

EDWINA HART – REPORT TO S J & R COMMITTEE –10 March 2004

Gambling Bill and Companies Bill

During the Committee meeting of 21 January 2004, I promised to provide a note on the Gambling Bill and the Companies Bill to the Committee.

Gambling Bill

On 19 November 2003, DCMS published a draft Gambling Bill for consultation. The consultation ended on 28 February 2004.

The clauses published for consultation cover the key elements of new system of licensing and regulation of the gambling industry (operators and premises) aimed at:

- the prevention of crime and disorder;
- ensuring that gambling is conducted fairly and players know what to expect; and
- protecting children and vulnerable adults from the harmful effects of gambling

The Bill will establish a new single regulatory authority for all commercial gambling. The Gambling Commission will take over the responsibilities of the current Gaming Board for Great Britain. It will be responsible for licensing and enforcement relating to all gambling operators. Local authorities will assume responsibility for licensing premises used for gambling.

The proposed changes are aimed at achieving a managed relaxation of outdated restrictions and a greater choice for adult gamblers, balanced by greater emphasis on social responsibility and protection of the vulnerable, particularly children.

Implications for Wales

While gambling is a reserved matter as far as Wales is concerned, the Welsh Assembly Government has a policy interest in the implications that the proposed relaxation of the laws relating to gambling might have on vulnerable adults and children and young people.

Companies Bill

For sometime there has been much debate among social enterprises, and those organisations supporting them, about the limitations imposed by the present structure of company law. Prior to the 'Companies Bill', there were four types of organisational forms that might be used by social enterprises; the consensus seems to be that they all have advantages and disadvantages but that, between them, they do not cover all the new types of circumstances under which social enterprises might be intending to operate. The four types of organisation are Charities, Industrial and Provident Societies (IPS), Companies Limited by Guarantee (CLG) and Companies Limited by Shares (Plc or Ltd).

- Charities enjoy tax advantages and are able to lock in their assets to the purposes of the charity, but are tightly regulated and must meet the requirements of the law relating to charitable purposes.
- IPS are also well regulated, and this form of organisation is often used by co-operatives. It is to be the subject of a Private Member's Bill in the current session to provide a lock on assets.
- CLGs are lightly regulated and, unlike charities or IPSs, cheap to set up. However, there is no lock on assets and this is a handicap when such firms are trying to raise finance.

Many social enterprises are happy to use one or other of the existing organisational forms. However, during consultations on the Prime Minister's Strategy Unit's report "Private Action, Public Benefit", the need for a new form of organisation, which would be both cheap to set up and able to lock in its assets, was canvassed. There was general interest in the idea and the Community Interest Company proposals are the eventual result. The UK Government believes that its introduction will give a clear new brand which will provide social entrepreneurs with the confidence to invest in CICs. For example, acquisition of assets by social enterprises is an important issue and the creation of the CIC has the potential to be helpful in raising the funds that would facilitate such acquisition.

Although company legal forms is not a devolved matter, responsibility for developing social enterprises is devolved. Therefore, Assembly officials have been kept informed of developments and commented on the respective drafts of the consultation document. Informal soundings of organisations in Wales, such as the Wales Co-operative Centre, suggest that CICs will be welcomed by the social enterprise sector here and their introduction will contribute to the work being taken forward under the Social Enterprise Action Plan (this itself went out to consultation on 22 July, 2003). However, it must also be noted that there aren't any specific Welsh issues that require addressing and as such the Minister for Social Justice & Regeneration wrote to the Secretary of State for Trade & Industry, the Rt. Hon. Patricia Hewitt, MP, in support of the proposals.

The Welsh Assembly Government was, during this process, asked for views on the publication of the consultation document. However, with the document itself being largely technical, the Assembly's comments centred on ensuring that the document itself, made it adequately clear what the DTI expects consultees to understand and comment on.

While the sector had been aware of these proposals in a general sense for about two years prior to the consultation, the publication of the document was the first opportunity for the public to see the detail of

what was proposed. While the Assembly Government felt it important that both the sector and the public had the opportunity to comment the document, the Assembly itself had no further comments on the publication of the proposed document.

Overview of developments

- The concept of the Community Interest Company (CIC) was originally outlined in the Cabinet Office Strategy Unit report "Private Action, Public Benefit", published in September 2002.
- Following a positive response to that report, the DTI, in association with Home Office and HM Treasury, launched a technical consultation on CICs, "Enterprise for Communities: proposals for a Community Interest Company" (available at <http://www.dti.gov.uk/cics>), on 26 March 2003. The Government requested comments on the proposals by 18 June 2003.
- The report on the public consultation and the government's intentions was published in October 2003 (available at <http://www.dti.gov.uk/cics/pdfs/cicreport.pdf>).
- The CIC element of the Bill is largely as proposed in the March 2003 consultation paper. However, in view of the consultation responses and further consideration of the technical issues, the Government has clarified and in some respects amended the detail of the proposals.
- The Government has published draft regulations and explanatory notes on CICs to help inform debate in Parliament on Part 2 of the Companies (Audit, Investigations and Community Enterprise) Bill, as introduced in the House of Lords on 3 December 2003. The draft regulations and explanatory notes are available on the DTI website at www.dti.gov.uk/cics.

Guide to the Welsh Assembly Government's Social Justice and Regeneration Grants

At the Committee meeting of 12 November 2003, I gave an undertaking to supply the Committee with details of the grants that fall within my portfolio. The guide at **Annex A** sets out this information. In due course I shall arrange for a bilingual version to be published on the Internet to enable interested parties to have access to the publication.

Transfer of funds to Home Improvement Agencies BEL (Care & Repair)

The Committee will wish to note that in accordance with Standing Order 19, I have approved a transfer of £200,000 of 2003-04 provision from the Stock Transfer/Community Mutual Support and Capacity Building Budget Expenditure Line (BEL) to the Home Improvement Agencies BEL (Care & Repair) to consolidate the valuable service that the movement provides.

Transfer of funds to and from Supporting People BELs

The introduction of Supporting People in Wales on 1 April 2003 established a new funding and administrative framework for the provision of accommodation based support to vulnerable people. Supporting People amalgamated a diverse range of revenue funding streams to produce unified pots and amongst these were funds previously administered through the Homelessness and Rough Sleeping BEL. This amount has been calculated as £1,715,000.

As part of the introduction of Supporting People, research needed to be carried out to identify the amount of Transitional Housing Benefit to be transferred to the Assembly Government as well as the correct level of tariffs to be funded for each project through Supporting People Revenue Grant. These research projects were initially funded through the Research/Surveys/Evaluations/Publicity/Fees and Charges BEL on the understanding that a transfer of resources would be arranged when necessary to cover the costs of these projects. This amount is calculated as £47,267.

I have therefore approved in conjunction with the Minister for Finance, Local Government and Public Services:

- The transfer of the sum of £1,715,000 for financial year 2003-04;

from the Homelessness and Rough Sleeping BEL of the Other Housing Revenue SEG, to the Supported Housing Revenue Grant BEL of the Supported Housing Revenue Grant SEG.

- The transfer of the sum of £47,267 for financial year 2003 - 04;

from the Supported Housing Revenue Grant BEL of the Supported Housing Revenue Grant SEG, to the Research/Surveys/Evaluations/Publicity/Fees and Charges BEL of the Other Housing Revenue SEG.

Approval to Provide Grant Funding to Registered Social Landlords to Install Anti-scald Valves (Thermostatic Mixing Valves - TMVs)

The Committee will wish to note the approval of the grant funding to RSLs to aid the installation of Thermostatic Mixing Valves in their general needs properties that are used to house vulnerable people with support needs. This is to reduce the risk of death or serious scalding from high temperature domestic hot water to vulnerable tenants who have a reduced ability to perceive risk or react to dangerous situations - for example those with mental or physical disabilities.

Allocation of grant to RSLs for 2003-04, 2004-05 is £52,354 and £194,470 respectively.

Anti-scald Valve BEL - Transfer of Resources

The Committee will wish to note the approval of the transfer of resources (£190,000) from the Anti-scald Valve Budget Expenditure Line to the Research Budget Expenditure Line within the Social Justice

and Regeneration Main Expenditure Group.

Bids were sought for 2003-04 and 2004-05 from Registered Social Landlords and their Managing Partners for grant assistance to carry out assessments of the risk of scalding from domestic hot water to vulnerable tenants with support needs being housed in general needs properties and the installation of anti-scald valves to mitigate the risk, as appropriate.

A surplus of resources for the current financial year from the Anti-scald BEL has arisen as a result of low bids from Registered Social Landlords this current financial year, deferring expenditure of resources until 2004-05.

The transferred resources will be added to the Research BEL to supplement the budget for the Welsh Household and Dwelling Survey - "Living in Wales".

Counselling Services

At the Committee meeting of 3 December 2003, members noted that substance misuse may be a symptomatic response to other underlying problems, and that we should explore what is being done by the Welsh Assembly Government to provide counselling services to tackle them.

My officials have been looking into this and have found the following, though the funding is not always easily identified since it is often wrapped up in general funding for other activities.

Rural

- There is a rural stress scheme with a helpline to provide advice and counselling to farming families and the general rural communities in Wales. The scheme costing some £500k, is run by the Wales Council for Voluntary Action.
- £600k has been made available over three years to 2004/05 to employ mental health workers in Powys, Gwent and North Wales to help rural communities combat stress.

Health

- There are counselling components in the smoking cessation programme which includes a helpline, but the counselling is largely related to how to give up smoking and maintain it.
- Funding of £177k has been allocated to the "Growing Pains" group of the Powys Agency for Voluntary Organisations to run the Youth Counselling Pilot Project for young people aged 14 – 19 years (now commonly known as the "Walkways Powys Youth Information & Counselling Service"). The project is due to be evaluated shortly and I understand that the Health and Social

Services Minister will take decisions on future funding after that.

- The Community Advice Listening Line, which offers emotional support together with information on mental health issues, including stress and depression arising from a range of personal problems including for example, bereavement and relationship problems. The service aims to offer practical help but does not provide a counselling service.
- Within the substance misuse field, all treatment services provided by the statutory and non-statutory organisations in Wales include a counselling element that aims to help with both the addiction and the under-lying reasons for it.

Domestic Violence

- We support six projects totaling £1.54 million over the three financial years from 2003-04 to 2005-06. These projects, listed below, offer practical and emotional support to the victims of domestic violence. The figures below indicate the level of funding over the 3 year period.
- Cardiff Women's Safety Unit (£556K)
- BAWSO (£543K)
- Welsh Women's Aid (£1086K)
- New Pathways (£190K)
- Safer Merthyr Tydfil (£129K)
- Ebbw Fach Development Trust (£162K)
- In addition to this, Welsh Women's Aid has been awarded a three-year grant to provide a telephone helpline for victims of domestic violence. This will provide free and confidential telephone support for women, children and men for 12 hours per day, every day of the year. They will receive £212,319 during the present financial year, with a further £467,000 over the next two years.

General

- Under the Objective 1 Programme, there is provision to fund innovative counselling, but apparently no projects have been submitted for support.

Next Steps

We need to ensure we adopt a "joined-up" approach that uses resources to best effect. There are already some examples of good joint working approaches. For example in West Wales, the local substance misuse leads and Community Safety Officers have been working with those agencies involved in tackling the rural stress issues.

Part of the role of the new Regional Advisory teams will be to co-ordinate and facilitate integrated working and the sharing of best practice between all agencies that are involved in community working. I also expect this approach to be reflected in the three-year business plans that the Community Safety Partnerships have been asked to produce for 2005/6 – 2007/8.

Community Pharmacy Services and the impact of the new contracts in terms of substance misuse treatment

Community Pharmacy services for substance misuse treatment includes needle exchange and supervised consumption of substitute substances, i.e., methadone. Providing this service is a relatively new role for Pharmacists which is not part of the current contract, and to date, Health Authorities (now transferred to the Local Health Boards) have funded these services as local pilot schemes. In addition, we are funding (approximately £183k) through the Drug and Alcohol Treatment Fund, several supervised consumption schemes through the Community Safety Partnerships.

Community Pharmacy participation in supervised consumption schemes is patchy throughout Wales, with the highest participation rate of Pharmacists at 65% in West Wales, ranging to just 5% in North Wales.

The new contracts for Pharmacists will come in to force on 1 April 2005. Substance Misuse treatment services will not form the core business of the contract and will be deemed an "enhanced or supplementary" service. In practice, this means that Pharmacists will need to opt in for enhanced/supplementary services. This means that services will need to be negotiated at a local level but within the parameters set by guidance on benchmark prices. Though Pharmacists will need to "opt in" for the provision of substance misuse treatment services; this is really no different from the existing system, given that they do not currently form part of the current contract. Indeed, the new contracts will focus attention and will serve to reinforce and underpin the need for local discussions and negotiations.

Last year, you will know I issued Statutory Guidance to the Community Safety Partnerships on the development of local Substance Misuse Action Plans. This guidance makes clear the need for partnerships to develop their plans based on a thorough and comprehensive review of need across all four tiers of treatment services (Community Pharmacy is included as a Tier 1 service).

Part of the role of the new Regional Advisors will be to monitor how the strategy and the action plans are being implemented. One of their responsibilities will be to identify potential gaps and help partnerships address them. We are also looking at community pharmacy services in relation to the work that has begun on developing guidance for joint commissioning and the new treatment framework for needle exchange.

I will keep the Committee informed of progress and key issues as they emerge.

Merger Between the Probation – Prison Services

I covered the merger of the Probation and Prison Services in my last report to Committee. Since then I have met with representatives of the Probation Service for a first hand account of the National Offender Management Service (NOMS) - the new joint structure for the Probation and Prison Services in the U.K. The merger builds upon the recommendations of an independent Correctional Services Review by Patrick Carter. The NOMS structure will comprise of 9 Regional Commissioners in England and one for Wales. NOMS will come into being in June 2004.

Under the new arrangements the 4 Welsh regional offices will be preserved to deliver services locally. I am informed that Community visibility will be critical in the new structure. Exact details of how the new arrangements will operate in Wales are still being worked up. These will take account of the particular needs here. The Regional Commissioners have yet to be appointed but I hope that we can work closely with the Welsh appointee to ensure that NOMS delivers a good service to the communities of Wales.

Assets Recovery Agency

At the last Committee meeting, I undertook to provide an update on the work of the new Assets Recovery Agency and the effect on civil liberties of the civil action provision.

In my written report to Committee on 11 February, I covered the Agency's new power of civil recovery i. e. suing in the High Court for the proceeds of unlawful conduct, using powers of taxation where it is suspected that income, gains or profits result from criminal activity. In my report, I explained the instances where civil recovery could be pursued even if a prosecution had not been brought or had failed. The Committee asked if this might amount to suspected people being tried twice and some concern was expressed over civil liberties.

The Agency advise that the Proceeds of Crime Act 2002 established the Agency and gave it its powers. When it was introduced as a Bill, the Home Secretary issued a memorandum of compatibility with the European Convention on Human Rights, in accordance with the Human Rights Act 1998, for both the Commons and the Lords.

I am informed that the Agency works within the legal framework created by the Act and seeks to ensure that all that it does is in accordance with the provisions of the Proceeds of Crime Act and the Human Rights Act. Ultimately, it is for the courts to consider and determine any challenge to the legislation or to the way in which the Agency operates.

The Director of the Agency, Jane Earl, has offered to make a presentation to us.

Dronabinol

At our last committee meeting, I said I would find out about the possible use of Dronabinol on prescription as an alternative to cannabis.

Dronabinol is delta-9-tetrahydrocannabinol (THC), the most psycho active constituent found in cannabis and may produce adverse effects similar to those of cannabis. The possibility of dependence is, therefore, similar to cannabis.

Dronabinol is not licensed in the UK. It is available on prescription in the USA and Canada (where it is known as Marinol). Its main use is as an antiemetic to control nausea and vomiting and as an appetite stimulant. Although Dronabinol is not prescribed on the NHS, it may be being prescribed privately in the UK (even though unlicensed). Supplies may also be being brought in by patients treated in North America or obtained via the internet.

Within the UK there is a synthetic cannabinoid, Nabilone, licensed for use to control the nausea and vomiting caused by cancer chemotherapy where patients have failed to respond to conventional treatment. The results of clinical trials using cannabinoids in the treatment of multiple sclerosis are currently awaited.

Custody Plus

At the last Committee meeting, I undertook to report on Custody Plus. The Criminal Justice Act 2003 transformed the structure of prison sentences of less than 12 months to make them more effective at addressing the needs of offenders. It introduced the 'Custody Plus' provision which allows the Courts, when sentencing, to specify a custodial period at the end of which the offender is released on licence, under a Custody Plus order, the conditions of which the offender must comply with for the remainder of the sentence.

The custodial period must be at least two weeks and no more than thirteen weeks, followed by a period of at least six months served in the community on licence within an overall sentence envelope of less than 12 months. The licence conditions may include requirements for curfew; supervision; exclusion; a prohibited activity; an activity; a programme or unpaid work. It is hoped that Custody Plus will provide an effective alternative to straight forward custody and will offer a more focused form of sentencing which balances the needs of both the community and the offender.

Business Crime Reduction Advisor

The last Committee considered a paper on community safety which referred to the new Business Crime Reduction Advisor for Wales, and Committee requested a note on the advisor's role.

The post reflects the Assembly's recognition of the importance of business crime. When the Home Office announced it was providing funding for regional Business Crime Advisors throughout the UK in 2003 the Assembly was already looking at ways to create such a post in Wales arising mainly from discussions in the Business Partnership Council. Sergeant Bob Bevan of South Wales police was recruited on secondment from South Wales police to the post and joined the Assembly's Community

Safety Unit in January 2004. He will be located in the Cardiff Chamber of Commerce. His role is to ensure that Welsh businesses engage with the Community Safety Partnerships so that their concerns are reflected in local crime reduction objectives. In addition, he is working to ensure that the partnerships are fully aware of how businesses can help tackle crime.

He is currently conducting a scoping exercise throughout Wales to determine the extent of business crime in Wales. His work in the first year is very much about laying the foundations for a better understanding of business crime and developing ways in which to reduce it. Central to this role will be the participation of the partnerships.

Operation Dragon - Crime and Disorder Mapping

At the last Committee meeting, I agreed to provide a note on Project Dragon.

Project DRAGON is the new Information Infrastructure for crime and disorder reduction in Wales. It is funded from the Home Office's Partnership Development Fund. Project DRAGON takes information on incidents and maps it as to its location in Wales. The type of incident is coded and the date and time logged.

The principle objective of Project DRAGON is to help to reduce crime and disorder in Wales by

- informing relevant Agencies on the patterns of crime and disorder and their contributing factors, through a co-ordinated Multi-Agency Data Hub; and,
- facilitating Early Multi-Agency Intervention by providing custom-built analytical tools and intervention options.

Project DRAGON's Multi-Agency Data Hub co-ordinates the dissemination of data between the Police, Fire Services, Local Authorities, Youth Offending Teams, Housing Associations and other Agencies. The Police and Fire Services provide data on a daily basis, with other agencies on a less frequent basis. This data is analysed and the patterns of crime and disorder shared between the Agencies and Crime and Disorder/Community Safety Partnerships.

It also facilitates Early Multi-Agency Intervention by addressing the operational requirements of specific user-groups (e.g. the Police, Fire Services, Local Authorities, etc) with custom-built analytical tools. This allows the Agencies to take a more proactive approach on tackling crime and disorder in their area. It also helps the Agencies to target their resources for greater efficiency.

Project DRAGON has been operational in South Wales since September 2002. (The North Wales Partnerships have been operating an Internet-based prototype since April 2002.) The major players include: Gwent Police, South Wales Fire Service, Mid-and-West Wales Fire Service, Cardiff Community Safety Partnerships, Swansea Community Safety Partnerships and a number of Youth

Offending Teams.

The Project is currently working on a custom-built toolkit on identifying patterns of anti-social behaviour using multi-agency data. The "Anti-Social Behaviour" Module integrates data from the Police's incident and crime recording systems and that from the Fire Services and Local Authorities. Patterns of anti-social behaviour are compared with locations of school exclusions and other public domain data such as areas of known deprivation.

The Module breaks new ground by adopting a number of existing good practices in combating anti-social behaviour in Wales. It works closely with the Community Safety Partnerships across Wales, in particular, those at Cardiff, Swansea, Bridgend, Rhondda Cynon Taff and Newport. It also helps to facilitate a standard way of recording anti-social behaviour. The "Anti-Social Behaviour" Module shall be available to all Crime & Disorder / Community Safety Partnerships in England and Wales.

Operation Tarian

The Committee will wish to note that the Finance Minister and I have agreed the transfer of £500,000 from the Home Office to the Assembly's Safer Communities Fund. The £500,000 is the Home Office's 2003-04 contribution to the funding of Operation Tarian, the joint strategic response by South Wales Police forces to avert the threat from an influx of Class A Drugs and drug gangs from the South West of England.

Throughcare and Aftercare Scheme in Wales

The committee will want to note that the Finance Minister and I have agreed the transfer of £250,000 from the Home Office to the Welsh Assembly Government. This is in order to fund the planning phase of the Throughcare and Aftercare scheme in Wales.

The Home Office is expanding their Criminal Justice Interventions Programme (CJIP). The purpose of CJIP scheme is to target help at offenders committing crimes to fund their habits. An important part of this is the throughcare and aftercare scheme which is to be extended to Wales. Throughcare involves the management of an offender from the point of arrest to sentence and beyond. Aftercare will provide advice and support after treatment or prison helping to keep ex-offenders on the straight and narrow long after treatment, custody, or a community sentence has ended.

The Home Office is proposing to transfer £5.0 million to the Assembly in 2004-05 to develop the throughcare and aftercare scheme in Wales on their behalf. A further £250,000 is also available this year to undertake some initial work. The Home Office will expect the Assembly to use the resources specifically to achieve the objective of the scheme and provide an end-to-end approach for managing drug misusing offenders. It will however be for the Assembly to decide exactly how the scheme is developed, managed and run in Wales.

A small group (involving Assembly, prison, probation and police officials) met for the first time on 24 February to consider the wide range of areas and issues that need to be taken in to account. They will be putting together proposals to use the initial £250,000 in order to take the scheme forward in Wales.