this include voluntary aided schools in Wales?

[42] **Jane Davidson:** No, it does not. In the fifth paragraph, the report makes it clear that it does not include the information on voluntary aided schools, because work is in hand to complete the building condition surveys of voluntary aided schools. Once that is done, we will be in a position to determine the extent of the backlog repair and maintenance required for voluntary aided schools. The current allocation per year is, I think, £9.5 million, so substantial projects are being taken forward in voluntary aided schools, in partnership with their dioceses.

[43] **William Graham:** On the surplus places, I gather that information is not available or not held with regard to cross-border issues. Is there a protocol with English authorities to determine how many pupils attend schools in England, and vice versa, that will affect your places throughout the four LEAs?

[44] **Ms Taylor:** Local authorities are asked individually to assess the demand for school places in their area against their capacity. In doing that, we would expect them to look at where their flow of pupils comes from. In other words, they will look at how they expect to draw in pupils from England, or they would take account of any pupils going from Wales to England. That would be part of their normal planning arrangement. If they have not got that in, they need to do so.

[45] **William Graham:** I have tried to find that information, but none of the four LEAs in question admit to doing it—or the English authorities either, for that matter.

[46] **Ms Taylor:** We can come back to you on that. We can talk to the individual authorities.

[47] **William Graham:** Could you remind them that it could be quite significant in certain cases?

[48] **Ms Taylor:** Yes, because, otherwise, they cannot plan sensibly.

[49] **Jane Davidson:** The important point that you make, William, is that all local authorities have to plan sensibly in this context, do they not? I have already agreed with the Welsh Local Government Association that, when I meet all of the directors and cabinet members for education in the autumn, this will be one of our key items for discussion. We know that there is some very good practice in Wales. We also know that the number of children in Wales is shrinking rapidly, and that is not even across the piece.

9.30 a.m.

[50] Some local authorities are facing some real issues there, yet some are planning highly effectively, even in that environment, and we need to ensure that that good practice is taken forward across Wales.

[51] **Peter Black:** Do you know when the asset management plans of all 22 authorities will be on-stream? There are nine in development, and I understand that one authority does not have one at all.

[52] **Jane Davidson:** That is one for Liz, because she has been going around scrutinising each of the local authorities forensically.

[53] **Peter Black:** It would be helpful if, once they are on-stream, you could return to committee to make a further report on this issue.

[54] **Ms Taylor:** Certainly. From recollection, they are all due this financial year, so the very last ones will be in by the end of March and quite a number this autumn. However, we can keep you informed.

[55] **Peter Black:** Thank you for that. Item 3 of the report is 'Key Skills Statistics'.

[56] **Jeff Cuthbert:** I was pleased to read this particular part of the report, as I am a great advocate of key skills; I regard them as the cement that binds education with the world of work. It is pleasing to note that we in Wales seem to be leading the rest of the UK on the

achievement of key skills. That is very good, though perhaps not surprising given that it is part of the core of the Welsh baccalaureate, and will be an integral part of the 14-19 learning pathways, as well as being critical in modern apprenticeship routes.

[57] However, there is one issue that is a little concerning. The third bullet point under 'Key skills results' shows that, by far and away, the largest number of key skills awards were made in what are called the 'main' key skills, namely, communication, the application of number and information technology, and a far smaller percentage was achieved in what we wrongly call the 'softer' key skills. However, it is those softer key skills that industry and employers are more concerned about, including working with others, problem solving, and improving on learning and performance. Is there a reason for that? Is it because the first three—the main key skills—are easier to assess, by whether the young person has demonstrated sufficient evidence, in testing or whatever? Is that why those key skills are more pronounced than the others, or is there some other factor to account for it?

[58] **Jane Davidson:** You raise an interesting point, Jeff, because, if you look at the paragraph underneath the bullet points, you will notice that, for wider key skills, Wales has 27 per cent of all awards, even though there are proportionately fewer people undertaking the wider key skills awards than what might be called the 'harder' key skills elements: communication, the application of number and IT. A lot of this is because it has taken a while to win the key skills debate and to get people to recognise their importance. Increasingly, employers and higher education institutions are saying that they want young people who can demonstrate that they can work with each other, that they can improve their own learning and performance, and that they can problem-solve, and so we are factoring that into our skills-based curriculum, to be introduced from 2008.

[59] The first three skills were around for longer, and the issue with the wider key skills—for which we are proud to have 27 per cent of all awards—demonstrates that there is now a much greater push for key skills. I think that we will see these numbers increase dramatically over the next few years. I am extremely proud of these Welsh figures; everyone should be proud of them, because most of us have supported the development of the baccalaureate. We have been listening to employers and we know that colleges are doing extremely well on the key skills agenda. For us to be in a situation where we have 16 per cent of all key skills awards and 27 per cent of wider key skills awards, given our much smaller 5.9 per cent population base, demonstrates that we are leading the way in these areas. I note that, having compiled this report, the Department for Education and Skills is extremely interested in how we are taking this agenda forwards and in how Wales has been so successful. However, for me, this is just the beginning. It is about ensuring that those wider key skills get wider support for the future as well.

[60] **Peter Black:** Jeff wants to come back on this.

[61] **Jeff Cuthbert:** Very briefly, Minister, I am sure that you will be aware that, during a presentation by Construction Skills last Monday, the approach that we are adopting here in Wales in terms of key skills and the general drive for vocational qualifications, was praised. I agree with the point that you made, namely that we can take pride in the way in which this, as an aspect of vocational learning, is being pursued.

[62] **Jane Davidson:** One important aspect of this is that these key skills, including the wider key skills, are in the national qualifications framework, and that has been terribly important in driving them forward.

[63] **Peter Black:** The next item is on food in schools. Does anyone have any questions?

[64] **Janet Ryder:** In one of the papers that came through on e-mail, I think yesterday, to

do with this strategy, you talk about the use of large contracts. I was disappointed to see that this is still being talked about, because the experience of many counties that have come together and purchased together through consortia is that the food is not of the highest quality. The experience of Carmarthenshire, I believe, has shown that by breaking those contracts down into sub-regions of the county, you can purchase locally. That depends on the quality of the procurement team within the county council, but Carmarthenshire has shown that you can buy locally, and that you can buy high-quality food—but not through the large contracts that are being offered.

[65] If we are to take seriously the issue of reducing air miles or travel miles for food, and of increasing the value locally by buying locally—and therefore supporting local industry, farmers and produce, and putting more money back into the immediate locality—we have to look again at how we purchase. We also have to look carefully at what has happened in Carmarthenshire, and the good work that its procurement teams have been doing there. I wonder whether the Minister would explain why she is still talking about large contracts as being best value, when what we want to talk about is the best quality. I thought we had moved away from that idea, and that we were now talking about best value as being best quality, and that is food bought and produced locally.

[66] **Peter Black:** Jeff, do you want to come in?

[67] **Jeff Cuthbert:** On point 'a', I attended St Helen's primary school in Caerphilly earlier this week, which had decided about a week earlier to take part in the free breakfast scheme. I sat down with 64 children and enjoyed a breakfast. In fact, it was too much for me, I could not eat it all, but the children seemed to have no trouble, so there is something in that. The staff involved in the scheme were able to tell me that they were impressed, not only by the enthusiasm with which the children took part in the scheme, but also that they had noticed—even at that early stage—improvements in terms of attention to learning and punctuality, which are important. I wonder, Minister, how we will assess those extra benefits that arise from the free breakfast initiative.

[68] **Jane Davidson:** Once again, Janet Ryder has defeated me. I can see nothing in anything that we have said indicating that we are encouraging large contracts, so perhaps you could outline exactly where you have seen the phrase, Janet. If you are going to ask that kind of question, you need to demonstrate unequivocally where you have read it.

[69] What we do say, and what was in my written statement to the Assembly, is that it is important that we get public sector food procurement right, and that key stakeholders work together to ensure that this happens. The Welsh Local Government Association has pulled together a small group of local authorities to explore best practice in school meal provision, and that includes Carmarthenshire and Rhondda Cynon Taf. Professor Kevin Morgan and Dr Adrian Morley have been asked to produce the report, 'Sustainable Procurement: from good intentions to good practice'. We said in our statement that we need to encourage creative and innovative thinking in the supply of food to schools, and 'Food for Thought' case studies highlight examples of such approaches.

9.40 a.m.

[70] I point out that in the sustainable development action plan, from this Labour Assembly Government, we have specified absolutely that we want to look at high-quality, locally produced food. There is sometimes value in local authorities working together on procurement, but the whole point about the work that has been done by this expert working group in advising us—and I am disappointed that you did not feel that you could welcome it, when it is such a dramatic day in terms of consigning poor food to the dustbin of history—is that we should be looking at standards in the school, which we will be able to deliver with our

new powers in the Education and Inspection Bill, and that will drive the quality of provision.

[71] **Jeff**, in terms of the breakfasts, we are delighted that, as I report to committee, there are over 350 schools offering free breakfasts. A very large number of schools are signing up. Over one third have signed up already in terms of wanting to take part in the initiative and the benefits are obvious. The dietary benefits are obvious. It means that children have the right fuel inside them at the beginning of the school day and that is exactly what the food in schools working group said. It is important that children have the right food inside them in schools and this report advocates the Assembly's free breakfast scheme as well, because it ensures that pupils have the right food inside them: a healthy breakfast at the beginning of the school day. Therefore, the Labour Government remains committed to taking this agenda forward.

[72] **William Graham:** Minister, you linked free school breakfasts with decreasing levels of truancy. Will you bring us a report on that at some date in the future?

[73] **Jane Davidson:** If you remember, the first evaluation of the report demonstrated that the schools themselves were saying that it improved attendance and punctuality. When we have the next evaluation, I expect that that issue will arise again, and I will bring every evaluation of the school breakfast initiative to the committee.

[74] **Peter Black:** Before we move on to the next item, I welcome Mr Mothibe and Mr Lelimo to the committee. They are both committee clerks at the National Assembly of Lesotho and a part of a delegation from Lesotho that is visiting the National Assembly for Wales. I understand that you are staying with us for another hour or so, Mr Mothibe and Mr Lelimo, before you go to have a look at the Enterprise, Innovation and Networks Committee. You are very welcome.

[75] Item 5 on the Minister's report is the Assembly's response to the recent Culture, Welsh Language and Sport Committee's review of dance. Are there any questions on that? I see that there are none. The next item is the statement on the funding of continuing professional development in Wales.

[76] **Janet Ryder:** The additional programme shows a line for the foundation phase and that that money comes from you and the local education authority. In the foundation phase in table 2, funding is via the LEAs for the pilot phase, assuming that 10 per cent of funding is for individual classroom teaching. I presume that the rest of the funding therefore is for individual professional development. The sum of £35,000 is available for individual professional development; is the rest targeted at whole-school training and what assessment has been made of the counties that are running pilot schemes and the training that is being offered?

[77] **Jane Davidson:** In table 2, we have said, 'assuming that 10 per cent of funding in terms of the foundation phase is for continuing professional development', because we wanted to ensure that those individual teachers who are involved in piloting the foundation phase had those continuing professional development opportunities. They are brought together regularly—there is a network in terms of the foundation phase. When I report in the autumn on the issues around workforce planning, we will be more specific in terms of the issues around training, because, as you know, we have been talking to local authorities about the amount of training and the kind of training that will be needed in terms of taking forward the foundation phase into its roll-out in 2008.

[78] **Peter Black:** The next item is consultation on amendments to the General Teaching Council for Wales's constitution. Are there any questions? It might be worth mentioning that there is a request for Members to send their response to the committee clerk by 8 September,

so that we can forward that on to the Minister.

[79] Item 8 is on Estyn and its remit letter and corporate plan. Do any Members have questions on that?

[80] **Janet Ryder:** I have a question to the Minister on something that arose out of the rapporteur visit to Estyn on Monday, when we discussed with Estyn the future inspection of schools once the 14-19 pathways are undertaken, and the need therefore for Estyn to inspect cross-sectorally all those who provide any input into the 14-19 pathways. What thought has the Minister given to how she will instruct Estyn to carry on that work? How will we look at a school inspection report in light of the 14-19 pathways, given that some of those children will be with work-based providers or colleges? Will the school inspection encompass all of that in its school inspection, or will each sector be inspected separately?

[81] **Jane Davidson:** I am sure that you also realise from your discussions with Estyn that, uniquely in Wales, Estyn inspects across the piece—it inspects schools, colleges, and work-based learning providers. It also undertakes area reviews of provision across the area. We will be discussing with Estyn how best to deliver on that. However, if Estyn is inspecting in terms of the 14-19 delivery, it will need to ensure that there are people on the team who are able to inspect across the piece in terms of FE skills, work-based learning skills, and school skills. It has inspectors who have skills in the specific areas, who are regularly brought together when they are looking, for example, at area reviews.

[82] **Peter Black:** Item 9 in the Minister's report is pandemic flu.

[83] **William Graham:** This item is worth while. When the guidance is issued, we will presumably find some reassurance for teaching and support staff there, as a priority for inoculation; I would imagine that teachers will be pretty high on that list. That would be interesting to note. I gather that, by September, all local authorities are supposed to come up with a contingency plan, and, clearly, education authorities will be part of that. At a meeting the other day with the National Association of Funeral Directors, it imparted the information to us that it had not yet been consulted. I know that that is an ancillary to it, but could you use your influence to ensure that it is also consulted, as well as the other ancillary agencies that have an impact on proper preparation for a pandemic?

[84] **Jane Davidson:** This work is going on across the UK. What I wanted to do in my report to committee today is draw your attention to the fact that the guidance will be published on 10 July, so that people can have a look at that. This will be initial planning guidance, and it will be on the Assembly website for people to see. As I am sure you would agree, we have to balance the need to inform the public with not causing any kind of unnecessary concern. We wanted to get the guidance out now so that we could indicate to schools that the guidance is available when they come back in the autumn. This set of guidance is for service managers who might have to plan for a potential pandemic, rather than the public. There will be separate pieces of dialogue between the Department of Health in England and Brian Gibbons's department here, as well as the equivalents in Scotland and Northern Ireland. This particular guidance is about the service planners themselves. However, I am happy to take your comment back about which organisations are being properly notified and consulted, and we can ensure that the guidance is brought to the attention of a wide range of organisations in Wales.

[85] **Peter Black:** Item 10 on the Minister's report is the Legislative and Regulatory Reform Bill. I note, Minister, that you have incorporated the Chair of the Business Committee's letter in your report.

[86] **Jane Davidson:** Yes, I noted that too.

9.50 a.m.

[87] **Peter Black:** I draw Members' attention to the fact that we have the full letter and the report as one of the papers to note today. The Business Committee is looking for Members' views in terms of how this would impact on the Government of Wales Bill, particularly in terms of whether the functions being exercised should be vested in Assembly Ministers or in the Assembly itself, in terms of the Legislative and Regulatory Reform Bill. Does anyone have any questions or points to make on this matter? Minister, do you have any views on this? Does the Executive have any views on how this Bill will impact on us?

[88] **Jane Davidson:** The view of the Assembly Government is that the provisions in the Legislative and Regulatory Reform Bill should give proper consideration to the Assembly's new legislative role. It is appropriate to require the consent of the Assembly to any Order that makes a provision within its legislative competence, as opposed to requiring the consent of the Assembly where an Order will affect the function of Welsh Ministers. As we have that separation, it is the view of Government that the Legislative and Regulatory Reform Bill should run alongside separation. What will need to happen is that there will need to be a tie-up between this and the Government of Wales Bill. Lawyers in both countries will work on those things.

[89] **Peter Black:** I understood that the issue was that Ministers in the UK could effectively pass legislation, under the Legislative and Regulatory Reform Bill, that would directly impact on our functions, without the Assembly's having to give its consent. That was the issue that was being raised between the two.

[90] **Jane Davidson:** That is not my understanding of the situation.

[91] **Jeff Cuthbert:** This matter came before the Legislation Committee yesterday and we were asked to comment on it. I pointed out that, although we had been given a copy of the legal briefing note, which had been prepared for the Enterprise, Innovation and Networks Committee by the Assembly Parliamentary Service, there was also a response by the Minister to that paper that we had not been supplied with. As a result, the Legislation Committee deferred any further discussion until it had the full package of papers. I think that that would apply here.

[92] **William Graham:** I endorse what Jeff said. The point for us is that the new measure here involves giving power to a Minister to amend statute law by Order. That is a major departure from the way in which we normally do things and should be properly considered. I endorse what Jeff said, namely that the whole thing should be considered in the round.

[93] **Peter Black:** Maybe we could use that as our committee response to the Business Minister, so that she can feed that back to the Business Committee, when it comes to respond and liaise with Government Ministers on that. We have exhausted the Minister's report and finished 9 minutes early. Well done, everybody.

9.51 a.m.

**Rheolau'r Cynllun Cymhelliant Hyfforddi Athrawon a  
Rhagolwg ar Is-ddeddfwriaeth  
Teacher Training Incentive Scheme Rules and  
Secondary Legislation Forward Look**

[94] **Peter Black:** I draw your attention to the fact that the latest legislative programme is

in front of us, and ask Members again, if they have any Orders that they wish for us to scrutinise in detail, to notify the clerk accordingly. We will look at the schedule first.

[95] **Owen John Thomas:** Do you mean the schedule of subordinate legislation?

[96] **Peter Black:** Yes.

[97] **Owen John Thomas:** Gwelaf y dylai adran 26 o Ddeddf Plant 2004 ddod i rym erbyn 1 Ionawr a bod adrannau 25 a 31 o'r Ddeddf i fod mewn grym erbyn 1 Medi 2006—

**Owen John Thomas:** I see that section 26 of the Children Act 2004 should come into force by 1 January and that sections 25 and 31 of the Act should have come into force by 1 September 2006—

[98] **Peter Black:** Owen, could you say what page you are on or what the reference number is?

[99] **Owen John Thomas:** Sori. Yr wyf yn edrych ar ELL-43-05.

**Owen John Thomas:** Sorry. I am looking at ELL-43-05.

[100] **Peter Black:** That is on page 4.

[101] **Owen John Thomas:** Nid ydynt wedi eu rhifo, ond mae ar y pedwerydd tudalen, yn cyfeirio at adran 26 o Ddeddf Plant 2004. Wedyn, ar dudalen 7, mae ELL-65-05 sy'n cyfeirio at adrannau 25 a 31 o Ddeddf Plant 2004. Nid oes unrhyw gyfeiriad at adran 29. Mae'r adran honno yn bwysig gan ei bod yn galluogi awdurdodau lleol i fynd at y gronfa ddata sydd gan yr ymddiriedolaethau ieuchyd lleol fel y gallant gael gwybodaeth i gynnal arolwg i ddarganfod y galw am addysg cyfrwng Cymraeg ymhlith rhieni. Hoffwn wybod pryd mae'r Gweinidog yn bwriadu sicrhau bod adran 29 yn cael ei gweithredu fel bod y broses hon o gynnal arolygon mewn ardaloedd fel Caerdydd, lle mae'r cyngor am ad-drefnu addysg, yn gallu mynd yn ei blaen. Yr ydych wastad yn cyfeirio at gael sylfaen gadarn o dystiolaeth, ac yn y blaen, a dyma'r cyfle i gael hynny lle mae cynlluniau addysg cyfrwng Cymraeg yn y cwestiwn.

**Owen John Thomas:** They are not numbered, but it is on the fourth page, referring to section 26 of the Children Act 2004. Then, on page 7, ELL-65-05 refers to sections 25 and 31 of the Children Act 2004. There is no reference to section 29. That section is important because it enables local authorities to go to the database that the local health trusts have so that they can have the information in order to conduct a survey to establish the demand for Welsh-medium education among parents. I would like to know when the Minister intends to ensure that section 29 is implemented so that this process of undertaking surveys in places such as Cardiff, where the council wants to reorganise education, can be undertaken. You are always talking about having a firm evidence base, and so on, and this is an opportunity to have that in terms of Welsh-medium education plans.

[102] **Jane Davidson:** Byddaf yn ateb yn y Saesneg er mwyn bod yn glir iawn.

**Jane Davidson:** I will respond in English in order to be very clear.

[103] I think that it is probably better if I bring a paper in terms of my ministerial report to the first committee meeting in the autumn, whenever that is, on issues around the Children Act 2004 and legislation. Section 29 of the Children Act 2004 is about information-sharing across the piece. Issues around the Welsh-medium surveys are catered for in the single education plan guidance and we have already delivered on that. So, the issue around the Children Act 2004 is about Michael Bichard's recommendations about how to share information across a whole set of public agencies and they are very complex issues, because this is where you have the impact of the input of the data commissioner. I have previously



brought a paper to committee on the different elements of the Children Act 2004 but what I could do subsequently is to make clear which bits have been enacted, what they are delivering and which bits are outstanding, so that it is absolutely clear for all committee members.

[104] **Peter Black:** You have been promised a detailed paper on this, Owen.

[105] **Owen John Thomas:** Mae'n amhosibl i awdurdodau addysg lleol gynnal arolygon, heb fynd at y gronfa ddata sydd gan yr ymddiriedolaethau iechyd lleol, ac mae adran 29 yn eu galluogi i wneud hynny.

**Owen John Thomas:** It is impossible for local education authorities to hold surveys without going to the local health trusts' databases, and section 29 allows them to do that.

[106] **Jane Davidson:** Na.

**Jane Davidson:** No.

[107] **Owen John Thomas:** Dyna'r cyngor cyfreithiol yr wyf i wedi'i dderbyn.

**Owen John Thomas:** That is the legal advice that I have had.

[108] **Peter Black:** Okay. Owen, you have been promised a paper. We are discussing the legislation here. When the paper comes, it will be appropriate at that point to raise these issues. So, the Minister will bring a paper back. I think that the next meeting will be on 20 September.

[109] **Owen John Thomas:** Mae hynny'n oedi proses a ddylai fod wedi'i gorffen sbel yn ôl. Mae'r Llywodraeth yn llusgo ei thraed yn y fan hon, fel gyda phopeth arall sy'n ymwneud â'r iaith Gymraeg.

**Owen John Thomas:** That delays a process that should have completed some time ago. The Government is dragging its feet here as it does with everything to do with the Welsh language.

[110] **Peter Black:** I understand your frustration, Owen, but, as a committee, we cannot do anything unless we have a paper before us, and we can scrutinise this properly at that point.

[111] **Jane Davidson:** I will be absolutely clear. We have not dragged our feet on this issue. The issue around what the data commissioner feels is appropriate in terms of information-sharing is extremely complicated. Section 29 does not talk about our commitment to survey parents of those who would want to go into Welsh-medium education; it talks about information-sharing generally. There will need to be substantial guidance, and this is in the whole range of child-protection issues. So, it is a huge piece of legislation and it came through from the Michael Bichard inquiry and is already being looked at in terms of primary legislation in Government in terms of a vulnerable persons Act. So, there is absolutely no notion of this Government's dragging its feet; it is that we have to have all these bits in place in terms of the delivery.

[112] **Peter Black:** I am not going to perpetuate this argument. You can have this discussion at the next meeting.

[113] **Owen John Thomas:** Mae gennym amser sbâr. Mae gennym 11 munud.

**Owen John Thomas:** We have spare time. We have 11 minutes.

[114] **Peter Black:** No, we do not have time, Owen, because we have a very packed agenda. I am going to bring Janet in now because she has other points that she wants to raise on this.

[115] **Janet Ryder:** The points that I want to raise are regarding a specific piece of legislation.

[116] **Peter Black:** That is the next item.

[117] **Janet Ryder:** Okay.

[118] **Peter Black:** On the schedule, as I said, if you want to bring any particular issues to the committee, please notify the clerk and we will raise them. We have before us the initial teacher training incentives, Standing Order No. 29 legislation, which we asked to be brought at the last meeting. Minister, do you want to say a few words on this?

10.00 a.m.

[119] **Jane Davidson:** Yes, I am very happy to do so, because what we do is ensure that students in Wales have access to the same level of incentive as they do in England to enable our initial teacher training providers to compete on a level playing field. The committee has always supported that before, and that is why we are doing exactly the same again.

[120] **Janet Ryder:** On the subjects specified in here, namely English, drama—which is in brackets—Welsh, music and religious education, we know that we have a shortage of teachers that are capable of, or confident in, teaching through the medium of Welsh. Not every one of those teachers will have a pure Welsh degree. Can the Minister clarify what ‘Welsh’ means? Does it cover those students who take their courses through the medium of Welsh or are Welsh speakers? Are we talking about pure Welsh degrees or any course, whether it is primary or any raft of secondary courses, being taken through the medium of Welsh?

[121] **Mr Huws:** Where it says ‘Welsh’, the legislation covers Welsh as a first language and Welsh as a second language. All the subjects receive an incentive—[*Inaudible.*]—through the medium of Welsh. So, Welsh-medium courses through all the subjects can receive the incentive.

[122] **Janet Ryder:** Just to clarify, does someone who applies for a primary-school teacher-training course, who is following a course through the medium of Welsh, qualify? It is not just a Welsh teacher, teaching Welsh in a secondary school.

[123] **Mr Huws:** Yes. If you are taking a postgraduate primary course and you meet the eligibility criteria as an individual, you will receive the incentive whether that course is being done through the medium of English or Welsh. The language of the course is not a specified issue. So, just being on the course, whatever its language, would cover you.

[124] **Peter Black:** Any more questions, Janet?

[125] **Janet Ryder:** No.

[126] **Peter Black:** Minister, you have talked of implementing this in October of this year, as I understand, but the legislation will not come before us until next term, only a matter of weeks before it is implemented. It seems very late in the day to bring the legislation before the Assembly, when implementation is almost immediately afterwards.

[127] **Mr Huws:** In terms of the legislation, we are running behind, partly because we have been taking up a lot of time with the Furlong review work. In terms of the incentives that we are putting in place, the committee was informed about that last October. In terms of the legislation, the current legislation already does everything that this legislation does, bar these few changes. So, this is effectively a mechanical tweaking of the current legislation to take account of the new incentives, which we informed the committee about last year.

[128] **Peter Black:** So, you are confident that no student will miss out because they do not

know about this, and that they will be fully aware of it?

[129] **Mr Huws:** Yes.

[130] **Peter Black:** Okay. Are there any other questions on this legislation? I see not. Thank you. I am not sure whether it has been to the Business Committee; if not, we will produce a report for it. It goes to the Business Committee next week, I think, so we will have to produce a very quick report on this.

10.03 a.m.

### **Dadansoddiad o Gyllidebau Awdurdodau Lleol a Bennwyd ar gyfer Addysg 2006-07**

#### **Analysis of Local Authority Budgets Set for Education 2006-07**

[131] **Peter Black:** We have a report in front of us and some very useful tables. Minister, do you want to introduce the report? I see that Elizabeth Taylor will introduce it.

[132] **Ms Taylor:** This is the normal report that is brought to the committee at this time of year. It is a factual report, as it is an analysis of the budget set by local authorities for their education services for 2006-07. As always, it includes the figures provided by local authorities and analysed by the statistical directorate. Wayne Williams from the directorate is due to be here, but he has not arrived yet; if there are any detailed questions, I can field them, but the statistician expert is not here at the moment.

[133] The main conclusions in the report are that, overall, local authority net revenue expenditure for all their services is budgeted to increase by 7 per cent. The increase for education is 4.6 per cent. That is heavily influenced by the fact that substantial additional resource was put into the settlement for social services for this financial year, and, clearly, the increase in expenditure for social services has therefore moved ahead, and that has changed. Nonetheless, that increase of 4.6 per cent is ahead of inflation.

[134] The item under the next bullet point is to do with the indicator-based assessment information, and it is expressed there in terms of the overall level at which authorities are budgeting, ahead of the IBA total. However, various authorities are above and below, as indicated there.

[135] The rest of the points then identify and analyse exactly what has happened in the various individual elements. At the top of the next page you have the analysis drawn out of the budgeted per-pupil spend, and the figure there is £4,478 per pupil, which is broken down, as between delegated and retained centrally funded school services. Then there are the separate figures per primary pupil and per secondary pupil. Essentially, it is a factual paper for your information, but I am happy to take any questions that you have on this—Wayne has now arrived.

[136] **Janet Ryder:** Where is the—[*Inaudible.*]

[137] **Peter Black:** I think that you should ask that with the microphone on now.

[138] **Janet Ryder:** Sorry. Where is the 1 per cent cut passed to many schools by their local authority reflected in this paper?

[139] **Ms Taylor:** It is not reflected, as such. What you have here is the total information about the budgets that have been set. As you say, authorities have, in many cases, applied the

1 per cent cut to their schools budget, but it is there in those figures.

[140] **Janet Ryder:** So, do we assume, therefore, that the authorities worked on a figure that was 1 per cent higher than these figures, or is this the figure, and then they had a 1 per cent reduction in it?

[141] **Ms Taylor:** It varies in individual authorities, but, no, this is the end result, so they will have started with a higher figure, potentially.

[142] **Jane Davidson:** It is probably useful to say that, with regard to table 1, you have had a discussion in the Committee on School Funding and here about the indicator-based assessment. It demonstrates the IBA, which of course was published in terms of local authorities, and what local authorities have spent against that. However, you will also know that Sue Essex and I have made it absolutely clear on numerous occasions, in this committee and in Plenary, that the efficiency savings will be subject to review by the Wales Audit Office. Efficiency savings are not a direct cut of any individual services; they have to be demonstrable as efficiency savings. We have therefore expressed our concern that some local authorities have passed on efficiency savings that have effectively operated as budget cuts, because of the fact that they have not analysed appropriately whether their schools can cope with the efficiency savings. The point of efficiency savings is that they are about procurement, central services and a range of areas, and they are not meant to be just a third-party budget cut. That information has gone out clearly from the Assembly Government, from me as Minister and from Sue Essex as the Finance Minister, to all local authorities and teacher unions.

[143] **Janet Ryder:** In light of that response, will the Minister and her colleague take action against those authorities that may have been shown, by this review, to have penalised schools unfairly? By that time, it will be too late; schools will have had to act on the cut to their budget, which would affect their staff and the provision that they make.

[144] **Jane Davidson:** We have said very clearly that the audit office will review how local authorities are undertaking their efficiency savings agenda, and we expect the audit office to concentrate hard on those authorities that have passed on efficiency savings in this way, to test whether they are efficiency savings or whether, in fact, local authorities have not planned effectively in this context. So, we expect the audit office, as the guider and protector of public money, to be working with local authorities, and, undoubtedly, information from that process will come back to the Assembly. I would be very keen to have this information back to be looked at in this committee.

10.10 a.m.

[145] **Peter Black:** I always find it difficult to disaggregate in these figures how much money actually goes to the school and how much money is available in education as a whole. I know that there are all sorts of different figures in here, but is it possible to identify what percentage increase schools had in reality, as opposed to the percentage increase in education across the board?

[146] **Mr Williams:** The figures shown in table 2 are actual gross schools' expenditure. There is a very small element of non-schools expenditure in the table, but it is small enough not to affect the percentage increases. This gross schools expenditure, in addition to the unhypothecated RSG non-domestic rate, includes the specific grants that are passed on to schools. You can see that the increase is 3.8 per cent in the overall individual schools budgets.

[147] **Peter Black:** Is it possible to disaggregate the specific grants from that?

[148] **Mr Williams:** In the past, we have separately shown the specific grants, but when we analysed the data this year, there were obvious anomalies in them. Some authorities were not showing certain grants, such as Cymorth, against education; they were recording those grants centrally. So, we took out the analysis of the grants because it did not seem robust enough for this committee.

[149] **Christine Chapman:** I do not think that there is anything in the information provided as to how local education authorities are carrying out the requirement that they include deprivation as a factor. I know that there have been changes, but can we tell what priorities local education authorities are giving to deprivation when it comes to allocations to individual schools? Does that vary from one local education authority to another?

[150] **Mr Williams:** There is no indication on the returns that are sent to us as to what factors are taken into account in the distribution formula. The Wales Audit Office report looked at the different factors that were included in school budgets and how that varied across different authorities, and that went to the Committee on School Funding.

[151] **Peter Black:** Has any work been done to look at school distribution formulae in terms of various weightings for rurality, sparsity, deprivation and so forth?

[152] **Ms Taylor:** We have sought information from local authorities specifically about what deprivation factors they have put in. Wayne is right; there was some information in the Wales Audit Office report, but we have not actually had the total package of information from authorities yet. With the Minister's agreement, we are happy to pursue that and to come back to the committee with the information. That is specifically on the deprivation issue.

[153] **Jane Davidson:** Yes; I am very happy to offer that to the committee. If you remember, we put deprivation as a mandatory factor into the formula that local authorities had to use in terms of looking at their local needs, but the way in which local authorities have factored deprivation in, and to what extent, will vary between different local authorities. Although we made it a mandatory factor, we left it in their hands as to what was an appropriate weighting for deprivation and an appropriate mechanism for measuring deprivation in their own area. We can bring a report on that to committee in due course.

[154] **Peter Black:** I think that that would be very helpful. Janet, do you have a question?

[155] **Janet Ryder:** Further to that, some of the recommendations in that audit report referred to the recording of retained money, how that retained money was used, and how that is actually affected, not just by the education department, but by directives from other departments, apparently, within the National Assembly. Can you tell us what progress has been made? There was a recommendation, I believe, that the guidelines issued to counties for the recording of that retained money be simplified and made common across all departments. So, what progress has been made on that?

[156] **Mr Williams:** This is one of the recommendations in the Wales Audit Office report on improving the guidance on returns. That would not affect how the authorities themselves account for centrally retained money. They would have their own way of determining which services are provided centrally and which are delegated to schools, but we will work with local authorities to clarify the guidance—there is some confusion, for example, regarding how to record moneys used to support grants. We will also set up a working group with local authorities to come up with the best guidance possible.

[157] **Janet Ryder:** Would it be possible to include a progress report on how that is happening?

[158] **Mr Williams:** Yes.

[159] **Janet Ryder:** Could I ask one more question, Chair?

[160] **Peter Black:** Yes.

[161] **Janet Ryder:** Do these figures reflect the 0.6 per cent increase in employees' contribution to the new teachers' pension scheme, or will that be reflected somewhere else? I believe that that kicks in on 1 January.

[162] **Ms Taylor:** If I can come back on that, those are the budgets that local authorities have set, taking account of all pressures and all issues, so that is not identified. However, we would expect authorities to take into account any pressure of that kind in setting their budgets.

[163] **Janet Ryder:** So you are satisfied that authorities would have anticipated that settlement and would have included it in next year's budget for schools?

[164] **Ms Taylor:** Authorities have the legal responsibility to set the budgets for their schools and to set their own budget. Therefore, they have the responsibility to ensure that they have taken all the factors into account. Indeed, they are subject to their own audit processes to ensure that.

[165] **Janet Ryder:** So, the very clear message going to schools is that the 0.6 per cent is already in their budgets.

[166] **Ms Taylor:** I would expect that to have been discussed in the school budget forum in each local authority, and for schools to have raised any issues that they had and to have sought whatever assurances that they needed from the authorities.

[167] **Peter Black:** Thank you for that. I suggest that, as HEFCW representatives have not yet arrived, we break now and return at 10.35 a.m., if that is okay with Members.

*Gohiriwyd y cyfarfod rhwng 10.18 a.m. a 10.37 a.m.  
The meeting adjourned between 10.18 a.m. and 10.37 a.m.*

### **Ailgyflunio Addysg Uwch Higher Education Reconfiguration**

[168] **Peter Black:** Welcome back to the Education, Lifelong Learning and Skills Committee. I welcome the Higher Education Funding Council for Wales to the meeting. I remind you that a verbatim record of the meeting is being taken, and will be available in due course. We are having problems with our microphones, so if you wait until the microphone comes on before speaking, it would be much appreciated; otherwise, your first few words may not make the Record of Proceedings. So, it is quite important. We have with us Professor Phil Gummett, Professor Sir Roger Williams and David Blaney. On behalf of the committee, I congratulate Sir Roger Williams on the knighthood that he received in the Queen's honours list.

[169] **Sir Roger Williams:** Thank you very much. It was a privilege to be the chair of HEFCW—indeed, a member of it—long before that. So, I am doubly privileged.

[170] **Peter Black:** Do you want to make some opening remarks on your paper, and we will then open up the discussion?

[171] **Professor Sir Roger Williams:** Thank you very much, Chair. As usual, I will just say a few words at the outset, and then Phil will take it up.

[172] The first point that I would like to make is that there has been more change in Welsh higher education in the past five years than I would imagine there has been in any previous five-year period. As someone who has been a member of HEFCW for the past 11 years, I can say with certainty that there has been more change in the last five years than in the five years before that. It is change for a purpose; it is change with the object of making the Welsh higher education system stronger, which it certainly needed to be. The nature of change is difficult to engineer. Most of us are ready to embrace change when it is others who really do the embracing; it is far harder when it is we who have to change. There is no doubt that we had to expend time, patience and energy to persuade the sector that change was needed. I have been asked by someone who should have known better, 'When will this go away?'. One had to say, 'It will not go away until we have a sector that we are confident is very strong'.

10.40 a.m.

[173] The paper rehearses some of the successes that we have had, and we really are pleased about them. I will take just one example—Phil will go through others—namely that of the research collaboration between Bangor and Aberystwyth. In a sense, you could have expected that to happen at any time during the last 30 years, but it did not. Now that it is happening, it means that, in future, their research will be planned together. That is vital, not only in a UK sense, but also in an international sense, because there is no doubt that, particularly in research, international success inheres in size and what you can achieve with size. So that, for us, is a great triumph, and there others that we will, no doubt, talk about.

[174] There are still things that are not done or not accomplished and, again, I am sure that you will want to take us over that ground. We are aware that there is still a great deal to bring about if we are to have the Welsh higher education sector that we all want. However, the paper brings to your attention things that we think we have accomplished, things that we are far along with, and things that are coming forward at this time. It is a very important agenda indeed. It has already had its effect on Wales, and it will have a bigger effect yet. I turn to Phil.

[175] **Professor Gummert:** Good morning. It is a pleasure to be back again—and so soon. The paper that we have given you contains more detail than I propose to go into now, but I will indicate a few elements of it. We have, as before, presented the work under the reconfiguration of collaboration as being in two phases. We see the first phase as being over now, the key feature of which was the merger between Cardiff University and the University of Wales College of Medicine. Just to update you, that is going extremely well. It has also done extremely well in terms of return on investment, as we have previously indicated, and, exactly as we wanted, it is bringing funding from research councils into Wales that would not otherwise have come.

[176] Going on to not so much the relaunch as the reconfirmation, I guess, in the Minister's statement in June 2005, and the way that we re-gathered and began to pursue the agenda further, I endorse the point that Roger made about Aberystwyth and Bangor, and the point that we made in paragraph 3.2. It is possible to underestimate the significance of this, and it is important not to do so. Two universities of medium size—that had considerable strengths in some areas but were less strong in others—have chosen to integrate their research activities so that they become one larger, collective operation in research terms. That is what is at stake here, and it is an extremely important development. It now puts them in a position of being far more powerful players than they would have been operating individually.

[177] I was at a conference a week or so ago in Manchester, and I met the director of a

research collaboration between eight northern English universities, who made a point of coming over to say how impressed he was by the appointment to the Bangor/Aberystwyth partnership of the director of the new research and enterprise operation, who had come from the Cambridge/Massachusetts Institute of Technology partnership. So, they have lifted one of the key people from the Cambridge/MIT partnership to drive the Bangor/Aberystwyth partnership. It has made an impact among the players in that kind of game in England, who have noticed that this is happening. So, that is an important development and one that we are pleased to see going forward.

[178] In the rest of section 3, we list a few other items. I will mention just one or two. The Wales Institute of Cognitive Neuroscience development is far broader than it sounds; it is not just brain science. It involves a range of activities that not only impinge on the biomedical sphere—which they do, and they do excellently; it is one of our areas of very great strength in Wales—but also spill out into all sorts of other areas, such as data handling, computing power and the engineering that goes into this area, as well as biomedicine. It is really quite tremendous, and it has all sorts of potential in other directions. So, this is an important development.

[179] We are pleased about the Skillset Screen Academy for Wales, referred to in paragraph 3.4. I think that we are about the first off the mark in the UK to work with a sector skills council in launching a screen academy with a combination of funds, including some from this fund. We are well down the line, too, with the work on an institute for mathematical and computational sciences, which is again a title that risks underplaying its significance. Whatever your image of mathematicians is, this is not about that; instead, think of the people who are in this network as ranging across engineering, medicine and a range of applied subject areas, doing interesting work with the financial services sector in Wales—which is a potential key economic driver for the future, as we all know—and so on. So, it is quite pervasive, and the prospect that we can now put together the strengths that we have, which are considerable but dispersed, into one operating unit—a network of people working well together—is an important possibility.

[180] Slightly differently, on paragraph 3.7, I will just mention the South West Wales HE Partnership—comprising Swansea university, Swansea institute and Trinity College, Carmarthen. It is interesting that the three are saying that they want to build up a repertoire of ways in which to work together. So, they are starting to make joint appointments, and handle procurement and estates matters together, and so on. When one is working on the scale that they are, it does not necessarily require each of them to have separate offices to do all of these things. They are gradually starting to work together. We do not know where this will lead, and it may not lead anywhere terribly dramatic, but it is practical stuff. It will certainly—and is already beginning to—lead to various kinds of discussions about curriculum integration. So, it will spread from the administrative into the educational operations.

[181] The discussions between the University of Glamorgan and the Royal Welsh College of Music and Drama are at quite a developed stage, and things are looking quite positive. Then, under paragraph 3.9, there is the merger of Merthyr college and the University of Glamorgan, which has been going on for a long time, driven mainly from the further education side, and not by us; the higher education dimension to it is relatively small. We still think that it is an important contribution to development activities in the Heads of the Valleys, which is now looking good and is moving ahead.

[182] Roger mentioned things not achieved, and I would say that higher education in south-east Wales post 1992 falls into that category. We are still in a position of having had the report that was done for us, which outlined a vision, and all the key players have said that they subscribe to that vision. We are still trying to bring them together in various ways to discuss this further. Our view remains one of being convinced of the potential benefits that



could flow from this, in terms of the competitive pressures. It is not that anyone is doing anything wrong at present; that is not the issue. It is the way in which competitive pressures are developing across the sector, and the opportunities that may be missed if we cannot get greater strength. That is a point that we may come back to, if you wish. So, that remains an important area of work in progress.

[183] In the rest of the paper, we have given you an update on the 'Reaching Higher' targets, spreading beyond the reconfiguration agenda to the broader 'Reaching Higher' agenda. I am happy to discuss any of those. Section 6 updates the committee on how we responded to the invitation to think about a wider strategic use of 'Reaching Higher' funding. What we did was ask, 'In terms of the targets that we are trying to address, where are the areas of greatest risk?', and if there was some money available, we thought that we should direct it towards those areas of greatest risk. We have started prioritising those terms, and you see a little bit of reasoning there as to how we arrived at that position, which, again, we can happily expand on. With that, Chair, I will stop.

[184] **Peter Black:** Thank you. Does anyone have any questions?

[185] **William Graham:** I have two questions. First, will you enlarge a little on the UK research councils? In point 5.5, you give a fairly good impression, but I wonder whether you could put some flesh on those bones. Secondly, arising from what you say on the collaboration and also about change, are we perhaps moving more towards the collaboration of departments within universities, without necessarily having the pressure for full amalgamation? You made a strong point about competition, which we realise, in terms of critical mass and all of the other wonderful phrases that come into it. We know that great things have already happened—and I pay tribute to your organisation and to the HE sector generally, which is acknowledged in certain sectors in Wales as being very much at the forefront of things. How can those great things really be developed, and are they more likely to happen in collaboration rather than true amalgamation?

[186] **Professor Sir Roger Williams:** I will begin on the research question. The UK tradition of which we are part—[*Inaudible*]. We are responsible for funding the general capacity of universities, and, therefore, departments within them, to undertake research. The research councils are responsible for specific projects, and our concern was that, whenever we looked at UK figures, we always expected Wales to turn out at 5 per cent or thereabouts.

10.50 a.m.

[187] It does not happen in the research case, and what we have directed our attention to doing is trying to get our figure—the take from a research council total pot—up in that direction. There are lots of difficulties in the way. One is the weight of history. There are no reasons to suppose that the configuration of Welsh research entirely matches the research council's. For example, if we had done much more research in the arts, then, naturally, our take would be lower because the larger sums of money are in the sciences and one could elaborate on that. That is the first problem. The second problem, as it seemed to me when I first joined the council 11 years ago, was that there were far too few Welsh academics on research council committees before it got to full councils. If you are on a research council committee, you tend to know months in advance of a call for research proposals that it is going to happen. So you organise yourselves in order to put a grant application in and you are ready to go. Wales has never had enough people on those committees. Those are two of the reasons. I think earlier on that there was probably a propensity to hold back in Wales.

[188] It has been encouraging to see research application volume increase considerably and vice chancellors who are now prepared to say to new staff, even before they come, 'When will your first grant applications be going in?' The other thing to say about research

applications, as any of us who have been in the business know, is that you get a lot of failures for every success and you must not mind. You put a lot of work in and if you do not get the grant, you have a day of weeping and, the following day, you start on the next one. A lot of people are rather put off. It is rather similar to publication—if you get turned down the first time, a lot of people say, ‘I can’t publish’. That is not so, and even the most successful of grant winners have to start somewhere and it is about getting that idea in. I think that that idea is in, but as you see from the figures, there is still a long way to go. It is not satisfactory and we never miss an opportunity to say so. Do you want to add to that?

[189] **Professor Gummatt:** I will add a couple of other things. In the research game, it is quite clear in many fields now that scale matters, and therefore, this work that has been going on to reconfigure is very important. However, it takes time to work through and I think that that is partly what we are seeing here. It takes time to work through in various ways. First, it takes a lot of energy to put things together, and while people are doing that they are not doing other things, such as applying for grants, and this is just a limit. Secondly, some of the experience now of bringing in very high-flying people has been that it is actually quite disruptive in their lives. If you are coming from the States and you are moving your family and all of that, that major global movement takes time with regard to settling in and so on. What we are finding is that people are coming out of one environment and are having to settle into another one and are having to learn how the game is played, and so there is a bit of a lag. Some of the institutions are reacting very smartly to that now and are beginning to, for example, get people who are moving from the States to start working on grant applications before they come and to try to flatten out what is otherwise a trough. So they are reacting to it. We have been looking at this with the vice chancellors of the more research-intensive institutions to find out from them what is in the pipeline, and what is in the pipeline looks reasonably encouraging, so we expect to see things starting to turn up again quite soon.

[190] The other thing that I would say before turning to the other part of your question is that the issue of Welsh success in winning research council income is also one of the reasons why we have been so concerned about the position that emerged from London in the budget about the future of research assessment exercises and the potential move to a process of allocating all research funding on the basis of research-council income. It is a subject for another discussion as it were, but it is a difficult point for us in Wales and one where we have been very firm in arguing in the UK-wide discussions that are taking place that, whatever people choose to do in England about that, we will make our own minds up in Wales. We may or may not do the same thing, but we will make our own minds up about how we are going to fund research in the future. On the question of whether we are seeing not so much of the grand, but the more minor sort of thing, I think that it is a mix. It is quite difficult to imagine full mergers of some of the institutions in Wales simply because of geography, but although we are looking at some things that are at the level of departments alone, some of what we are looking at is grander than that; the Aberystwyth-Bangor activity is grander than that. It is not just departmental; it is both universities committing to a process of progressive integration in terms of their research strategies, so that the end-point is one research strategy covering all areas in both universities. They are starting in four areas, but the intention and the expectation is to move beyond that.

[191] **Janet Ryder:** You touched on the fact that putting bids together for anything is time-consuming, and can be discouraging. How many bids have you had into the reconfiguration fund, and how many have been successful?

[192] **Professor Gummatt:** It depends upon what you call a bid. I do not mean to be equivocal, but the process is one of initial soundings—we make some ‘um’ noises, and various kinds of reactions, according to whether we think that they are seriously strategic or, sometimes, individual academics just looking for an angle on where there might be some money. In that case, we would say that that is not strategic, that it is not a commitment by the

university as a whole, and that that person needs to go back and talk to the vice-chancellor, principal, or whatever.

[193] On those that we have looked at with any degree of seriousness, it is of the order of 20 at present—David may be counting as we speak. However, behind that lies a number about which we have had other discussions: sometimes we have encouraged people to come back, and sometimes we have said, ‘That does not really sound like it is significant enough’. The kind of phrase that we use, as a test in this, is: ‘Will that change the landscape in that particular part of the higher education world?’. If, after two, three or four years of funding from us, things will be radically different, and stay different, then we might be interested. However, if it looks like a short-term cash injection that will go nowhere very much, except to keep something going for a few years, then that is not—

[194] **Janet Ryder:** So that is the criterion—that it has to radically change?

[195] **Professor Gummatt:** It has to be substantial, structural, and sustainable. This is pump-priming to move things to a new level, at which they will function better than before.

[196] **Janet Ryder:** You say that you are considering about 20 bids, yet there are two or three here that you say you have supported that have been successful. Is that roughly the ratio of the number of bids that come in to successful applicants?

[197] **Professor Gummatt:** It is a difficult question to answer. At any one time, we would be just giving a snapshot of a series of discussions that are in progress. The difficulty in answering is that we do not know where some of these will end up. However, I am fairly confident that quite a number of the things on the list that we have given you in annex A will end up being supported, but I am not yet sure exactly which ones they will be, and, in the meantime, others will have arisen. Therefore, I am not trying to evade the question, but it is difficult to give a percentage success rate, or something like that.

[198] **Janet Ryder:** I accept that that applies to the bids that you are considering now. However, of the bids that you have had in, you must be able to tell us how many of those you have had in that you have accepted, and how many of those have been successful.

[199] **Mr Blaney:** I do not have the exact figures here, but, annex A gives about 25 bids; the ones that are on this sheet are those to which we have either made commitments already, or expect that we are likely to be able to make a commitment to. There are between 10 and 20 other expressions of interest that we have looked at and said, ‘This is not a goer’, on the basis of the criteria that Phil has already outlined. There is an extensive process of negotiation between us and the institutions to try to tease out whether there is a core within some of these expressions of interest that could be more substantial if the institutions concerned were slightly more ambitious with those bids. Therefore, there is a long process. Even some of those about which we have said that we do not believe them to be sufficiently substantial may well come back in an enhanced form when the institutions have had an opportunity to consider them further.

[200] Therefore, we are very careful; we could spend the money several times over if we said ‘yes’ to everything—we are concerned to ensure that we invest in developments that will make a difference, and that will be lasting in Wales. The quality of the bids that we are beginning to get now is settling down, in recognition of the fact that we have had these iterative processes with all the institutions at some point or another.

[201] **Janet Ryder:** So are you satisfied now that the stakeholders who are submitting the bids are satisfied that every bid is being dealt with in a consistent and equal-handed way?

11.00 a.m.

[202] **Professor Sir Roger Williams:** We have considerable machinery for handling it. We have a panel separate from the council, a panel on which I do not sit, which has external representation on it. The panel can, and does, take advice from external referees. We have to try to sift out those that are just general attempts by academics, which possibly do not even carry the support of the institution and the vice chancellor. They need to be sifted out. After that, there is still quite a process to go through to determine whether this is worthwhile: will there be a significant change and will it be a permanent and sustainable change? Then there are the technical issues: are the figures right? Do you actually get that for this, as you said that you would?

[203] I do not think that you can concertina that process; it takes time. I am not aware of any great frustration at the time that we take. I think that people respect the fact that if we are to recommend that public money be spent, we have to be able to defend it after it has been agreed that it should be spent. I think that the volume has been quite high, given the complexities of the process.

[204] **Janet Ryder:** Do you feel satisfied that the opinion of stakeholders is that bids are all dealt with and judged in an equitable manner? Taking the timescale out of it and considering the manner in which, and the criteria on which, those bids are judged, are you satisfied that stakeholders, in further conversations with them, are satisfied with the process?

[205] **Professor Gummatt:** That is a question that they would have to answer; we cannot be the best judges of the satisfaction of stakeholders. What I can say is that we are not receiving letters of complaint, significant queries or anything of that sort. Therefore, if there is unrest about this, we are not aware of it and it is not being drawn to our attention. I think that that is all that we can say.

[206] **Professor Sir Roger Williams:** Perhaps we can also say that we have to respect the fact that there are some circumstances in which geography allows collaboration to take place and there are other institutions in Wales for which that is much more difficult. We have tried to respect and reflect that in the decisions that we have made. If it is simply impossible to collaborate because of where you are, having tried the various things that you might try to collaborate, what else can we do to help? We have looked at that, as a separate issue. However, I believe that, otherwise, the feeling is that we are broadly getting it right. We have to come to the Assembly with recommendations when we ourselves are sure about what it is that we are recommending. It is not like the great volume of what we do—funding teaching and funding research—where there are formulae that control that; here, there are strategic decisions being made and we need to be very sure of what we are doing.

[207] **Jane Davidson:** The only thing that I want to add on this, because the criteria are laid out in 'Reaching Higher', is that I regularly meet the whole of the sector. We have never had any representations saying that there is anything amiss with the criteria or the way in which HEFCW is dealing with the issues. There were two high-profile partnerships. One that did not end up securing funding was the partnership between the University of Wales, Newport and Coleg Gwent, and substantial work went into that to try to make it work. The merger of the Merthyr Tydfil College of Further Education and the University of Glamorgan, of course, did succeed. At the end of the day, the advice was that Newport and Coleg Gwent were remaining separate—there was no major reconfiguration of the area—therefore the partnership could not be funded from that funding. Members might wish to explore further the issues that Rhodri Morgan and I have mentioned on a number of occasions, on the back of the evidence-based report on the post-1992 institutions in south-east Wales, about institutions planning together because the critical mass issue for the future of higher education and Wales's stake in it, is absolutely crucial. This is not about taking institutions out of their existing locations, it is

about reaching for the stars in terms of how we ensure that the performance gain of higher education is raised year on year and that there is no loss of that gain by institutions remaining very small and separate, which is the danger in the configuration that we have at the moment.

[208] ‘Reaching Higher’, on the back of the advice from the higher education sector, always advocated both collaboration at departmental level and full mergers because ‘Reaching Higher’ wanted consistent and lasting change and, sometimes, that will best be achieved by the major departmental proposals. One of the early successes was the University of Wales Swansea and Swansea Institute of Higher Education amalgamating law, nursing and education.

[209] **Jeff Cuthbert:** Thank you for the presentation. Two points arise from things that Phil mentioned. You mentioned the merger between the University of Glamorgan and Merthyr Tydfil College and you said that, to an extent, it is FE driven. I think that it is excellent that, although this is just one example, HE and FE are working together there, because Merthyr is a key town in the Heads of the Valleys: it is one of those parts of Wales where we desperately need to improve the quality of life and employment and learning opportunities. Raising the status of Merthyr college in this way can only be helpful. Perhaps I could hear a little more from you about how you see this developing and what examples of good practice there may be that you could expect to emerge that could perhaps be used elsewhere for similar links.

[210] More generally, under section 6, ‘Strategic Use of Reaching Higher Funding’, 6.2 states that your monitoring has identified three other priorities. The second bullet point states,

‘further development of a skilled and capable workforce’.

[211] I welcome that, because I see HE as a key part of the Welsh economy. It is not just a provider of learning; it is a provider of learning for a purpose. To me, that bullet point demands that there be good links with employers and others involved in that field, including trade unions and, certainly, as you mentioned, the sector skills councils. I would hope that the sector skills councils would be extremely proactive in terms of working with you to identify the sort of learning opportunities that are needed, particularly in areas such as the Heads of the Valleys. I would welcome your comments on that.

[212] **Professor Gummatt:** There were lots of things there. When I said ‘FE driven’ in relation to Merthyr college and Glamorgan university, what I meant was that the centre of gravity was the FE position and that the HE position was relatively small, in terms of the degree of HE activity in Merthyr. We saw the logic of the proposition. It seemed to make good sense to us and our concern was how to reach—at the time, we were discussing this with ELWa—a common view between ELWa and ourselves on how to enable that to go forward, where, clearly, the bulk of the funding would have to come from the FE side. That is what I really meant by that being mainly FE led.

[213] It is very interesting as a model and as a way of giving a very clear, visible university presence, while at the same time—in the way that the arrangements are being set up, as I understand them—maintaining absolutely the value of the FE provision. It is not being subverted or diverted or anything like that; it is being reinforced and played off against the HE activity and, of course, it will make it easier than it was before to get progression from FE to HE, because it will all be run within the same administrative framework. As a general principle, there is, no doubt, scope to do more of that sort of thing but, in saying that, I am conscious that there are concerns about potential mission drift and loss of FE—the clarity of mission, if you like, of FE activity. I am sure that you are aware that similar discussions are taking place at present in other parts of Wales. It seems that there is a model there, but it will perhaps also be a matter of looking at each case on its merits and trying to work out what is best for the learners in the region and what is the best way of playing combinations of FE and

HE. However, we have demonstrated now that we can do that and work with, in that case, ELWa—in any current or future case, it would obviously be with the Assembly Government—to find ways of bringing together whatever is needed to take forward sensible proposals.

11.10 a.m.

[214] In terms of the Heads of the Valleys, there are other things that can be done. To go back to post-1992 institutions in south-east Wales, it is quite clear that one of the areas that is open to further development is the really excellent work being done by Newport and by Glamorgan in the Heads of the Valleys. Relatively, it is east-west distributed, but with quite a bit of overlap in the middle, so there is quite a lot of scope. It does not require grand structural change between institutions—it requires much more modest things than that for the institutions to work closer together. There is a very active dialogue taking place on precisely that question at the moment. We are very hopeful that something positive will also emerge from that.

[215] On paragraph 6.2, having identified those three priorities, we have work coming to a head on options appraisal and the cost of Welsh-medium provision. We need to get that work done and see where it leaves us before we do anything further. We will be coming to that point quite soon.

[216] We said that improvement of research performance is an immediate priority, because of the research assessment exercise. The notion of a cash injection that could do something valuable on a short-term basis is quite clear; that is the priority for round one, as it were. There may be a different priority in later rounds.

[217] In the middle is a skilled and capable framework. This is to do with widening access, providing opportunity and being able, at the same time, to meet the needs of employers, especially as expressed through the sector skills councils. So, it is quite explicitly, in our thinking, coming from that direction. At present, we sit in a slightly uncomfortable position, I suppose. If a sector skills council comes to us—and we are working actively with all those councils that are up and running—and says that it has identified a demand, what can we do to respond? At the moment, we would have to say that all the funding is out there in the institutions, and they make judgments as to which curricular activities and courses they offer. Therefore, much as we value what you say to us about this new expressed area of demand, you need to go to some HEIs to find out whether they would prefer to do that rather than what they presently do. It is an answer, but it is not a very good answer. It would be better if we were able, in a targeted way, to say to them, ‘Here is some provision that can be made available to drive developments’. We would see the potential as lying in foundation degrees. Going back to the first part of your question, we would also see it as lying in the interface between FE and HE.

[218] So, there is a combination of things here. It is about how to respond to sector skills councils and how to develop the interface between HE and FE in a way that relates to employer needs. We are very glad to be remitted to look much harder at, and bring back evidence on, foundation degrees, in terms of value, how they have settled down as an educational product, how they are viewed, what people say about their quality and value and what we can say about the demand for them, with a view to arguing that we need to make a push in this direction. So, at the moment, we are starting the evidence-gathering phase, and we will come back to this question in the not too distant future.

[219] **Professor Sir Roger Williams:** May I make two points in relation to that? Now that my daughter has graduated from medical school and is a doctor in Abergavenny, the only interest that I have to declare in chairing HEFCW is that I come from the Heads of the

Valleys. Having monitored the area over the years, I have real concerns. I am very pleased that, in the case of Merthyr Tydfil, the opportunity was presented to us, and we reacted. In the case of Tredegar and Ebbw Vale, we took the initiative. I am not yet sure what will happen, but the potential for taking the university if the people will not come to it is very great, and that is what we are exploring.

[220] I want to add to the second question if I may. There is this thought that higher education institutions act like magnets in drawing in young people, and then produce people who, in large measure, tend to stay broadly in the region where they get their first degree. It is particularly true of post-1992 institutions. This is why it is so important to have strong post-1992 provision in south Wales. Across the channel in Bristol, you have a very strong magnet—arguably the strongest post-1992 institution in the United Kingdom—namely the University of the West of England. It is less than half an hour away on the train. I am not surprised to discover that it takes students from the Newport and Cardiff areas, but I was surprised when Phil, the chief executive, pointed out to me that it also reaches into west Wales and takes students from there. So, our concern is to have an equal pole of the magnet in south Wales, because it is only by having an equal pole that we can counter that. The last thing that I want to do is to stop people from moving across the border—I just want to make sure that we can pull people from there, and not let too many go from here. That is why it fits on to that. These people then go into the local economy, and we want that in south Wales.

[221] **Owen John Thomas:** O edrych ar ddarpariaeth cyfrwng Cymraeg, ym mharagraffau 5.3 a 5.4, mae'r Llywodraeth wedi gosod targed eithaf uchelgeisiol i godi nifer y myfyrwyr sy'n cael eu haddysg drwy'r Gymraeg o 3.4 y cant i 7 y cant erbyn 2010-11. Mae gennych dri amcan i wneud hynny, gan gynnwys ceisio sicrhau bod y ddarpariaeth yn cyd-fynd neu'n cyfateb â'r galw. Yn gyntaf, wrth gwrs, mae'n rhaid ichi bennu beth yn union yw'r galw. Pa gamau yr ydych wedi eu cymryd i ddarganfod beth yw'r galw hwnnw am addysg uwch cyfrwng Cymraeg? Mae hynny'n golygu pobl sydd am wneud rhan neu'r cwbl o'u cyrsiau drwy gyfrwng y Gymraeg. Beth yr ydych yn ei wneud i sicrhau bod y galw a'r ddarpariaeth yn cyd-fynd?

**Owen John Thomas:** Looking at Welsh-medium provision, in paragraphs 5.3 and 5.4, the Government has set rather ambitious targets to increase the number of students who receive their education through the medium of Welsh from 3.4 per cent to 7 per cent by 2010-11. You have three objectives to achieve that, including trying to ensure that provision corresponds to, or follows, demand. First of all, of course, you must determine what exactly that demand is. What steps have you taken to discover what that demand is for Welsh-medium higher education? That means people who want to follow all or part of their courses through the medium of Welsh. What are you doing to ensure that demand and provision are matched?

[222] Yn eich ail amcan, pa dystiolaeth sydd gennych eich bod chi wedi gwneud hyn, a pha lwyddiant a gawsoch wrth geisio ei wneud? Wedyn, yr ydych yn anelu at godi nifer y staff sydd ar gael a all ddysgu rhai pynciau drwy gyfrwng y Gymraeg. Sut yr ydych wedi llwyddo yn y maes hwnnw?

In your second objective, what evidence do you have that you have achieved this, and what success have you had in trying to achieve it? Also, you are aiming to increase the number of available staff who can teach certain subjects through the medium of Welsh. How have you succeeded in that regard?

[223] Yr ydych am greu cyfundrefn gynaliadwy, ac yr ydych yn gwerthuso opsiynau o wahanol ddulliau o baratoi darpariaeth cyfrwng Cymraeg. Mae pobl yn aros i weld yr ateb i hynny. A ydych wedi dod o hyd i ddewis yn awr, neu a fydd yn

You wish to create a sustainable system, and you are appraising the options of various means of preparing Welsh-medium provision. People are waiting to see the answer to that. Have you found any choice now, or will we have to wait for another

rhaid inni aros am dymor arall? Mae'r peth yn cymryd amser, ac nid wyf yn gweld llawer o newid cadarn yn y maes hwn dros y tair blynedd diwethaf. Gwn fod pobl wedi cyfarfod a pharatoi i wneud hyn a'r llall, ond hoffwn weld canlyniadau cadarn.

term? The thing is taking time, and I cannot see much definite change in this area over the past three years. I know that people have met and prepared to do this and that, but I want to see definite results.

[224] **Yr Athro Gummett:** Diolch am eich cwestiynau.

**Professor Gummett:** thank you for your questions.

[225] This is an area on which we have spent a lot of time and effort, and yet it remains a very difficult area in which to make progress. In terms of demand, we are working with the main driver and the main agent in all this, which is the Welsh-medium teaching development unit, which we co-fund with the sector through the University of Wales, and which is located at Trinity College, Carmarthen. Its staff do a lot of work on trying to establish the extent of demand. They do work in institutions, trying to establish demand, and they do work with students, conducting surveys and that sort of thing. They also work in schools, and for them to improve their capacity to do this work, we have given them extra funding lately so that they can increase their staffing. So, they have a marketing and progression officer who can take a yet more professional approach to this sort of work. It is quite difficult to establish the level of demand for anything, and not least in this area, so we are giving them the resources to be able to do that better than they have perhaps in the past.

[226] In terms of achievement, the difficulty is that, at the moment, I think that what we are doing is that we are spending more but not getting results in terms of an increase in the percentage of students studying some part of their higher education through the medium of Welsh. That is the issue. We are putting more money in. So, we do this partly in the way that I just mentioned, through the marketing and progression officer, and partly through the fellowships and studentships, which are designed to increase capacity. The point here is to have a seven-year programme, where we are investing in PhD studentships for students who will be working through the medium of Welsh, and they will have an extra year on their studentship, the purpose of which is for them to prepare teaching materials through the medium of Welsh and also to teach.

11.20 a.m.

[227] We cannot guarantee what happens after that, but this is about growing a stock of potential academic staff who are able and willing to teach through the medium of Welsh, and who are also preparing materials that will be more widely available. In other words, they will not keep them to themselves; they will be materials that will be publicly available to all the other institutions.

[228] The fellowships are shorter term in their pay off. In other words, a postgraduate studentship takes four years to come through, while a fellowship can take one year to come through. Again, it is about trying to build up a stock of people who are able and willing.

[229] So, we are doing those things. On top of that is the options appraisal, which is now nearly completed. We have been managing that again through the University of Wales; it has been a collaborative activity run on behalf of the institutions through the University of Wales, as, essentially, the prime contractor, with the consultants that will be doing the work, in terms of looking at a range of options. Also, in parallel with that is the work on establishing the cost of Welsh-medium higher education. Many people have been saying to us that the funding that we give is not sufficient to meet the true cost of Welsh-medium higher education. So, we have engaged consultants who have been going around the institutions establishing what the costs are in the institutions. That report is also just emerging now.



[230] So, all of that will start to come together during the summer. These reports will be published and they will be available for comment. We will be consulting about their implications and then deciding later on in the year, essentially, how we start to move this forward.

[231] **Owen John Thomas:** Mae'r dewis yr ydych wedi ei bennu, hynny yw, y ganolfan o ryw fath yr ydych yn ei hargymell i ni, yn bwysig iawn. Mewn ffordd, yr ydym yn rhoi'r gert o flaen y ceffyl wrth geisio gwneud y pethau eraill. Yr hyn sydd ei angen yw rhyw fath o beirianwaith sy'n sicrhau bod hyn yn mynd yn ei flaen ac yn cael ei ddatblygu yn y gwahanol golegau. Os na chawn ryw gorff canolog—neu beth bynnag yr ydych am ei alw—i weinyddu hyn, bydd yn anodd iawn i ddod â phopeth at ei gilydd a sicrhau ei fod yn tyfu ym mhob coleg.

**Owen John Thomas:** The option that you have decide upon, that is, the centre of some sort that you are recommending to us, is very important. In a way, we are putting the cart before the horse in terms of trying to achieve the other things. We need some sort of mechanism, which will ensure that this is driven forward and developed in the various colleges. If we do not have a central body—or whatever you want to call it—to administrate this, it will be very difficult to bring all the strands together and ensure that it develops across all colleges.

[232] **Professor Gummert:** If the conclusion from all of this work is that we should increase spending, we want to be confident that it is achieving something. At present, our experience has been that we have been increasing spending, but we are not getting an increase in student uptake. We need to understand better why that is and whether the ways in which we are channelling that money are the most effective ways to do so. At present, it feels as if it is sinking into the sand. Obviously, that is not a desirable position to be in. We are not achieving what we want to achieve.

[233] So, we want to get the evidence that comes out now from this very substantial work that is being done, and to play that back into the sector and say, 'This is the time now to get very serious. Are we going to make further substantial investments, and how are we going to be confident that they will be well spent?'.

[234] Whether or not it requires a centre or what the mechanism is, I think, are some of the things that need to emerge from that process. Just in case there was anything that was unclear in what I said on this, the existing Welsh-medium teaching development centre is a small operation with just a few people, which acts as a sort of clearing house for information; it does marketing work, analyses of demand, work on developing resources and so forth. So, it is not a kind of headquarters for running an operation of this sort. If that were the way in which it would seem sensible to move things, it could grow; that would be one way in which one might take this forward. However, I think that we need to receive all the evidence that has been collected and look at it coolly and hard-headedly, and do that in a widespread consultation, and then decide very seriously how to move ahead.

[235] **Professor Sir Roger Williams:** I have two points to make. On anything else that we could talk about this morning, for example, research, foundation degrees or whatever, we can ask, 'What are the Scots doing, and what are the English doing?'. When the council discusses items in this area, it recognises that it has a special responsibility, which, in a sense, gives the character of the discussion a different shape. Secondly, in a sense, a corollary of that is that it does not absolve us from taking the same care on the expenditure of money as we would take in the examples in respect of collaboration, for example. We need to be sure that the money that we are recommending to be spent is spent properly and carefully, and that we can monitor the consequences, and improve the policy, or change it, if necessary.

[236] However, it is important, and I give you an assurance on that. When we discuss these

issues, we often have a funding council representative or a Scots representative there, but we cannot turn to them and ask them what they do. This is down to us to get right and we recognise that.

[237] **Owen John Thomas:** You could ask the Basques or the Catalonians how they do it.

[238] **Professor Gummett:** A study visit is probably needed.

[239] **Christine Chapman:** On the earlier discussion that we had about the stakeholders, are you content that the wider student bodies and the staff—who may not be in the hierarchies in the institutions—are as fully engaged as they possibly should be, when you have collaboration plans? I know that sometimes, when collaborations go forward, it is not always easy-going and smooth. Do you feel that we need to do more to improve the engagement of the wider student body, particularly in terms of part-timers? I know that the Head of the Valleys is a key area for part-time students.

[240] Secondly, it is a very good paper and I was heartened to read about the good things that are happening, but do you think that we should do more to market the excellence that we are now achieving as a result of these collaborations, not just in Wales, but outside Wales, or are you content that we are doing everything that we can to market it?

[241] **Professor Gummett:** On your first question, when we talk about mergers or very substantial reconfiguration activity, of the sort that one might reasonably expect to impact on students, such as the Cardiff merger and that involving the University of Glamorgan and Merthyr Tydfil College, one of the conditions that we impose is that we must be satisfied that stakeholder interests have been properly taken into account. So, we would not do it ourselves directly, but we would ask for very clear assurances in evidence that that had been done and that the proper procedures had been followed.

[242] On improving the marketing of Welsh higher education, that is something that we can always do better than we presently do. We have jewels in our crown, as it were, that are not sufficiently widely appreciated. That is why it was particularly pleasing the other day, when I met the individual whom I mentioned earlier, who was so visibly impressed by the coup, as he saw it, that Aberystwyth and Bangor had achieved by recruiting this person from the Cambridge-MIT Institute. It made him wake up and look at what was going on there. I did not realise that there was something to attract such a person to go there.

[243] Equally, I remember the first time that I went to Bangor and was being shown various things there by the then vice chancellor, who took me to the psychology department, which was one of its great successes. He introduced me to their newest professor. She had arrived literally that day from Santa Barbara. I wondered what the attraction was, because it is an interesting move from Santa Barbara to Bangor. I asked what led her to do that—it was very neutrally put—and she said, ‘It is the people who are here that mean that, in my field, this is the place to be’. So, I am sure that we can do more, but I also think that institutions are very alert to this and are working harder at it. As they get opportunities through the kinds of investments that we are discussing now, they will, I am sure, also make the most of those.

[244] **Professor Sir Roger Williams:** The student body issue is a very real one. When the medical school merger was going through, my daughter was still a student there. She would say, ‘We do not want to lose our identity; we do not want to be a part of this larger establishment, even if Cardiff is a wonderful place’. It was necessary to say to the people in the medical school, ‘Look, you have got to sell this, work at it and explain it.’ They recognised the problem there. Similarly, when the Minister and I went, on one occasion, to UWIC, we met a student representative there, who gave us quite a hard time. He did not want UWIC to disappear into the entity that we said Wales needed. Again, you have to try to

explain that you are taking the bigger view and that you can see further into the future. However, the student body is very important in that context. It is probably less important in terms of the kind of things that we are doing in respect of research, where we are talking about post-graduates; they know instinctively that size matters in that case.

[245] As for being recognised for what we are doing, one of the pleasant letters that I received in the last weeks was from a former chief executive of the English funding council. It was clear that he recognised sharply what Wales had learned in terms of how to go about getting collaboration to work. I cannot share that with you, but I assure you that it was there and I was very pleased to receive that letter.

11.30 a.m.

[246] **Peter Black:** I wish to ask a partially parochial question and, as such, I should record that I am a member of the council of Swansea University. This is about the medical school because, at the moment, it is effectively attached to Cardiff University, in the sense that the university oversees that. However, Cardiff University will be issuing its own degrees outside the University of Wales. That is leading to some pressure. Some colleges, such as Swansea, want to start issuing their own degrees separately. So, in a way, it is collaboration in reverse, is it not? How are you responding to that pressure as the University of Wales changes, and as more colleges take on their own degree-awarding powers and become universities in their own right, separate from the University of Wales? Swansea is going down that route, as are other colleges, I am sure. How does that impact on the collaboration agenda?

[247] **Professor Gummatt:** The place to begin is by asking: what is in a name? We do not care whether they are clinical schools or medical schools. What we want to be clear about is what they are, what they do, who is paying for them, and what the relations between them are. We will happily use any names that people are content to use. For us, that is not the key issue in all of this.

[248] The important thing about the degrees, as you rightly indicated, is that the arrangements, thus far, have been that University of Wales degrees are awarded through Cardiff. With Cardiff being outside the University of Wales—and that is its business and not ours—as I understand it, and I stand to be corrected, Cardiff says that it wants to give Cardiff degrees to its own students. It also says that, in its partnerships with Swansea and north Wales, it will continue to award University of Wales degrees. So, there is no need for change because of anything that Cardiff is doing. However, there is a further question, potentially, for the future about how Swansea University sees itself in relation to the University of Wales, now that it has its own degree-awarding powers. Again, it is a question for Swansea as to whether it wishes to continue to award University of Wales degrees. If it does, then there does not seem to be a problem in principle about this, because they can carry on being University of Wales degrees. If, on the other hand, Swansea says that it would prefer not to award University of Wales degrees, then it becomes a matter of discussion between the two institutions about some kind of joint award. I do not think that there is any problem, in principle, about that. We have checked that with the Quality Assurance Agency for Higher Education as a safeguard, because we know that there is practice across the UK of having joint medical schools—for example, that between Hull and York. There are a number of examples where there are two institutions involved and where they have all found ways of satisfying their particular needs. I do not think that there are problems of principle here; there are problems about reaching agreement about what names to attach to things. However, they are all soluble problems; there are no in-principle barriers at all.

[249] **Professor Sir Roger Williams:** I think that this is a good day for the medical profession—was the vesting day of the NHS not on 5 July, 1948? I think that it was.

[250] We respond in this area in the sense that it is driven by others, particularly the recognition that can be won for an institution through its clinical school or medical school. On one occasion, in one of these hearings, I referred to the hub and spoke, which is the way in which we have thought about the arrangements in Wales. That caused the vice chancellor of Swansea, with whom I have an excellent relationship, to be exercised, quite reasonably. If I were the vice chancellor, I would have taken a similar line. We have to hold the position as it has come to us from the deliberations in the Assembly. We will try to help to produce the strongest possible outcome in each institution. However, they have some hard talking to do with each other on the point that Phil referred to, with regard to the title of the degree, apart from anything else. The important thing is to ensure that there is a strong medical capacity in Wales and that it is pulling in significant sums of research money from the Medical Research Council. It is absolutely vital that we do that, whatever internal configuration we decide upon.

[251] **Peter Black:** Minister, do you want to come in?

[252] **Jane Davidson:** Yes, I would like to make two brief points. The first is that, when we acceded to the merger request from the University of Wales College of Medicine and Cardiff University, we said that we wanted University of Wales degrees to be awarded outside Cardiff, because we wanted to protect that. However, it is clear that if, as Roger says, there is individual negotiation between institutions that have their own degree-awarding powers on the relative benefits of the degree in the local context, that is a matter for that institution. We did not want to see the notion, which we and HEFCW have absolutely protected, that Cardiff degrees would be awarded in Swansea, north Wales or elsewhere.

[253] The second point that is probably worth making is that we all—the Assembly Government and HEFCW—strongly encourage all institutions to gain their own degree-awarding powers, because that is a kudos issue. It demonstrates that the higher education sector is operating at the top of its game. Whether it then puts them into abeyance because it chooses to use University of Wales degrees is a matter for the institution. We may well see different responses to that across Wales, but the key issue, which I hope all committee members would support, is that all our institutions should seek degree-awarding powers to demonstrate the quality of the institution.

[254] **Peter Black:** It has been a very helpful overview and a useful session. I thank you for coming along to give us your views on that.

11.36 a.m.

### **Adolygiad Polisi Anghenion Addysgol Arbennig—Rhan 3: Casglu Tystiolaeth Policy Review of Special Educational Needs—Part 3: Evidence Gathering**

[255] **Peter Black:** We will move on to part 3 of the policy review of special educational needs. The representatives of Remploy are outside and will now come in to take their places.

[256] Good morning, and welcome to the National Assembly for Wales. Thank you for coming along to talk to us. As you know, we are conducting a review of special educational needs, particularly during the transition phase from school to employment. I know that you do a great deal of work in that field, so we would appreciate your views on what we should be doing, as the National Assembly for Wales, to take that agenda forward, as well as on any issues that you feel we need to address as part of the review. If you start by spending a few minutes on that, we will then open up for questions.

[257] **Mr Parry:** I will just start off by thanking you for the opportunity to come along today. We greatly appreciate the opportunity to talk to you about these issues, and, hopefully,

we can provide the committee with some insights. I will just make some brief introductions, starting with myself. My name is Gareth Parry, I am the general manager for Remploy Learning, and I look after how we use training and development activities to help more disabled people into work. My two colleagues will introduce themselves.

[258] **Mr Clarke:** I am Phil Clarke; I work in the Interwork side of the business, which is where we place people in employment.

[259] **Mr Knight:** I am Dave Knight, and I am head of strategic marketing for the Remploy group.

[260] **Mr Parry:** I will just say a few words on the fact that we deliberately did not submit a paper in advance. To be honest with you, that is because we were slightly unsure, when we read the terms of reference and the work that you are doing, of what the hot topics were for you as a committee. So, we decided to come along today to talk and then, if it is acceptable to you, we will submit a paper next week, once we understand your main concerns and issues. We will then try to put a more focused paper together for you for submission within the next week or so.

[261] I will say a few words on Remploy. We are the UK's leading provider of employment services for disabled people across England, Scotland and Wales. Our main programme of delivery is the Workstep programme for disabled people in the UK. Across England and Scotland, we also deliver the New Deal for Disabled People, although not in Wales. We also manage a number of European social fund projects. All of our activity and all of the work that we do is around targeting and getting more disabled people into sustained employment. That is, effectively, our single objective.

11.40 a.m.

[262] To give some context to that, in the financial year from April 2004 to March 2005, across the UK, we placed 4,300 disabled people into sustainable employment opportunities.

[263] **Mr Clarke:** It was 2005-06.

[264] **Mr Parry:** Sorry, it was 2005-06 that we placed 4,300 people into jobs. To make that local to Wales, in that time, we placed 657 severely disabled people into sustainable jobs. Of the 657 people who started jobs, 507 of them—77 per cent—achieved sustainability in those jobs to the point where Remploy could walk away, and they no longer needed support in the workplace from an organisation such as ours. So, 77 per cent of people achieved that.

[265] In terms of focusing it right down on to transition, of the 657 people whom we placed last year, 13 came directly from schools or further education. So, the vast majority of the people we placed—98.2 per cent—generally came off things like incapacity benefits, through Remploy. Only an extremely small number of the people we placed came directly from education, but we believe that that has the potential to improve significantly. However, we need to consider a number of ingredients to increase that figure substantially. Those ingredients include a much stronger focus on employment and employment possibilities for children, and at a much earlier age than perhaps happens at the moment. We would like the curriculum, in both mainstream compulsory education and further education, to have a much stronger focus on employment and the real skills that we feel employers are asking for, so that disabled children have a much better chance of achieving employment outcomes. There needs to be better specialist information advice and guidance for disabled children and students. There are also significant opportunities for improved inter-agency and interdepartmental working, and we believe that that needs to be underpinned by more flexibility in the intelligent use of funding opportunities. So, those are the sorts of ingredients that we believe

need to be considered.

[266] **Jeff Cuthbert:** From my point of view, the issues that you referred to are key issues that this committee would be interested in. Particularly of interest are your views on how they can be best achieved practically, because we are all keen to see the talents that disabled young people and older people have being used properly. We also want disabled people to be full and active participants in the economy. That is why we are concerned in this phase 3 to deal with issues of transition. I do not think that I have to declare an interest, as I have said it enough times, but I am a governor of Trinity Fields Special School in Ystrad Mynach. It seems to me that, while some children go on to employment, or shall we say useful activities or further training, the great bulk of them does not, and that is a source of worry. I do not accept that that is how it ought to be, and so we want to try to improve things.

[267] I also visited Remploy factories in Treforest not that long ago, and saw some of the work that you do there, and it was first class. In a sense, I know a bit of the answer to this question, but I think that it would be useful for the committee to hear it. At the moment, you take only 7 per cent, or thereabouts, directly from education into employment, and most of them are coming from various other schemes, if I heard you correctly.

[268] In terms of improving that, I agree with you that we need better advice and guidance in the education system, career service and what have you. Perhaps you would like to say at this stage how you feel that that could be achieved practically. Presumably, we also need employers to be far more aware of the benefits of offering opportunities to disabled young people to start off a career—even if it is only on the basis of fairness. What barriers do you see to that, and how can we work with organisations such as the Confederation of British Industry—which we have criticised for not giving evidence to us—and the Federation of Small Businesses and so on? Most employers in Wales are small or medium-sized employers, and particularly on a micro site, so how can we tackle that practically?

[269] Finally—and I am not trying to hog the discussion—in terms of the outcomes for people, especially when you are placing them into sustainable jobs elsewhere, do the sort of training regimes that you have lead to formal and transferable qualifications, such as national vocational qualifications, when they leave you? If not, why not, and how is that working?

[270] **Mr Parry:** Okay. We will pick up on the employer piece first. Phil, do you want to say a little about our experience of working with employers in Wales?

[271] **Mr Clarke:** Generally, the approach that we are trying to take now is to work with employers to ask them what sort of skills they need from their employees, and then we work with unemployed people to get them to that stage. It does not necessarily go down the qualification route—employers want someone who can do the job and, often, if we can get someone into an entry-level job, they can then progress within the job. Sometimes, the issue that you get is that there can be a gap between the education sector and the work sector. The education sector thinks that it is very important to get an NVQ or some form of qualification, but the employment sector just wants someone to do the job. Our services, therefore, do not look to get people NVQs, though that is something that we could develop once someone is already in work.

[272] **Mr Knight:** There is a whole mixture of things. Our view is that you have to start with the economy and look at what skills employers want and at potential future vacancies, and then take that back into the system and go through education, ending with the individual. The choice of individual is also very important, but that needs to be set within a context of the employment opportunities that there are, going forward. There is no point in training someone to be an astronaut if not many astronauts are required. So, it is about trying to get that balance between the needs of the employer and the needs of the individual, and in the middle is the

education process. We need to find a way of linking those three areas together so that, at each point of transition, there is a logical continuation and people do not fall through the gaps.

[273] **Mr Parry:** The key point for me is that the reality of the situation is that, at any moment in time, we have more employers coming to us with job vacancies than we can find disabled people with suitable skills and qualifications to do those jobs. So, for me, there are two issues here. First, how do you best get the disabled individual prepared to apply for and get that vacancy? Secondly, once they have got the vacancy, what do you need to do in terms of workforce development strategies to keep them in the job? So, in terms of the second part of the question on the formal qualifications, as an organisation, we do not deliver training per se; we help people to move into jobs. What we should be doing, and what we would like to be doing, is bringing in independent, work-based learning providers to facilitate a solution between the provider, the learner and the employer, as we place people into jobs. What are we going to do to put a sustainability strategy in place to continue the development of this individual, offering the right opportunities to maintain employment and, hopefully, to progress within the workplace above and beyond? There are issues around the way in which we, as agencies, all work together; there are also issues around work-based learning providers' ability to respond to the needs of a disabled learner in the workplace. So, there are some training issues for work-based learning providers, as well as for us as agencies, in all working together. However, I see no reason why we cannot do that. There are many agencies who can deliver that ongoing qualification element; we just have to bring it together and put the right solution in place. That does not quite work at the moment.

[274] **Mr Clarke:** We also tend to focus on larger employers now, because we find that the best way to overcome this barrier is for people to gain real experience. If someone has never worked with someone who is disabled, they will have preconceived ideas as to what that will mean. Once they have had a disabled employee, they are more open to the idea of recruiting more, and so, by working with a large organisation, that gets filtered throughout the organisation and opens up more vacancies and jobs for disabled people.

[275] **Mr Knight:** At the same time, we recognise exactly what you are saying about the greater proportion of smaller employers here, so we need to allow for that as well. I have a couple of other points. You mentioned the issue of how we engage employers and make them want to take on more disabled people. There are two key points. One is that they want skills and so, increasingly, what we try to do is say 'Right, here is person X who has the skills that you need, and, by the way, they happen to be disabled'. That is the secondary bit. We are not 'selling' the disability; it is the ability and skills of the person to do the job that enable that company to move forwards. That is probably a change in mindset compared with how things used to be done.

11.50 a.m.

[276] The other part that is important, in a sense, is the reverse of that, in terms of corporate social responsibility, which is becoming increasingly important, whether the company is large or small. We can help employers show that they are doing the right thing. At the end of the day, a company is always looking after its own interests, is it not? If we can show that, by employing more disabled people, companies are helping themselves and their public persona, if you like, that is quite powerful.

[277] **Janet Ryder:** Could you explain something for me? I thought that I heard you say in your initial introduction that you wanted to see more education in real skills at an earlier age in school. However, I also thought that I heard you say, in response to Jeff, that you were not sure what those real skills were until you had talked to the employer. Can you explain what you mean by real skills that employers need, and how they could be introduced at an earlier age?

[278] **Mr Parry:** There are two aspects to that. One was about earlier intervention. What we mean by that was that our perception is that too many young disabled people come through the system with not enough aspirations and a belief that they can work. Too many disabled children are guided towards what support agencies are available to them, and what benefits they will be entitled to, and, as a result, that does not create a culture of aspiration among many young disabled people. We would like to see organisations such as Remploy—supported employment agencies—coming into schools and talking to pupils aged 14 and upwards, perhaps, about what the labour market and employment is all about, how employment helps independent living, and showcasing some role models. That would raise aspirations for youngsters, so that they believe that, having coming through the school system, they can work. That is an important ingredient, and we do not think that happens at present to the extent that it should.

[279] When we talk about skills, we use the phrase, ‘the relevant skills of employers’. When we talk to employers about what they want, in the main, they say that they want to know that they have candidates coming to them who can get to work regularly, on time, with the right attitude, and the ability to work in a team, to problem solve, to communicate at a basic level with their colleagues, and who want to work. Employers want soft skills. What they tell us is that they can give people the hard skills to do the job for which they are employing them through their induction programmes and skills programmes; what they need Remploy to do is to deliver to them candidates who have the right attitude and the right basic level of skills, who they can then take on and develop through their training and education.

[280] Therefore, for us it is about the relevant skills, as opposed to the right skills, because there are soft skills and hard skills. Not enough emphasis is placed on those softer and more attitudinal behavioural-type skills in the curriculum in order to deliver that kind of person.

[281] **Christine Chapman:** Like Jeff, I am concerned about the progression routes. You give the figures for people who go out into employment, but what about support once they are there, to ensure that they maximise their potential? Could you say some more about that?

[282] Secondly, as an organisation, how do you link with other groups, such as disability groups? Do you work closely with them? There is always new thinking and ideas about disability, and I would hope that you work closely with them, and that you, like them, would be ambassadors for disability.

[283] On mental illness, I spoke to someone this week who has suffered from mental illness since he was a child. He told me that he would like a job, but he wants an employer who would be able to accommodate those times when he would not be well enough to be in work. I would hope that Remploy could be an advocate for someone like him. Do you have any comments on that?

[284] Finally, I know that, nationally, Remploy is undergoing a review with the UK Government; I have been involved in that, in putting in a response. Much of the emphasis is on getting people out with employers, but sheltered workshops also have a role. Do you have any comments on how those sheltered workshops should be developing, if you do want them to develop? I know, for example, that there was an issue in my constituency. When I visited the factory, the staff were quite frustrated because they were not allowed to bid for any local contracts—they had to go through the UK office—and they were missing out on a lot of local bidding. I have been trying to look into this. It is a shame because they wanted to get the work in, but they were not allowed to do so because the UK office insisted that they had to do it through that office.

[285] **Peter Black:** I need to point out that we are not scrutinising Remploy.



[286] **Christine Chapman:** No, I know.

[287] **Peter Black:** I went to the Remploy factory in Swansea on Monday to talk about some of these issues. However, we are focusing on the SEN agenda. Let us not get into too much detail on that.

[288] **Mr Parry:** Perhaps we could follow up that latter point outside this meeting. If that is acceptable to you, we can give you some contact details.

[289] A few points were made there. There was the bit about how we support people in employment, how we work with other disability groups and the issues around mental illness. We will respond to each of those points. Phil, do you want to pick up the point on supported employment?

[290] **Mr Clarke:** On the mental illness side, we have a project running in Wales called 'Healthy Minds at Work'. I could speak to you later about that, if you want me to. That is specifically for people with mental illness who became ill during their working life. It is about trying to look at ways of integrating people back into work.

[291] **Mr Knight:** You are right to raise it because I think that 40 per cent of the people who are on incapacity benefit have a mental illness, and the figure is only going to go up.

[292] **Mr Clarke:** In terms of in-work support, a lot of it will be around job coaching for the individual, helping individuals to understand their roles and showing them how to carry out day-to-day tasks, working with them on a development plan to see how they can develop in work, working with the employers to help them to understand the individuals' conditions and how to change the jobs that they are in to support them, and to develop what we call 'natural' support, so that, eventually, the employer takes over the full support role and we do not need to carry on with that.

[293] **Mr Knight:** In terms of working with other groups, you are right that it is becoming increasingly important that all organisations work in partnership with others. It is about making sure that we group together different areas of expertise because it would be arrogant of us to think that we had all the solutions, because we certainly do not. However, between us all, we think that we do, if we co-ordinate the work correctly. An example would be that we have a joint taskforce with the Royal Association for Disability and Rehabilitation that is looking at mental health and, in particular, learning difficulties. That taskforce will report shortly—the report is at the printers now—and it is something that we are quite passionate about.

[294] **Mr Parry:** While accepting the point about the sites, from this agenda's point of view, one of the opportunities that Remploy has, which I suspect not many other providers have, is to use its own workforce to experiment with different types of learning and learning delivery to find out what works best with the client group that we work with. When we find examples of what works, we are able to take that out of the Remploy environment to other employers and people who do not work in the Remploy environment. We can find some quite innovative ways of adapting what are fairly traditional learning methods and implement them for people with certain types of disabilities in a range of vocational processes. That just happens to be because of who we are—we have the sites and the opportunities to do that. It is again a challenge in that the delivery of the learning solution has to be as bespoke as possible for the individual in order for there to be the best chance of success. That is a great challenge because, for a lot of the funding, the work-based learning providers, in particular, will look for economies of scale—larger class sizes or numbers of people—and that does not always work best for a disabled client group.

[295] **Jeff Cuthbert:** I know that you will not have heard the earlier discussions that we had this morning; however, you mentioned soft skills, which are, in a sense, wider key skills, such as problem solving, working with others, and improving on learning and performance. These are skills that employers certainly want. In my experience, you are quite right, that they would rather teach the technical skills of the particular job, provided that the person that they are recruiting has those basic employment attitudes, if you like. Do you use the key skills for that purpose in Remploy? Do you think that they might have a value here? I am not trying to scrutinise you at all; I am just interested in your experience because they are highly transferable types of qualifications in their own right.

12.00 p.m.

[296] My final question—and I will keep quiet after this—is: do you have a dialogue with the sector skills councils? Do you find that they are sensitive to the issue or not?

[297] **Mr Parry:** To pick up on the first point first, we certainly have a very strong emphasis on basic skills in terms of numeracy, literacy and information and communications technology skills and we will pursue that agenda wherever and whenever we can. To put it into context, two thirds of the client group that we tend to work with as an organisation would have a reading age of 9 or below, so they are at entry level 3 or below. That is the average literacy level of the client group that we are working with.

[298] On the key skills, the reality of it is that we do not overly focus on the key skills. The bottom line is that it is because we cannot always get it as a funded programme, and, because we do not have the cash as an organisation to buy that provision, we do not focus too much on it, whereas, on the basic skills side of it, we are doing that. What we do with the good providers is try to interpret numeracy and literacy training in as flexible a way as possible, to transgress into those kinds of arenas. So we will try to talk about problem solving, team working, and communications in the context of a literacy or numeracy-type qualification and use the flexibility of that to interpret it. That is just a pragmatic way in which we try to adopt it. It becomes much more difficult, outside of a Remploy factory environment and into the recruitment agency model, because you are not talking about large numbers and, therefore, you cannot necessarily create the classroom sizes. There, it is much more of a signposting service and trying to identify what the local college delivers and encouraging the learner to go there. So, it is about finding your way around the funding network to find the solution.

[299] Sorry, what was the second point?

[300] **Jeff Cuthbert:** It was on the sector skills council.

[301] **Mr Parry:** Dave, do you want to pick that one up?

[302] **Mr Knight:** I think that the obvious answer to that is that we are just starting to do that. I do not know that we have done that much in the past, but that is certainly our intention. There are certain ones that are more relevant to us than others, but we are certainly starting to do this. So, we have had some initial discussions.

[303] **Mr Parry:** I think that the starting point is that the disability issue is not high on the agenda at this moment in time. Our forecast would be that it is likely to become higher on the agenda, as the incapacity benefit reform starts to come through in the way that is being proposed. However, probably more importantly than that, in terms of the UK, are the recommendations that are likely to come out of the Sandy Leitch report, which is about demographic changes over the next 15 years and that employers are going to need to recruit increasingly from traditionally disadvantaged groups of people in order to get the labour and

the skills that they need. So, I think that the sector skills councils will get on board, but, at this moment in time, it is probably not a top priority for them.

[304] **Peter Black:** I was interested in the fact that you were saying that only 7 per cent of the people that you place will come directly from school or college—

[305] **Mr Parry:** It was 2 per cent.

[306] **Peter Black:** Sorry, I misheard that. That is a very small percentage indeed. If schools and colleges get the curriculum right, they will have, in some cases, very high percentages of children who have special educational needs. What do you think they need to do, as schools and colleges, to try to engage better with employers, to try to place those students? Apart from the curriculum changes, are there any things that we should be recommending to them that they might do better to try to get those students into placements?

[307] **Mr Parry:** First, the 2 per cent figure is Remploy's statistic.

[308] **Peter Black:** Yes, I understand that.

[309] **Mr Parry:** It may be worth the committee asking for statistics for the supported employment programme across Wales, which would be available if inquired after. It would be an interesting comparator, because we can only represent the Remploy experience here. I do not know how my colleagues would answer it, but my answer to the main question would be about asking why we would necessarily want to overly encourage schools and businesses to work on this agenda when there are supported employment agencies like Remploy and 12 other supported employment agencies in Wales that are experts in this area. This is what we do. Our response would be to encourage the schools to build stronger relationships with organisations such as Remploy, which also has that employer engagement. It is not about keeping schools away from employers—that is not what we are saying—but, in terms of specialist expert advice on how a disabled child makes the transition into employment and the educational support that they need, we have that expertise and we do not believe that the schools have it. Our view would be to use the agencies that are already in existence to get better value out of the system.

[310] **Mr Knight:** That is absolutely right, and that is where the partnership principle is key. There is a danger that we look at some of these things and think that every part of the education system has to have an expert on every part of the economy or employer relationships, which takes them away from their core work in terms of a broad education. Why do that when other people—forgive me if this sounds like a sales pitch—like Remploy can and should be doing that with them? We do not need to replicate and add more cost into the system. Many of the key components that we need to make this work are there—they are just not joined together yet.

[311] **Peter Black:** Are you aware of any good practice? Obviously, you have limited knowledge, because you have such a small engagement, but are you aware of any agencies with particular good practice in that regard in Wales or elsewhere?

[312] **Mr Parry:** I believe that Coleg Sir Gâr in west Wales has a good network of relationships. It may be worth approaching the college for some experience as to what it has done. We do not particularly work with Coleg Sir Gâr, but I understand that it has done some work in this area.

[313] **Peter Black:** That is very helpful; thank you.

[314] **Irene James:** You have mentioned working with schools, but how closely does

Remploy work with schools?

[315] **Mr Parry:** We do not.

[316] **Irene James:** May I ask why?

[317] **Mr Parry:** There is no particular reason. It is just the history of how different agencies in different silos have grown and what they are focused on. The programme to which we work predominantly is Workstep. There is nothing that says that we cannot pick up people straight from education and place them into work, but, because of the way in which Remploy has evolved, it tends to concentrate on incapacity benefit claimants. There may be an issue around the difficulty of working with younger people in terms of walking into employment, but there is no real reason why we should not, other than perhaps a resource issue. However, from a policy and strategy point of view, there is no reason why we, or any of the other supported employment agencies, could not do that.

[318] **Irene James:** You have not, as yet, looked at the issue of working with schools, and built on it.

[319] **Mr Parry:** We are looking at that issue at the moment.

[320] **Mr Clarke:** We have worked with schools in the past, but we have not cracked it yet. We have difficulty in getting referrals from schools to us. Our traditional referral route has been Jobcentre Plus, because we have traditionally focused on the unemployed. However, as we are being more proactive and trying to access clients, we should be looking more at schools.

[321] **Mr Parry:** I think that there are a number of issues here. As an organisation, from a strategic point of view, it is an area that we need to look at increasingly, because it is a substantial source of potential referrals for organisations such as Remploy. There is an issue for Remploy around the branding, in terms of how young disabled people regard such an organisation, because their perception may be of relatively old-fashioned sheltered workshops. Disabled young people have aspirations to do the same jobs as the people they go to school with, who then go to work in bakeries, garages, supermarkets and banks. They want the same jobs, but they do not necessarily connote the name of Remploy as helping them to get those types of jobs. So, there is a brand issue for us in that regard, but, other than that, it is something that we must address.

[322] **Irene James:** Yes. You said that 2 per cent go into work in Remploy, so there is a huge issue, because there is a 98 per cent gap. We are not offering opportunities to that 98 per cent.

[323] **Mr Parry:** Absolutely, just because the channels are not in place. At the moment, Remploy concentrates largely on the incapacity benefit market, where the percentage is still very low. So, whichever referral source you go to, there are an awful lot of people who need to get into work. It is a question of balancing priorities and balancing the channels, but, as a principle, Remploy is keen to develop relationships with schools and further education establishments to create that opportunity. We believe that all supported employment agencies should do that.

12.10 p.m.

[324] **Irene James:** However, as you said, you are not looking at schools at this moment to support that.

[325] **Mr Parry:** We are looking at developing a strategy for that at this moment in time.

[326] **Irene James:** That is not actually looking at schools, is it? That is just looking at a strategy.

[327] **Mr Parry:** Absolutely, but we do look at schools occasionally. For example, some field staff from Remploy gave a presentation at Monmouth School last week, I think, but that tends to happen more through local relationships and word of mouth rather than any concerted effort to go down that road. We are looking at what resources we need as an organisation to put that kind of strategy in place. We believe, as I said earlier, that we should start to focus on employment for disabled children from the age of 14, ramping that up as we go forward towards the point of entering employment. So, there is a resource issue there for organisations such as Remploy, but it is something that we should be looking at doing.

[328] **Mr Blaney:** You are right. Remploy is going through a period of change, as it has been for some time, and the review is part of that. However, we clearly recognise that we need to be much broader in terms of the points where we have contact with disabled people, of whatever age. We have been spending the last six to nine months working on this pretty thoroughly, so what we are looking at is not quite in place, but it is not like we are just starting to think about it.

[329] I also want to be clear about the 2 per cent. Of all the people we have placed, 2 per cent have come direct from education, as opposed to all those other people who are in education and not being covered by us. We do not know what is happening with those people, and that is part of the problem. There is a gap there, but it does not mean that they are going into nothing; they just have not come to us.

[330] **Christine Chapman:** I want to add to Irene's comments. I was a careers adviser for quite a number of years, and I used to have visits with Remploy. You are right in that there has been quite a stigma attached to the organisation for many years, and you have recognised that. However, I still think that, as far as young people are concerned, whether they have special needs or not, the sectors themselves could do an awful lot to encourage young people to think in terms of going there. There is certainly an element of organisations looking at themselves honestly and seeing what they can do to improve their images, but then, I think, it is about working with, for example, specialist careers advisors, because they have been around for many years—they are not new—working with young people. With young people in particular, there is so much potential for them to work with you at 14 years of age—they can think about work experience—and it is then not such a big step then for them to take when they want full employment. There are a lot of links that could be forged.

[331] **Mr Parry:** We would completely agree. We recognise that there is substantial investment in specialist advisers in Careers Wales. I think that I have said that there are 13 supporting employment agencies. There is a lot of infrastructure in Wales, yet, from Remploy's point of view, it is still only 2 per cent. It is a question of value for money. We agree that the infrastructure is all there in theory, but something is happening which means that it is not working, and all those bits of the jigsaw are not joined up or cohesive enough at the moment to get best value out of the system. We do not necessarily think that it needs an awful lot more investment to make it work—it is the way in which the whole system is working that is the issue.

[332] **Peter Black:** Do you wish to make a point, Owen John? Please make it quickly, as I wish to wrap this item up.

[333] **Owen John Thomas:** Would it be the case that you only have so much money to create so many jobs, and not every disabled person who could work would be able to get a job

in your factories, would they?

[334] **Mr Parry:** We would not employ them all in our factories. Just to put it in context, of the 4,300 people whom we placed in employment last year, less than 10 per cent were employed by Remploy in our factories. Over 90 per cent go into mainstream employment opportunities. That is where the jobs are. Placing people in mainstream jobs is far more cost effective, and that is where the future strategy is and that is where the jobs are. We would love to have everybody queue at our door, because we believe that we have a lot of jobs that they could go to, but the difficult bit is matching the right skills to the right jobs.

[335] **Owen John Thomas:** These young people are not aware that you are there to help them.

[336] **Mr Parry:** I think that that might be part of the issue, yes. It is certainly part of the issue.

[337] **Irene James:** What you are actually saying is that you need to have the time now to fit all the pieces of the jigsaw together to make sure that everything works. The opportunities are there, but it is just a matter of putting it all together.

[338] **Mr Parry:** It is looking at the whole cycle. If employment is the aspirational outcome for the majority of disabled children or learners, because the issue goes right through further and higher education, we believe that the focus of employment should start much earlier in the process. If the supported employment agencies are the people who deliver the end point, which is the job entry and the work-based learning, they know the employers who are likely to recruit people and the sorts of jobs that are around in the local economy. That should be fed into the system at a much earlier stage—it is now at approximately the age of 14. That should then be borne in mind. The whole system is a simple supply chain model. If you know what the ultimate customer wants, you drive that need back through the supply chain as far as possible. It is about better education of each other's services, better integration of services and better joint working.

[339] **Mr Knight:** We need to break through these silos so that we have a relationship with that individual going all the way through that process into the job and into the next job, and so forth, so that they stay with us or whoever it happens to be at the time.

[340] **Peter Black:** Thank you. It has been a very useful session and very helpful for us. You made some very valuable points, which we could take on board as part of the review, for which we are very grateful.

[341] I forgot to mention at the beginning that we take a verbatim record of these meetings. We will let you have a copy of that before we put it on the internet, so that you can have a look at it and check for accuracy.

[342] **Mr Parry:** So, we need to think about what we might want to retract? *[Laughter.]*

[343] **Irene James:** It is too late.

[344] **Peter Black:** Thank you.

[345] We are now setting up a video link with Professor Julie Allan, professor of education at the Institute of Education at the University of Stirling. Professor Allan has previously acted as an adviser to the Scottish Parliament committee of inquiry on special educational needs. Some Members will recall meeting her when we went up to Scotland on the phase 2 of the SEN review. Hopefully, we can get the equipment to work. Hello.

[346] **Professor Allan:** Hello. Can you hear me?

[347] **Peter Black:** We are hearing you loud and clear. Can you hear us, Professor Allan?

[348] **Professor Allan:** Yes.

[349] **Peter Black:** Hopefully, you have received a copy of the terms of reference and you will know that we are looking at the transition phase from education to employment in terms of special educational needs. We are very grateful that you have offered to give evidence to us in this way. Maybe you could start by giving us some of your thoughts, and then we can ask you some questions about that.

[350] **Professor Allan:** Thank you very much for the invitation to participate in part 3 of the review. I am sorry that I am not there in person in your wonderful building. I have been closely associated, as you say, with the Scottish Parliament through its review of special educational needs, which included looking at transition arrangements.

[351] The evidence that we considered in Parliament, and research evidence across the whole of the UK, highlights a number of problems associated with post-16 transitions. First, there is a lack of information on choices, there is a lack of actual choice for young people, and there is inadequate collaboration between education, health, social work services and the voluntary sector. The previous presenter from Remploy talked about silos; that is a good description of how professionals work in relation to transition. Insufficient time is given to transition planning. There is a failure to take account of the views of young people and their carers, and some groups are particularly badly-served—I am thinking especially of youngsters with emotional and behavioural difficulties and those with mental health problems. Services beyond school tend to be organised in relation to specific disability categories, and it becomes very difficult for a young person to negotiate access to services which may be located within physical disability and learning disabilities.

12.20 p.m.

[352] I think that there are some more fundamental difficulties associated with transition, which occurred first as a result of a narrow conception of inclusion, in which school is seen as the end point. It is very difficult to encourage people to think beyond school. There are low expectations of youngsters with special educational needs, and provision in school can be very intensive and support-led, and the ending of that support can be quite traumatic. I have heard unhappy accounts from youngsters and their carers about the sense of loss once school provision is removed.

[353] To complicate matters further, further education is increasingly being seen as a more viable option for children who are younger than 16 years of age. The transition is happening with children who are as young as 14 years of age, but it is not being adequately planned for. The research on transition suggests that young people want person-centred individualised planning with a trusted and familiar link person at transition.

[354] I strongly endorse the view of inclusion that this committee has outlined in reports 1 and 2. I think that that forms the basis for establishing good elements of transition for young people and their carers. I was mightily relieved that you had not been unduly influenced by Baroness Warnock's negative view of inclusion, and that you have not seen what she has said as signalling a return to a dual system. I am delighted about that.

[355] I have identified a number of features that perhaps need to be considered in relation to transition. First, there must be clear and accessible information on the options available,

which must be in all languages—Welsh, English and other languages. These options might be presented in the form of a route map—to extend your notion of passports, which I think is very effective—which identifies the various opportunities and the key connections that young people and carers might be able to make.

[356] For each young person, a dedicated transition personal adviser might be a good idea; that is being piloted in Somerset, through the connection centre service, and it seems to be working very well. The planning process perhaps needs to be initiated for children who are even younger than 14 years of age, if young people are going to move from schools into further education, as seems to be increasingly the case.

[357] There needs to be a formalisation of the processes through which young people and their carers express their views. There is a commitment to the views being heard, but, so often, they are not actually responded to or taken account of formally. Their advocacy within the person-centred planning approach in Wales of fulfilling a promise could be used effectively.

[358] I would argue strongly that young people and their carers need to be able to control the information that goes from schools to the young people's next destination, be it further or higher education or employment. Schools often collect quite negative information about youngsters, some of whom may have failed in the system. It is important that that information is controlled by the young people.

[359] Young people and their carers fundamentally need to be given training in terms of the shift that a young person makes from being a recipient of services to being a client and a purchaser of services. So, they need to be supported in obtaining and making use of direct payments. I noticed that Wales seems to be making somewhat less use of direct payments as compared with England, even though these direct payments are mandatory. The Cardiff and Vale Coalition of Disabled People says that they are crucial to independent living, so they need to be encouraged, and young people and carers need to be helped to make use of them.

[360] Following on closely from the comments made by previous presenters, there must be close collaboration and liaison between agencies and institutions, but we need to get beyond the cliché of joined-up working and working together. We need to find ways of providing training to the organisations in that collaboration.

[361] Finally, the chief inspector for education and training in Wales talks about the need to stretch the vision of employers, so that they think more about having youngsters with special educational needs in their employment. I would fully endorse that, and argue that there needs to be an improved vision across education and employment as a whole, so that youngsters with special educational needs are seen as being viable students or employees. There are some big thinking tasks to do in relation to transition before some of the more practical arrangements can be put in place. However, I believe that the committee has already formed the basis for making those changes in reports 1 and 2.

[362] **Peter Black:** Thank you very much. Are there any questions?

[363] **Janet Ryder:** I do not know which screen to look at. *[Laughter.]*

[364] Could you enlarge on the idea of a link person? It came through in previous evidence that we took from colleges, particularly further education colleges, that there is a need for one person to stand as an advocate and a guide for the individual. Can you just expand on that part, and on how that might be linked into the development of a passport scheme?

[365] **Professor Allan:** The young people have made it clear that the important thing for



them is knowing and trusting a link person. That suggests that the position that the person holds is less important than knowledge of the youngster. This person could work closely with a child—as has been done in Somerset—throughout his or her schooling, and begin to liaise with that child as early as when they are aged 12, prior to any formal development of the transition. If they have been the link person in developing the passports, then there would be obvious continuity there. So, the position of the person does not seem to be as important as knowledge of the child, but that person will have to be familiar with the resources that are out there, the opportunities, and the professional groups, and be able to liaise effectively with the individual.

[366] **Janet Ryder:** Can you take that a little further? Some of the evidence that we took in the previous part of the review showed the difficulty in working across different sectors—and you mentioned this yourself—such as health, social services and education. Does this link person need to be of a significant status to enable, or to perhaps sometimes force, those different departments to work together?

[367] **Professor Allan:** I think that that is a very good point. The person would need to have the mandate to call people together and require them to make certain commitments, offer information and so on. It would be difficult for someone without a senior status or without that mandate to call professions and organisations to account, but that is what they would have to do. They also have to be skilled at eliciting the young person's needs and desires. Many young people go through the system being told what they need and what is good for them, and this person would need to be able to help to engineer that shift towards youngsters being able to state their preferences, desires and ambitions for later in life.

12.30 p.m.

[368] **Jeff Cuthbert:** Good afternoon. I presume from what you have said that you were able to listen to our earlier discussions.

[369] **Professor Allan:** I just caught the tail end of the Remploy discussion.

[370] **Jeff Cuthbert:** Okay. One of the key issues of transition for us is the attitude of employers, because that is whom they will go to, in the main. We have been disappointed because we asked the Confederation of British Industry in Wales to give us evidence, and it would not. I think that I am correct in saying that it did not feel that it was part of its interest group, which I was disappointed about. Having said that, most employers in Wales are what we call small and medium-sized enterprises; they are smaller employers and do not represent big interests in that sense. However, they are extremely important and, therefore, presumably, young people, whether they have additional needs or not, will want to find employment with a smaller employer rather than a bigger employer. What has your experience been in Scotland, in terms of your CBI, for example? Here we have the Federation of Small Businesses. Have you found such organisations to be willing listeners that are prepared to work with you to ease the transition process, and how did you go about that?

[371] **Professor Allan:** Employers have expressed a general willingness to be inclusive. They obviously must conform to the legislation on disability discrimination, so they are all too aware of the requirement to take on youngsters, but there is a lack of initiative from employers, and a lack of willingness to go into schools and engage with youngsters. There needs to be some kind of initiative from somewhere, perhaps from schools, to bring employers into schools and to engage them in discussions with their youngsters about the prospects for employment. However, Scottish Enterprise, for example, has expressed a strong commitment to inclusive opportunities for all youngsters, but we have not seen anything in practice yet. Inclusion is something that people are happy to sign up to in general, just as they are happy to sign up to joined-up working and collaboration, but no-one, so far, has taken a

lead, and I am not entirely sure who could, but I suspect that schools could be encouraged to take some of the initiative.

[372] **William Graham:** I have two questions. I do not know whether you have seen any of the reports that we have had or the evidence from our children's commissioner, but I will make some of the points made there to you. One was about recognising that transition can be traumatic, but it was also, from the point of view of the people who have SEN, about recognising their definite requests for independence. How can that be recognised while ensuring that there is adequate support for them? The second issue is your experience in Scotland in terms of engaging with ethnic minorities, and making the support available, where, often, they are resistant to it.

[373] **Professor Allan:** You are absolutely right to say that transition can be traumatic, and there is a need for structured support in order to walk a balanced path towards an independence that is supported and does not add further trauma in terms of the exclusion that young people have experienced. Direct payments and the support schemes that frame them, for example, through the centres for integrated living, attempt to do that. The professionals who work in these services have a good understanding of young people's desire for freedom and the need to balance that with the requirements for living.

[374] One of the pieces of evidence that the committee has picked up relates to transport. There seems to be a problem in terms of young people accessing transport, and that difficulty in accessing transport stops young people from acquiring the skills that they need for independent living. There are fundamental and structural issues that need to be addressed. However, I think that the support schemes in Wales can be encouraged to take a firmer hand with young people in negotiating that path to independent living.

[375] You mentioned minority ethnic groups, and that is a particular problem because, as you say, there is sometimes isolation enforced by the community. I have some research findings and evidence from young people with whom I have talked, showing that sometimes the youngsters have resisted the pressures placed on them by the family, but it is very difficult for them to break out, if you like, when decisions are being mapped out, sometimes about their future relationships. I think that support structures such as the centres for integrated living can help to provide information and advocacy, and perhaps that advocacy needs to become more sensitised to some of the cultural differences and difficulties that may arise within families and communities. So, support and advice may be needed for the young person and, perhaps separately, his or her carer. It is a complex issue, and I think that the key need is to ensure that there is good accessible information in a variety of formats.

[376] **Christine Chapman:** Julie, I will return to the comment that you made about the need for a link person. In Wales, with our 14–19 learning pathways, we have made recommendations for a learning coach, which will be an entitlement for all young people between the ages of 14 and 19. That person will have the right skills to help all young people to negotiate any barriers to learning. When you talk about the idea of having a link person for young people with special needs, do you see that person as being over and above our learning coach, or could it be the same person with the right skills? Do you see anything in addition that they would have to have?

[377] **Professor Allan:** I think that it could be the same person with the right skills. As discussed earlier, this person needs to be empowered to bring people in, to call them to account and to require information, and I do not see that as an impossible thing to do. They would need some kind of recognised status that would require people to respond to them, but the learning coach could be ideally placed to elicit the child's ambitions and desires for learning and for their life beyond school. It seems entirely appropriate to position the learning coach in that role.

[378] I would not underestimate the challenge of liaising between different services. It is something that all services are signed up to do in all of their formal policy documents, but in much of the work that I have done, in relation to new community schools and work within the FE sector, I have found the capacity of professionals to maintain their silos, and constantly to talk past one another, defending their own professional boundaries, to be awesome. These learning coaches, or people fulfilling the link role, would need to be supported in some way by a formal structure allowing them to do that job. It is a very difficult job to do, and we have not managed to do it at all across the UK. There is no model for good practice in inter-agency working.

12.40 p.m.

[379] **Irene James:** Julie, I would like to go back to the point that you made to Jeff regarding collaboration. You said that perhaps the schools could initiate it, but does it always have to be the school, or it could come from employers or all the agencies? If they are all involved and all collaborating fully, should it not be everybody who takes responsibility?

[380] **Professor Allan:** That is a very good point, and I believe wholeheartedly that everyone should take responsibility in signing up to making this happen, and should talk to one another to enhance and increase opportunities for young people. I suppose that I have argued that schools could take the lead because perhaps teachers are better placed to understand the care, health and welfare responsibilities or expectations associated with young people. Teachers are now being encouraged to think about the child as a whole and to take the person-centred approach to learning as proliferated within schools. As a trained teacher, I guess that I have more faith in the teacher. However, I think that it is fair to question whether schools should bear this burden. There is a certain advantage in having individuals who have none of the baggage associated with health, education or welfare who can manoeuvre and negotiate the pathway on behalf of a young person. I sometimes ask apparently naive questions about why a person might not be able to do that, thereby removing some of the obstacles to learning.

[381] **Irene James:** As an ex-teacher too, I agree with a lot of what you have said, and what you said at the end, namely that somebody can ask the naive questions, is so vital. That is so important when we are looking to place someone in work, because it is the naive questions that are often not answered and which cause the most problems.

[382] **Professor Allan:** Yes.

[383] **Peter Black:** Does anyone else wish to come in? I do not think that we have any more questions. I thank you for appearing on the video for us and giving evidence to the committee. It has been very much appreciated and is very valuable. As you may have heard when I spoke to Remploy, there will be a verbatim Record of Proceedings, which you will see in due course, when it is put onto the internet.

[384] **Professor Allan:** Thank you. I look forward to seeing the rest of the proceedings, as they come through. I wish you well with them.

[385] **Peter Black:** Thank you.

12.43 p.m.

**Tymor yr Hydref 2006—Blaenraglen Waith  
Autumn Term 2006—Forward Work Programme**

[386] **Peter Black:** Before we finish, we have to agree the forward work programme. It is a very moveable feast and we agreed to some amendments at the party spokespersons' meeting. For example, the Assembly budget will be taken far earlier in the term, because the intention is to bring it out earlier. We also thought that we would try to look at children and young people's partnerships, possibly in January, after the special education needs review is out of the way. Does anyone have any comments on it? Are you happy to accept it as it is at the moment? As I say, it is very much a moveable feast.

[387] **Janet Ryder:** Arising out of the evidence that we took today from HEFCW, would it be possible, at some point, to have an item just on research in Wales?

[388] **Peter Black:** We will add that to our wish list. Once we get the bulk of the evidence on SEN, we may have some scope in the term next year to do something on stuff like that.

12.44 p.m.

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

[389] **Peter Black:** Finally, there are some papers to note: the minutes of the previous meeting, a note about the SEN part 3 visit to Denmark, which we are still trying to arrange, and—

[390] **William Graham:** Are there any dates at all on that?

[391] **Peter Black:** An e-mail went around last night, suggesting the first two weeks of September and asking you to tell us your available dates.

[392] Another paper to note is on the Safeguarding Vulnerable Groups Bill and there is the letter that we have already discussed about the Legislative and Regulatory Reform Bill. Are there any comments? I see that there are not. Thank you.

[393] I hope that you all have a good recess. I will see you all in committee anyway, but also, hopefully, on our way to Denmark.

*Cadarnhawyd cofnodion y cyfarfod blaenorol.  
The minutes of the previous meeting were ratified.*

*Daeth y cyfarfod i ben am 12.45 p.m.  
The meeting ended at 12.45 p.m.*