



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

**Y Pwyllgor Cyllid  
The Finance Committee**

**Dydd Iau, 11 Mehefin 2009  
Thursday, 11 June 2009**

**Cynnwys**  
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Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal, cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg. Mae hon yn fersiwn ddrafft o'r cofnod. Cyhoeddir fersiwn derfynol ymhen pum diwrnod gwaith.

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. This is a draft version of the record. The final version will be published within five working days.

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

Mohammad Asghar	Plaid Cymru The Party of Wales
Angela Burns	Ceidwadwyr Cymreig (Cadeirydd y Pwyllgor) Welsh Conservatives (Committee Chair)
Alun Davies	Llafur Labour
Michael German	Democratiaid Rhyddfrydol Cymru (yn dirprwyo ar ran Kirsty Williams) Welsh Liberal Democrats (substitute for Kirsty Williams)
Ann Jones	Llafur Labour
Huw Lewis	Llafur Labour
Nick Ramsay	Ceidwadwyr Cymreig Welsh Conservatives
Joyce Watson	Llafur Labour

**Eraill yn bresennol**  
**Others in attendance**

Leighton Andrews	Aelod Cynulliad, Llafur (y Dirprwy Weinidog dros Adfywio) Assembly Member, Labour (the Deputy Minister for Regeneration)
Chris Burdett	Pennaeth yr Is-adran Cymorth i Ddysgwyr, Llywodraeth Cynulliad Cymru Head of Support for Learners Division, Welsh Assembly Government
Jane Hutt	Aelod Cynulliad, Llafur (y Gweinidog dros Blant, Addysg, Dysgu Gydol Oes a Sgiliau) Assembly Member, Labour (the Minister for Children, Education, Lifelong Learning and Skills)
Patrick Lewis	Cyfarwyddwr, Adfywio Strategol a Blaenau'r Cymoedd, Llywodraeth Cynulliad Cymru Director, Strategic Regeneration and Heads of the Valleys, Welsh Assembly Government
Huw Maguire	Rheolwr Polisi, Mesur Addysg (Cymru), Llywodraeth Cynulliad Cymru Policy Manager, Education (Wales) Measure, Welsh Assembly Government
James Price	Cyfarwyddwr, Trafnidiaeth ac Adfywio Strategol, Llywodraeth Cynulliad Cymru Director, Transport and Strategic Regeneration, Welsh Assembly Government
Martin Stevenson	Prif Gyngorydd, Polisi Trafnidiaeth, Llywodraeth Cynulliad Cymru Principal Adviser, Transport Policy, Welsh Assembly Government

**Swyddogion Gwasanaeth Seneddol y Cynulliad yn bresennol**  
**Assembly Parliamentary Service officials in attendance**

John Grimes	Clerc Clerc
Abigail Phillips	Dirprwy Glerc Deputy Clerk

*Dechreuodd y cyfarfod am 9.37 a.m.*  
*The meeting began at 9.37 a.m.*

**Ymddiheuriadau a Dirprwyon**  
**Apologies and Substitutions**

[1] **Angela Burns:** Good morning. I open this meeting of the Finance Committee. I will first go through some housekeeping issues. I remind everyone that you are welcome to speak in Welsh or English and there are headsets available to access the translation. I ask you to switch off any mobile phones. If the fire alarm sounds, the ushers will tell everyone what to do, and, if necessary, direct us to the fire exits. We have had apologies from Chris Franks and Kirsty Williams. Michael German will be substituting for Kirsty, but he has a previous engagement, and will therefore be slightly late. He will be here shortly.

9.38 a.m.

**Goblygiadau Ariannol y Mesur Arfaethedig ynghylch Addysg (Cymru)**  
**Financial Implications of the Proposed Education (Wales) Measure**

[2] **Angela Burns:** We are here this morning to take evidence from the Minister for Children, Education, Lifelong Learning and Skills. I welcome the Minister to committee. I put on record my thanks to the Minister for coming before the committee yet again—you are very kind to this committee, Minister, and make a great deal of time available to come here to answer our various questions, and we appreciate that. We are here to discuss the financial implications of the Proposed Education (Wales) Measure. The proposed Measure makes provision for children to have a right of appeal in respect of special educational needs, and a right to make a claim in respect of disability discrimination in schools to the Special Educational Needs Tribunal for Wales. There are various other provisions too. Minister, would you introduce yourself and your officials for the record? If you would like to make an opening statement, you are more than welcome to do so.

[3] **Jane Hutt:** Thank you, Chair. I am pleased to have this opportunity to come before the committee and discuss this pioneering proposed Measure for Wales. I introduce Huw Maguire, the policy manager for the Proposed Education (Wales) Measure, and Chris Burdett, who is head of the Support for Learners Division of my department.

9.40 a.m.

[4] I have a few opening remarks. As I said, this is a pioneering and innovative Measure, and we are taking forward a recommendation that came from the children's commissioner that we give children the entitlement to appeal, underpinned by the UN Convention on the Rights of the Child. It was also a recommendation of the former Education, Lifelong Learning and Skills Committee, in the second Assembly. So, I believe that, by breaking new ground and through rigorous scrutiny, the Assembly will enable us to put robust legislation in place. That entitlement for young people with additional learning needs, who are often in the most

vulnerable situations, is what we want to deliver through the proposed Measure.

[5] **Angela Burns:** Thank you very much for that opening statement. We are here to look at the financial implications of the proposed Measure, so I would like to go through your paper, in which you consider the cost of the current system. You state that there is an 'unrealised capacity' within the tribunal owing to the declining numbers. That was very apparent from your papers. However, do you agree with the tribunal view that, if the number of cases were to increase, its budget would need to be reviewed? If necessary, would additional funds be made available to the tribunal?

[6] **Jane Hutt:** In my written evidence, I set out the costs to the tribunal of the current arrangements year by year. It is important to say that there is flexibility, as the costs demonstrate. Looking back to 2004-05, we see that the tribunal dealt with 127 appeals at a cost of £115,000 but, two years later, a lower number of appeals, 118, cost £207,000. It has a budget allocation of £210,000 a year, and the flexibility that it has in its expenditure would make it possible for it to deal with higher numbers of appeals than it does at present. In the current climate, we must recognise that the tribunal would have to consider ways to ensure that costs are kept in check. We would monitor that very carefully, of course, and we will have the opportunity to monitor the possible impact of this new entitlement through the pilot schemes.

[7] **Angela Burns:** I noticed from your paper that the cost of each case rises because the fixed costs have to be amortised. Are there any other obvious saving measures that could be taken? I do not know where it is located, for example, but that may be one consideration.

[8] **Jane Hutt:** Huw Maguire, who was the clerk to the tribunal for five years, might be able to comment on that.

[9] **Mr Maguire:** A lot depends on the caseload but also on the complexity of the cases. Currently, about 60 per cent of appeals never reach a hearing, and so it has been very reassuring to see the efforts made in certain authorities to drive down the number of appeals over the past couple of years. That obviously makes savings for the authorities' costs but also for the tribunal's costs, in the fees and accommodation for hearings. In addition, the appeals that used to go to the High Court now go to the upper tribunal, so there may be cost savings there as a result of the lower legal costs of Treasury solicitor bills, for example, and the more informal situation.

[10] **Angela Burns:** Thank you. I will now hand over to Huw.

[11] **Huw Lewis:** Good morning, Jane. Your paper tells us that any additional direct costs are likely to be related to guidance and training, and that those would fall within the tribunal's budget. However, in its response, the Welsh Local Government Association says that the tribunal's role would need to be extended. It mentions an ad litem service being required, which it says would have a significant impact on costs. Have you considered whether that service would be necessary? If so, have you made any provision for it?

[12] **Jane Hutt:** We have considered this issue, and we have discussed it with the tribunal. We are not looking to establish an ad litem service because the tribunal's commitment is to an informal process. In a sense, that relates to an earlier point. We do not feel that involving a third-party service, such as CAF/CASS, which is important to the children and family courts division, would fit with the informality and the process of the tribunal. The tribunal is committed to informality through its regulations, and it has to operate within that ethos. So, we are not asking for an ad litem service to advise the tribunal. We believe that it is the proper role of the tribunal to weigh up all the evidence and to make the decision itself on how to advise on the child's best interest. That is our current position as regards parental appeal. So,

we do not agree with the WLGA on that point, and we do not think that we need to go down that route.

[13] **Huw Lewis:** That is very clear. I will move on to the provisions for Welsh Ministers to modify the proposed Measure. ‘Modifications’ has quite a wide definition, and, presumably, significant financial implications could flow from such modifications. If we get to that point, and Ministers do modify it, will we have a full regulatory impact assessment and a look at the potential financial implications of those modifications?

[14] **Jane Hutt:** That would certainly be my intention. By the time we come to make substantive regulations, we would be relying on the pilot and evaluation phase to see whether we need to make those modifications. However, clearly, that would have to be accompanied by a proper regulatory and financial assessment, if those changes were to come forth.

[15] **Ann Jones:** I would like to move on to the selection of areas to participate in the pilot phase? In response to the consultation, the Children’s Commissioner for Wales expressed some concern about the selection of the areas that will participate in the pilot phase. How do you intend to ensure that areas participating in it are representative, given the variation in appeal numbers between local authorities?

[16] **Jane Hutt:** As has already been stated, we wanted to have a pilot in one area where there is a relatively high number of appeals and another where fewer parental appeals are recorded, typically. We have had very good preliminary discussions with our pilot group, which includes the Welsh Local Government Association, the tribunal and independent advocacy groups. There is an appetite to engage in the process, and the first meeting of the pilot group will take place next week, at which the two pilot areas will be identified. We understand from the children’s commissioner’s evidence that we need to learn something from the piloting, and that comparison with the number of current appeals would be helpful.

[17] **Ann Jones:** In your paper, you state that piloting authorities will be funded on an equal basis. Can you expand a little on how that will work, particularly if there is a wide difference between authorities in the number of appeals received?

[18] **Jane Hutt:** We will negotiate with the local education authorities in the pilot phase areas on the funding. There will be direct costs, as we want the same promotion of literature, training and advocacy usage, for example. We can see that some equal funding will need to be available, but there may be marginal differences in the predicted advocacy use because of the different experiences of those local education authority areas. We anticipate that roughly equal funding, with a contingency built in for marginal costs, should cover it.

[19] **Angela Burns:** One thing that struck me in your paper was that two authorities—and this is not a naming exercise—have a high number of appeals, and pretty much all the others are on a par, having a very low number of appeals. What is that difference? Are there a couple of appeals in each of the other authorities, and 30 in the two that seem to have a high number? I am just trying to understand how different the pilot phases would be, as regards their size.

9.50 a.m.

[20] **Jane Hutt:** In a sense, we are looking at current experience on the take-up of appeals that have reached the tribunal. Some authorities have reduced the number of appeals as a result of a better system of advocacy, participation, and engagement with parents, families and schools. So, we can certainly provide that information on the geographical picture. Approximately two are at the higher level, as you said, Angela; the rest are at a low level.

[21] **Mr Maguire:** There are valuable lessons for us to learn from the pilots. If the bulk of

authorities do not generate very many parental appeals, we need to assess the costs and the service implications for those authorities. That is valuable in itself, although we will look to put one of the pilots in an area where there has typically been a greater number of appeals to round that picture.

[22] **Angela Burns:** I was not looking for information about where they are as; I just wanted to understand the difference in numbers. Does one have 40 per year and the rest only a couple? That is the kind of information that I was looking for. I want to get a feel for the cost implication, and which way it would go.

[23] **Jane Hutt:** We are seeking to engage with one pilot authority that has a consistently high number of appeals as opposed to a historical change, because that is how we can test out the financial costs, as well as the delivery of this new proposed Measure and how we roll it out.

[24] **Angela Burns:** Thank you. Apologies, Ann, for walking all over your question.

[25] **Ann Jones:** No, that is fine.

[26] Let us move on, Jane. You state in the additional paper that you presented that a sum of £130,000 has been earmarked from the additional learning needs budget expenditure line to cover the non-research costs of the pilot phase. However, your explanatory memorandum states that £15,000 of that is for action research and evaluation. Can you tell me what you mean by 'non-research costs', please? If they have been included in that estimate of £130,000, how do you intend to meet any further research costs?

[27] **Jane Hutt:** 'Non-research costs' refers to all activity within the pilots, excluding the action research and reporting elements. My officials made a successful bid for central research finance for the pilot and evaluation phase, which was important to lever in. That has freed up capacity within the original funding that was earmarked for the pilot phase, so the entirety of the £130,000 will be used for the practical application of the pilot stage. It refers to it already. We talked about equal funding for the pilots for the direct costs of literature, training and service provision, and that will enable us to have flexibility in the marginal costs arising from the actual number of appeals made, which goes back to Angela's point. It may relate more to the one that has the history of a higher numbers of appeals. It is everything else but the action research costs.

[28] **Angela Burns:** Are you happy with that, Ann?

[29] **Ann Jones:** Yes.

[30] **Nick Ramsay:** I want to question you a little more on the pilot phase, Minister. Your explanatory memorandum states that the phase will be subject to rigorous scrutiny and qualitative and quantitative assessments. Given that there are no baseline data for comparison in this process, what challenges do you think there will be in evaluating the pilot, and how will the limitations of the process be overcome?

[31] **Jane Hutt:** We intend to agree the baselines with the pilot design and implementation group. We are starting with a clean sheet of paper in delivering this policy. We need to establish whether child appeals are adding to the historical range of appeals made to the tribunal. We need to assess the additional costs of extending key services, using recent expenditure analysis. Some key services, such as the parent partnership and advocacy services, are already in play when it comes to supporting appeals to the tribunal, but we will set the baselines using that evidence. The pilot design and implementation group will work with those two pilot areas that already have that different experience from the start to help to

set the baseline.

[32] Negligible appeal numbers could be informative in generating a greater number of appeals. That might be useful, but we know, going back to Angela's point, that, typically, 17 out of the 22 local authorities in Wales deal with only a handful of parental appeals. So, we have to assess the fixed and marginal costs for those local education authorities.

[33] **Nick Ramsay:** You have anticipated my next question on appeals, but this is an important element. Are you absolutely convinced that, given the small number of appeals, full roll-out will go ahead, based on a robust evaluation process? Do you think that that small number of appeals will pose problems?

[34] **Jane Hutt:** It is important that, even if there are a small number of appeals, lessons can be learnt from this. We have two pilot schemes: one that will have the history of a larger number of appeals and one with a smaller number. Going back to the evidence of the children's commissioner, it is interesting that he felt that numbers could be extremely small. The Welsh Local Government Association thought that appeal numbers could be substantial. As a result of this proposed Measure and the consultation, there is already an appetite for, and an interest in, ensuring that this new entitlement can change the experience of children and young people and provide them with positive outcomes. So, it is difficult for us to assess the response at this stage. At the moment, we cannot tell whether there will be a small or a large number of appeals. Given the baseline that we will set, the pilot phase is crucial to enabling us to evaluate the impact of this new entitlement.

[35] **Angela Burns:** Joyce, I think that you have some questions.

[36] **Joyce Watson:** I will move on to the roll-out of the proposal across Wales. Have any preliminary estimates been made with regard to the potential financial implications of rolling out the proposal on an all-Wales basis?

[37] **Jane Hutt:** We will monitor expenditure during the pilot and evaluation phase. We would then have to make necessary funding arrangements as part of the Assembly Government's usual budget-setting process, if the take-up were to exceed our predictions.

[38] **Joyce Watson:** To press you further on that, are you confident that you will be able to meet any additional financial costs, should they arise, given the current economic climate?

[39] **Jane Hutt:** This goes back to earlier questions on, for example, the extra cost of the tribunal. I have already said that the tribunal's budget will be flexible. I made the point that, like the rest of us in the public sector, it will have to look at its efficiency rigorously. Similarly, the WLGA raised concerns about possibly introducing ad litem services; I said that we did not think that that was the right route, because it could be extremely costly.

[40] My written submission explains at length the overlap with current services, particularly in relation to the parent partnership and dispute resolution arrangements. Government will have to take on board and consider, through the budget-setting process, whether funding arrangements are necessary for the invest to save fund in order to get things right for young people in terms of their educational experience and provide them with the support that they may need throughout that experience. It could, therefore, be less costly for Government in the long run. I am not making that case yet, but I hope that a Minister would make such a case, if that funding were required.

10.00 a.m.

[41] That is why the pilot phase can help us with this. We also have to remember that, if



we enhance the participation and the open access to advocacy, which is part of other Government policies, we may not reach the point of being at a tribunal and the associated costs. Informal resolution is far less costly and that is what we all seek, including the tribunal.

[42] **Alun Davies:** It is a somewhat curious situation, is it not, Minister? You have demonstrated in the information that you have provided to the committee quite robust costings for the pilot phase and the immediate costs associated with the proposed Measure. As you have just indicated in reply to Joyce, the reality is that we have little idea of the costs subsequent to that. We have little idea for two reasons: first, as we have discussed at the Subordinate Legislation Committee, in many ways this is a framework proposed Measure and a Minister—either you or a successor—could fundamentally change the nature of the tribunal system within the provisions of this proposed Measure. So, we do not really know what provisions we are discussing this morning. Secondly, because the subsequent costings are based on a pilot phase, we do not know the results of that pilot phase today. So, when we are asking about the financial implications of this proposed Measure for the Welsh Assembly Government, the answer is that we do not and cannot know, because we do not and cannot know the nature of the legislation that will be brought forward subsequent to this pilot phase.

[43] **Jane Hutt:** I would suggest that the costings that we have done for the pilot phase have been done precisely because we believe that that is what would be required if there were a roll-out along those lines. For example, on the issues around publicity and training, once you have piloted that, you would know whether or not it had been effective and you would then be able to ascertain the costs and be much more cost-effective in terms of regional training and national publicity. Going back to the tribunal, the tribunal itself has its own training budget and arrangements. In fact, its training this year is focused on the opportunities to enable children to move into an appellant process. We should not overestimate the costs, because it is not a fundamental change to the role and responsibility of the tribunal; the proposed Measure is just to enable the child to be the appellant as well as, or instead of, the parent.

[44] **Alun Davies:** As written, the proposed Measure that is in front of us today gives the Minister the opportunity to make fundamental changes to the legislation by regulation subsequent to the pilot phase. I am drawing on experience from the Subordinate Legislation Committee, which may be unfair, where the word ‘fundamental’ was used on a number of different occasions—fundamental changes can be made to the legislation by regulation, subsequent to the pilot phase. Because of that, we cannot today be in a position to understand what the financial implications of those potential changes are, because, by definition, we simply do not know what those changes might be.

[45] **Jane Hutt:** We must not move away from the issue of the financial impact assessment as we scrutinise the purpose of this proposed Measure. It has a very clear and defined purpose, namely to extend the appeal rights to children for the special educational needs tribunal. So, any changes that may emerge through regulations will only relate to the very specific extension of the role of the tribunal. The proposed Measure will not be opening up any other policy areas; it will be about the operational delivery of the principle.

[46] **Angela Burns:** I accept your argument in part, Minister, because I think that the information that you have provided is about the specific policy that you currently intend to implement. We cannot possibly foresee the policies of any other Government further down the line; it will be up to those Governments, when they come up with those policies, to ensure that they can do what they want to do within their financial remit. I understand the point that Alun was trying to make. Every time we are asked to consider a proposed Measure such as this, we are being asked to consider its financial implications, but there is a caveat that we simply cannot appreciate what policies may be pulled out of the bag next year, next month or in five years’ time that can be implemented under such a Measure. That stands true for any

Government anywhere.

[47] **Jane Hutt:** The point has to be made that, anyway—as I responded to the Subordinate Legislation Committee—we would ensure scrutiny under the affirmative procedure if any such changes were to be considered as a result of the pilot phase. I gave assurances to Huw that we would have a full regulatory and financial assessment.

[48] **Angela Burns:** Does anybody else want to come in on this point?

[49] **Mohammad Asghar:** Minister, thank you for your opening remarks, in which you said that you are pioneering and innovating in this proposed Measure. In your statement, you refer to additional duties to be placed on local authorities. These duties will overlap with existing duties and can, therefore, be met from existing resources. However, the WLGA has expressed its concern that the proposed Measure could impose a potentially significant cost on local authorities. Did you consult with local authorities in reaching this conclusion, and do they view this as a realistic proposal?

[50] **Jane Hutt:** I hope that I have assured the Finance Committee on an earlier point about WLGA concerns that we should consider an ad litem function coming into the tribunal, which is something that we discount, as does the tribunal, as we do not see it as necessary.

[51] A great deal of consultation was undertaken with local government during the consultation period, and local authorities are part of the pilot, implementation and design group. So we are engaging clearly and fully with them.

[52] In considering the potential cost to local education authorities, we have considered an indicative figure for providing information to children. We have to promote this with them, particularly in assuming that children with statements have full knowledge and understanding of the opportunities. We are talking about developing standard letters, which is a statutory process. We have given costings, in fact, in the written statement.

[53] We have also looked at information on the existing costs for disagreement resolution services, for example. We have made basic assumptions about an overlap with existing duties, as I mentioned, and services to parents. We need to test that through the pilot phase. One of the important points to make is that the Welsh Local Government Association very strongly supports the pilot approach, because it sees that that can enable it to control and monitor the costings and the roll-out opportunities from the pilot phase.

[54] The WLGA also said that it is keen to involve children in key decisions, and this is part of that. In a sense, it is one of local government's key policy aspirations, as well as one of ours. At the legislation committee, some of the local authority work that has already been done to open up opportunities to children and young people was discussed. For example, local education authorities take statements to the parental home to discuss decisions that have been made—that is the sort of good practice on which we want to build. In helping us through the pilot phase, local authorities will recognise the flexibility, and the potential monitoring and evaluation of the additional cost of that pilot scheme will be in the spirit of opening up new opportunities to get the right decisions for children.

10.10 a.m.

[55] **Mohammad Asghar:** However, the cost depends on the appeals. Should the number of appeals be higher than anticipated, would that impact on the cost for local authorities and would that be reflected in the resources that they receive?

[56] **Jane Hutt:** Again, we could say that it would be business as usual if we did not

progress with the proposed Measure. We want to look at current practice, and the pilot schemes will help us with this, and with lower parental appeal outcomes. We want to monitor the appeal numbers—we recognise that the tribunal has been in existence for six years. For local education authorities, high appeal numbers could represent a challenge. As I said, it is in their best interest to resolve disputes at an early, informal stage. Looking at the costings of the proposed Measure, we see that it will have an impact on their delivery of the best services for children with special educational needs. We will look carefully through the pilot schemes and any subordinate legislation at the impact of a rise in appeal numbers. I mentioned earlier that some authorities have made changes. One authority, for example, recently reduced appeals by a huge amount, from 45 to two, in two years, chiefly by changing the way that it worked with parents. We must not look at the proposed Measure as something that will result in a large increase in appeals from children; it is about engaging children in the appeals process, right from the word ‘go’ and seeking resolution at an informal level, which is cost-effective in every respect, to help LEAs to provide a better service.

[57] **Alun Davies:** I will simply discuss the impact on local authorities and other bodies with you, Minister. You state in your paper and in the explanatory memorandum attached to the proposed Measure that there will be impacts on bodies other than local authorities, for example, the Ministry of Justice. To what extent have you been able to evaluate the impact on those bodies and to what extent have you been able to enter into discussions with those bodies to estimate the potential impact upon them?

[58] **Jane Hutt:** We are working closely with the Legal Services Commission and the Ministry of Justice to consider the materiality of these new rights and the pressure on, for example, Legal Services Commission resources. It has to be considered alongside the recent general downturn in appeal numbers, but, at present, if we look to both those bodies, as Huw mentioned earlier, in terms of onward appeals, a small number of appeals are going upward to the upper tribunal. It is accepted that, were there is a marginal increase in the number of onward appeals from the tribunal derived from child appellants, that would not add any significant burden on the upper tribunal. We are closely liaising with the Ministry of Justice and the Legal Services Commission, which are interested in and keen to see this pilot scheme and its outcome.

[59] **Angela Burns:** As we are talking about the legal aspects, I shall bring you in, Oscar, to ask a question on legal aid, and then we will come back to you, Mike.

[60] **Mohammad Asghar:** In the explanatory memorandum accompanying the proposed Measure, it is stated that the entitlement to funding for legal help

[61] ‘is usually based on an assessment of household means, not those of the child unless a conflict of interest is established’.

[62] How is it envisaged that this will operate in practice? For example, how will it be established that there is a conflict of interest, and if that is the case, will the child automatically qualify for funding for legal help?

[63] **Jane Hutt:** This links back to the role of the other bodies, which we have already discussed. The Legal Services Commission is the body that would consider any funding entitlement. We understand that, in exceptional circumstances, family income may be disaggregated if there is a real, as opposed to potential, conflict of interests. This is where, on the issue relating to the child, we look to advocacy and the case friend, which is a major part of the delivery of this new appeal right. Non-legal support is what we are seeking and encouraging but, as I said, the Legal Services Commission could possibly look at this from a disaggregated perspective of parental-child entitlement. We will work with the commission in the pilot to see whether this would be necessary. It goes back to the fact—and perhaps to your

earlier questions—that we already have a national advocacy service that we are developing across Wales and we have minimum standards for advocacy. An important point about advocacy is that there are already duties to provide advocacy services, for example, to looked-after children with special educational needs. We believe that there will be an overlap. Also, open access advocacy provision is developing. We hope that that will be the route to support the children rather than having to go down the legal help avenue.

[64] **Angela Burns:** Thank you for that answer, Minister. I will now bring in Mike German.

[65] **Michael German:** I refer to paragraphs 24 to 26 of your paper on the financial implications, Minister. I do not want to repeat the point that Alun Davies made earlier because, clearly, we all understand that the pilots will develop the service more fully as we understand it better. Would you agree that, in relation to advocacy services, there will be an element of fixed costs for the provision of the baseline service and then there will be an element of demand-level costs, which will depend upon the pressures put upon that service?

[66] **Jane Hutt:** On the information given in my written paper, we need to assess the additionality of these new appeal rights. I have already mentioned the fact that there are existing duties, therefore I will not repeat that. The additionality, the overlap, and the fact that we also have a national advocacy framework rolling out where more authorities are now coming in with open access advocacy provision in a very innovative way, is quite apart from our new appellant rights that would come through for children as a result of this proposed Measure. We will have to establish the likely additional costs, and extrapolate possible appeal numbers and uptake of advocacy services from the pilot and evaluation phase. Therefore, it will be fixed but the evaluation pilot will show us whether there will be additionality for advocacy.

[67] **Michael German:** I will therefore look at that fixed cost element because that is the one thing that you know is certain to happen, regardless of the numbers. What assessment have you made of the financial costs of that fixed assessment at this stage; what are the figures at present; and what commitment are you making to local government at present for those additional costs?

[68] **Jane Hutt:** This goes back to earlier answers that I gave on the non-action research costs. We have allocated that funding in relation to the pilots. There was a question earlier about the costs and we talked about the 130,000 non-research costs in the pilot, so we are already estimating, for pilot purposes, what those costs could be.

10.20 a.m.

[69] We also have to recognise—and I am sure that this will emerge from the two pilots—that authorities have had different arrangements for advocacy, with some of them having long-standing contracts with organisations, and others entering into spot-purchase arrangements. It would be useful to look at the cost-effectiveness of those arrangements, but the pilot and the evaluation will give us clarity about cost—working with local government, which will be delivering the pilots with us, with our funding.

[70] **Michael German:** From what I read, Minister, you are not expecting a universal type of service, but there are universal standards that are delivered by local government through certain methodologies. Would that be fair?

[71] **Jane Hutt:** At this point, we are looking at pilots. We said earlier that we think that we can fund the pilots on an equal basis, even though one might have a history of many more appeals than another. There will be some fixed costs in promoting the new appeal rights for

children—promotion training and service opportunity. There are existing duties on advocacy for looked-after children with special educational needs, and we hope that we will be able to establish, through this pilot and the roll-out, a national framework for delivering that support.

[72] **Michael German:** To be absolutely clear, I was talking about the fixed cost of advocacy services and not any demand-led costs as a result of the pilot scheme. You have just informed me that you are looking to provide a more standardised service; what assessment of the fixed cost of that standardised service have you made?

[73] **Mr Maguire:** We have spoken to advocacy providers to assess their current capacity to deliver. Some of them have recently been in receipt of European structural funds, for instance, at quite significant levels, in order to drive this work forward. However, it will be up to local authorities to determine with whom they make contractual arrangements. The fixed costs are already there; people are providing advocacy for children, as well as for parents and older people. The existing costs are already consumed, or are present within the system.

[74] **Michael German:** To be absolutely clear on the fixed cost of advocacy service providers, are you saying that you are not expecting to provide local government with any additional resource?

[75] **Mr Maguire:** We will have to look at the outcome of the pilots to see what ramifications there are for fixed costs.

[76] **Michael German:** I want to go back to the last sentence of your previous answer. You said that you perceive that these costs are already within the system.

[77] **Mr Maguire:** We perceive them to be.

[78] **Jane Hutt:** There are already duties in relation to looked-after children with special education needs, as well as a national framework for the delivery of advocacy services, because it is very much within our framework for extending the entitlement of children and young people in line with the United Nations Convention on the Rights of the Child. The expectation and the changing practice has resulted in national provision of advocacy across Wales, but there are variations in the way that it is contracted and delivered by local authorities. I hope that these pilots will be a useful contribution to the monitoring of how advocacy is being delivered.

[79] **Angela Burns:** Does anyone else have a question for the Minister? I see that they do not. Thank you, Minister—I appreciate the time that you and your officials have given us today. I will now draw this evidence session to a close. This is almost unheard of, but we have managed to finish an evidence session early. Well done to the Minister for her concise answers. I therefore suggest that we have a five-minute coffee break, and then reconvene at 10.30 a.m. to listen to the Deputy Minister for Regeneration.

*Gohiriwyd y cyfarfod rhwng 10.24 a.m. a 10.30 a.m.  
The meeting adjourned between 10.24 a.m. and 10.30 a.m.*

### **Ymchwiliad i Ariannu Seilwaith Ffyrdd: y Dirprwy Weinidog dros Adfywio Inquiry into Funding Road Infrastructure: the Deputy Minister for Regeneration**

[80] **Angela Burns:** The Finance Committee's second evidence session today is further to our inquiry into funding road infrastructure. We are looking at two key areas in particular: how decisions on financial changes to the strategic road programme are co-ordinated with

other programmes, and how the financial impact on local government and other key partners is assessed. To that end, I welcome the Deputy Minister for Regeneration, Leighton Andrews, and his officials to committee. Deputy Minister, would you like to make an opening statement and put on record who your officials are?

[81] **Leighton Andrews:** I introduce James Price, who is the director of transport and regeneration, Patrick Lewis, who is the director of strategic regeneration and Heads of the Valleys, and Martin Stevenson from the transport side.

[82] Members will recall that I made an oral statement outlining our strategic approach to regeneration last October, which was based on analysis underpinned by the spatial plan. I explained then that one of the factors that we take into account when we identify a strategic regeneration area is links to sustainable transport spend. That will vary in importance from area to area, and other factors such as housing development, economic inactivity, economic opportunity, private sector leverage and sustainability are among factors that also matter.

[83] We think that transport investment benefits economic development and regeneration in two stages: during the initial construction spend, where community benefits may be obtained through the procurement process, and following the investment, where opportunities may have been opened up for the mobility of labour, goods and services. Working with Value Wales, we are seeking to develop best practice in creating community benefits through construction investment, for example, through the Welsh housing quality standard, through local road schemes and through nationally delivered trunk road schemes. Examples of local road schemes where community benefits have been applied include the Porth and Rhondda Fach relief road, the Church Village bypass and the Port Talbot peripheral distributor road. In terms of national schemes, if you like—trunk road schemes—Value Wales is currently working with the department to embed community benefits into phase 2 of the Heads of the Valleys dualling project. While road developments may offer major opportunities for regeneration, regeneration programmes are not necessarily dependent on road development for their delivery—indeed, I would be wary of a transport-centric view of regeneration emerging.

[84] As you will be aware, we brought together our transport and strategic regeneration teams last year to ensure earlier co-ordinated planning, and that will, I think, pay dividends in the future.

[85] **Angela Burns:** Thank you for your opening statement. Your last comment brings me very neatly to my first question. We are aware that you have brought together the transport and strategic regeneration units. I think that you said that you have done that very recently. Are you therefore able, despite the newness of this approach, to explain how or why you think that this holistic approach would work? Have you seen any benefits from it, or is it still too early?

[86] **Leighton Andrews:** We take a holistic approach to regeneration, which means that we are looking at the regeneration of local areas in relation to a number of different policy agendas in the Assembly Government, driven by the spatial plan. Transport, as I said in my opening statement, is one of those. I would not want the locational issue of where regeneration sits within a particular department to be the only driver of how we approach the issue. However, having brought the teams together, it is clear that there are benefits in recognising that major transport developments have regeneration implications, and enabling the teams to come together and work together is beneficial. There has already been one departmental meeting in which officials across the different areas have met together and have been able to understand better how the issues facing different teams relate one to another. Mr Price may want to say something about recent meetings with transport planners by way of illustration.

[87] **Mr Price:** Picking up on what the Deputy Minister said, the main area of benefit is in relation to better planning. We have transport planners who represent all four regions of Wales and work out of those four regions. We are embedding those transport planners within the planning teams and management teams of the strategic regeneration areas, and we are beginning to see some real examples of work coming out of that. It is perhaps too early to point to new things, but in terms of things that are happening better, Swansea Quadrant bus station would be an example, as would be the bendy bus there. In north Wales, there is the recent work in relation to traffic officers and improved response times on the A55, which ties in with the schemes there. It is early in terms of the approach, but we will build on it and, as we go forward, you will see more examples.

[88] **Angela Burns:** I would just like to drill down on that. You cited Swansea bus station as one example. Could you name a benefit or a couple of benefits that would not have happened had you not done this?

[89] **Mr Price:** That is always a difficult question to answer, because it should happen, regardless of whether we had done this or not: everyone in Government should work closely together. In reality, having the transport planner, Jason Thomas, very closely aligned with the individual leading on regeneration, Richard Harris, has led to solving a number of problems with Network Rail, and so on, far more quickly than would otherwise have been the case.

[90] **Joyce Watson:** Good morning, Deputy Minister, and thank you for your paper. My question is really on the same theme. In the paper, you say in relation to the integration of the two departments and their working together that there will be new arrangements for partnership working, and that—you have already said it here this morning—the regional transport plan will be the driver. Could you explain further what sort of arrangements you would envisage? How do you think they would operate in practice?

[91] **Leighton Andrews:** I will just stress one thing at this point: we are talking about how we organise regeneration within the Department for the Economy and Transport, but the regeneration teams work with officials from all Government departments. For example, one of the most important drivers for us with regard to regeneration at the current time is the implementation of the Welsh housing quality standard, and so we are working alongside officials in the Department for Environment, Sustainability and Housing. There has been a lot of work in relation to that, some of which has been funded, for example, by the Heads of the Valleys programme. So, I would not want there to be a sense that regeneration, just because officials are located in the transport department, is only driven by transport. It is very important that the regeneration teams work on a cross-disciplinary basis across the whole of Government.

[92] Our starting point for regeneration is the Wales spatial plan, which is the way in which the Assembly Government looks at potential developments, opportunities and problems across the whole of Wales and in particular regions. It is on the basis of that that we have developed our current strategic regeneration areas, recognising the challenges that we face in the particular regions. The regional transport plans, which are being evolved by the transport consortia in the regions, also draw on the Wales spatial plan, and they will be examining how investments in transport infrastructure—not only roads but, very importantly, rail—will impact on the economy of those areas. That is an important element to us in our planning.

[93] **Nick Ramsay:** In your paper you state that you are moving towards a methodology in which transport and regeneration come together at the earliest stages of planning. During his appearance before this committee, the Deputy First Minister's officials stated that transport planners are now a key part of regeneration teams. On the whole relationship between your

brief and transport, do you believe that that means that you should participate in making decisions on the prioritisation of trunk roads and where they should be? I am trying to tease out the exact extent of what you think your involvement should be in prioritisation.

10.40 a.m.

[94] **Leighton Andrews:** Since the Deputy First Minister and I came to post in July 2007, we have had a very close working relationship. I see the transport papers that are circulated within the department, and I have the opportunity to comment on those and to raise them in my discussions with the Deputy First Minister. One road scheme that has a bearing on our strategic regeneration areas, and which I know has been of importance to you as a committee, is the Heads of the Valleys road. I had conversations with the Deputy First Minister on that issue as he was moving towards the development of his plans for the trunk road programme. While I would not say that the Heads of the Valleys programme is dependent on the Heads of the Valleys road, the dualling of the Heads of the Valleys road is an opportunity for regeneration within that area, and we want to see that progressing.

[95] **Angela Burns:** Ann, do you want to come in on that particular point?

[96] **Ann Jones:** Yes, please. I was not sure whether I could. Sorry, Nick.

[97] How does what you have just said, as well as the fact that the Deputy First Minister's officials have stated that the transport plans are now key parts of regeneration, fit in with the evidence that we received from officials at Flintshire County Council in the last session, namely that the A55 gateway to Wales, Aston hill, is still not in any way, shape or form in any programme, apart from improvement? That is a gateway and will serve the regeneration of the north Wales coast. Is that a financial decision about the trunk road programme, or is it a fact that it will not feature in your regeneration programmes either?

[98] **Leighton Andrews:** In some of our strategic regeneration areas, road, rail or other transport needs have a greater impact than they do in others. In drawing up the work on the north Wales coastal regeneration area, for example, which covers parts of your constituency and Clwyd West, we have looked at transport as an issue, but I do not think that it has been quite as much at the forefront as it has been in the Heads of the Valleys area, say.

[99] **Nick Ramsay:** The reason for this line of questioning is that this committee is particularly interested in the relationship between your department and that of the Deputy First Minister. In your paper, Deputy Minister, you have said that a holistic approach is taken and that regeneration is a key part of trunk road planning. However, when the Deputy First Minister attended this committee, he said quite specifically that the models that he is using do not look at the benefits to the region or to the economy as a whole in Wales. On the face of it, what you say in your paper is all well and good, but we want to know whether it is happening. It seems that the Deputy First Minister does not quite share your approach regarding the point at which the regeneration model is coming into play.

[100] **Leighton Andrews:** We have to be clear about what the Deputy First Minister said. He was referring, if you recall correctly, to the cost-benefit analysis that is carried out on each trunk road development. Necessarily, if you are looking at a cost-benefit analysis, you will be looking at the specifics of that scheme. However, to go back to what I said at the outset, our developments in regeneration and transport are shaped within the framework of the Wales spatial plan first, which looks at the wider issues of economic impact, and the regional transport plans secondly, and they will produce the commentary and analysis that look at questions of economic development.

[101] **Angela Burns:** I want to press you on this point, to clarify it. What is the key driver



when you are making a decision: regeneration or roads?

[102] **Leighton Andrews:** When I am making a decision about what?

[103] **Angela Burns:** About where to invest and how to invest in an area.

[104] **Leighton Andrews:** Sorry, but are you talking now about transport investment or about regeneration investment?

[105] **Angela Burns:** If transport is an essential part—and not the main part or the only part, but an essential part—of a whole regeneration package, and if, using a cost-benefit analysis, it were deemed that certain roads were not appropriate at the time or were in a different part of the phasing, would you still press ahead with your regeneration package? We are trying to understand how vital it is to the programme.

[106] **Leighton Andrews:** Let me give you the example of the Heads of the Valleys programme, as it is a good example. When the analysis and the strategy for that programme were being developed, a number of options were considered for the key drivers of regeneration in the Heads of the Valleys. Three options were drawn up at the time. I will summarise them crudely but, by all means, ask me further questions on them. The option that was adopted was option A, which, broadly speaking, was the idea that you needed to create balanced communities throughout the Heads of the Valleys area.

[107] There were two other options, one of which firmly positioned the Heads of the Valleys road as the economic driver and would have required significant investment in the development of sites and premises along the Heads of the Valleys road as the key vehicle for economic regeneration. The third option considered was, essentially, that the Heads of the Valleys should be more dependent on the city region—the cities of Cardiff and Newport, I suppose—as the drivers of regeneration. We took the first option because we wanted to create balanced communities in the Heads of the Valleys. The essence of that is that the Heads of the Valleys road is an opportunity within the Heads of the Valleys programme, but it is not the driver of regeneration in that area.

[108] **Angela Burns:** That brings us neatly to Huw's questions.

[109] **Huw Lewis:** Yes. Thank you, Chair. Good morning, Leighton, by the way. This committee is having trouble getting to grips with the underlying logic of the reprioritisation of the trunk road programme particularly—both the financial reasons for it and the crucial link with regeneration. As far as we can ascertain, we have essentially gone through an upending of the trunk road prioritisation from east-west to north-south. We are shifting around nigh on £0.25 billion in infrastructural capital spend, which is not to be sniffed at. Are you satisfied that this trunk road reprioritisation fits with the regeneration priorities of the Welsh Assembly Government?

[110] **Leighton Andrews:** Yes.

[111] **Huw Lewis:** How so?

[112] **Leighton Andrews:** I do not think that anything undertaken in the reprioritisation of the trunk road programme negatively affects our regeneration priorities or our strategic regeneration areas. The planning for the Heads of the Valleys has always assumed the completion of the dualling by 2020, and there is nothing in the reprioritisation that undermines that.

[113] **Huw Lewis:** Allow me to put this to you. The top 10 high-ranking programmes ready

to start by 2011 are, essentially, all that we can be sure of given the Assembly elections in 2011. Anything beyond that is wishful thinking, in a sense, until a new Assembly Government is formed and either adopts these priorities or does not. I cannot see how any of the top 10 priorities, which start with the Four Crosses on the A483 and end with the A40 improvements at the Kell in Pembrokeshire—and my geography may be amiss here—bump up against a Communities First community, for example. Anyway—

[114] **Leighton Andrews:** Yes, but going back to what I said at the outset, I do not regard the transport-centric view of regeneration as being particularly helpful. The development of regeneration areas involves a number of elements, and there are many road schemes in a number of the strategic regeneration areas. So, for example, other local road schemes are developing regeneration benefits and they are adjacent to Communities First areas. The Porth and Rhondda Fach relief road connected a number of Communities First areas. There are other local road schemes that we have assisted through investment, including the Heads of the Valleys programme, which are having a major impact on regeneration. I cite the greater Bargoed regeneration scheme as another example, given that it has received assistance from the Heads of the Valleys programme as well as transport investment. So, if you narrow the discussion to trunk roads without considering other local road or rail investments that are important to regeneration, you can draw certain conclusions. However, there is a balanced transport programme and the trunk road programme is a part of that, but the benefits often come through from other schemes, such as local road schemes. We can point to very significant community benefits derived from a number of those schemes.

10.50 p.m.

[115] **Angela Burns:** I do not want to break your train of thought, Huw, but I know that Mike is desperate to come in. Do you want to carry on with that little bit or can Mike just do a quick intervention?

[116] **Huw Lewis:** Mike may come in.

[117] **Michael German:** I want to try to understand the logic, which is crucial to the whole argument that you are making, Deputy Minister. You talk about balanced communities, which, in my view, will require balanced economic opportunities. We have a Heads of the Valleys road that is partially dualled and, as you say, needs to be fully dualled, but the reason always given for dualling the bits that have been dualled was that that was for the sake of the economic regeneration of the area. No dates are given for dualling the new bits of the Heads of the Valleys road programme. There is no date attached to any part of the programme. Experience tells me—and, please, tell me if I am wrong—that a trunk road dualling programme of that sort would have a lead-in time of at least seven to eight years and, essentially, would mean that the Welsh Assembly Government would have to make a huge investment in 2013 for the dualling to be completed by the target date of 2020. Could you explain to me the relationship between the rationale for dualling sections of the road and the current situation, in which dualling is not seen as a priority? In other words, what is the rationale for spending a huge amount of money on dualling what has already been done across the Heads of the Valleys but not doing the rest of it now?

[118] **Leighton Andrews:** I want to answer in respect of the priorities for the Heads of the Valleys programme. As I said at the outset, the dualling of the Heads of the Valleys road is seen as an economic opportunity. However, it is not the only aspect of the regeneration of the Heads of the Valleys, and the Heads of the Valleys programme is not dependent on it. If you look at the documents that were produced, 'Heads We Win' and 'Turning Heads', and the consultation that took place, you will see the options that were set out for taking forward the regeneration of the Heads of the Valleys. As I explained earlier, the approach that we are taking is one of looking at balanced communities and making a balanced series of

investments throughout the region. That is not dependent on the dualling. However, we have recognised that the dualling of the Heads of the Valleys road is an opportunity, and the time frame within which we have been working has been the time frame whereby it would be completed by 2020.

[119] **Angela Burns:** Ann, do you want to come in on this quickly before we go back to Huw?

[120] **Ann Jones:** I want to expand on what you were saying about other road improvements, rail improvements and other issues that link in to the regeneration of an area. Let me go back to the A55 at Aston hill. If you regenerate an area and you use rail, road and other improvements, it still comes back to the trunk road prioritisation. If the A55 at Aston hill is not included in the work programme as it was previously, all your road and rail improvements will not achieve the maximum financial effect that would have been possible. When you approach the A55 at Aston hill from the Connah's Quay end, your vehicle just sits on it, because it is a poor road in desperate need of some tender loving care. Given that our finances are tight and will be even tighter, how are we making sure that what you are doing in regeneration will have the maximum effect possible on people by providing the maximum benefit for them and for the public purse?

[121] **Leighton Andrews:** I go back to what I said at the outset. With our regeneration spend, we have tried to look very carefully across the whole of Wales at how it was being applied. We are talking about specific budgets: a capital budget of around £53 million and a revenue budget of around £12 million. In the statement that I made last year, I made it clear that we would apply that money to the areas where we thought that it would have the most impact: the areas of greatest need. We were not going to continue with the approach taken in the past by the former Welsh Development Agency and others of spreading the money too thinly. That is the approach that we have taken to the regeneration spend.

[122] Where we can, we also want to leverage the investment that is being made in particular areas by other parts of the Assembly Government or the UK Government. As you will be aware from the Rhyl situation, we are very interested in working with the Department for Work and Pensions and we do so in a number of areas in Wales.

[123] A lot of forward planning goes into this as we work with colleagues. That might be, for example, with the Department for Children, Education, Lifelong Learning and Skills, in looking at a number of developments to maximise opportunities for investment through education, and bringing about additional community benefits on top. It could be about the development of hospital schemes, too, and ensuring local labour is used in those schemes. We are trying to get that spend to work better by way of a range of schemes.

[124] In addition, there is the £40 million or so spent on Communities First. Had you looked, as I did several times in my first few months in this job, at a map of Communities First spending and a map of the Department for the Economy and Transport's regeneration spending, you would have seen quite a few overlaps around Wales, but very little dialogue on the ground or between departments about the relationship of that spend. That is one of the things that we have, therefore, been trying to address, to ensure that the spend is properly aligned, that people are talking between departments, and that the money is being used to maximum effect. Where we can bring people together, we do.

[125] In the case of transport, you have a focus on the trunk road programme. There are several aspects of transport investment that are relevant. There are the rail investments—the Ebbw Vale line is a good example of the extra, key investments that have gone to the Valleys' rail services recently. Then there is a number of local road schemes, some of which, in terms of spend, are significant indeed. In the case of the Porth and Rhondda Fach relief road, we are

talking of sums of over £90 million. These are big parts of the scheme, and they are big contributors to regeneration.

[126] **Mr Price:** It is worth picking up on what the Deputy Minister said and pointing out the difference between the trunk road network and a local road network. In the majority of cases, albeit not in all, the trunk road network is about getting people across Wales and to destinations within Wales, while the local road network is about moving people around once they are there. It could be that a trunk road improvement will have an impact on a strategic regeneration area despite being a long way away from it.

[127] **Ann Jones:** That is the point that I was making. I understand all your local road programmes, but given that the trunk road programme was reprioritised in 2008 with, we understand, no Cabinet decision being made, how much of an effect will that reprioritisation have on regeneration and other issues? Are we getting the best value out of what is going on? We have heard from the Deputy First Minister himself that they do not look at anything else—they deal with the trunk road programme purely according to cost-benefit analysis. You could be doing all your regeneration, but if the trunk road reprioritisation has gone ahead and the focus has changed significantly, from east-west to north-south, do we get the right amount of financial gain for communities if they are unable to link into the trunk road network?

[128] **Leighton Andrews:** May I just go back to something that you said there? There is a context for the investment in trunk roads, and it is the spatial plan and the regional transport plans. There is a context in which those wider economic and social issues are taken into account. Of course, when you come to look at the cost of a specific scheme and how it goes forward in a particular programme, you will do a very specific and detailed cost-benefit analysis on the construction and other elements of that programme to ensure that it is fit for purpose and that it can be delivered within the financial envelope that you have available and within a given time. I do not find it surprising that you have a narrow analysis on the specific road scheme. It is important, however, that you have a wider buy-in through the approval of the spatial plan and the discussions with local authorities and other partners in the different spatial plan areas on the priorities that determine the needs of a particular area.

[129] **Angela Burns:** Huw, we return to you.

11.00 a.m.

[130] **Huw Lewis:** Thank you, Chair. I hope that the Deputy Minister will forgive me, but I do not accept that the focus on the trunk road programme is narrow. The committee is exercised by this matter because, when you look at the strategic fit between transport spend and regeneration, you see that there is a clear anomaly when it comes to the trunk road programme, post reprioritisation. It starts off as fish and ends up as fowl. We are yet to discover what the social and economic policy reasons for it are. Why did this occur in the first place? Either the trunk road programme is part of our regenerative effort or it is not. We are being told that lots of other things are part of the regenerative effort, but, for instance, the dualling of the A465 is now suddenly not. So, where are we? What is the strategic fit between the trunk road programme and the rest of our regenerative policy?

[131] **Leighton Andrews:** As I said in my opening statement, the transport developments that we undertake will be relevant to regeneration, but, in some strategic regeneration areas, transport needs will be less than in other areas. If you take the A465, as I have said, it is an important opportunity for regeneration, but the regeneration of the Heads of the Valleys is not dependent upon it. If you look back at the strategy, as it developed, you will see that it is clear that strategic choices were taken, which resulted in the Assembly Government adopting the approach of balanced communities in 2005-06. Therefore, while the Heads of the Valleys road, the A465, is an important opportunity, the regeneration of the Heads of the Valleys area

is not dependent upon it.

[132] **Angela Burns:** I see that Alun and Mike want to come in.

[133] **Alun Davies:** I understand the context to those answers, Deputy Minister. You say in your paper that the dualling has had a positive impact and that businesses have been attracted to the area because of it. The slippage that has occurred over the last period must, therefore, have had some impact on your plans for regeneration. I would imagine that your regeneration plans are stepped and timetabled, and were stepped and timetabled from the beginning. Since the balanced approach implies different elements working with each other, if one element is out of sync or slips behind, it has a consequential impact on everything else that you were doing at the same time. I am not saying that the road is the be all and end all, but surely that amount of investment must have been a part of your plans and must have been timetabled, and other elements of your plans must have been timetabled to be dependent upon it.

[134] **Leighton Andrews:** I became the Deputy Minister for Regeneration in July 2007, about two months before the phrase ‘credit crunch’ was widely heard and understood. The biggest challenges that we have faced in regeneration over the last two years have been the impact of the credit crunch on the private residential housing market and on retail and other commercial property developments. It is no great secret that we have seen issues with Friars Walk in Newport in the last 24 hours and, in the last few months, we have also seen issues in relation to commercial property developments in Pontypridd. In the overall context of the factors that affect us in regeneration, the changes that have taken place in the property sector have probably been the biggest challenge that we have had to deal with in the last couple of years.

[135] On transport, at the end of the day, there is public investment from the Assembly Government, some of which is on transport and some of which is on other areas. We have a significant amount of public investment coming into, for example, the Heads of the Valleys area in a number of ways. We have health service investment and other investments—for example, at Ebbw Vale, we have planned educational investments. They all produce significant regeneration benefits. If you are not spending money on certain transport developments, money is likely to be spent elsewhere in the Assembly Government programme. That money is there and it is being spent. One of the great tributes to the regeneration team in the Assembly Government is its skill at ensuring that it maximises the use of public investment from whatever source. That has seen real opportunities for local areas.

[136] **Alun Davies:** My question was on the timetable and the impact of the slippage.

[137] **Mr Price:** If I may come in with the specifics on that, the A465 is in the same position in the current forward trunk road programme as it was in the last forward trunk road programme. I appreciate that all of the dates have gone back in the sense that what was phase 1 had an earlier date than phase 1 now has, and what was phase 2 and so on. The A465 is as it was, or has gone up in rank status. At official level, I have been the one who has been getting it in the neck from the Deputy First Minister, since I was appointed to this post, saying ‘How can we accelerate the A465, because I want to deliver it in line with the 2020 vision?’. There are a number of challenges as part of that. The changes and rules around the private finance initiative, although they may change again, will be one of those challenges, and construction cost inflation will be another challenge. I can genuinely say, at official level, that the A465 is at the top of everyone’s minds in terms of wanting it to be delivered and it has not slipped any more than any other scheme has slipped. In a previous Finance Committee meeting, we discussed the previous programme being more of a planning and programming document and the current document actually having been tested for deliverability.

[138] **Alun Davies:** Therefore—

[139] **Angela Burns:** I will have to call on Mike, before he explodes.

[140] **Alun Davies:** With due respect, could I complete my question?

[141] **Angela Burns:** Yes; okay.

[142] **Alun Davies:** The question was on the impact of the slippage. It is an interesting proposal that Mr Price has introduced to us this morning: that there has been no slippage and that the Deputy First Minister has been so actively promoting the A465. That is certainly not the impression that he gave to this committee. However, we will leave that for a moment.

[143] Your contention is that the slippage, which has taken place, has not had an impact on the timetabled regeneration programme in the Heads of the Valleys, and that, in fact, there is no item timetabled in the Heads of the Valleys area that is dependent on the road.

[144] **Leighton Andrews:** The committee can, if it wants, look at the spending plans for the Heads of the Valleys programme. I would be very happy to share them with you. We started with a budget for the Heads of the Valleys programme of around £10 million per annum over a 14-year period. We have probably exceeded that expenditure in a number of years, and that is done on the basis of agreements with local authorities as to some of the priorities that they have for regeneration areas. We have focused on a number of different issues year by year. We have focused on the environment, town centres and tourism. Now, we are looking at specific holistic regeneration plans for particular areas within the local authorities. In terms of our planning for that programme, as I said, we want to maximise the investment that is made by the Assembly Government across the range of its departments, not only in transport, but the trunk road expenditure is simply one element of that. We have to deliver a regeneration programme that works regardless of the investment on a road scheme, for example. Just as in the Môn a Menai action plan, we have to deliver a regeneration programme that works. Regardless of decisions that are outside, for example, the Assembly Government's power to make, such as whether or not Wylfa will be renewed, you must have, within the powers, opportunities and budgets that are available to the Assembly Government, regeneration programmes that are coherent and are able to deliver. Sometimes, that may mean that you are incredibly opportunistic. Therefore, if the Department for Work and Pensions comes along with a slab of money, you may want to see how you can make that work within a particular area and build on that with your own resources, as we have done in a number of areas, for example.

[145] **Angela Burns:** I now call on Mike, and then I will come back to Huw.

[146] **Michael German:** I just wanted to pick up the point that Mr Price made. You say that there has been slippage; there is a difference between slippage that says that you will start the process on x date and we will start the process on y date, but when the Heads of the Valleys road dualling was planned, it was never planned that we would only dual part of it. That is absolute nonsense. The whole process was about regenerating that area. Am I right in saying that the slippage has moved from a start date for certain sections for the whole process, to where there is no start date at present?

11.10 a.m.

[147] There has been a slippage from having a start date to not having a start date. When did that policy change? Unless you have changed the Welsh Assembly Government website in the last 48 hours, it still gives a start date.

[148] **Mr Price:** That is a good question, and the answer is that we have changed our policy in the sense that we are not giving specific start dates for any long-term projects. That is because it is difficult to accurately state when you will start such a project, and so typically you will fail to meet such start dates. Instead, we are giving specific end dates, and that is what is important for people: when will the road become available?

[149] **Michael German:** The top 10 programme has a start date.

[150] **Mr Price:** Do you mean in phase 1?

[151] **Michael German:** No. The trunk road programme has a start date. We were given a document for a Plenary debate when you announced start dates for the top 10 programme. Those dates are listed in plans and elsewhere. However, the Heads of the Valleys project has no start date, and I want to know when that policy changed.

[152] **Mr Price:** Around the time that the forward trunk road programme was announced—because we do not want to give dates too far in the future that are difficult to meet. That is the case for all roads, not just the A465. The A465 has not been singled out—that is the point here.

[153] **Michael German:** But it has moved from having a start date to not having a start date.

[154] **Leighton Andrews:** Can I make a point? I want to see the Heads of the Valleys road dualled. That is not an issue for me, and I do not think that it is an issue for the Deputy First Minister either. In every conversation that I have had with him about that road, since we took up our posts in the summer of 2007, it has been an objective to deliver the dualling within the time frame of 2020. The issues that have affected us have included construction price inflation, which has been discussed in previous meetings of this committee, and which has been significant, as well as changes in PFI rules. When you have those kinds of changes, inevitably you have to reappraise how you will deliver your programme within an affordable framework.

[155] **Angela Burns:** I do not doubt your desire to dual this road. My head, to be honest, is still reeling from Mr Price's comment. If we were to transpose this to a business environment for a moment, if you had a lump of money sitting around and you told someone that you wanted them to spend it, the CEO of that organisation would want to know when and how they intended to spend it, and what benefits they intended to achieve for that spend. For you to make a statement that there is no start date for many of these programmes is confusing, because if I were the Minister for finance, I would be wondering when these billions of pounds were going to be employed. If they are not going to be employed for a long time, he may wish to do other things with them, and so on. So, I find that an extraordinary financial observation.

[156] **Leighton Andrews:** Perhaps I can come in on this. Like many members of this committee, I spent a significant part of my working life in the private sector before becoming a Member. I have known many companies that have had to revise their spending commitments and plans, and that is certainly true of companies in the infrastructure and construction business. It is commonplace for people to talk about commitments from the construction industry, even with a domestic building, where timescales are given but then become extended. So, this is not something that is unique to the public sector. There is no question that the finance Minister is rigorous in taking up spending plans with all Ministers. I will give you an example in relation to the Heads of the Valleys programme—we put in a successful bid for strategic capital investment funding for our work on developing the Heads of the Valleys area as a low-carbon region, and the finance Minister held us closely to the

terms of that funding, ensuring that we spent what we promised before the end of the last financial year.

[157] **Alun Davies:** I agree with your analysis, Deputy Minister, but as Mike German pointed out, spending on significant infrastructure projects such as the Heads of the Valleys road extends over a number of years, and we would anticipate that, if the 2020 deadline is to be met, the preparatory work will start pretty soon, and certainly in the next part of the comprehensive spending review. There must be, somewhere, a budget with timetables attached to it, and that is why we find Mr Price's remarks quite bewildering. However, with regard to where you are, Deputy Minister, you have said that you have had conversations about the road with the Deputy First Minister. Were you consulted about the reprioritisation decision?

[158] **Leighton Andrews:** I would have seen papers at the time. Ever since I came into the post in 2007, I have made it clear to the Deputy First Minister—and I do not think that there is any dispute between us on this—that the dualling of the road is important, and we have discussed that. The issue, as Huw was going through the process of looking at all the inherited trunk road programme commitments, was that budgets were tight, costs had risen, and there had been changes to some of the rules, such as with regard to PFI. So, in order to get a programme that was deliverable, it was important to make a proper analysis of the risks and opportunities.

[159] **Alun Davies:** We are trying to understand the decision-making process in the department and what influences those ministerial decisions. During his appearance at committee, the Deputy First Minister said that there is no Cabinet decision on the reprioritisation, so it was therefore a ministerial decision taken, we presume, by the Deputy First Minister. Did the Deputy First Minister make that decision himself? Were you a part of that decision? Were you consulted on that decision? Was the regeneration programme part of the decision or not? We need to know how that decision was reached.

[160] **Leighton Andrews:** I am not the Minister for transport, so I would not expect to take decisions on transport budgets. However, I would have had an input in meetings and discussions with the Deputy First Minister on the parts of the road programme that I saw as particularly important.

[161] **Alun Davies:** For the record then, let me just confirm that you were consulted and you contributed to the decision on the reprioritisation.

[162] **Leighton Andrew:** It is inevitable that I would be consulted, because I am copied in on transport documents and I have regular meetings with the Deputy First Minister at which I have the opportunity to put across what I think on areas that abut my portfolio, so to speak. So, in that sense, the answer is 'yes'.

[163] **Alun Davies:** We can therefore assume that the strategic regeneration programme, for which you are responsible, was a consideration in the decisions taken by the Deputy First Minister.

[164] **Leighton Andrews:** The Deputy First Minister is aware of the priorities in the regeneration programme. You are now asking me to speculate on the final decision made by the Deputy First Minister. I had an input to the process and the Deputy First Minister is aware of the priorities in the regeneration programme; I do not see that there is more that I can add to that.

[165] **Angela Burns:** Thank you. We will write to the Deputy First Minister and ask him that very question. I wish to bring Joyce in quickly, before I go back to Huw.



[166] **Joyce Watson:** I have seen some excellent papers produced by you on Communities First and regeneration, which are obviously part of a holistic approach to reducing poverty and giving an opportunity to people in Wales; they are very commendable and forward-looking. We are all probably quite aware of those. We have a very time-specific opportunity in Wales to create some wealth for the poorest areas in Wales, and you are leading the way in trying to do that. As a Finance Committee we want to get maximum bang for the buck, to quote the Minister for Finance and Public Service Delivery. Therefore, is there a risk that the reprioritisation of the trunk road programme will impinge on your very ambitious forward-looking programme to create wealth or negate poverty? Is this somehow affecting your excellent programme of delivery?

11.20 a.m.

[167] **Leighton Andrews:** I think that I have already answered to say that I do not feel that the reprioritisation is handicapping the regeneration programme. What is disappointing about the discussion is that there are some very exciting things going on at the moment in the road building programme in respect of community benefits. We have been pioneering clauses of community benefit in contracts that have been let to contractors. So, for example, with the Porth and Rhondda Fach relief road, 46 local unemployed people were recruited to at least level 2 NVQ standard. Eighty per cent of the sub-contractor expenditure was placed with local companies, amounting to £26 million. Similar processes are in place in respect of the Church Village bypass and the Port Talbot peripheral distributor road. These are pioneering projects that we are doing in Wales in respect of regeneration.

[168] With regard to the Heads of the Valleys programme, we have the JobMatch programme, which helps people who are economically inactive back into work. The programme has a target of 10,000 and we have already achieved results with 2,450. The way in which we drive these community benefits, not just to the immediate contractors but also through the supply chain, is getting far more sophisticated, and we look for other opportunities to build business through the supply chain. So, there are some very good and exciting benefits coming out of a series of construction investments, and that is not just in roads; it is in the Welsh housing quality standard and other areas that are being pioneered in Wales. That is a very important part of what we are doing with construction investment overall.

[169] **Angela Burns:** I am conscious of the time. I know that Huw has one more question, and then we wanted to touch briefly on inward investment and social clauses. Ann, you had a question.

[170] **Ann Jones:** I am happy with the point on social clauses.

[171] **Angela Burns:** Oscar and Mike wanted to touch briefly on inward investment. Do you have time to answer questions on that now, Deputy Minister?

[172] **Leighton Andrews:** Yes.

[173] **Huw Lewis:** This will be my last go at this one. I am still struggling to understand this, particularly given Mr Price's comments. We are told by the Deputy First Minister that there has been a reprioritisation in the roads programme and that north-south routes now take priority over east-west routes, as that is the 'One Wales' commitment—he has not been shy; he has told us that that is the case—except when that is not the case, and it is not the case with the A465, which is now, unfortunately, preserved in aspic. We do not know when the work is going to start, but it is still a priority. Then we have a roads budget that is part of our regenerative effort, except when it is not, and it is not when it comes to the A465, because

that is not dependent on the roads budget and the dualling programme. There is exceptionalism here. This stretch of road is becoming the most fascinating corridor in Wales. It is different to everywhere else. My question boils down to this: why? Why have we gone through this roads reprioritisation, which has meant that the priority has moved from east-west links to north-south links? Is there a social reason, an economic reason, a regenerative reason, or am I right in my suspicion that this is ideologically driven?

[174] **Leighton Andrews:** Let us go back to the overall Government policy. There are ‘One Wales’ commitments in respect of transport and ‘One Wales’ commitments that the Deputy First Minister addressed when he came before you last time. There is a commitment to the A465; there is no question about that, and there is no question that we are working to a timetable to try to deliver it by 2020. I do not understand why you find this so surprising. The Heads of the Valleys programme has been the subject of extensive consultation, and there has been a published strategy making it absolutely clear that the approach taken to the regeneration of the Heads of the Valleys is not dependent on the dualling of the Heads of the Valleys road. That has been in the public domain for several years now. If we are making investments in transport, whether they are in trunk roads, local roads or in rail, they will have benefits in terms of economic development and regeneration, and I am not sure that you would pursue those transport developments if they did not. That is different from saying that a programme of regeneration is dependent on the specific transport investment.

[175] **Huw Lewis:** And what is the answer to my question of why we went through the reprioritisation and what the driver for it is was?

[176] **Leighton Andrews:** The drivers were explained to you by the Deputy First Minister. There have been a number of drivers, which include the whole issue of the financing of the programme, which is dependent on things such as construction price inflation, changes to private finance initiative rules—

[177] **Huw Lewis:** That was not my question.

[178] **Leighton Andrews:** I am giving you the answer.

[179] **Huw Lewis:** It is an answer to a different question.

[180] **Leighton Andrews:** I have given you the answer.

[181] **Huw Lewis:** Why have we flipped from east-west priorities to north-south priorities?

[182] **Leighton Andrews:** The A465 remains an important part of the trunk road programme, so I am not sure that that is a ‘flip’ in any sense.

[183] **Huw Lewis:** The Minister disagrees; he has told us that his priority is north-south links.

[184] **Leighton Andrews:** The ‘One Wales’ programme gives specific commitments on transport, which include north-south links, and also commitments to roads that were already in the programme.

[185] **Angela Burns:** We need to draw this part to a conclusion. The Deputy Minister has been as explicit as he can be within his brief. Perhaps those very clear questions that you put, Huw, on why there has been a flip from east-west priorities to north-south priorities, should be put again to the Deputy First Minister for clarification. I think that you enunciated them very well.

[186] **Mohammad Asghar:** It is a very exciting debate here, and I am pleased that you have given the very satisfactory answer that your relation with the Deputy First Minister is pretty good and that you work side by side. My question is on inward investment. At our last meeting we had a video conference with an official from the National Roads Authority of Ireland. He said that Ireland has taken the responsibility for road construction and development out of the political arena; it was depoliticised and given to an agency that would become an implementation body. Those were his remarks. The official from the National Roads Authority informed us at our last meeting that the main reason why it had been formed was to depoliticise road construction and development, and to enable an independent body to prioritise—which everyone here is concerned about at the moment—and implement road infrastructure development. In relation to linking transport to regeneration, do you think that such an arrangement would be beneficial in Wales?

[187] **Leighton Andrews:** I will say very explicitly that I am not in favour of more quangos in Wales. That is my starting point, and it is one of the reasons why I campaigned for devolution in the 1997 referendum. There is a bit of a myth about depoliticisation, if I may say so, in many of these areas. Very often, what you find when you have quangos is that the priorities of the quango become rather more important than the priorities of the public. It is right that decisions on these issues are made by Ministers.

[188] **Michael German:** We have had a very broad discussion on this matter, but, for the record, could you tell me whether in your opinion the current trunk road programme sufficiently takes account of the potential for inward investment and regeneration for Wales?

[189] **Leighton Andrews:** You have to see the trunk road programme in the context of all transport investment, because what is important for inward investors is that we have fast, secure, and safe routes. Some of those, frankly, are going to be road-based, and some are going to be rail-based. As you know, the Welsh Assembly Government has made a very significant investment over the last few years in the rail network in Wales, which is also important. There are also decisions that affect our ability to undertake transport developments that are outside our own powers and responsibilities. For example, priorities set by Network Rail have an impact on inward investment, and we will make representations to Network Rail on some of those kinds of investments. Some of the decisions that we make can clearly assist having a strong transport infrastructure in order to benefit inward investment, but not all of those responsibilities lie with us.

[190] **Michael German:** My question was whether the trunk road programme, which is wholly within the competence of the Welsh Assembly Government, sufficiently takes account of the potential for inward investment and regeneration in Wales.

[191] **Leighton Andrews:** Well, it has certainly been—

[192] **Michael German:** Does it or does it not?

[193] **Leighton Andrews:** The answer would be ‘yes’.

[194] **Angela Burns:** Does anyone else have any other questions that they would like to ask the Deputy Minister?

[195] **Alun Davies:** I have thousands. [*Laughter.*]

11.30 a.m.

[196] **Angela Burns:** I thank you and your officials very much for your time this morning. I appreciate it, especially as we have run on a little bit longer than we had initially advised

you that we would finish. Thank you very much indeed.

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

[198] **Angela Burns:** We are due to go into private session to discuss a report, but, before we do so, I need to draw the committee's attention to the reply that I have received from the Deputy First Minister to a letter I sent to him on 2 May in which I asked him to give us sight of the phase 2 report from the ministerial advisory group. If you recall, the reason why we were keen to see this report is that the Deputy First Minister is currently considering it—he certainly gave us that impression; he also gave us the impression that it had formed part of his policy decisions.

[199] We have received a reply from the Deputy First Minister in which he says that he is sorry that we are disappointed to be unable to see the report at this time. He says that his officials are treating my letter as a request for information under the Freedom of Information Act 2000 and will respond formally in due course. He goes on to explain that, in his view, this was private advice—even though it is actually a ministerial report that has not yet been published.

[200] My concerns about this are that I did not make a request under the Freedom of Information Act 2000, so I am not clear why he has treated it that way. When we wrote, we clearly said that, if he felt that it was a report that he did not wish to be in the public domain just yet, then this committee would be prepared to take it in private to help us to reach a true view on this inquiry. I just wanted to bring this to your attention and ask for your opinions.

[201] **Alun Davies:** I think that that is a bizarre reply from the Deputy First Minister. It is wholly inappropriate to treat our request as a freedom of information request. We have rights under the Government of Wales Act 2006 to demand to see documentation that is being prepared by the Welsh Assembly Government and it is wholly inappropriate for the Welsh Assembly Government, and particularly the Deputy First Minister, to seek to avoid their obligations to enable us to carry out scrutiny and oversight of their work. The response from the Deputy First Minister is wholly inappropriate and inadequate. I would like to see this committee use its powers under the Government of Wales Act 2006 to demand that this report be made available to us, whether in private or in public, to enable us to continue the work of this investigation. This should not be treated as a freedom of information request, because the Assembly has rights under the Government of Wales legislation to see these documents. It is not the role of Government to take that decision; it is the role of Government to provide us with the documentation that we seek and to do so in a timely fashion. The behaviour of the Deputy First Minister in this regard is wholly unacceptable.

[202] **Angela Burns:** Thank you for that view. Joyce?

[203] **Joyce Watson:** When I read this, I was absolutely flabbergasted. Perhaps we need to give a little bit of history on this. We had to write to ask for a report because, frankly, the Deputy First Minister has so far refused all other avenues to get that information, such as appearing before this committee to give it. Now, we find that there is an issue with his trusting members of this committee, colleagues of his in the National Assembly for Wales, to look at it and make judgments for ourselves and keep, if he so wishes, the findings of that report to ourselves. We are at a serious crossroads in trying to govern in this establishment. The consequences of this action could be quite far-reaching. I do not underestimate the seriousness of a Minister telling a committee that he is treating a legitimate request for information as a request under the Freedom of Information Act 2000. I have been in politics, albeit in local government, for 15 years, and I have never come across anything like this. It takes your breath away. Frankly, it shows very poor judgment on behalf of the Minister and is a sad day for democracy in this place.

[204] **Angela Burns:** Does anyone else want to comment?

[205] **Mohammad Asghar:** I respect the views of my colleagues, but instead of making a strong statement, I think that it would be wise for you to meet him personally and tell him your concerns rather than putting them in black and white. You could then hear what he has to say and report back to us within a week or before the next meeting.

[206] **Alun Davies:** We have already done that, and he has refused.

[207] **Mohammad Asghar:** You should have a meeting, and then let us know what he means by this and the reasoning behind it. There must be a general reason why he will not provide this information because he has a team of advisers with him; he is not replying on his own, sitting in the drawing room.

[208] **Alun Davies:** We made this request back in February and we are getting our buckets and spades out now. We have spent months waiting for this information as it is. It is wholly unacceptable for a Minister to say that he is withholding information from an Assembly committee. He is accountable to us; we are not accountable to him. We have had a great deal of correspondence with this Minister, and it is now entirely appropriate for us to write back to him as a committee to tell him that his response is inadequate and not what we anticipated or expected, that we do not accept it and that we will therefore use the powers available to us under the Government of Wales legislation to demand the release of these documents immediately, without further correspondence or attempts to frustrate us on behalf of the office of the Deputy First Minister. We do not need to wait any longer.

[209] **Mohammad Asghar:** We are not talking about a national security issue here.

[210] **Alun Davies:** Exactly. So why is he not releasing these documents?

[211] **Mohammad Asghar:** This is not a MI5 job; this is about a public service. We are talking about his portfolio and nothing else. Personally, I still insist, Chair, that you should meet him personally to relay our concerns before we go further.

[212] **Angela Burns:** I appreciate your conciliatory approach, Oscar, and you are right that one does not always want to inflame these situations. However, you made one comment that concerned me, if we are to examine this further. You believe that the Deputy First Minister is probably being advised by his officials to do this. If his officials are advising him to tell a legitimate scrutiny committee of the National Assembly for Wales to take a hike and not be given information, then his officials are also bang out of line. They are here to serve our purpose, because we are here to serve the people of Wales. So, whether this is down to the Deputy First Minister or his officials, I have real concerns.

[213] I propose to ask for a meeting, but I will not let that request and meeting, if I am granted one, hold up other actions. I will run all of them in tandem. Alun made a good point when he reminded us that this process started in February. One of our objectives is to conclude this inquiry this term because we know that, next term, we will have the budget preparations to deal with and an awful lot of Government legislation to consider. So, we will write to the Deputy First Minister and express our concerns; we will check the legal position so that we understand exactly what the process is and we will then employ that process. I will also ask the Deputy First Minister for a meeting so that I can inform him, one on one, of our concerns.

[214] **Alun Davies:** We should express our deep concern about this and say explicitly that we will subpoena him to appear before the committee if he does not provide us with this

information, and we will do that before the end of this term.

[215] **Angela Burns:** Very well.

[216] **Alun Davies:** There are clear powers available to us on this under the legislation. We can demand his appearance before this committee without any difficulty. If he is going to behave in this way, then he must face being subpoenaed back here.

[217] **Angela Burns:** We will take that action: a meeting, a letter and use of the powers available to us.

11.40 p.m.

### **Cynnig Trefniadol Procedural Motion**

[218] **Angela Burns:** The committee will now move into private session.

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

*the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order No. 10.37(vi.)*

[220] **Angela Burns:** I see that the committee is in agreement.

*Derbyniwyd y cynnig.  
Motion agreed.*

*Daeth rhan gyhoeddus y cyfarfod i ben am 11.40 p.m.  
The public part of the meeting ended at 11.40 p.m.*