

Y Pwyllgor Menter, Arloesi a Rhwydweithiau

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Diben

Rhoi diweddariad i'r Pwyllgor ar y cynnydd a wnaed wrth weithredu argymhellion adroddiad y pwyllgor Anweithgarwch Economaidd yng Nghymru (Ebrill 2005). Gellir gweld copi o'r diweddariad yn atodiad A.

Camau i'w cymryd gan y Pwyllgor Pwnc

Nodi'r cynnydd a wnaed wrth weithredu'r argymhellion.

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Annex A

Update on implementing the recommendations contained within the Economic Development Committee's Report, "Economic Inactivity in Wales" (April 2005)

This update draws together the work of the Welsh Assembly Government across Department For Enterprise, Innovation & Networks; Department for Education, Lifelong Learning & Skills; Department For Social Justice & Regeneration; and Department For Health & Social Services.

Recommendation 1 (paragraph 4.2)

The Committee recommends that the Welsh Assembly Government analyses and presents the information already available on economic inactivity in ways that will allow a better understanding of the issues and potential solutions.

Economic Advice Division, Statistical Directorate, the Economic Research Advisory Panel, and the Task and Finish Group on Economic Activity of the Welsh Assembly Government have undertaken

an extensive analysis of the underlying causes of economic inactivity in Wales.

Quantitative data

The main source of official statistics on economic inactivity is the Annual Population Survey (APS), a rolling annual survey of approximately 65,000 households. Introduced in January 2004, the latest data is for the period January to December 2005 with release of statistics for the year ending March 2006 planned for the 28th September.

Spatially, inactivity data is available at NUTS4 (Unitary Authority) level with the survey sampling framework designed to provide accurate information at this lowest level of geographical disaggregation.

Available economic inactivity variables include numbers and rates on a working age and 16+ population basis, analysis by age band, by gender, by those who want/do not want a job and by reason for not wanting a job.

In addition, the quarterly Labour Force Survey (LFS) publishes economic inactivity statistics monthly on a three month rolling average basis. However, while providing more timely data (latest results are for May 2006 to July 2006) the quarterly LFS suffers from a smaller sample size than the APS and therefore a greater possibility of data suppression.

Primary research

Recent primary research commissioned by the Assembly Government's Economic Research Unit on the causes of inactivity include a report by Swansea University "Identifying barriers to economic activity in Wales" - published in May 2006. Stage 1 focused on desk research of the existing evidence base.

The results of stage 1 suggested that the characteristics of the labour force could explain some, but not all, of the higher rate of economic inactivity found when Wales is compared with most other parts of the UK. A survey was therefore undertaken to investigate the factors driving this unexplained excess and to identify particular barriers faced by inactive people in Wales.

<http://new.wales.gov.uk/about/aboutresearch/econoresearch/econresearch/ercompletedresearch/barrierseconomicactivity?lang=en>

While stage 2 involved a survey of 1,300 working age adults in three areas in Wales - the Valleys, urban "hotspots" (areas of high inactivity located in proximity to buoyant labour markets) and "cooler" areas (where inactivity was at relatively low levels).

<http://new.wales.gov.uk/about/aboutresearch/econoresearch/econresearch/ercompletedresearch/identifybarriers2?lang=en>

In addition, analysis of the underlying causes of economic inactivity in Wales are considered in Raising Economic Activity (2004), and Wales: A Vibrant Economy (2005).

As part of DEIN's annual economic snapshot of progress in the Welsh economy, the headline economic inactivity rate will be disaggregated by region, gender, age, disability and ethnicity. This will allow us to monitor progress and evidence the impact of economic changes across a diverse population, identify data shortages, and enable us to review our programmes and policies to ensure that our policies are genuinely providing opportunities for all.

A Strategy Group has been established jointly by Jobcentre Plus and Welsh Local Government Association of which Assembly Government officials are members. This is providing a useful forum to better understand the issues and to move forward joint solutions.

Recommendation 2 (paragraph 4.13)

The Committee considers that the evidence in support of a 'people-based' approach to problems of economic inactivity is overwhelming and strongly endorses it as the basis for helping people into work. It recommends that programmes should focus on overcoming the internal barriers faced by individuals.

Context

The 2004 Raising Economic Activity report set out a range of actions to address a wide range of potential barriers to work, including health, transport and childcare, skills and training. Specific actions are set out in greater detail in this update.

In addition the Welsh Assembly Government's Skills and Employment Action Plan (2005), and Wales: A Vibrant Economy (2005) sought to develop a strategic framework for raising economic activity levels based on a range of flexible and tailored initiatives designed to meet the needs of individuals.

The Welfare Reform Bill will also contribute to the UK Government's long-term aim of an eighty per cent employment rate for people of working age. The two key aspects of the Bill are: the reform of Incapacity Benefit (IB) to the new Employment and Support Allowance; and the reform of Housing Benefit to create a Local Housing Allowance.

The Employment and Support Allowance will replace incapacity benefit for new claimants from 2008 and introduces two components; a work-related activity component, where customers will be expected to engage with Pathways to Work-style support (with sanctions for those not engaging); and a support component which will provide a greater level of security to the most severely ill. The Department for Work and Pensions (DWP) are also improving the effectiveness of the medical test and providing a new focus upon the functional impact of a condition on an individual, not just the condition itself. Those who are deemed to have disabilities and health conditions which prevent them from working will receive a higher rate of benefit (set at more than the current long-term rate of Incapacity Benefit) without any such condition attached to its payment.

Projects

Want2Work

Want2Work is a voluntary initiative which aims to engage thousands of people on a range of incapacity and disability benefits to help them make the move into sustained employment. It is delivered through a partnership between Jobcentre Plus, Local Health Boards and the Welsh Assembly Government.

Funded through a mix of Objective One and Three European Social Fund support, totalling £11 million, it has been fully operational since February 2005 in wards within the three local authority areas of Merthyr Tydfil, Neath Port Talbot and Cardiff; and from February 2006 in Rhyl, Denbighshire. Delivery is through outreach provision in local community outlets.

Since the pilots started in February 2005, Want2Work has engaged with 2459 people claiming an inactive benefit and of these, has helped 532 (22%) into work (figures to 25 August 06).

Want2Work offers specialist Jobcentre Plus Personal Adviser support and an enhanced financial package that includes a Job Preparation Premium and a Return to Work Credit. For those with a work limiting health problem who find work, there is access to advice and support from a health professional working alongside Jobcentre Plus advisers. Health conditions include minor to moderate mental health, Musculo-skeletal, and cardio-vascular conditions.

Department for Work and Pensions Pathways to Work programme

The Welsh Assembly Government worked closely with Department for Work and Pensions to develop the 'Pathways to Work' initiative, which has been piloted in Bridgend and Rhondda Cynon Taf to new and existing customers to incapacity benefit. The initiative is built around a personal advisor for all benefit claimants.

Since the pilot commenced on 27th October 2003, over 4,100 people who have a work limiting health problem and are claiming incapacity benefit have been helped into employment (figure to February 2006).

The initiative includes a 'Condition Management Programme' (hereafter CMP) run by the NHS, in partnership with Jobcentre Plus, which offers work focussed specialist health help and support. In Wales, the CMP is a peripatetic, non-prescribing service, delivered by a multi-disciplinary health care team working across Bridgend and Rhondda Cynon Taff LHB areas and aims to educate clients about their condition, reassure them regarding it, and advise them how best to manage it. Primarily, the three main health conditions covered are mild to moderate Musculo-skeletal, Mental Health and Cardiovascular.

From April 2006, Pathways to Work has been extended to the new South West Wales Jobcentre Plus District, covering Carmarthenshire, Ceredigion, Neath Port Talbot, Pembrokeshire and Swansea; and

from October 2006, it will cover the new South Wales Valleys Jobcentre Plus District, which as well as covering the current pilot area of Bridgend and Rhondda Cynon Taf, will also include Blaenau Gwent, Caerphilly and Merthyr Tydfil.

Following DWP's response to the IB Reforms Green paper in June 2006, in the remaining two Jobcentre Plus districts – North and Mid Wales, and South East Wales – the Pathways to Work programme will be led by the Private and Voluntary Sectors and will commence in October 2007.

Structural Funds

The new Structural Funds Convergence Programme proposes a specific priority to address economic inactivity. The resulting Strategic Framework will specify the issues and provide the framework for more effective projects.

Recommendation 3 (paragraph 4.14)

The Committee was concerned about the difficulties economically inactive people face from external barriers and particularly, the problems arising from their lack of a track record and difficulty in accessing the support available generally. It recommends that the Welsh Assembly Government be more proactive in targeting this group with the help that is available. It also recommends that the Welsh Assembly Government identify and market programmes reflecting the particular circumstances of unemployed people, and that appropriately skilled, experienced and motivated staff are made available to deliver the programmes.

Employment measures to help economically inactive people into work are delivered in Wales by Jobcentre Plus, under the Welfare to Work agenda and the New Deal programmes. Jobcentre Plus also works closely with employers to improve access to jobs for some of the most disadvantaged clients. The Welsh Assembly Government works in partnership with Jobcentre Plus to support these actions, and a number of measures to target help at the economically inactive are in place.

The Want2Work initiative and the Merthyr Tydfil Communities First Programme Bending pilot will both provide valuable information on how separate sectors (health; education and training; community; and voluntary) need to collaborate to engage effectively with the economically inactive client group, and to promote the range of support on offer to help them into sustainable work.

In addition, the Cyfenter research programme and Potentia, looks to help this client group to move into work, by providing routeways, through social enterprise and support to assist people in pursuing self-employment opportunities.

The SME Equality Project is now developing direct links with economically inactive people through Jobcentre Plus. This is particularly focused on Want2Work but also working with Working Links. It is the intention to slowly build these links, providing employers who are SMEs who are prepared to consider people who are economically inactive as possible best candidates for the job. Such candidates would additionally come from other excluded demographic categories.

Individual Learning Accounts are targeted at economically inactive people and campaigns to raise awareness of learning and skill development, such as those run jointly by NIACE/Assembly Government e.g. 'Adult Learners Week' use appropriate promotional material.

Recommendation 4 (paragraph 4.19)

The Committee was impressed by the arguments in support of the £40 work credit to provide financial assistance and incentive for those re-entering the labour market. It recommends that, subject to the findings of the pilot, the Welsh Assembly Government press the Department Work and Pensions (DWP) to introduce such a scheme.

For those eligible to participate in, and who find work, Pathways to Work offers a new financial package to help support the transition from benefit to paid employment, including a £40 per week tax-free Return to Work Credit for the first year in work.

Other financial incentives available include a Job Preparation Premium of £20 per week. Evaluation of the Pathways to Work programme by DWP will inform future development of Welfare to Work measures to support people into employment. Analysis of the rationale underpinning the introduction of both the in-work payment and the Job Preparation Premium have resulted in similar incentives being put in place as part of the Want2Work initiative.

Recommendation 5 (paragraph 4.20)

The Committee was impressed by the piloting of a safety net to encourage people, particularly those who have been on benefits for a long time, to take the 'risk' of trying an alternative. It recommends that the Welsh Assembly Government presses the Department for Work and Pensions (DWP) to introduce this 'passport' back to benefits more widely, in the light of the findings of the pilot.

Recently measures have been brought forward to simplify and improve the operation of the rules for Incapacity Benefit claimants to provide them with a greater sense of security when considering a possible move into employment. Changes will be introduced in October 2006 which will allow former claimants to return to the same level of benefit, for up to two years, after taking up employment.

Evaluation of the Want2Work initiative will provide further information on the sense of security encouraged by the financial incentives and the impact this has on motivating people into work.

Recommendation 6 (paragraph 4.30)

The Committee recommends that the Welsh Assembly Government, through ELWa as appropriate, undertakes a programme to encourage employers in the care, tourism

and construction sectors to provide and support skills training for their employees through work place learning programmes.

These sectors are among those identified in the Skills and Employment Action Plan 2005 as being of importance to the Welsh economy, and where there are opportunities to identify skills and economic development priorities and develop a coherent and strategic approach to address these issues.

Working closely with the relevant Sector Skills Councils and other relevant organisations, the Welsh Assembly Government will agree joint approaches to meet the skills development needs of these sectors, including workforce development provided by employers, and through DELLS programmes, funded from existing budgets.

Currently, DELLS is consulting, on a review of training needs of the adult social workforce. A joint DEIN/DELLS review is developing a strategy for the built environment/construction sector to be published in March 2007.

Job Matching programmes which link economically inactive people to certain sectors are underway for example, the Heads of the Valleys Programme, is seeking to address economic inactivity through a Consortium approach. The Heads of the Valleys has been granted Pathfinder status under DWP's 'Towns and Cities Strategy'. The Consortium proposes to roll out the principles of the successful 'JobMatch' programme which has operated since the beginning of 2004 in Blaenau Gwent. The programme will embrace and add value to mainstream programmes such as Pathways to Work.

Since January 2004, JobMatch has supported 1187 into work. 71% of these individuals have remained in work for more than 12 months. In addition, 864 have achieved qualifications

The aims of City Strategy are to address worklessness moving areas closer to the UK Government's target of an 80% employment rate. The employment rate for the Heads of the Valleys area currently falls well below this target at 64.3% and so is a clear priority for the Assembly Government and its Partner organisations.

Recommendation 7 (paragraph 4.31)

The Committee recommends that rigorous analysis be applied to justify any particular programmes to ensure geographical issues do not reduce the accessibility of training.

Learning programmes are reviewed, to tailor them more effectively to client needs across Wales. Recently completed reviews have focussed on FE land-based provision; Business Services; Welsh for Adults; Work Based Learning, and a review of Adult Community Learning is currently underway.

The National Planning Framework and Funding System (NPFS) includes a sparsity weighting to take account of additional costs associated with provision in certain geographic locations. Non-HE post-16 provision will progressively be funded through the NPFS.

ICT and e-learning have an important role in mitigating the effects on course availability and viability

in areas where travel to learn distances are significant factors. More generally, the issue of the demand for learning is taken fully into account when considering the availability and accessibility of provision in particular locations.

As part of its support for the Welsh Assembly Government's 14-19 Learning Pathways agenda, a series of Geographic Pathfinder projects has been initiated. The purpose of the Pathfinders is to review holistically learning provision within a defined spatial area, in order to identify prospects for the creation of more responsive, cost effective learning opportunities. The Geographic Pathfinders started in 2005 in the Menai Corridor of Gwynedd/Ynys Mon; the Dyfi Valley; Pembrokeshire; Rhondda Cynon Taf; Merthyr Tydfil; and Blaenau Gwent.

The Common Investment Fund (CIF) encourages collaboration between providers, with CCETs playing a prominent role in identifying local issues and priorities. CIF will be available to underpin the Pathfinders and support local initiatives more generally, for the benefit of learners.

Recommendation 8 (paragraph 4.32)

The Committee recommends that the Welsh Assembly Government ensures that factors such as social and economic deprivation are taken into account in the funding system for further education so as to ensure accessibility to courses in all areas.

The pricing model in the National Planning Framework and Funding System (NPFS) incorporates cost weightings related to learner characteristics, including residence in an area of deprivation, as defined by the Welsh Index of Multiple Deprivation 2000. The purpose of the weighting is to ensure that providers receive funding which recognises the additional costs of educational deprivation. The NPFS will apply widely across non-HE post-16 provision.

Recommendation 9 (paragraph 4.51)

The Committee recommends that the Welsh Assembly Government acknowledges fully the key role the voluntary sector has to play in facilitating movement from inactivity into employment and that the voluntary sector be given more support for the work it does in offering an early stepping stone into the labour market.

It is acknowledged that the voluntary sector has an important role in this area. Substantial funding is already being provided. For example:

- "floating support" schemes under Supporting People Revenue Grant, which tackle the "no home, no job" barrier. Total funding for such schemes in 2006/7 exceeds £30 million;
- The Volunteering in Wales programme (£595,000 in 2006/7), which promotes volunteering, particularly involving unemployed people;
- Wales: the Active Community and Support for Voluntary Intermediary Services programmes; many of the projects funded work with socially excluded and unemployed people, to improve their job prospects;

- Millennium Volunteers programme (£315,000 in 2006/7), which encourages young people aged 18-24 to acquire new skills and knowledge, to improve their job prospects, as well as to develop personally.

In addition, as part of the enhancements to the New Deal 50plus programme (designed to improve the prospects for people aged 50 and over of progressing into, and staying in, employment), work is being taken forward with voluntary sector organisations, to improve the information services on back-to-work help available for people within this client group.

Recommendation 10 (paragraph 4. 52)

The Committee endorses the approach of providing individuals with the opportunity of experiencing employment without losing benefits. It recommends that this approach be developed to encompass and encourage community based programmes, especially voluntary projects, to encourage and facilitate the broadest possible range of work experience for those outside the labour market.

The need to develop a range of soft skills will be the key to supporting the transition needed for a successful move into employment. Under existing arrangements for the majority of "inactive" benefits, claimants are allowed to work, or engage in some form of training, for up to 16 hours per week before effecting their benefits. Jobcentre Plus already engages with a range of community and voluntary organisations to provide a broad range of work experience for its clients. Delivery of the Want2Work initiative will provide the opportunity to work closer with Community First partnerships and other local organisations. It will provide information on what links are most effective and with what range of voluntary organisations and projects.

Recommendation 11 (paragraph 4.53)

The Committee recommends that the Welsh Assembly Government develops mechanisms to ensure greater co-ordination between authorities in the development of Labour Market Intermediary (LMI) partnerships, especially in the South Wales valleys.

The Heads of the Valleys project is seeking to address economically inactivity in the south Wales valleys through a Job Matching consortium approach referred to under recommendation 6.

While intermediate labour markets may also be useful in improving employability and helping hard to reach groups back into the labour market, there is some evidence to suggest that ILMs are relatively expensive compared to other schemes and can be subject to high levels of substitution and displacement.

Welsh Assembly Government officials will consider the role of ILMs in the coming months and update the Committee on these deliberations.

Recommendation 12 (paragraph 4.54)

The Committee recommends that the Welsh Assembly Government considers the scope for Intermediate Labour Markets (ILMs) to fill the gap in the provision of transportation and childcare within certain communities. In doing so, it stresses that the provision of childcare must be of the same high quality referred to elsewhere in this report and involve people who have been properly trained to deliver it.

See response to Recommendation 11

Recommendation 13 (paragraph 4.55)

The Committee recommends that the Welsh Assembly Government works with the voluntary sector to develop it to fully meet its potential of reducing economic inactivity, with particular emphasis on funding and improving the image of the voluntary sector.

The Voluntary Sector Partnership Council will examine this, as it prepares the new Strategic Action Plan for the Voluntary Sector Scheme. This will set the vision of how the voluntary sector should develop over the next four years, and clarify how the Welsh Assembly Government will support this (the target date for introducing the new Plan is June 2007).

The Welsh Assembly Government is already funding the key elements of the voluntary sector's infrastructure, i.e. the Wales Council for Voluntary Action; the 19 County Voluntary Councils; and the 34 Volunteer Bureaux. The Welsh Assembly Government is providing stable, long-term core funding to these agencies, linked to a Service Level Agreement.

The Welsh Assembly Government is helping to communicate a positive image of the sector in several ways, principally by advocating more volunteering and citizen engagement in society. For example:

- (i) a major campaign to promote more volunteering by young people aged 16-25 is in progress, arising from the recommendations of the Russell Commission. During 2006/7 and 2008/9 £3million will be made available to improve young people's access to volunteering and to generate more volunteering opportunities for them.
- (ii) in partnership with the sector, the Welsh Assembly Government is working to develop comprehensive national training provision for volunteers, so that people wishing to volunteer are supported to do so.

Recommendation 14 (paragraph 4.71)

The Committee considers that investment in early years should be strongly targeted to children from deprived communities, and that the Welsh Assembly Government should provide funding for a children's centre in every deprived community across Wales as a first step towards universal coverage. The Committee also considers that

the Welsh Assembly Government should further develop the monitoring and evaluation framework for the future, and benchmark the effectiveness of early years provision in Wales with that of schemes in other countries.

The Committee recommends that the Welsh Assembly Government actively promotes a significant increase in the availability of child care and, particularly, target it in those areas where it is needed most.

The Assembly Government has made a commitment to establish at least one integrated children's centre in every local authority area and to date 34 centres, satellite or networked facilities have opened. We envisage integrated centres, with their multi-functional and multi-agency ethos, playing a key role as one of the bases from which 'Flying Start' will be delivered.

The provision of this good quality childcare will be delivered under the 'Flying Start' initiative. The central objective is to improve the child's outcomes, both in preparation for school and the long term. We also expect to see more integrated centres developed through the 'Flying Start' initiative.

In terms of developing the monitoring and evaluation framework, the Foundation Phase, currently being piloted in Wales, will be fully evaluated, to ensure that an effective early years curriculum is in place for the 3 to 7 age range. As the Foundation Phase is bedding down, a longitudinal study will be undertaken, which will evaluate the impact on performance and outcomes at the end of the Phase and into Key Stage 2.

The issue of promoting an increase in the availability of childcare is the subject of the Welsh Assembly Government's forward strategy for childcare, "Childcare is for Children". The strategy sets out the vision of childcare as part of the modern welfare state, available to all parents who need it. There are a number of initiatives within the strategy that actively promote childcare, such as the Genesis Wales ESF project and the Torfaen childcare pilot. Resources will be in the main from Cymorth, including the childcare budget, supplemented by ESF, through Genesis Wales.

Recommendation 15 (paragraph 4.75)

The Committee recommends that the Welsh Assembly Government examine the scope to reduce further the burden of bureaucracy for people wishing to set up as childcare providers while still maintaining the necessary safeguards required by parents.

This is addressed within the Childcare Strategy, "Childcare is for children". The quality threshold will not be lowered, but the Care Standards Inspectorate for Wales is currently reviewing its registration and inspection methodology, so as to reduce unnecessary burdens in practice.

Recommendation 16 (paragraph 4.76)

The Committee recommends that the Welsh Assembly Government promotes and

encourages childcare provision by Intermediate Labour Markets (ILMs) where a need for childcare provision has been identified and the market cannot support private provision.

This recommendation was rejected. Where the market cannot support private provision, local Children's Partnerships are able to use their discretion to provide strategic support from Cymorth funds.

Recommendation 17 (paragraph 4.78)

The Committee recommends that the Welsh Assembly Government considers the whole range of child care provided, including after-school and school holidays provision for older children, and investigate ways in which this can be improved to match more closely the needs of parents.

This is a specific action within the Childcare Strategy 'Childcare is for Children'. The Assembly Government will undertake research to review the range of out of school care available for children aged 8 to 14, how it can best improve children's long term outcomes as well as meeting parent's needs, and whether further regulatory action is needed to assure quality and control risk.

Recommendation 18 (paragraph 4.79)

The Committee recommends that the Welsh Development Agency, or whatever replaces it in the future, works with companies to make them aware of the benefits of these facilities [ie childcare facilities] and to provide such incentives as are available for them to make the necessary investment.

It further recommends that the Welsh Development Agency explores ways to bring companies and private sector child care providers together to develop and expand the availability of this kind of facility in industrial areas.

As a result of the Mergers, the Welsh Assembly Government Children and Families Programmes Team has taken over the lead partner responsibility for the EQUAL European Social Funds (ESF) CWLWM Development Partnership.

CWLWM is focusing on the Childcare Sector and aims to overcome barriers of access to employment and training for women and other excluded groups including minority language groups and men in a gender imbalanced sector, by researching and disseminating best practice methods for increasing access to sustainable and affordable quality childcare.

CWLWM complements other project other projects such as Objective 1 and 3 ESF GENESIS Wales by focusing on the opportunities offered by the EQUAL Programme to develop, test and disseminate a range of innovative strategies for overcoming barriers to the participation in the labour market of excluded individuals, testing ways of increasing the sustainability of childcare businesses and by

developing strategies for language support and new play-work training and qualifications.

The CWLWM Work programme is well underway and a series of dissemination events will be held during the next 12 months at locations across Wales.

Recommendation 19 (paragraph 4.90)

The Committee recommends the Welsh Assembly Government looks for ways to develop links between community transport schemes and the private sector to deliver a service that more closely fits customers needs – and particularly those of people getting back into work.

In response to encouragement, and funding, from the Welsh Assembly Government, many Local Authorities have already established posts dedicated to promoting community transport services locally; and facilitated the setting up of local community transport fora. The Welsh Assembly Government has also encouraged Local Authorities to bring together their transport functions such that bus and community transport responsibilities are managed within a single unit. The intention is to promote greater awareness and co-ordination with Local Authorities. When considering applications to them for funding community transport projects, local authorities are expected to take account of the existing or planned pattern of bus services locally, to ensure the optimum co-ordination of services.

Demand Responsive Transport falls within the broad definition of community transport. A good example of a Welsh Assembly Government funded initiative is the Wrexham and Deeside Shuttle services. They fit particularly well with aims set by the Welsh Assembly Government Spatial Strategy for the North East of Wales area which is to improve transport to employment and retail sites. The Deeside Shuttle has been proved to have made a real difference to users and has made a contribution to the economy of the area. The Wrexham Shuttle has made a good start towards achieving similar success.

Increasingly, Local Authorities recognise the potential for community transport to provide, in effect, feeder services linking up with timetabled bus services on main routes. This avoids the need for buses to run with relatively few passengers in, for example, the most rural areas, and to instead be concentrated on core routes offering a more cost-effective alternative to private cars. The Welsh Assembly Government also funds PTI Cymru Limited to provide a comprehensive public transport information service under the traveline brand. Information about community transport is becoming more available to enquirers through this system, so that combined bus and community transport journeys can be considered. In addition, PTI Cymru operates the Modus personal travel planning system, offering door-to-door plans for public transport journeys. The company has been promoting the system to many employers in both the private and public sectors. An indirect, but welcome, benefit of this scheme is that Modus analyses have identified travel patterns for individuals and groups of people that are not currently being met. These are being share with Local Authorities and public transport operators with a view to introducing new services or altering the times of existing services to facilitate attendance at work.

Recommendation 20 (paragraph 4.91)

The Committee recommends that the Welsh Assembly Government considers how it might provide more active support to community transport to realise indirect savings from, for example, fewer missed NHS outpatient appointments as well as through their direct contribution to the economy.

Transport Planning and Administration is represented on the Welsh Assembly Government's group reviewing non-emergency patient transport services, along with other interested Divisions, the voluntary sector and the community transport sector. The group has decided to appoint a project manager to help take forward this work and is in the process of finalising a revised criteria for medical needs.

Recommendation 21 (paragraph 4.92)

The Committee recommends the Welsh Assembly Government undertakes a thorough review of the funding options available to community transport organisations.

A thorough review of community transport in Wales was published in July 2002 (TAS consultants had undertaken this review on behalf of the Welsh Assembly Government). The report was launched formally by the then Environment Minister and its recommendations widely disseminated. Since then, the Welsh Assembly Government has continued to publicise the report and encourage the implementation of its recommendations (which were grouped by sectoral interest).

The recommendations included maintaining the Local Transport Services Grant (LTSG) as "the primary funding mechanism for public (i.e. bus) and community transport, with flexibility for Local Authorities in its application." This has been done, and Local Transport Services Grant in 2006-07 amounts to more than £9.4m – well ahead of inflation - to help local authorities boost the number and range of subsidised bus services, as well as to provide support for community transport projects. Indeed, it is expected that each Local Authority will spend at least 5% of its allocation in support of community transport. Nevertheless, decisions about LTSG spending are for each local authority to take, reflecting its particular knowledge of local circumstances and priorities.

In addition, the report recommended that local authorities should maximise the extent and availability of voluntary sector community transport resources in their area by promoting the availability of minibuses, and ensuring that all passenger vehicles under their own control were made available for community use to the maximum reasonable extent.

Each Division and external organisation has been taking forward the appropriate recommendations according to the identified priority, and its own assessment of need.

Recommendation 22 (paragraph 4.93)

The Committee recommends that the Welsh Assembly Government works with community transport organisations and local authorities to consider ways through which community transport schemes might be able to use local authority vehicles when they are not in normal service.

See the response to Recommendation no. 21.

Recommendation 23 (paragraph 4.102)

The Committee recommends that the Welsh Assembly Government works with the UK government to develop more sensitive and more effective ways of assessing people's fitness for work.

The Department for Work and Pensions, Department of Health and the Health and Safety Executive launched Health, Work and Well-Being - Caring for Our Future in October 2005. This Strategy outlines a commitment to making a real difference to the health and well being of working age people, and forms a key component of the wider IB reform agenda. The Welsh Assembly Government is working with the UK Government Departments to align programmes in Wales with the key strands in the strategy. John Griffiths, AM sits on the Cross Governmental Steering Group and an Assembly Government official is a member of the Senior Executive Group.

The Corporate Health Standard has been identified in the strategy as a model of good practice. Other key programmes in Wales contributing to the wider UK strategy include: Occupational Health Mapping Exercise, Welsh Back and Well Being in Work Research

Recommendation 24 (paragraph 4.106)

The Committee recommends that the Welsh Assembly Government investigates ways to develop and improve medical and counselling services in relation to anxiety and depression where these are associated with long term unemployment and economic inactivity.

Experience of implementing the DWP Pathways to Work programme in Bridgend and Rhondda Cynon Taf, which has to date helped over 4,000 participants into employment has demonstrated how the use of a Health Condition Management Team can assist people with anxiety, depression and other problems affecting their mental health and well-being. This is particularly relevant given, that the programme has been extended to other areas of Wales during 2006 (south west Wales and south Wales valleys districts), with full coverage throughout Wales due to be completed by late 2007.

In addition, the review of the National Service Framework for Mental Health is looking at the general role of counselling, both in primary care and in the voluntary sector.

The Mental Health Promotion Action plan will be launched for consultation on October 10th. Within the action plan - employment is identified as a key setting for improving mental health.

Recommendation 25 (paragraph 4.107)

The Committee recommends that the Welsh Assembly Government reviews the availability of occupational health services in Wales and the way in which awareness of these is promoted to employers.

A mapping exercise of occupational health service providers and training providers in Wales was commissioned by PHID in 2005. The mapping exercise has now been completed and the final report was received in August 2006. Initial meetings have taken place to take forward one of the recommendations to use physiotherapists more in occupational health. An overview and summary of the key findings in the report will be presented at an occupational health event on 15th February 2007 and this will also be an opportunity to consult on the recommendations and next steps.

Recommendation 26 (paragraph 4.108)

The Committee recommends that the Welsh Assembly Government looks at ways to make occupational health services available to small and medium sized enterprises.

The Assembly Government was successful in securing a Workplace Health Connect pilot in south Wales, providing free and impartial occupational health and safety advice to SMEs. Assembly Government Officials are on the steering group and support the recommendation in the Health, Work and Well-Being - Caring for Our Future strategy to role this service out Nationally.

An overview of the occupational health mapping exercise and key findings will be presented at an occupational health conference on February 2007. There will also be an opportunity to consult on the findings to inform next steps.

A small workplace award steering group has also been formed to develop an award specifically for SMEs with less than 50 employees. One meeting has been held and consultation has started on an award framework.